



**REVIEW OF THE INFLUENCE OF FARM HOUSEHOLD, LIVELIHOOD ASSETS AND
DIVERSIFICATION ON THE LIVELIHOOD STATUS OF FARMERS IN RURAL AREAS OF
BORNO AND KEBBI STATE, NIGERIA**

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ABSTRACT

Rural agriculture is subjected to local variations in weather conditions, and thus expected variations in income levels and access to food. There is need to diversify sources of income into multiple agricultural and/or non-agricultural income-based livelihood systems. Livelihood systems encompass means, relations, and processes of production, as well as household management strategies. Livelihood strategies are actions taken and choices made to achieve livelihood goals, including production activities, investment strategies, and maternity arrangements. In general, the conditions and the nature of the livelihood assets owned by a family or individual are the basis for understanding choice opportunities, livelihood strategies, and the risk environment of the family or individual. People must own different types of livelihood assets to achieve positive livelihood results. The ways in which farmers try to improve their livelihoods is widely diverge. This heterogeneity results from household characteristics such as; differences in size or composition of households and their internal dynamics, the assets owned or the access to land or water and by land, but also by local land properties, climate and the history of management. In order to understand livelihoods it is not enough to consider only the household because many actions, choices and decisions are responses to external signals and constraints. In conclusion; Farmers' livelihoods are not only influenced by their household characteristics and attitudes, but also by broader structures and forces which on their turn are co-shaped by processes of globalization and liberalization.

Keywords: Internal dynamics, farmers, households, livelihood assets, diversification, livelihood status

INTRODUCTION

Rural Nigeria is characterized by agrarian livelihood as well as other primary production activities such as cereal crop farming, animal husbandry and fishery activities. Omonona (2010) in his study revealed that, agricultural-based livelihood in rural Nigeria has a higher level of poverty than other occupational groups. Rural agriculture is subjected to local variations in weather conditions, and thus expected variations in income levels and access to food. Livelihood systems are at the heart of poverty reduction and food security issues in different policy environments. According to Baro (2002), livelihood systems encompass means, relations, and processes of production, as well as household management strategies. Ayantoye *et al.*, (2011) stated that, there is a nexus between poverty levels in rural Nigeria and the level of food security and the resources and values of specific physical and social environments determine the character of livelihood system components.

Concept of livelihood and livelihood status of rural farmers

Akinwale (2010) stated that, livelihood refers to the way people make a living, which is based on capacity, assets and activities. Livelihood assets refer to the natural and manpower resources essential for people to survive, and they can be stored, exchanged or allocated to generate revenue streams or other benefits. Livelihood strategies refer to actions taken and choices made to achieve livelihood goals, including production activities, investment strategies, and maternity

arrangements (Hua, 2014). In general, the conditions and the nature of the livelihood assets owned by a family or individual are the basis for understanding choice opportunities, livelihood strategies, and the risk environment of the family or individual. People must own different types of livelihood assets to achieve positive livelihood results, and relying on one single type of livelihood asset, will not result in the diversified livelihood results that people seek (Shi *et al.*, 2014).

Livelihood and co-production in agriculture

According to Scoones (1998) in Anne (2009), livelihoods are 'the capabilities, assets (including both material and social resources) and activities required for making a living'. Co-production refers to the process of creating a farming system, which implies an interaction between people and (living) nature. The assumption is that characteristics of both people (households) and nature are subject to change. In fact, it is assumed that resources (either natural or human) are improved over time in order to enlarge the autonomy of the farmers' household and in this way improve the basis of the farm (Hua, 2014). Commencing activities that deviate from traditional farming practice is referred to as livelihood diversification. Shi *et al.*, (2014) defines this as the construction of an 'increasingly diverse portfolio of activities and assets in order to survive and improve standards of living'. Baro and Batterbury (2005) classify different diversifying activities according to the nature of the activity and the place where the activity takes place. This is a useful classification when trying to make visible in what



direction farmers seek opportunities to improve their livelihoods.

Other prototypes of livelihood strategies are intensification and extensification (Carswel, 2000). Extensification then is the extension of the area used for agriculture without increase in the ratio of inputs of labour or capital per unit of land in order to increase production. Intensification refers to any process in which output per hectare of land is increased through increased use of inputs of labour or capital per unit of land and improved efficiency. Furthermore, intensification makes it possible to cultivate land more frequently without losing production (Ramisch, 1998).

Determinants of nature livelihood

The ways in which farmers try to improve their livelihoods is widely diverge. This heterogeneity results from household characteristics such as; differences in size or composition of households and their internal dynamics, the assets owned or the access to land or water and by land but also by local land properties, climate and the history of management (Tittonell, 2008). Farming systems are also different, because farmers each make different choices in forming their farming system and follow different strategies in order to reach specific goals. Even when farmers face the same circumstances they may respond differently because of differences in attitude. Differences in household characteristics, experience and attitudes however are not the only determinants in creating specific livelihoods. Baro and Batterbury (2005) says that: 'Livelihoods are embedded within broader structures and forces, including political networks'

Farmers' livelihood strategies

Zhifei *et al.*, (2018), unveiled that, the livelihood strategies of farm households depend on the conditions of their assets, and farm households cope with risks and shocks through portfolios consisting of different types of assets. Thus, discussing the relationship between the livelihood assets and the livelihood strategies of farm households helps in understanding their livelihood conditions and in formulating reasonable poverty reduction policies.

Liu *et al.*, (2018) defined Livelihood strategies to refer to actions taken and choices made to achieve livelihood goals, including Production activities, investment strategies and maternity arrangements. As the activities that farm Households engage in to achieve their livelihood goals, the livelihood strategies of farm households determine how they make use of natural resources and livelihood results within a certain context. A change in farm household livelihood strategies is highly important in regard to aspects such as changes in land use, ecological security, livelihood sustainability and the sustainable development of

rural areas (Zhanget *al.*, 2013). Farm household livelihood strategies mainly include livelihood diversification, agricultural intensification, and agricultural expansion Sustainability and population migration and among others.

Zhanget *al.*, (2013) reported that, currently, international studies on the change of farm household livelihood strategies mainly focus on the livelihood diversification and livelihood alternative. The former refers to the process of livelihood activities turning from single to diversified, and the latter refers to the process of the old livelihood strategy being completely replaced by a new livelihood strategy, concentrating in poorer areas such as Latin America and Africa. Change in farm household livelihood strategies has a significant influence on land use, ecological safety and livelihood sustainability among others.

Shi *et al.*, (2014) Farm household livelihood strategies are various behavioral strategies that are adopted by farm households according to their asset portfolio. Assuming that farm households are rational, farm households adopt livelihood strategy to gain the optimal balance between income and bearable risks. Change in quantity and structure of livelihood assets influences a farm households' decision regarding livelihood strategy which is based on the optimal balance. In other words, changes in livelihood assets determine changes in livelihood strategies. The function mechanism from livelihood assets to livelihood strategies.

Zhifei, *et al.*, (2018), identified livelihood strategies on the basis of a specific and in-depth investigation of farm households in their study region and consultation with numerous experts and scholars in related areas, as well as a quantitative study on livelihood assets conducted by experts and scholars from both home and abroad, the author designed an evaluation index system for farm household livelihood assets according to the specific natural resources, cultural life customs, ecological environment, religious beliefs among others, in the study region. Abayneh and Beneberu (2014) revealed that, the measurement value of farm household livelihood assets at various levels is not the simple addition of the index values at each layer but the weighted sum, which results from the weighted calculation of the index values of the subordinate index layer.

Influence of farm household livelihood assets on livelihood strategies of farmers

Zhifei *et al.*, (2018) revealed that, based on the specific situation in the study region, the livelihood strategies of farm households are classified into three types, namely, continuing to farm (rural households), conducting concurrent business (part-time households) and engaging in



non-agricultural occupations (non-farming households). According Hoat *et al.* (2010), farmers will prefer to choose k if their k choice makes them think that they can obtain the maximum benefit they require.

Mechanism of the influence of farm household livelihood assets on livelihood strategies

The specific conclusions on the influence of farm household are as follows:

1. Natural assets and material assets have a significant negative influence on farm households' choice of livelihood strategies. That is, the more natural assets and material assets that farm households own, the more likely they are to choose livelihood strategies that involve engaging in agricultural production (Xie *et al.*, 2017).
2. Manpower assets and financial assets have a significant positive influence on farm households' choice of livelihood strategies. That is, the more manpower assets and financial assets that farm households possess, the more likely they are to choose livelihood strategies that involve engaging in non-agricultural production (Xie *et al.*, 2018).
3. Social assets have no significant influence on farm households' choice of livelihood strategies (Zhang *et al.*, 2013).

Natural assets and material assets are indispensable prerequisites for agricultural production, and their conditions will inevitably have an important influence on a farm household's livelihood strategy decision to engage in agricultural production. However, manpower assets and material assets are the main factors determining farm households' opportunity cost from engaging in agricultural production as well as the amount of these assets will inevitably have an important influence on farm households' livelihood strategy decision, as this is based on income maximization and bearable risks (Zhang *et al.*, 2013).

Strategies adopted by Cargill to help farmers improve their livelihood

Cargill (2018) revealed that, they help farmers improve their livelihoods by:

1. Helping increase productivity and access to markets,
2. Promoting agricultural practices that support a more sustainable future,
3. Investing to strengthen agricultural commodities.

Cargill further revealed that, farmers around the world were adopting better technology at an accelerated rate, helping them increase yields, protect soil conditions and maximize profitability so they can thrive. Around the world, farmers are

using tools that increase planting efficiency and allow more precise application of crop inputs, such as fertilizer, thereby, boosting yield, while reducing waste and environmental impact (Shi *et al.*, 2014). According to Su *et al.* (2009), Cargill is helping farmers at all levels of mental impact. They are helping farmers at different levels of productivity to be equipped with the knowledge to improve yields sustainably, provide reliable markets for their crops and help them manage risk. These are all essential for these farmers to contribute more fully to helping achieve a more sustainable, food-secured future. Zhifei, *et al.* (2018) revealed that, to improve farmers' livelihood, Cargill established farmer field schools that teach thousands of smallholder farmers agricultural best practices, provide them access to inputs such as seed and fertilizer and assist them in forming cooperative organizations to build their collective capacity and strengthen their communities. Cargill trained thousands of farmers around the world to use sustainable farming practices so they can increase yields and profitability.

CONCLUSION

Based on this review's findings, it can be concluded that, a simple and functional micro credit delivery system that will enable rural farmers to access loans to improve on their livelihood should be introduced in order to increase and strengthen their economic activities. Moreover, business advisory services should be provided for the enterprise groups to help achieve their goals and ensure employment creation. Furthermore, all rural enterprise groups should be trained on importance of groups in business enterprises, enjoy economy of scale through joint venture participation, entrepreneurial skills and effective group management techniques. The training will improve group goal attainment and boost the gains accruable to the group members. Understanding livelihoods as well as understanding the livelihoods constraints associated with different strategies will contribute to potent planning, monitoring and evaluation made by planners, policy makers and voluntary organizations who are concerned with promoting rural welfare in the villages, while implementing local agricultural extension and rural development programs and policies. This will help farmers in the rural areas of Nigeria to diversify their sources of livelihood, thereby changing their livelihood status.

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