

“Do Remittances Promote Fertilizer Use among Farmers?”

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Abstract:

A key factor that improves agricultural productivity is land fertility. Therefore, fertilizer, as an external input, can enhance productivity. Even though benefits of using fertilizer are well documented and widely accepted, a low level of adoption and use is observed among farmers in developing countries. According to the literature, several constraints such as liquidity, credit and insurance constraints can explain the low level of fertilizer use among African farmers. In this paper, I investigate whether remittances have the potential to remove these constraints by promoting higher fertilizer adoption and use. I find that remittances promote organic and inorganic fertilizer use which indicates that remittances can remove credit and insurance constraints.