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### Socio-Economic Effects of Livelihood Diversification on Rural Women Farmers in Odeda Local Government Area of Ogun State, Nigeria

#### Oludipe Bisola

#### **ABSTRACT**

A survey was conducted in Odeda Local Government Area of Ogun State, Nigeria. The aim was to examine the socio-economic effects of livelihood diversification on rural women farmers in Odeda Local Government Area of Ogun State. Multistage sampling method was used to select 7 wards in the study area. Simple random sampling technique was employed to select 10 rural women farmers from each of the wards. A total of 70 respondents form the sample size for the study. Instruments for data collection are structured questionnaire and interview schedule which were triangulated to give the needed data for the study. Frequency count, percentage and Multiple Linear Regressions were used to analyse the data. The results showed that majority of the respondents are within the age range of 41-50 years, 57.1% have at least primary education qualification, while 45.7% makes between N10,000 - N15,000 as estimated monthly income. A few of them engage in mineable crop/cash crop production, 14.2% combine livestock production and crop processing in their livelihood activities. Non-agricultural livelihood of the respondents depended on petty trading, grinding/milling machines operations, and food vendoring. Many of the respondents gave reasons that inadequate source of finance was the major factor for their livelihood diversification, also economic downturn and inadequate storage/processing facilities are some of the reason for their livelihood diversification activities. However, the results revealed that there is no significant relationship between age, marital status and livelihood diversification, while a significant relationship exists between educational level and livelihood diversification. Hence, it was recommended that government and financial institutions should endeavour to make loans available to rural women farmers in Odeda Local Government Area of Ogun State so as to increase their farming production and capital base.

Key words: livelihood, diversification, transportation, rural women

#### INTRODUCTION

There are many conditions that tend to reduce the socio-economic chances and opportunities available to a large proportion of the

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population. Hence, people will, out of necessity; find means to ensure their survival and improve their quality of life. According to Reardon, Berdegue, Barrett and Stamoulis (2007), poor households frequently seek economic refuge through distress diversification into low skill non-farm employment such as basket making, pottery, small scale retailing and seasonal labour migration. The livelihood activities include processing, marketing, manufacturing, wage and casual local employment in the rural villages (Odoh and Nwibo, 2017). Livelihood services are scarce, and often too costly to gain access (Effiong and Ekpenyong 2017a). WHO (2010) states that many people, in search for better services and work opportunities to make contributions to their families' livelihood, often migrate from rural to urban areas (Effiong and Ekpenyong 2017a).

Gebru, Ichoku and Phil?Eze (2018) argue that the unstable and meagre agricultural context of the study area, farm income alone could not feed the ever increasing population. However, off-farm activities provide employment options outside the farm, reduce rural urban migration, promote income distribution and diversification and intersectoral linkages capable of leading to a vibrant rural economy (Odoh and Nwibo, 2017). In the rural economy, off-farm economic activities are gaining prominence as integral components of their livelihood economies (Haggblade, Hazell, and Reardon, 2007). The off-farm economic activities, according to Alimba (1995), include petty trading (food stuff sales, fruit sales, provision sales etc), dress making, palm wine tapping, craft making (wood and calabash carving, carpentry, pot making, leather works and weaving), welding, hair dressing, auto repairs among others. Many people combine various livelihood activities that will ensure their survival within society or locality they find themselves.

Loubster (2016) sees livelihood as the totality of means by which people secure a living, have or acquire in one way or another, the requirement for survival and the satisfaction of needs as defined by the people themselves in all aspects of their lives. However, Lang and Upah (2008) argue that the challenge of accessing livelihood opportunities remains daunting due to the scarcity and non-affordability (Effiong and Ekpenyong (2017b). Farm households engage and pursue diverse nonfarm livelihood activities to cope with diverse challenges (Alobo Loison, 2015; Kassie and Aye 2017; Gebru and Beyene, 2012). Without adopting context based livelihood diversification strategies; the challenge it

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presents could neither meet nor attain household food security and improve livelihood security (Gebru, Ichoku and Phil?Eze, 2018). According to Odoh and Nwibo (2017), the highly diverse and heterogeneous rural non-farm sector offers opportunity for the poor as well as the rich. There are contexts where livelihood diversification strategies can have economic scope effect when rural households invest resources across multiple scopes and obtain higher per unit returns (Barrett, Reardon and Webb, 2001).

Haggblade, Hazell and Reardon (2010) report that rural residents across the developing world earn 35-50% of their income from nonfarm sources. Nevertheless, agriculture is essential to the growth and development of a developing economy. For instance, in Ethiopia, agriculture is at subsistence stage, complex, diverse, risk prone and small farm land that pushes the rural households to diversify their livelihood strategy into non-farm income activities (Gebru, Ichoku and Phil?Eze, 2018). Diversification to non-farm livelihood strategies enables farm households to have better income, enhance food security, and increase agricultural production by smoothing capital constraints and help coping with environmental stresses (Barrett, Reardon and Webb 2001, Davis, Di Giuseppe and Zezza 2014, Alobo Loison 2015, Odoh and Nwibo, 2017). Diversification in off-farm activities have become an important component of livelihood strategies among farm households in most developing countries (Odoh and Nwibo, 2017).

Household income diversification is the norm in rural societies and owing to the risks and uncertainties that characterised agriculture, attention of most farming households in developing countries is gradually shifting to non-farm activities (Odoh and Nwibo, 2017). Livelihood diversification is a process by which rural households construct a diverse portfolio of activities and social support capabilities in their struggle for survival and improvement in their standards of living (Ellis 2000) and the means of gaining a living (Chambers, 1995). Livelihood diversification is the maintenance and continuous alteration of highly varied range of activities and occupations to minimize household income variability, reduce the adverse impacts of seasonality, and provide employment or additional income (Ellis 2000; Barrett, Reardon and Webb, 2001; Alobo Loison, 2015). According to Fabusoro (2016), recent development in the micro economic environment has brought increasing pressure on

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farm income and has stimulated a search for alternative sources of generating additional revenue among rural households in developing countries.

Women being an integral part of farming household are the backbone of agricultural sector (Rahman, 2016). It is believed that women in Africa do up to three-quarter of all agricultural works in addition to domestic responsibilities (Abiola and Omabugan, 2017). Nigeria women work long hour at home and on the farm using hand tools and a new modern communities with little to show for their efforts (Olawoye, 2013). However, rural women huge contribution to agriculture cannot be overemphasized. Odoh and Nwibo (2017) opine that this is often necessary in agriculture-based peasant economies because of risk such as variability in soil quality, pests and diseases, price shock, unpredictable rainfall and other weather related events which lead to low productivity. low output and invariably low income which continually trap them in the viscous cycle of poverty. Ellis (2015) establishes that farming on its own rarely provides sufficient means of survival in rural areas of low income countries. Non-farm activities have the potential to help households reduce poverty by offering them with a form of insurance against the threats of farming and minimizing reliance on natural resources (Gebru, Ichoku and Phil? Eze (2018). For this reason most rural households are found to depend on a diverse activities and income sources.

The context of various risks implies that farm households livelihood diversification is primarily a risk management strategy; both risk adaptation in anticipation of shocks and coping after actual shocks (Gebru, Ichoku and Phil?Eze (2018). Livelihood diversification among women farmers entails their involvement in order income generating activities to supplement the income from the farm so as to meet household needs. The distribution of income and wealth status play crucial role in households' choice over which type of livelihood diversification strategy to select and apply (Gebru, Ichoku and Phil?Eze (2018). In Nigeria, the rural economy is characterised by two major activities: farm and nonfarm economic activities (Alimba, 1995). However, the factors which influence farmers' decision on which livelihood diversification strategies to adopt have not been identified.

The purpose of this study is to examine the socio-economic effects of livelihood diversification on rural women farmers in Odeda Local



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Government Area of Ogun State, Nigeria. The specific objectives are:

- i. To examine the socio-economic characteristics of the rural women farmers in Odeda local government area.
- ii. To identify the different agricultural livelihood activities practised by the rural women farmers in Odeda local government area.
- iii. To identify the non-agricultural livelihood activities embarked upon by the rural women farmers in Odeda local government area.
- iv. Examine the factors influencing livelihood diversification by the rural women farmers in Odeda local government area.

Conversely, a research hypothesis was formulated to guide the study. Thus, there is no significant relationship between the socio-economic characteristics and the livelihood diversification activities engaged in by the rural women farmers in Odeda local government area.

#### **METHOD**

A survey was conducted in Odeda Local Government Area of Ogun State. Odeda is one of the twenty local government areas in Ogun State. Among the major towns within Odeda Local Government Area are Alabat. Alagbara, Olodo, Opeji, Osiele and Ilugun. The local government area falls within the forest region, which is high in humidity and favours the cultivation of trees and arable crops. The major occupations of the people in the area are farming and trading. Multistage sampling technique was used to select 7 wards in Odeda Local Government Area of Ogun State. Simple random sampling technique was employed to select 10 rural women farmers from each of the wards. A total of 70 respondents form the sample size. Instruments for data collection are structured questionnaire and interview schedule which were triangulated to give the needed data for the study. Frequency count, percentage and Multiple Linear Regression (MLR) model were used to analyse the data. The regression was run in Statistical Package of Social Science (SPSS) Statistics Version 20.

#### **RESULTS AND DISCUSSION**

The table 1 shows that 35.7% of the respondents fell between the age range of 41-50 year, while majority (57%) are married, 8.57% are single, while 20% are divorced. Also, only 28.5% have education above primary



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school, 57.1% have primary education qualification. This proportion may be attributed to marginalization of women and may adversely affected livelihood diversification. On religion, majority of the respondents practise Christianity and Islam, while only 2.85% are traditional worshippers. This portrays the likelihood of religious harmony in the area which in turn influences livelihood diversification among rural women farmers. Highest household size of between 5.18 persons (74.3%) is prevalent in the study area indicating availability of family labour to assist the women in their livelihood activities. The estimated monthly income of the respondents is averagely low, the table reveals that (45.7%) of the respondents had a monthly income between N10,000 - N15,000 and less about (11.4%) had a monthly income above N25,000. A lot of the women engage in crop production (42.8%) while (28.8%) and another (28.5%) engages in livestock production and non-agricultural activities respectively.

Table 2 reveals the variety of rural women's livelihood agricultural activities of the respondents. Majority of the women (28.2%) are into livestock production, sales, marketing and crop production respectively. However, it is worthy to note that nearly (45.4%) all the women engages in more than one livelihood agricultural activities.

The results in table 3 above reveal that 21.4% of the respondents engage in petty trading as a means of livelihood activities diversified into aside from their crop and livestock production, processing and marketing. Also, 14.2% engage in food vendoring, trading and hand craft business respectively. A significant percentage (17.1%) of the respondents engages in grinding and milling machine operations. They grind pepper, beans for frying, grains or cereals; this is a viable means of livelihood for the rural women farmers in the study area.

Table 4 reveals the reasons why the respondents diversify into different means of livelihood. A few (28.5%) of the respondents gave inadequate source of fiancé as their reason for engaging in different livelihood activities both agricultural and non-agricultural livelihood activities. Some respondents (14.2%) revealed that their main reasons for diversifying into different means of livelihood is due to the long gestation of agricultural produce (crops and animals), (10%) argues that economic downturn is the reason for their diversification, 15.7% gave inadequate infrastructure which affects agricultural produce and ultimately the women farmers.



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Multiple Linear Regression (MLR) was used to test the relationship between the socio-economic characteristics of the respondents and their livelihood activities. A total of 4 independent variables (Age, Marital status, Educational qualification, and Household size) were tested against the dependent variable (Non agricultural livelihood activities). The regression was run in SPSS Statistics Version 20. Table 5 shows descriptive data summary of all the variables used in the regression analysis, the mean, standard deviation, and N value, which is the sample size of 70 used in the research.

Table 6 shows the results of the Multiple Linear Regression analysis carried out on the data, with a P value of .05. Age had a positive coefficient score of .051, with a P value of .298; Marital status had a positive coefficient score of .071, with a P value of .859; Educational qualification had a positive coefficient score of .003, with a P value of .997; and Household size had a negative coefficient score of -.186, with a P value of .513. This means that Age, Marital status, and Educational qualification had insignificant positive effects on Livelihood activities, with P values >.05, while Household size had an insignificant negative effect on Livelihood activities, also with a P value >.05. The null hypothesis is therefore accepted.

**Table 1:** Distribution of respondents by their socio-economic characteristics (n=70)

characteristics (n=70)						
Frequency	Percentage	Cumulative %				
6	8.57	8.57				
21	30.0	38.57				
25	35.7	74.27				
7	10.0	84.27				
11	15.71	99.98				
6	8.57	8.57				
40	57.1	65.67				
10	14.2	79.87				
14	20.0	99.87				
50	71.4					
50	71.43	71.43				
14	20.0	91.43				
2	2.86	94.29				
	6 21 25 7 11 6 40 10 14 50 50	6 8.57 21 30.0 25 35.7 7 10.0 11 15.71 6 8.57 40 57.1 10 14.2 14 20.0 50 71.4 50 71.43 14 20.0				

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Others	4	5.71	100					
Educational Qualification								
No formal education	10	14.2	14.2					
Primary education	40	57.1	71.3					
Secondary education	15	21.4	92.7					
Tertiary education	5	7.14	99.84					
Household size								
1-4	10	14.2	14.2					
5-8	52	74.3	88.5					
Above 8	8	11.4	99.9					
Estimated monthly income (N)								
N10,000-W15,000	32	45.7	45.7					
N16,000-W20,000	20	28.5	74.2					
N21,000-W25,000	10	14.5	88.7					
Above W25, 000	8	11.42	100					
Primary Occupation								
Crop production	30	42.8	42.8					
Livestock production	20	28.5	71.3					
Non-agricultural occupation	20	28.5	99.8					
Source: Field Survey, 2018.								

**Table 2:** Distribution by their agricultural livelihood activities

Agricultural livelihood activities	Frequency	Percentage	Cumulative %
Arable/cash crop production	20	29.5	29.5
Livestock production	10	14.2	43.7
Crop processing	8	11.4	55.1
Sales/marketing of farm produce	10	14.2	69.3
Livestock production and marketing	2	2.8	72.1
Crop processing and marketing	10	14.2	86.3
Crop and livestock activities.	10	14.2	100.5
Source: Field Survey, 2018.			

**Table 3:** Distribution of Respondents by their non-agricultural livelihood activities

Non-Agricultural (livelihood)	Frequency	Percentage	Cumulative %
Petty trading	15	21.4	21.4
Grinding/milling machine operation	12	17.1	38.5
Transport business	2	2.81	41.31
Shoe and bag making	3	4.31	45.62
Hair dressing	4	5.71	51.33
Tailoring	4	5.71	57.04
Food vendoring	10	14.2	71.24
Handcraft	7	10.0	81.24
Soap/cream making	3	4.28	85.52
Trading and handcraft	10	14.2	99.72

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Source: Field Survey, 2018			
Table 4: Distribution of respondents by reasons	for involven	nent in liveli	hood activities
Livelihood diversification activities	Frequency	Percentage	Cumulative %
Inadequate source of finance	20	28.5	28.5
Economic recession	7	10.0	38.5
Inadequate infrastructure facilities	11	15.7	54.2
Poor marketing channels	5	7.1	61.3
Inadequate processing/storage facilities	7	10.0	71.3
Rural urban drift	5	7.1	78.4
Long gestation period of some crops/livestock	10	14.2	92.6
Low profit on agricultural activities	5	7.1	99.7
C			

*Source:* Field Survey, 2018

Table 5: Effects of Livelihood Diversification Data Analysis (Multiple Linear Regressions)

**Descriptive Statistics** 

	Mean	Std. Deviation	N
Non agricultural livelihood activities	4.06	3.327	70
Age	45.43	11.781	70
Marital status	2.23	1.066	70
Educational qualification	1.21	.778	70
Household size	6.66	1.632	70

Tahl	P	6

### Coefficients

Model		Unstan Coeffic	dardized ients	Standardized Coefficients	t	Sig.
		В	Std. Error	Beta		
1	(Constant)	2.837	3.750		.757	.452
	Age	.051	.048	.179	1.049	.298
	Marital status	.071	.396	.023	.179	.859
	Educational qualification	.003	.774	.001	.003	.997
	Household size	186	.283	091	658	.513

a. Dependent Variable: Non agricultural livelihood activities

#### **CONCLUSION AND RECOMMENDATIONS**

The vital role women play in agriculture and non agricultural activities cannot be over emphasized. Women involvement in both agricultural and non agricultural livelihood pattern in the study area is rather high. There is diversification by the women from their arable (cash crops cultivation, crop processing and marketing) to petty trading, grinding/milling madding operations food vendoring, etc. it can be deduced from the study that the most of the respondents (women) combine different



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agricultural and non agricultural due to the following reasons, long gestation period of some crops and livestock, economic depression/meltdown, inadequate source of finance, inadequate infrastructural facilities, poor marketing channels, etc.

In view of the findings it is however recommended that women be encouraged in combining other non- agricultural livelihood activities with their agricultural activities. Government and financial institutions should endeavour to make loans available to rural women farmers in Odeda Local Government Area of Ogun State so as to increase their farming capital base which in turn increases their productivity. Also, efforts should be geared towards ensuring that policies and economic projects and programmes that will favour the rural women (farmers) to increase their farming activities, should be designed and implemented by each successive government.

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