

Effects of Land Acquisition for Large Scale Farming on the Performance of Small Scale Farming in Nigeria

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ABSTRACT The study examined the effects of land acquisition for large scale farming on the performance; productivity and technical efficiency of small-scale farming in Nigeria. The primary data for the study were collected from 200 small-scale farmers selected using the multistage sampling technique, from three local government areas in Ondo State, Nigeria. The farmers were grouped into Group A: farmers whose families donated land for large scale oil palm project and Group B: farmers whose families did not donate land for the large scale oil palm project in the study area. Data collected were analyzed using descriptive statistics, gross margin and stochastic frontier production function analyses. The study revealed that farmers in group A had long distant farms that were in small highly fragmented holdings and produced mainly arable crops that yielded smaller revenue compared with the farmers in group B. It was further revealed that group B farms were more productive in the allocation of resources and over all production as measured by the decreasing positive elasticity of production of most of the variables involved in the production function analysis. The group B farms were also more technically efficient than the group A farms. The study therefore recommends that government should open up the lands on the highways that are not owned by any family for prospective large scale agricultural producers.