

Socio-Economic Contributions of Cottage Industries to Rural Livelihood in Nigeria

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ABSTRACT

The importance of cottage industries to growth in national economies and the world at large cannot be overemphasized, as they are in most cases considered as one of many panaceas to poverty alleviation with respect to substantial growth evidently in most countries, perhaps because they do not require large premises, huge machines and great investment and are not labour intensive. However, most rural communities in Nigeria lack essential amenities such as electricity, pipe born water, good road networks, access to good hospitals, etc., which could partly be responsible for their socio-economic retrogression in comparison to urban communities. It takes a lot of economic considerations to set up large industries, regrettably large industries in Nigeria are located where the necessary infrastructure already exists with less consideration to rural development. Contrary to this, cottage industries can be established even in the most remote areas. While there are other notable benefits of cottage industries as it ensures a more equitable distribution of national income; enhance balanced regional industrial development; act as a nursery for entrepreneurship and facilitate mobilization of local resources and skills which might otherwise remain underutilized. Cottage industry does not only increase income of the rural households but also reduce unemployment and thus raise the standard of living and socio-economic status of rural dwellers. This paper reviews the socio-economic contributions of cottage industries to rural livelihood in Nigeria with a view to draw lessons from the potentials of cottage industries in addressing problems of poverty and unemployment in rural communities in Nigeria and promoting cottage industries for sustainable livelihood and rural development.

Key Words: Rural communities, Socio-economic contribution, Cottage industries, Poverty alleviation, Unemployment.

INTRODUCTION

Cottage industries are carried on in the home as a part-time occupation primarily by members of one family using human or animal power. Cottage industries play a very vital role in the country's economy despite the phenomenal growth in the large-scale sector. In fact, the small-scale sector is playing a vital role in the growth of national economies the world over and is considered to be the engine of growth in most countries (Ogechukwu, 2006). Cottage industries are of special importance because they can be carried on with the help of the members of the family. They do not require large premises, huge machines and great investment. They are labour intensive. The greatest advantage of such industries is that even the women and the old in the family can usefully utilize their leisure. They not only increase the income of the family but also reduce unemployment and thus raise the standard of living of the dweller of the rural area (Breman and Kessler 1995).

Cottage industries have great potential to solve the problem of unemployment and also to help in the equitable distribution of wealth. Poverty is one of the most deplorable disabilities that can afflict a person or a nation. Unfortunately, poverty seems to be increasing in the developing countries, especially countries of the Sub-Saharan Africa, Nigeria inclusive. Mankind as a whole has been alarmed by this phenomenon of growing poverty. The issue of poverty has become so important that it led to a United Nations special summit in Copenhagen in 1992. The U.N. declared 1996 as the International Year for the Eradication of Poverty and 1997-2006 as the International Decade for Poverty

Eradication. Most notable International organizations such as Food and Agricultural Organization (FAO), International Fund for Agricultural Development (IFAD), United Nation Development Project (UNDP), United Nation Educational Scientific and Cultural Organization (UNESCO), World Health Organization (WHO) and the World Bank have also come out forcefully to address the issue of poverty (Gusau, 1998).

The rural economy is not based solely on agriculture but rather on a diverse array of activities and enterprises. Much recent thinking on this subject is based on the concept of 'livelihood diversification as a survival strategy of rural households in developing countries' (Ellis, 1999). Farming remains important but rural people are looking for diverse opportunities to increase and stabilize their incomes. The notion of livelihood diversity is based on a framework that considers the activities of the rural poor as being determined by their portfolio of assets, including social, human, financial, natural and physical capital (Ellis, 1998). Activities and rural livelihood therefore reflect farmers' assets and are further influenced by the institutions that they interact with and broader economic trends such as market prices and shocks such as drought.

CONTRIBUTION OF COTTAGE INDUSTRIES TO RURAL LIVELIHOOD

It has been envisaged that cottage Industries would play an important role as producer of consumer goods and absorber of surplus labour thereby addressing to the problems of poverty and unemployment which is a common phenomenon in our

rural area. Other advantages of cottage industries are that they ensure a more equitable distribution of national income, enhance balanced regional industrial development, act as a nursery for entrepreneurship and facilitate mobilization of local resources and skills which might otherwise remain unutilized (Mahmoud 2004). Promoting cottage industries in Nigeria will enable rural development thereby improving the living standard of the low income population living in rural area on a self-sustaining basis through transforming the social spatial structure of their productive activities. After many years of inadequate emphasis on industrialisation, it is now clear that rural development represents perhaps the only logical way of stimulating overall development.

Evidence abound in the communities of what successes our great grandparents, made of their respective trading concerns, yam barns, cottage industries, and the likes. The secret behind the success of a self-reliant strategy does not lie in any particular political philosophy, so much as the people's attitude to enterprise and in the right incentive is adequate enough to make risk worthy businesses a necessity for the nation (Mahmoud 2004). In a developing and agricultural country like Nigeria, the importance of cottage industries cannot be over-emphasised. Even Mahatma Gandhi strongly recommended the development and expansion of cottage

industries in our rural area (Olukunle, 2005). Various Products from cottage industries often have identifying features such as traditional or artistic deriving from the region or country of production by craftsmen, working generally on a cottage industry basis. These products are characterized by utility, sustainability and environment friendliness blended with aesthetics appeal and are suitable for everyday use. The most predominant features of these industries are the extensive use of individual skill and the interesting design motifs.

Three Dimensional Woven Bamboo Products

Three dimensional bamboo woven products are handcraft made of bamboo strips and threads. This product range is very wide. The products are classified according to their form and function. This creates opportunities to utilize indigenous natural resources. A good example is the production of portable basketry which refers to baskets with a handle. There are many kinds of portable baskets. Some are made specifically for carrying flowers, or fruits and vegetables. They can be made in wide variety of shapes and sizes, ranging from fancy miniature baskets to large and strong baskets that can carry a load of up to 100kg (Yair *et al* 1999).



Plate 1: Basket making



Plate 2: Storage containers

The parts of a basket (Plate 1) are the base, the side walls, and the rim. A basket may also have a lid, handle, or embellishments. Most baskets begin with a base. The base can either be woven with reed or wooden. A wooden base can come in many shapes to make a wide variety of shapes of baskets. The 'static' pieces of the work are laid down first. In a round basket they are referred to as 'spokes'; in other shapes they are called 'stakes' or 'staves'. Then the 'weavers' are used to fill in the sides of a basket (Yair *et al*, 2001).

Marketing skills are required to sell this product so as to make profit and thereby improve the livelihood of the rural area. Marketing skills help rural households to better understand the marketing environment, infrastructure, intelligence and marketing risk. Analysis of the implications of prevailing market environment should facilitate strategic planning for marketing, to overcome marketing risk and help them to access highly competitive and supply-demand led markets for getting remunerative prices of their produce/products (Platman, 2004).

Aso Oke (Cotton)

Aso-Oke is the short form of Aso Ilu Oke also known as Aso-Ofi, meaning cloth from the up-country. This fibre is woven from traditional materials in Yoruba land, the second largest tribe in Nigeria. Cloth weaving Aso-Oke (Plate 3) started centuries ago amongst the Yoruba's but predominantly amongst the Iseyin's (Oyo State), Ede (Osun State) and Okene (Kogi state). However, popular types of Aso-Oke are the "Sanyan" (beige with white stripes) and the "Alaari" (red). Other relatives of Aso-Oke are Kente, the Ghanaian genre and Akerete, for the Igbo/Calabar women. Moreover, Aso-Oke is now regarded as popular attire that is considered trendy in different countries and world regions like Europe, United State, Brazil and Cuba. This fibre is known to be more expensive than ordinary cotton materials because of the cost of input and the techniques involved. That is, Aso-Oke involves a whole lot of preparation, such as planting of cotton (*Gossypium hirsutum*), spinning, sorting, patterning and weaving (See Plate 3).

Firstly, the planting of cotton stage prepares the cottons for usage in making the threads usable for weaving Aso-Oke. It is mostly planted during the rainy seasons between the month of June and July. Spinning is the process of separating the cotton seed from the wool, and in doing this, a bow-line

instrument called spindle and “Orun” in Yoruba language is used. Still on the preparation, Sorting is the process whereby the weaver separates the dirt from the wool in order to make the wool fit for use since the cotton often acts like a magnet. In other words, it easily attracts dirt.

While the patterning stage is the process of putting designs and patterns on the Aso-Oke, weaving is the last stage. This is



Plate 3: Weaving Process

where the rolled cotton is neatly inserted into the striker through the extenders. Finally, the material is now fit, ready to be worn (See plate 4) for occasions such as coronations, festivals, engagements, weddings, naming ceremonies, burials and other important events. The beauty of the woven cloth (Aso-Oke) is showcased when it is used as Aso-Ebi (a group of people e.g. friends, families etc dressed alike).



Plate 4: Aso oke sales point

HONEY PRODUCTION

Another cottage industry that can fully be explored by rural dweller is the Honey production sector. The obtaining of honey from bees is generally the primary object of their

culture. Bees gather nectar to make into honey for their own use as food (See Plate 5), but generally store more than they need, and this surplus the bee keeper takes away.



Plate 5: Bee feeding on nectar



Plate 6: Stored Honey

This honey making in the farms is not a hectic job, but it yields much more money for the rural people. Honey production does not need extra land, or some machinery. It is a cottage industry in its own, no food and fodder is needed for the bees. Nectar is collected from the flowers freely by nature, through which the bees make honey and many bi-products such as the honey bees' wax, and many more. Honey has distinct germicidal properties and in this respect greatly differs from milk which is an exceptionally good breeding-ground for bacteria. Honey is a most valuable food, which today is not sufficiently appreciated. Its frequent if not daily use is vitally important (Chambers and Conway, 1992).

Palm Oil (*Elaeis guineensis*) Production

The primary unit of production of the palm oil industry is the farm where the oil palm tree is cultivated to produce palm fruits. The palm fruits from the trees are harvested (Plate 7)

and the then processed to oil. Rural area cottage industries use the village traditional method of extracting palm oil which involves washing pounded or digested palm fruits (Plate 8), mash in warm water and hand squeezing to separate fibre and nuts from the oil/water mixture. A colander, basket or a vessel with fine perforated holes in the bottom is used to filter out fibre and nuts. The wet mixture is then put on the fire and brought to a vigorous boil. After about one or two hours, depending on the volume of material being boiled, the firewood is taken out and the boiled mixture allowed to cool. On cooling to around blood temperature, a calabash or shallow bowl is used to skim off the palm oil. Meanwhile the flow chart for palm oil production (Fig 1) is systematic and this allows for effective production of oil and extraction of other essential market resource of the palm.



Plate 7: Harvesting Palm fruits



Plate 8: Palm fruit digestion

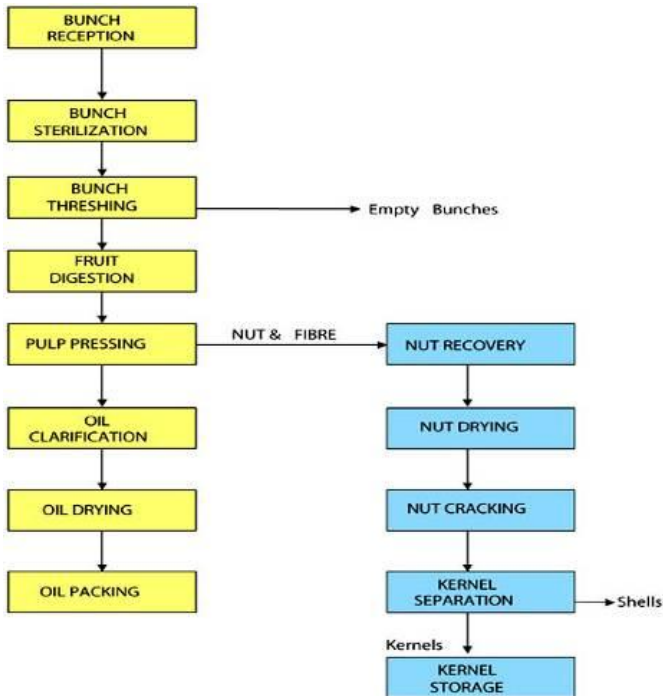


Fig 1: Palm Oil Processing Unit Operations

Small-scale mills simply pack the produced oil palm in used petroleum oil drums or plastic drums and store the drums at ambient temperature. At this point, the stored palm oil (Plate 9) can be consumed by the family or taken to local markets for sale so as to make earning (Gustafsson, 2007). The socio-economic opportunity attached to oil palm production comes from three main areas: the demand for palm oil, the availability of palm nut trees and suitable climate, and the availability of labor. The local demand for palm oil is substantial. It is estimated that for every five people in Nigeria, perhaps two liters of palm oil or more are consumed each month for cooking (Gustafsson, 2007). It has been reported that, although once a significant exporter of palm oil, Nigeria is now an importer, and it is possible that some of this demand may be currently supplied by foreign imports (Gustafsson, 2007).



Plate 9: Stored Palm oil

African Locust Bean

Parkia biglobosa is known as the African locust bean tree. Africa locust bean is widely recognized as an important indigenous fruit tree in Nigeria. The Tree has nutritional, economic and ecological importance. Nutritionally, the seeds of the tree when processed were widely utilized in North-

Central Nigeria as condiments. This finding corroborates the earlier ones by Oyerinde and Daramola (2004) that the seeds of African locust bean tree are processed into a fermented food condiment known as Iru, Dawadawa and Ogiri in the Southern, Northern and Eastern parts of the country, respectively. The fermented *Parkia* constituted an important ingredient in most dishes, soups and stews made to accompany porridges, rice and cooked yams and cassava in the region. This means that the fermented food condiment is a crucial and widely consumed food of high nutritional value to millions of Nigerians both in rural and urban areas.

Economically, African locust bean tree provided income and employment to many household members in the region. Trading activities in the raw seeds, the fermented food condiment (variously known as Iru, Dawadawa and Ogiri,), charcoal, and firewood among others provided reasonable income and employment. For instance, the weekly net income accruing to the people from sales of raw seeds, fuelwood and charcoal produced from African locust bean tree was ₦3780, ₦1120 and ₦720 respectively. These values are equivalent to USD30, USD9 and USD7, respectively (Tee *et al*, 2009). The result agrees with that of Breman and Kessler (1995). Fundamentally, net incomes from the above trading activities revealed that the people in these businesses were living above poverty line of \$370 per year (Hauser and Pilgram, 1999).

Carpentry and Furniture Firm.

Wood-based cottage industry is a viable profitable business if done properly on Commercial basis. Demand for Wood-based articles is growing considerably as socio-economic development is taking place. More and more people are becoming aware of the beauty and delicacy of the wood-made articles which are products of small scale carpentry and furniture work for a number of its intrinsic value in comparisons to metal-made. Daily use, official requirements, weddings, and other such social customary gathering events are incomplete without wood items. Wood also has more aesthetic value than the ore (Tee *et al*, 2009).

The cottage industry in the villages can be best developed on forest produce – wood, bamboo, weeds, reeds and grasses. These resources, being renewable resources are ideal raw materials for development of this cottage industry on sustained basis. With the development of wood based industry in the rural sector, the farmers growing trees can be assured of remunerative price for their produce at their door step itself, instead of running to city markets and falling under the trap of middle men and commission agents. This will ensure their continued interest in agroforestry. This is necessary for keeping alive the tempo of tree growing which is necessary for the very survival of humanity (Tee *et al*, 2009). The types of cottage industry which can be developed in rural areas are furniture, door and window, tool handles, agricultural implements, packing cases, match splints, turnery, carving, mat, e.t.c. There are numerous such examples where a profitable cottage industry can be run in the villages and generate gainful employment opportunities in rural sector. Thus plantation wood and bamboo etc. based cottage and small scale industry can help rural masses for their sustainable development and bring prosperity in the rural area (Tee *et al*, 2009).

Mortar and Pestle

Prosopis africana is generally known as Iron wood Tree in Nigeria. It is a common tree of the savannah region; belonging to the family Mimosaceae. It is variously called; Kiriya (Hausa), Ayan (Yoruba), Ubwa (Igbo) and Gbaaye or Kpaaye (Tiv). Iron wood tree is widely utilized in Nigeria and other African countries. Its utilization serves as source of income/employment as well as ecological services. Most mortal and pestles are made from *Prosopis africana* because of its durability and ease to carve. Mortar and Pestle produced are sold in the market (See Plate 10 and 11) and at homes, as the case may be, to generate income. Arts and craft work (carving) and trading offered employment services to many people living in the rural area.



Plate 10: Mortar



Plate 11: Pestle

Benefits of Cottage Industries

The benefits which can be derived from the cottage industries are summarized in the figure 2 below:

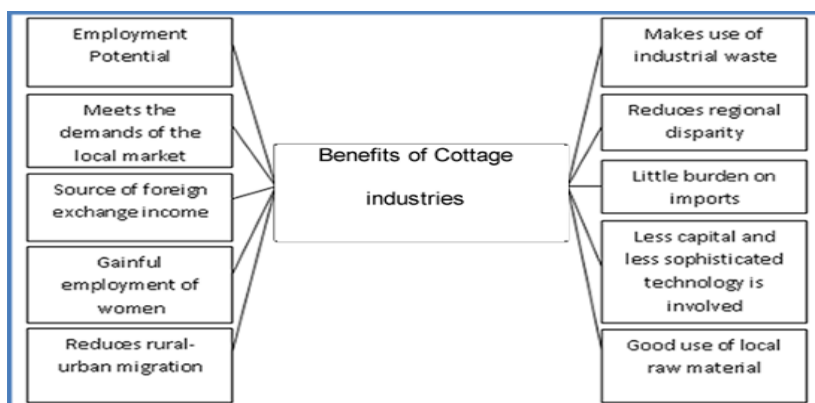


Figure 2: Benefits of Cottage industries

CONCLUSION

Despite high demand in products from cottage industries, the attention on these industries is limited or being ignored especially in rural communities. Although cottage industry is not the sole panacea for poverty alleviation, it stands to reduce unemployment creating a means for sustainable livelihood in both urban and rural communities while reducing the pace of rural dwellers deserting their traditional means of livelihood. If this industry dies, government will have to spend heavily in providing employment even when a little effort can help in the conservation of cottage industry.

These cottage industries can be harnessed and upgraded to help contribute enormously to rural livelihood and also reduce poverty. The approach should be non-formal, rooted in the local community, linked to practical learning and matched with local supply and demand. Cottage industries were identified as sustaining employment and incomes in the face of rising populations and threats of unemployment, providing seasonal occupation for farm workers during the less busy time of the year, contributing to equality and poverty alleviation by increasing the incomes of the poor. Therefore, neglecting the traditional technology-based rural enterprises (cottage industries) or allowing them to go extinct because of the encroachment of modern technology, is a clear threat to rural linkages and ultimately to rural development.

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