Land Rights and Improvement Investments Among Crop Farmers in Southwest, Nigeria

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Abstract
This study examined the effects of land rights on investment decisions of farmers and determinants of land rights as well as the impact of land rights on farm productivity in Southwest Nigeria. Multistage sampling process was used in the selection of 320 respondents for the study. Two-stage conditional maximum likelihood (2SCML) approach of multivariate probit regression model and Endogenous switching regression (ESR) model were used for the analysis of the collected data. The results of Average Treatment Effect on the Treated (ATT) estimates from ESR revealed that land rights increase farm productivity. This study further confirmed the importance of land rights in facilitating investment in soil-improving measures which subsequently leads to higher productivity. One of the policy implications emanating from this study suggests that having use and transfer rights as against use only rights goes a long way in enhancing investment in soil-improving or conservation measures.

Keywords: Crop, Investment, Land, Multivariate Probit Regression Model, Rights, Two-stage Conditional Maximum Likelihood.
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Received: 2020/07/23
Accepted: 2020/08/20
DOI: https://dx.doi.org/10.4314/njtr.v16i1.1