

Technical Efficiency in Food Crop Production in Oyo State, Nigeria

A. R. Fasasi

*Department of Agricultural Economics and Extension, Federal University of Technology,
Akure, Nigeria
E-mail : olufasasi@yahoo.co.uk*

KEYWORDS Technical. Efficiency. Stochastic Frontier. Inefficiency

ABSTRACT This study used a stochastic frontier production (Maximum Likelihood Estimation, MLE) methodology to estimate the technical efficiency of 100 farmers in Oyo State, Nigeria. Efficiency analysis is an issue of interest given that the overall productivity of an economic system is directly related to the efficiency of production of the components within the system. The empirical results show that the mean level of technical efficiency is 70 percent. The estimated technical efficiencies of the farmers ranged between 18 percent and 93 percent indicating that with the present technology there is still room for a 30 percent increase in food production. Age of farmers, farming experience and level of education were factors that significantly influence the level of technical efficiency. Technical inefficiency of farmers increases with age while it decreases with years of experience and level of education.