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Effect of land grabbing on food security in Nigeria

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This paper investigated the effect of land grabbing by foreign investors on food security in Nigeria. It specifically analyzed the area of agricultural land used by foreign investors and investigated the short run and long run effect of land grabbing on the food security status of the country. Secondary data used in the study covered the period 1980 to 2015. Unit root tests and test for co-integration were performed to confirm stationarity in the data series and the existence of long run relationship among the variables. The area of agricultural land used by foreign investors (AALUFIt) was estimated using proportion model. Food security was measured using the food security index. The parsimonious vector error correction model estimated the short run and long run effect of AALUFIt on food security in Nigeria. The results showed that the AALUFIt within the period was 1196 hectares. The country was food in-secured during the period with an average food security index of 0.818 using a benchmark of 1.0. The result of the Parsimonious Error Correction Model showed that in the long run, log of area of land used by foreign investors ($\ln AALUFIt$) ($p < 0.01$) and log of domestic investments in agriculture ($\ln DIAt$) ($p < 0.01$) were significant and negatively influenced national food security status within the period. The log of agriculture foreign direct investment ($\ln AFDIt$) ($p < 0.01$) and log of government capital expenditure on agriculture ($\ln GCEAt$) ($p < 0.01$) were significant and positively influenced national food security status of the country in the long run. The ECM (-1) (3.090^{***}) indicated no short run relationship. The study recommended the formulation and implementation of proactive policies that would ensure that foreign investments in the country's agricultural land do not jeopardize the access of smallholder farmers to agricultural land for production of food.

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