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“Solidarity in a competing world —
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Large-Scale Land Based Investments and Employment in Nigerian Communities

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Abstract

African countries have been undergoing some measures of transformations in the last decade while recording commendable economic growth. Among the key driving factors include natural resources, technological innovation and adoption, and the transformation of the agricultural sector. Some of the major expectations in the acclaimed agricultural transformation include: the provision of more employment, integration and development of rural communities, provision of social amenities especially in peri-urban and rural areas, and so on. However, a pertinent question is - to what extent has the existence of Large-scale Land Based Investments (LLBIs) in host communities in Nigeria delivered on their promises to the households in such communities in relation to employment? Thus, this study is motivated with the aim of examining how the presence of LLBIs in a community will provide a more comprehensive outcome – in terms of employment. The study utilises data from the Living Standards Measurement Study-Integrated Study on Agriculture, which is a survey conducted by the World Bank in collaboration with Nigeria’s National Bureau of Statistics. In this dataset, the communities with the occurrence of LLBIs are identified using the Land Matrix Global Observatory Dataset, which is complemented by field visits in the areas. The relationship between employments of household members in the community and the presence of LLBIs as well as a number of other household characteristics is modelled in the study. This is estimated by employing the tenets of impact evaluation based on the Propensity Score Matching (PSM) approach. A significant effect of LLBIs on the employment levels in the host communities in Nigeria is anticipated. A significant difference is also expected between the employments across different strata. These associated differences are expected to be informed by the strength of the indigenous institutions in the respective communities.

Keywords: Agricultural transformation, employment, host community, large-scale land based investment, welfare