

# Journal of Co-operative and Business Studies (JCBS) Vol. 6, Issue 1, April 2021 ISSN: (Online) 2714-2043, (Print) 0856-9037 Full Issue and Text Available at: http://www.mocu.ac.tz FACTORS INFLUENCING YOUTH'S PARTICIPATION IN AGRICULTURAL MARKETING CO-OPERATIVE SOCIETIES IN RUANGWA DISTRICT, TANZANIA

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### ABSTRACT

This paper investigated factors influencing youth's participation in Agricultural Marketing Co-operative Societies in Ruangwa District, Tanzania with reference to Mandawa and Mbekenyera AMCOS. Specifically, the study sought to examine youth perception in Agricultural Marketing Co-operative Societies as an organisation for poverty reduction; Data were collected through individual surveys. A questionnaire was administered to a sample of 184 youths who were selected randomly from two AMCOS. The objective was analysed descriptively using Likert scale to measure youth's perception in Agricultural Marketing Co-operative Societies. Perception among respondents was measured by developing perception Index (PI). The findings confirm that youth had positive perception on AMCOS toward poverty reduction. This implies that, youth agreed that AMCOS is the best strategy for them to develop and improve their productivity due to the market accessibility and stable price as a result of AMCOS interventions. The study recommends that the government should assist in creating ready markets and facilitating linkages to other markets for agricultural produce. This will encourage the youths to participate in farming activities since they are assured of making sales and increasing their profits which will contribute to improved income to youth and join AMCOS.

Key words: youth, participation, youth participation, agricultural marketing co-operative societies.

### **1.0 INTRODUCTION**

There has been an increasing realisation of co-operatives stakeholders over the years for the significance of co-operatives as vital instruments for socio-economic development across the world (Khumalo, 2014). Agricultural co-operatives are often considered as key to agricultural development. They have the ability to increase smallholders' participation in agricultural markets and ensure realisation of the economic benefits that come with market (Ortmann and King, 2017). In order for the agricultural marketing co-operatives society (AMCOS) to be sustainable and operate effectively, they must work closely with their members, develop all necessary internal capacity and ensure participation of members in terms of sex and age in co-operative related affairs (Anania and Kimaro, 2016).

In developed countries, there is a growing recognition of the importance of ensuring adequate representation of young people in agricultural co-operatives and their active inclusion in decision-making processes but there is poor participation of youths in agricultural co-operatives due to the misperception of youth's in AMCOS (Hartley and Johnson, 2014). In Germany youth are not largely involved in agricultural co-operative activities due to the fact that agriculture as a career choice is burdened with misperceptions of youth towards AMCOS and a lack of information and awareness (Muthee, 2011).



In Tanzania, Agricultural marketing co-operative society is basically a rural oriented sector which is mostly done by the elders with the average age of above 50 years, this might be due to the fact that some Tanzanian youths have poor perception towards the Agricultural Marketing Co-operative Societies which leads some of them moving from rural to urban areas in large numbers in search of office work, however the urban areas are not able to generate jobs as fast as the growth in population which has led to high levels of youth unemployment (UN, 2012).

Despite the investment by the government, as well as development partners in providing funds and capacity building support to youth groups, youths in Ruangwa District have not embraced the opportunities to engage in farming, which would have lead them into becoming members of Agricultural Marketing Co-operative societies. The worst case in Ruangwa is the high rate at which youths sell their small inherited land to join the infamous "boda boda" (motor cycle) business. Therefore, this paper aimed to assess the factors influencing youth's participation in AMCOS in Ruangwa District. The main objective of this paper was to assess factors influencing youth's participation in Agricultural Marketing Co-operative Societies in Ruangwa District in Tanzania with reference to Mandawa and Mbekenyera AMCOS, specific objective was to examine youth perception in Agricultural Marketing Co-operative Societies as an organisation for poverty reduction,

### 2.0 RESEARCH METHODS

The study adopted a cross-sectional research design. The design was useful to the study since it seeks to describe the problem in detail. The study involved two selected AMCOS namely; Mandawa and Mbekenyera AMCOS in Ruangwa District. The AMCOS was purposively selected in the study area since it experiencing low youth participation in the area. The study used a sample size of 184 youths from the selected AMCOS.

The study employed simple random sampling and purposive sampling. Simple random sampling technique was applied when selecting 184 youth's respondents in the study area as shown in Table 1. The respondents interviewed include: Mandawa AMCOS (81) and Mbekenyera AMCOS (103). The selection was based on the fact that the population was unevenly distributed in the selected AMCOS so this technique made the sample more representatives for the selected population. Interview and survey methods were employed to the key informant during data collection. The objective was analysed using Likert scale data analysis technique to examine the youth perception toward AMCOS on poverty reduction and perception index was developed. The items which scored mean score from 3.0 and above were qualified to be positive perception toward Agricultural Marketing Co-operative Societies and below 3.0 were regarded as negative perception.

AMCOS	Percent (%)	Population (N)	Sample (n)		
Mbekenyera	56	180	103		
Mandawa	44	144	81		
Total	100	324	184		

# Table 1 : Distribution of sample size



# 3.0 FINDINGS AND DISCUSSION

### 3.1 Youth Perceptions on AMCOS toward Poverty Reduction

The study aimed to examine the youth perception toward AMCOS on poverty reduction. The study used five Likert scale points i.e., 1 = strongly disagree; 2 = Disagree; 3 = Neutral; 4 = Agree and 5 = strongly agree to measure the youth perception on AMCOS toward poverty reduction. A decision range is that, mean rating of 3.0 and above was accepted as positive perception while a mean rating below 3.0 regarded as negative perception toward AMCOS on poverty reduction. The findings in Table 2 show that, the grand mean score is 3.43 which is above 3.0, therefore, this means that, generally youth had positive perception on AMCOS toward poverty reduction. This implies that, AMCOS is the best strategy for them to develop and improve their productivity due to market accessibility and stable price as a result of AMCOS interventions.

#### **Table 2: Youth Perception on AMCOS**

Statements	1		2		3		4		5		Mean score
	f	%	f	%	f	%	f	%	f	%	
AMCOS membership is preferred by youth than non-membership					147	80	37	20			3.9
AMCOS is the efficient strategy in poverty reduction among youth			28	15	46	25	73	39	37	21	3.5
AMCOS is the efficient means of developing agricultural sector and growth of famers	37	20			37	20	110	60			3.9
AMCOS stabilizes agricultural products prices and maximizes profit			74	40	73	39	37	20			3.8
AMCOS improves bargain power of agricultural products and fetches high prices in the market			33	18	41	22	110	60			3.7
AMCOS is beneficial to farmers and lead to increase in farmers income and growth	70	38			77	42	37	20			2.8
AMCOS has very efficient management which trains, educates and advices famers on right species to cultivate and rise the productions	35	19	79	43			46	25	24	13	2.8
AMCOS offers training to farmers which help them to improve productivity and produces quality products	14	20			42	60	14	20			2.7
Total mean score Grand average mean score											27.1 03.4

The study asked the respondent to state whether AMCOS membership is preferred by youth than nonmembership. The finding in Table 2 revealed that, most of respondents 80% were indifference whether youth prefer to be AMCOS members where only 20% of them agreed that, youth prefer to be AMCOS



members where none of them disagreed with this statement. This could be due to low knowledge among youth about the importance and function of AMCOS as they think that, they can fight on their own to sell their products. This might be due to bureaucracy and costs associated with AMCOS membership. However, the study qualified this statement as the positive perception toward AMCOS membership since its mean score was 3.9 quite above 3.0 which were set as the decision range. This implies that, youth prefers to be AMCOS members than none AMCOS members. The findings are in line with Gasana (2011) who reported that, Agricultural Co-operative service is the key factor for attraction of youth membership. It was defined as the type of services that the co-operative engaged in order to satisfy the needs of members. It was assumed that the service of the co-operative is satisfactory, if it has a positive relationship with membership by attracting new members. The result of logistic regression showed that effective service rendering by co-operatives to their members had an effect on the membership of the co-operatives and it was significant at 5% probability level.

The study was seeking to know perceptions of youth towards AMCOS as the efficient strategy of poverty reduction among youth in the study area. The findings indicate that, 39% respondents agreed with this statement, 25% were indifference about the statement, and 21% strongly agreed while 15% disagreed with the statement. This means that, youth perceive AMCOS as the efficient strategy for poverty reduction in the study area. This can be true since AMCOS helps famers to sell their agricultural products at the best and reasonable price which helped them to improve their income and grow. The mean score was 3.5 above 3.0 which imply that, youths had positive perception toward AMCOS as the efficient strategy for poverty reduction in the study area. This also was confirmed by one of the key informant who said that:

"....AMCOS has helped farmers to eradicate poverty by looking for market for agricultural products which help to sell products at high and reasonable price. Due to high price, it has improved farmers income and growth. Some farmers have built good house and bought their own transport facilities such as motorcycles and cars..." (Interview, Ruangwa District).

The findings are in line with Salman and Akinbosoye (2013) who argued that, leadership commitment leads to growth and expansion of co-operative societies and vice versa can be true. Unsatisfied over leadership commitment in co-operatives can restrain the non-members to become the members of the co-operatives and therefore the intention of non-members to become members was poor which is expected to adversely affect the growth of the co-operatives. The result of binary logistic regression reveals that leadership commitment had an effect on membership increment of agricultural co-operatives and it was significant at 5% probability level.

Furthermore, the study wanted to understand from the respondents whether AMCOS are the efficient means of developing agricultural sector and growth of famers. The findings in Table 2 revealed that, most of respondents 60% agreed with this statement and 20% of them were indifference while 20% also strongly disagreed. This means that, youths in the study area believe AMCOS as the strong and efficient strategy formed purposely for agricultural development and growth of farmers in the study area. This is true since AMCOS has enabled farmers to sell their products at reasonable price, looking for best market



of their products, offering training and expertise advisory about what to seed specie to use in production and best way of handling agricultural products to improve quality and durability of products. The mean score of this statement was 3.9 which imply that, youths had positive attitudes toward the AMCOS in terms of developing agricultural sector and growth of farmers. But the study revealed that the challenge of access to land by youth still poses as a constraint to youth participation in agricultural marketing cooperative activities. Though there is an option of some youths acquiring land by purchasing, this might not be feasible given the low youth savings, high rates of youth unemployment and low wages for most rural youth and high land prices.

The findings are in line with Aribaba (2013) who found that, embezzlements of assets were demoralizes co-operative membership. This variable expected to have a negative relation to the membership increment of the co-operatives. The result of the survey reveals that this particular variable influences membership increment in agricultural co-operatives at 5% level of significance. The embezzlement of co-operative assets creates gradual decrease in the sense of ownership of the existing farmer members and new farmer members were frustrated to join the co-operatives. Therefore, the co-operative assets and properties should be protected from misappropriation through creation of a sense of ownership, truthfulness in the minds of members of management committees and employ, arranging appropriate accounting system, internal financial controlling system and close supervision of the co-operative and provision of timely audit services by appropriate authority as designated in the legislation.

Furthermore, the study asked the respondent that, AMCOS stabilizes agricultural products prices and maximizes profit. The findings in Table 2 show that, 40% of respondents disagreed with this statement, 39% were undecided and 20% agreed with this statement. However, the mean score for this statement was 3.8 which is above 3.0; therefore, this implies that, youths had positive perception toward AMCOS in terms of price stabilization of agricultural products and profit maximization in the study area. This is true since AMCOS help famers to seek for the reasonable price of their product and offers cash loan to farmers who have urgent need of money before selling their products. This help farmers to sell their products at whichever price in the market due to urgency need of money such as school fees for their children and money for health care. This was confirmed by one of the key informant who said that;

"....AMCOS helps us to store our products till when the price rise and sell at high price and when we need urgent money, AMCOS give us loan to solve our family problems before we sell our products"... (Interview, Ruangwa District)

Nonetheless, the study asked the respondents that, AMCOS has very efficient management which trains, educates and advices famers on right crops to cultivate and volume of productions. The findings revealed that, majority of respondents 43% disagreed with this statement, 25% agreed with the statement, 19% strongly disagreed while 13% were strongly agreed. The mean score for this statement was 2.8 which are below the 3.0 threshold; therefore, this implies that, youths had negative perception toward AMCOS on efficient management which offers effective training and advices which is significant to them. This is due to poor AMCOS management which is caused by inefficient leaders and corruption that impairs management annual budget for offering regular training to famers. This was justified by the District Co-



operative Officer report which several time in most of AMCOS, finds qualified report which implies that, there is miss management of fund. One of the key informants narrated that;

"...AMCOS management is not providing training effectively and are not transparent in AMCOS development funds, they misuse our money"... (Interview, Ruangwa District).

The statement above implies that, AMCOS management is not efficient t and does not meet the expected target to famers due to miss management of funds and inefficient leaders.

This finding is in line with Faridi and Basit (2011) who found that, training to members is vital and motivate farmers to increase more production. It was defined as the training of members about the benefits of agricultural co-operatives and related matters. It is assumed that if a household gets training about the benefits of agricultural co-operatives, he/she would become a member than those who did not get training. The result of binary logistic regression showed that training had an effect on membership increment of agricultural co-operatives and it was significant at 5% probability level.

The findings are adjacent with Alliance for a Green Revolution in Africa (2013) who argued that, farming or agricultural activities were perceived as a job for the low class, illiterates, aged, rural people and therefore belittling. Therefore, despite some incentives attached to the empowerment program to attract youths, a number of them still believe that, participation in such program is belittling and not appropriate for an enlightened youth thereby affecting the rate of participation in agriculture empowerment and at the same way cause withdrawal among those earlier enrolled for the program.

Nonetheless, Agwu *et al.* (2012) argued that, this sub-theme under government induced factor was used to encompass all administrative related issues that directly and indirectly impact the range of participation in the agricultural capacity building for the youth in youth integrated farm Malete County in Kenya. The findings informed that, all administrative work at the training farm is concentrated in the hands of farm manager who is a contract staff while other instructor, who are the implementer were seconded from other ministries and local government. While each instructor earns salary based on his mother ministry, the farm manager earns consolidated salary.

## 4.0 CONCLUSION AND RECOMMENDATIONS

### 4.1 Conclusion

The findings in Table 2 shows that, the grand mean score is 3.43 which is above 3.0, therefore, this means that, generally youth had positive perception on AMCOS toward poverty reduction. This implies that, youth agreed that, AMCOS is the best strategy for them to develop and improve their productivity due to market accessibility and stable price as a result of AMCOS interventions.

### 4.2 Recommendations

The study found that, youth had positive attitudes toward AMCOS in poverty reduction, it should be enriched with other potential services especially training on the best mechanisms that can be applied in agriculture to maximize productivity and enable them to use modern agricultural methods so as to improve quality of products they produce that can be sold at high price in the local market. On top of this,



youth should be encouraged to join AMCOS since they will benefit with its potential services they offer to the community which leads to the development of agricultural sector and finally poverty reduction.

The study further recommends that AMCOS management should establish a training and development programme to educate the youth and develop a positive perception about AMCOS. This will assist in changing their attitude about agricultural activities and take this activity as a full-time job. The study recommends that DAICOs across the country should increase youth awareness about Agricultural Marketing Co-operative Societies activities. This will enable them to have a deeper understanding of the benefits that are derived from AMCOS and the challenges involved if they decide to take agricultural activities as a profession.

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