



AGRICULTURAL EXTENSION AND POVERTY ALLEVIATION IN NIGERIA

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OF THE AGRICULTURAL EXTENSION SOCIETY OF NIGERIA

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VEGETABLE MARKETING: A STRATEGY FOR POVERTY ALLEVIATION AMONG URBAN WOMEN

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Abstract

The issue of poverty in urban and rural settings in Nigeria is of great concern to development planners. Of greater concern to the researchers, development agencies are the various methods by which poverty can be alleviated among its various victims. This is due to the fact that the alleviation methods could serve as clues to the elimination of poverty.

This paper examines vegetable marketing as a strategy for poverty alleviation among urban women in Ibadan. The results show that women are more into vegetable retail markets while men engage in wholesale markets. The gross margin per unit of the vegetable types, are higher in retail markets than in wholesale markets. With the continuous demand for vegetable due to its high perishability, the marketing of vegetable provides a continuous source of income for the women involved in retail marketing. This will help in alleviating their poverty and improving the standard of living.

1.0 Introduction

Poverty can be defined as the inability to attain a minimum standard of living (World Bank, 1990). In the days of 'Oil boom' when the country was considered very rich, majority of the people who were living at that time were tagged 'poor' according to the findings of World Bank (1996). The situation has not changed till date. This is not peculiar to Nigeria alone but common among developing countries.

Contrary to the usual belief that poverty is rural, it has been seen to also exist in urban areas among the unemployed, low income earners as well as the female - headed households (Durojaiye, 1995; Ogwumike, 1987).

Adesomoju (1998) has reported that the severity of poverty is more perilous for the urbanite than for the ruralite due to the fact that the urban economy is highly monetized. Women have been found to belong to the groups mostly affected by high level of poverty due to the fact that they lack access to productive resources, have very little capital to work with and have little capacity to organise themselves nor exercise the right to protest their situation (Philip and Michael, 1998). Tanko (1993) observed that women play a pivotal role in alleviating poverty and food insecurity because of their strategic position in the household and the productive work they do outside.

In order to survive, there must be the needed cash to process all that is needed to satisfy their basic needs unlike in the rural areas, where cash is not needed to survive, due to the 'so-called' strong kinship ties. This situation makes the life of an urbanite more precarious.

2.0 Problem Statement

The World Bank Poverty Assessment Team (1996) reported that the number of rural poor declined from 26.4 million in 1985 to 22.8 million in 1992 while in towns and cities it rose from 9.7 million to 11.9 million in 1985 to 1992 bringing the increase to 12 % from 9 %. Urban dwellers have been found to be surviving in several ways. Some people scavenge discarded bottles and nylons, which they sell to make money (Falusi, 1996) while students, including the female, engage in different businesses to augment their allowances.

Common characteristics among poor households include large family size, low level of education, over-crowded housing, limited access to water and inadequate sanitation facilities (World Bank, 1997).

The struggle for survival makes urban women to engage in different enterprises that include agricultural food marketing, processing and production. Marketing of agricultural products begins at the farm where it is either sold directly to consumers or to middlemen or even transported, bringing them to the right place in the desired form. The production of these products are seasonal. The main role of marketing is to link production and consumption points. It has also been found to be very important in the disposal of marketable surpluses. It goes further to help producers to step out of subsistence, that is produce more than his household alone can feed on, hence making it available to others at affordable prices. Marketing also serves as a source of employment in that 'middle-men' take up the task of selling off the produce, thereby boosting production and providing further work for farmers, in response to market demands.

There is universal recognition that vegetables are important food and that vegetable production, processing and marketing are significant contributors to income. They are also consumed as supplementary foods to diversify the diet. Their high moisture content makes them highly perishable and therefore cannot be stored but marketed within a short time. Consumers of vegetables buy them regularly though in bits. The continuous demand of vegetables ensures the marketers employment and a sustainable income.

The broad objective of this paper is to show how vegetables marketing can be used by urban women to alleviate poverty.

3.0: Methodology

The study area is Ibadan City of Oyo State. The study was conducted between 1998 and 1999. Of all the many food stuff markets, four were purposively selected, namely Shasha, Bodija, Oje, and Sango, based on their sizes, locations and volume of sales of vegetable that takes place in these markets. In each market, 30 vegetable sellers were randomly selected and interviewed through the use of structured questionnaires, bringing the total to 120 marketers. Sellers with similar crops, onions, tomatoes, pepper and amaranthus were considered in the study. The data were analysed using descriptive statistics.

4.0: Results and Discussion

Table 1 reveals that out of the one hundred and twenty vegetable marketers interviewed, ninety four were female while twenty six were male. The percentage of women is 78.33 percent and this confirms that women are predominant in the marketing of vegetables.

Table 1
Gender Distribution of Respondents According to Markets

	Shasha	Bodija	Oje	Sango	Total	(%)
Male	23	3	-	-	26	26.67
Female	7	27	30	30	94	78.33
Total	30	30	30	30	120	100

Twenty three of the 26 male marketers are from Shasha market. This is because Shasha market is essentially a wholesale market while others are retail markets. Men, especially the northerners, dominate the wholesale market. This male domination may be due to the enormous energy requirement for carrying of vegetables in big baskets and jute bags. Also, women may not have the huge initial capital outlay needed for wholesale vegetable marketing. Women are, therefore, more

predominant in retail vegetable marketing. In Oje and Sango markets, all the respondents are female retailers.

Table 2
Distribution of Respondents According to Educational Status

Type of Education	No of Respondents	Percentage
Formal	57	47.50
Informal	55	45.93
Others	8	6.67

In Table 2, the distribution of the marketers based on their educational status shows that 57 of the respondents which represent 47.50 %, have formal education. Most of them have primary school education. This shows that most of them are literate enough to run their businesses profitably.

Table 3
Distribution of Respondents According to Age Group

Age Group (Years)	Number of Respondents	Percentage
Less than 20	-	-
21 - 30	34	28.33
31 - 40	55	45.83
41 - 50	20	16.67
50 and above	11	9.17

Table 3 reveals that 74.16 % of the marketers are middle aged; between 21 years and 40 years. This shows that they are still very virile and active. They are also within child bearing age and should make a living and fend for their children.

Table 4
Gross Margins of Wholesalers in Shasha Market

Vegetables	Unit	Total Revenue Per Unit	Total Variable Cost per Unit (₦)	Gross Margins Per Unit (₦)
Onion	1 bag	4,536.36	4,409.09	127.27
Tomatoes	1 basket	555.00	490.00	65.00
Pepper	1 bag	2,238.89	1,983.33	255.56
Amaranthus	1 dozen	66.00	46.00	20.00

The gross margins of the major vegetables marketed at the wholesale level in Shasha market is shown in Table 4. The gross margins are ₦255.56, ₦127.27, ₦65 and ₦20 per unit of pepper, onion, tomatoes and amaranthus respectively. Pepper has the highest gross margin while amaranthus has the lowest gross margin. It is, therefore, very profitable to market pepper in wholesale markets.

Table 5

Gross Margins of Retailers in Bodija, Oje and Sango Markets

Vegetables	Unit	Total Revenue Per Unit	Total Variable Cost per Unit(₦)	Gross Margins Per Unit (₦)
Onion	1 bag	5,154.41	4,538.24	616.27
Tomatoes	1 basket	712.12	555.76	156.36
Pepper	1 bag	2,748.96	2,238.54	500.42
Amaranthus	1 dozen	95.21	68.54	26.67

For retail vegetable markets, Table 5 contains the gross margin of the different vegetables marketed in Bodija, Sango and Oje markets. The gross margins are ₦616.27, ₦500.42, ₦156.36 and ₦26.67 for onion, pepper, tomatoes and amaranthus respectively. Onion has the highest gross margin per unit while amaranthus has the lowest.

In both wholesale and retail vegetable marketing, the gross margins per unit of pepper and onion are higher than for tomatoes and amaranthus. In the two types of marketing, amaranthus has the lowest gross margin per unit. A comparison of both marketing strategies on gross margin of vegetables marketed per unit reveals higher profitability for retailers on each vegetable type as compared to the corresponding wholesalers. Since women are more into retailing, it ensures higher profit and consequently higher income for them.

It is noteworthy that the turnovers for wholesales are higher than for retailers because they sell many units of their produce per day while it takes an average of four days for a retailer to sell a unit of the same produce. Since women are mostly into retailing of vegetables, the per unit gross margin they obtain from their enterprise is higher than for wholesalers. The gross margin analysis shows that vegetable marketing is profitable, considering the resource endowment of women and it helps them to get the much needed income to alleviate their poverty.

5.0 Conclusion

This study has shown that urban women can effectively alleviate poverty by engaging in vegetable marketing. The market structure and operations of this income generating activity must be well controlled in order to achieve the desired effect. The scope of the vegetable operations could as well be widened and the market covered expanded such that a broad-based income could be realised.

Women are predominant in vegetable marketing. They represent 78.33% of the respondents in this study. Vegetable marketing structure includes both wholesale and retail. It has been shown that while men are involved in wholesale marketing, women are more into retailing. This is due to the capital requirement for retailing and its less energy demand. About half (47.50%) of the respondents have formal education. They are mostly middle aged, between 21 years and 40 years, and are still very active. Major vegetables marketed include pepper, tomatoes, onion and amaranthus. In the wholesale market, pepper has the highest gross margin while onion has the highest gross margin in retail marketing. In both marketing structures, amaranthus has the lowest gross margin. The gross margins per unit of vegetable marketed are higher in retail marketing than wholesale marketing for each vegetable type. Since women are more into retail vegetable marketing, it ensures higher profit per unit and consequently higher income. This will help them in meeting their basic needs. Due to the perishable nature of vegetables, they are demanded for in bits, but on a continuous basis. This ensures high turnover for the marketers and a sustainable avenue of income. This will assist women to alleviate their poverty and improve on their standard of living.

Women should be assisted to obtain credit to augment their equity capital so as to increase the scale of their operation. This will ensure higher income as they will profit from the economies of scale.

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