

Title Determinant of technical, allocative and economic efficiencies in plantain production industry in Ondo state, Nigeria

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Citation Program and Abstracts, Banana 2008, Banana and plantain in Africa: Harnessing international partnerships to increase research impact, Leisure Lodge Resort, Mombasa, Kenya, 5-9 October 2008. 198 pages.

Keyword plantain; economic efficiency

Abstract

The objective of the study was to determine the technical, allocative and economic efficiencies of plantain farmers in Ondo-State. This is because efficiency is a very important factor of productivity growth. In an economy where resources are scarce and opportunities for new technology are lacking, inefficiency studies will be able to show that it is possible to raise productivity by improving efficiency without developing new technology or increasing the resource base. Multi stage sampling technique was used to select 276 plantain farmers. Data was analyzed using the stochastic parametric technique. Findings showed that technical efficiency indices varied from 20% to 87% with a mean of 61%, allocative efficiency from 14% to 83% with a mean of 57% and economic efficiency from 3% to 67% with a mean of 35%, thus indicating that there was great potential for cost saving through improved efficiency at the existing technology and the resource base in the study area. Results of the estimated coefficients indicated that age is significant and has a positive sign for technical and economic inefficiencies; and extension service was negatively correlated with technical inefficiency. These results suggested that if more resources were invested in extension services, there would be improvement in efficiency.