Determinants of Youths Participation in Agribusiness in Akwa Ibom State, Nigeria

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ABSTRACT

Youth involvement in agriculture is beneficial to the economic growth of a nation as it will reduce unemployment and curb crime rate. One sector that has over the years been identified to have the needed capacity to provide employment opportunities to the youth is agriculture but most youth do not have interest in agriculture. Therefore, the study examined the determinants of youth participation in agribusiness in Akwa Ibom State, Nigeria. A total of two hundred and fifty (250) respondents were selected using a multistage sampling technique. The sampling technique used was descriptive and regression analysis. The major constraint identified were lack of initial capital, lack of land, high cost of agricultural inputs, lack of market for agricultural produce, low returns (profit), lack of agribusiness knowledge, poor incentive, lack of access to credit, lack of agricultural insurance, lack of facilities and lack of interest were the identified constraints. In determining what would drive youth into agribusiness, access to agricultural inputs, access to facilities/machineries, access to market for agricultural produce, high returns (profit), incentive, access to credit, availability of land and training on agribusiness were the statistically significant factors that determines the youth participation in agribusiness. The study therefore advised that vocational training should be made compulsory in schools where the young ones are exposed to agriculture as entrepreneur with incentives attached.

Keywords: Agribusiness, Youth, Participation, Unemployment, Agriculture, Determinants.

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Highlights of this paper

- This study aimed to contribute to the existing literatures on measures to curb with the high percentage of youth unemployment in Nigeria through highlighting what makes agribusiness attractive to youth.
- The study also will inform government and other stakeholders on the urgent need to address the constraints faced by youth in agribusiness in order to attain food sufficiency in the study area.

1. INTRODUCTION

Youths are the essential resources for every nation, especially for sustaining agricultural productivity as an important sector for a nation's development. Youth involvement in agriculture is beneficial to the economic growth of a nation where it will reduce unemployment and curb crime rate. Moreover, it will ensure increase in agricultural productivity through different innovation and adoption of modern agriculture technologies. It will reduce youth rural-urban migration for greener pasture or white-collar jobs. For this to take place, agribusiness must be made attractive to youth who are always ready and willing to exploit new innovations and opportunities.

Nigeria is a member of the African Youth Charter that defined a youth as a person within the age bracket of 15-35years of age. International Labor Organization statistics showed that there are about 1.3 billion youth aged 15-24 globally as of 2019 accounting for one out of every four people (17.6%) worldwide. This is an increase of about 300 million youth population since 1999 (ILO, 2020). About 200 million people living in Africa are between the ages of 15 to 24, constituting over 20% of the African population and this implies that the fastest growing and most significant youth population in the world is in Africa (IFAD, 2019). Thus, the need to develop jobs in both rural and urban areas is growing in urgency in Africa and is putting the government under pressure to create more and better jobs in response to the rapidly growing, young and more educated population in much of the region (Mueller & Thurlow, 2020). More worrisome is the fact that the world youth unemployment rate has risen lately as about 68 million youth aged 15-24 were jobless in 2019, an increase of 7.6 million since 2017 (ILO, 2020). As a result, the African region is now home to a large number of young people who live in poverty (IFAD, 2019).

According to Anyanwu (2014) & NBS (2019), in Nigeria, the youth comprise around 34% of Nigeria's populace. In terms of numbers, the population of Nigeria under the age of 30 is reported to be over half of the total Nigerian population, and about 64 million of these youth are unemployed, while an additional 1.6 million are under-employed (Ojo, Abayomi, & Odozi, 2014). The consequences of the high youth unemployment rate, particularly in Nigeria, are the high increase in youth migration, terrorism, cultism, kidnapping, prostitution, and cyber fraud, among others. It is believed that increased youth employment could play an essential role in addressing these problems (AFDB, 2016) & ILO (2017). In recent years, several steps have been taken by the government to stimulate the interest of youth in agriculture. These include the provision of special incentives such as credit facilities, skills training and internships (Kalagbor & Harry, 2019) but the involvement of youth in agribusiness still remains low.

One sector that has over the years been identified to have the needed capacity to provide employment opportunities to the youth is agriculture (World Bank, 2019). Agriculture has been a leading sector for employment opportunities in Nigeria over several decades. The agricultural sector is observably significant over other sectors such as manufacturing, service, and oil industry due to its uniqueness in entrepreneurship and self-employment. The profession's requirement for energy, creativity, and innovation makes it suitable for the 15–35 age group (Brooks, Zorya, Gautam, & Goyal, 2013). Therefore, the general objective of this research was to determine those factors that contributes to active involvement of youth in agribusiness as a way of curbing the high rate of unemployment and attaining food sufficiency in the study area. The specific objectives were to examine the constraints to youth active participation in agribusiness and also the distribution of youth in agribusiness.

2. METHODOLOGY

2.1. Study Area

Akwa Ibom State is located in south-south Nigeria and the State lies between latitude 4°31 and 5°31 North and longitude 7°35 and 8°35 East; occupies a total land area of 7, 254, 935km2 and has an estimated population of 3, 920, 208 (NPC, 2006). Located at an elevation of 42.58 meters (139.7 feet) above sea level, Akwa Ibom has a Tropical monsoon climate (Classification: Am). The city's yearly temperature is 28.47°C (83.25°F) and it is -0.99% lower than Nigeria's averages. Akwa Ibom typically receives about 342.56 millimeters (13.49 inches) of precipitation and has 294.37 rainy days (80.65% of the time) annually.

2.2. Data Collection

The method of data collection of the study was the administration of a semi-structured questionnaire. Information gathered was basically on socio-economic characteristics, distribution according to agribusiness, constraints to agribusiness and the determinants to youth involvement in agribusiness.

2.3. Sampling Procedure And Sampling Size

In selecting the youth (between 15 to 35 years), a multistage sampling technique was employed. In the first stage, out of the 31 LGAs in the State, two LGAs were selected (Uyo and Ikot Ekpene) purposively based on the population of youths in these LGAs. The second stage was a random selection of two hundred and fifty (250) respondents in the LGAs.

2.4. Data Analysis

The data obtained were subjected to descriptive and regression analyses.

Objectives 1 and 2 was achieved using descriptive statistics while objective 3 was achieved using regression analysis. The regression model specification

$$\Upsilon = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots \beta_n X_n + U$$

Where: $X_1 = Access$ to agricultural inputs.

 $X_2 = Access to facilities/machineries.$

 X_3 = Access to market for agricultural produce.

 $X_4 = High returns (Profit <math>\mathbb{N}$).

 $X_5 = Incentive.$

 $X_6 = Access to agricultural insurance.$

 $X_7 = Access to credit ().$

 $X_8 = Availability of land (ha).$

 X_9 = Training on agribusiness.

U = Error term.

3. RESULTS AND DISCUSSION

3.1. Distribution of the Respondent's Socioeconomic Characteristics

This section presents the result and discussion on the socio-economic characteristics of the respondents. The results are presented in Table 1.

Table 1. Distribution of the respondent's socioeconomic characteristics for the study.

Sn	Variable	Frequency (n = 250)	Percentage (100%)
1	Sex		
	Male	162	64.8
	Female	88	35.2
2	Age (years)		
	15 - 25	84	33.6
	26 - 35	166	66.4
3	Marital status		
	Single	77	30.8
	Married	163	65.2
	Widow(er)	6	2.4
	Separated/Divorced	4	1.6
4	Level of education		
	No formal education	61	24.4
	Primary	59	23.6
	Secondary	60	24.0
	Tertiary	70	28.0
5	Household size (No)		
	1 - 2	224	89.6
	3 - 4	26	10.4
6	Primary occupation		
	Only farming	15	6.0
	Farming with other businesses	235	94.0

Sex: The table shows that majority (64.8%) of the respondents were male while the remaining 35.2% were female. The implication is that men were more engaged in agribusiness than female maybe as a result of the rigor involved in agribusiness.

Age: Table 1 above shows that majority (66.4%) of the respondents were between the age bracket of 26-35 years while the remaining 33.6% were within the age bracket of 15 - 25 years.

Marital status: Majority (65.2%) of the respondents were married while the remaining 30.8%, 2.4% and 1.6% were single, widow/er and separated/divorced respectively.

Level of education: The finding shows that majority (28.0%) of the respondents attended tertiary institution while the remaining 24.4%, 24.0% and 23.6.8% had no formal education, attended secondary and primary education respectively.

Household size: Majority (89.6%) of the respondents in the study area had a household size of between 1-2 persons while the remaining 10.4% had a household size between the bracket of 3-4 persons.

Primary occupation: Majority of the respondents (94.0%) were into other business as their primary occupation while 6.0% were into other farming only.

4. DISTRIBUTION OF RESPONDENTS IN VARIOUS AGRIBUSINESS

The Table 2 above shows the distribution of respondents according to their interest in agribusiness. Most of the respondents (49.2%) were into the production, processing and marketing of agricultural produce while 25.6%, 19.2% and 6.0% were into only the marketing, production and processing of the agricultural produce. Processing was the least; this might be as a result of the outdated processing facilities used in agriculture in the state. Production was the second least because most of the youths sees agriculture as demeaning and instead concentrate on the marketing of the produce.

Table 2. Distribution of respondents in various agribusiness.

Sn	Agribusiness	Frequency $(n = 250)$	Percentage (100%)
1	Production	48	19.2
2	Processing	15	6.0
3	Marketing	64	25.6
4	Production, Processing and Marketing	123	49.2

5. CHALLENGES LIMITING YOUTH PARTICIPATION IN AGRIBUSINESS

The Table 3 shows the factors limiting youth participation in agribusiness as heighted below.

Table 3. Challenges limiting youth participation in agribusiness.

S/N	Variable	Not Applicable	Most serious	Very serious	Serious	Ranking (Most serious)
1	Lack of initial capital	15(6.0%)	173(69.2%)	35(14%)	27(10.8%)	1 st
2	Lack of land	8(3.2%)	62(24.8%)	146(58.4)	34(13.6)	$4^{ m th}$
3	High cost of agricultural inputs	56(22.4%)	32(12.8%)	37(14.8%)	125(50.0%)	11 th
4	Lack of market for agricultural produce	12(4.8%)	46(18.4%)	175(70.0%)	17(6.8%)	8 th
5	Low returns (Profit)	7(2.8%)	35(14.0%)	161(64.4%)	47(18.8%)	10^{th}
6	Lack of agribusiness knowledge	54(21.6%)	58(23.2%)	63(25.2%)	75(30.0%)	$6^{ m th}$
7	Poor incentive	56(22.4%)	42(16.8%)	89(35.6%)	63(25.2%)	$9^{ m th}$
8	Lack of access to credit	11(4.4%)	164(65.6%)	36(14.4%)	39(15.6%)	$2^{ m nd}$
9	Lack of agricultural insurance	102(40.8%)	62(24.8%)	49(19.6%)	37(14.8%)	$5^{ m th}$
10	Lack of facilities/machineries (Production, processing, storage etc)	4(1.6%)	47(18.8%)	34(13.6%)	165(66.0%)	$7^{ m th}$
11	Lack of interest	5(2.0%)	153(61.2%)	47(18.8%)	45(18.0%)	$3^{ m rd}$

Lack of initial capital: Majority of the respondents 69.2% stated that initial capital was the most serious constraint to agribusiness while 10.8%, 14% and 6.0 stated that it was a very serious, serious and no constraint at all.

Lack of land: 58.4% of the respondents complained that lack of land was a very serious constraint while 24.8%, 13.6% and 3.2% complained that it was the most serious, serious and no serious constraint.

High cost of farm inputs: Majority (50.0%) of the respondents admitted that high cost of agricultural inputs was a serious constraint while 22.4%, 14.8% and 12.8% admitted that it was a serious constraint, very serious and most serious constraint.

Lack of market for agricultural produce: Majority (70.0%) of the respondents complained that lack of market for agricultural produce was a very serious constraint while 18.4%, 6.8% and 4.8% complained that it was the most serious, serious and not a serious constraint.

Low returns (Profit): The respondents (64.4%) stated low profit as a very serious constraint while 18.8%, 14.0% and 2.8% stated that it was a serious, most serious and not a serious constraint.

Lack of agribusiness knowledge: 30.0% complained that lack of the agribusiness was a serious constraint, 25.2%, 23.2% and 21.6% complained that it was a very serious, most serious and not a serious constraint.

Poor incentive: 35.6% of the respondents complained of poor incentive as a very serious constraint, 25.2%, 22.4% and 16.8% as serious constraint, not a constraint and the most serious constraint.

Lack of access to credit: Majority (65.6%) of the respondents complained that lack of access to credit was the most serious constraint to involvement in agribusiness while 15.6%, 14.4% and 4.4% complained that it was serious, very serious and not a constraint at all.

Lack of agricultural insurance: Majority (40.8%) stated that lack of insurance was not a constraint while 24.8%, 19.6% and 14.8% stated that it was the most serious, very serious and a serious constraint.

Lack of facilities/machineries: 66.0% of the respondents complained that lack of facilities was a serious constraint while 18.8%, 13.6% and 1.6% complained that it was the most serious, very serious and not a constraint.

Lack of interest (passion): Most of the respondents (61.2%) stated that lack of interest in agribusiness was the most serious constraint, 18.8%, 18.0% and 2.0% stated that it was a very serious, serious and not a constraint.

In the ranking order, lack of initial capital to start the agribusiness was the most serious challenge limiting youth participation in agribusiness followed by lack of access to credit, lack of interest, lack of land, lack of insurance etc.

The result concurs with the finding of Ajani, Mgbenka, and Onah (2015); Simelane, Terblanche, and Masarirambi (2019) that youth involvement in agriculture, including entrepreneurship, nonetheless remains limited as a result of inadequate knowledge of the potential of the agricultural sector, lack of access to relevant resources for profitable agricultural engagements, inadequate technical know-how for economically viable agribusinesses, lack of facilities to preserve agricultural products, inadequate access to the fair product marketing and food processing industries, inadequate access to funds, land, high-yield seeds and fertilizers, as well as a lack of political will to implement policies.

The above result also concurs with the findings of Suresh, Yuan, Lena, and Nandita (2020) who reported that rural youth in Nigeria continue to face several constraints such as limited access to land, credit, inputs (e.g. machinery, irrigation or improved seeds), agronomic and vocational training, insurance and lucrative markets when engaging in agricultural enterprises.

6. DETERMINANTS OF YOUTH PARTICIPATION IN AGRIBUSINESS

Table 4 presents the factors that influenced youth participation in agribusiness in the study area. The table shows that at 5% level of significance, access to agricultural inputs, access to facilities/machineries, access to market for agricultural produce, high returns (Profit), incentive, access to credit, availability of land and training on agribusiness were the significant factors that determine the youth participation in agribusiness. The coefficient of determination (R²) was 0.96. This indicates that 96% of the variation in the dependent variable was explained by the hypothesized independent variables.

Table 4. Determinants of youth participation in agribusiness.

Variables	В	Std. Error	Beta	T	Sig.	\mathbb{R}^2
(Constant)	-0.042	0.127		-0.330	0.742	
Access to agricultural inputs	0.129	0.074	0.051	1.753	0.081	0.964
Access to facilities/machineries	0.126	0.046	0.082	2.749	0.006	
Access to market for agricultural produce	0.254	0.052	0.192	4.907	0.000	
High returns (Profit)	0.438	0.038	0.493	11.375	0.000	
Incentive	0.290	0.065	0.202	4.483	0.000	
Access to agricultural insurance	-0.085	0.056	-0.045	-1.523	0.129	
Access to credit	0.081	0.012	0.140	6.472	0.000	
Availability of land	0.229	0.048	0.093	4.793	0.000	
Trainings on agribusiness	0.266	0.069	0.090	3.860	0.000	

Access to agricultural inputs: Access to agricultural inputs was statistically significant which shows that the availability of agricultural inputs at affordable prices will drive more youth into agribusiness.

Access to facilities/machineries: Access to facilities/machineries was statistically significant which shows that the availability of facilities (power supply, machineries, tractors etc) for agricultural produce will also drive more youth into agriculture.

Access to market for agricultural produce: This was positively significant which implies that when there is a ready market for agricultural produce, a greater number of youths will want to be involve in agribusiness.

High returns (Profit): High returns was statistically significant which implies that when agribusiness is profitable, the youths will want to be involve.

Incentive: Incentive was also statistically significant and its implies that the more incentive in the agribusiness, the more attracted the agribusiness will be to the youth.

Access to credit: Access to credit was significant which implies that it plays a major role in determining the youth participation in agribusiness.

Availability of land: Availability of land was significant which implies that when youths have access to land, the more attracted they will be to agribusiness.

Training on agribusiness: The training on agribusiness was statistically significant which implies that the more training youths acquired on agribusiness, the more agribusiness will be attractive to them and they will be involve.

7. CONCLUSION AND RECOMMENDATIONS

Identifying the constraints to youth involvement in agribusiness as a panacea to the high rate of youth unemployment and restiveness becomes important to help the government in developing policies and programmes to tackle the menace. Though agriculture is the main sector of economy in the country that can employ more persons and reduce the unemployment rate, most youth still lack interest (passion) because of so many constraints. From the findings, constraints lack of initial capital, lack of land, high cost of agricultural inputs, lack of market for agricultural produce, low returns (profit), lack of agribusiness knowledge, poor incentive, lack of access to credit, lack of agricultural insurance, lack of facilities/machineries and lack of interest were the identified constraints. The study also found out that most of the youth prefer going into marketing of the agricultural produce than production and processing which poses a huge challenge as they are leaving the production and processing to the aged which are not open to innovations and depends on the use of cruel tools. Therefore, the study recommends that;

- 1. Vocational training should be made compulsory in schools where the young ones are exposed to agriculture as entrepreneur with incentives attached.
- 2. Access to credit with less interest rate should be made available to the youth who wish to venture into agribusiness.
- 3. There should be facilities, land and ready market for agricultural produce where the youth can equally export most of their produce which will be a motivation to other youth to join in agribusiness.

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