

Final demand impact on agriculture output: A macro multiplier analysis on Nigerian economy

Topic: (5.2) Input-output analysis for policy making (2)

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The economy of Nigeria is facing the challenges of inefficiency in agriculture production and insecurity of food. The government of Nigeria has committed to diversify the economy and decided to increase the agriculture productivity that ensures the food security. To this end, several policy options are considered; among them is to increase the production of selected value chain commodities namely rice, wheat, cassava, and fisheries etc.

This study presents the economy of by Nigeria by constructing a social accounting matrix (SAM) for the year 2010. An extended input-output model is calibrated followed by a multiplier analysis. The study conducts dispersion analysis to identify the key sectors which have significant importance vis-a-vis other sectors of the economy. Moreover, a macro multiplier analysis is conducted to depict the interactions between policy objective (total output) and policy control (final demand) at multi-industrial level.