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Farmers indigenous approaches to preparing for old age in Ondo State, Nigeria

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ABSTRACT: Aging, an inescapable biological reality, is setting in upon the teeming population of Nigerian farmers. The study examined farmer's indigenous approaches to preparation for old age in Ondo State, Nigeria. Multi-stage and purposive sampling techniques were used to select 120 farmers. Descriptive statistics were used to present the findings of the study. Data revealed majority of the respondents were males (86.5%) with a mean age of 41.7 years. Most were married (83.3%) and 52.5% had completed primary school education. Two thirds of them were involved in savings in cooperative societies. About 50.8% saved 1-10% of their income. Savings were however, mostly directed at children welfare (53.3%) rather than their own needs. Majority (72.5%) indicated they were preparing for their old age in the form of investment in children's education (70.8%). Those proposing to lease part of their farm were 35.8%, 96.7% planned to use more of herbicides and 83.3% will hire labour for farm activities as they grow older to cope with challenges of agricultural activities. Farmers still depend largely on the popular traditional safety net of children in old age. Agricultural extension should develop capacity building packages to help farmers prepare better for old age.

Keywords: Aging, Indigenous Approaches, Preparation

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INTRODUCTION

Aging and its implications

Aging is an inescapable biological reality and an inevitable fact of life. Though researchers are divided over the causes as well as the fact that it can be prevented, the fact still remains; we all grow old. Aging is a process which takes place over a period of time in every human life. Aging refers to the time-sequential deterioration that occurs in most animals including weakness, increased susceptibility to disease and adverse environmental conditions, loss of mobility and agility, and age-related physiological changes

(Goldsmith, 2004). Though, the causes and initiation process differ varying from social, nutrition and environmental factors, it is nevertheless a period of time that demands adequate preparation for many reasons.

Deteriorating health and declining incomes threaten the welfare and security of many people as they enter old age. Older persons are often disproportionately affected by poverty because they don't receive a regular income. As the world ages fast, developing nations increasingly face difficulties supporting their older

population. Even in developed countries like the USA, 3.4 million seniors age 65 and older live below the poverty line. According to Cawthorne (2008), millions are barely making ends meet just above the poverty line. While 9.4 percent of seniors had incomes in 2006 below the poverty threshold of \$9,669 for an individual and \$12,186 for a couple, nearly a quarter of older Americans (22.4 percent) had family incomes below 150 percent of the poverty line. With a better measure of poverty according to Femstad (2013), the elderly poverty rate would be considerably higher as the current poverty measure gives no consideration to health care costs, among other problems. High medical bills for the elderly can greatly reduce the income available to meet their other needs. Hays (2009) writes that, the case is no different in Japan, as there is a growing number of poor seniors in Japan. Between 1995 and 2005 the number of indigent elderly increased 183 percent to around a half million people, many of whom have effectively been abandoned by their children. Many people in the field say, the half million figure is a gross underestimate and the real figure is around five times higher. In most developing countries, the elderly live at the bottom of the socio-economic strata. Older women, in particular, confront harsh conditions. Women usually take care of their children and family, an activity that puts them in a disadvantaged position when older as they may not have alternative income generating activities (Madzingira, 1997). Many people in the developing world hold informal jobs or work without wages in rural areas. These older persons enjoy no proper pension system and have scarce retirement savings, if any (Global Action on Aging, 2007). Aging has thus become a global phenomenon and indeed a critical policy issue receiving some recognition by governments of developing countries like Nigeria.

Nigeria's Response to Welfare of Aging Workers

The Nigerian Pension Commission is one of the government's effort to see to the welfare of the retiring work force of the country. The Pension Act of 2004 of Nigeria however, caters for workers in the formal sector which constitute about 30% of the country's work force. Agriculture, which provides employment for over 70% of the Nigerian population, of which majority in that category are peasant farmers, is neglected. The basis for such neglect seems not un-understandable as these farmers produce food for the teeming population, despite the fact that the extension of social security for all is nothing less than a basic human right (Article 22 of the United Nations Declaration of Human Rights) (Global Extension of Social Security, 2013). Whether policy makers are deliberating and brainstorming over such issues cannot be ascertained, but necessity behooves on researchers to find out what farmers are actually doing to prepare for old age. This can serve as a spring board for policies and programmes that could be implemented for their welfare.

The Nigerian Pension Reform

The Nigerian Pension Reform Act was signed into law in 2004 (PENCOM, 2011). This instituted the Contributory Pension scheme and led to the setting up of the National Pension Commission (PENCOM). The key objectives of the new scheme were to:

- Ensure that every person who has worked in either the public or private sector receives his retirement benefits as at when due;
- Assist improvident individuals by ensuring that they save to cater for their livelihood during old age;
- Establish a uniform set of rules and regulations for the administration and payment of retirement benefits in both the public and private sectors and

- Stem the growth of outstanding pension liabilities.

The law makes it mandatory for all workers in the public service of the Federation and the Federal Capital territory, and workers in the private sector where the total number of employees is 5 or more to join the contributory scheme at commencement. Under this scheme both the employees and employers contribute an equal amount of 7.5% of the employee's monthly salary to the individual Pension fund. However, the military is an exception as the employee contributes 2.5% and the employer contributes 12-5%. Contributions to the new pension scheme are however, tax free.

The employee registers with a Pension Fund Administrator (PFA) of his choice by opening an account to be known as a Retirement Savings Account (RSA) in his name. A Pension Fund Administrator (PFA) is a company licensed by PENCOM to manage and invests the pension funds in the employee's RSA. The PFA in turn informs the individual's employer that their services have been engaged and advances the individual's PIN number for the employer to remit the contribution required by law. The total contributions are remitted by the employer not to the PFA but to a PFC. The Pension Fund Custodian (PFC) is a company licensed by PENCOM to keep the pension money and assets in trust for the employee on behalf of the PFA. Once the employer remits the contribution, the PFC informs the PFA who then credits the individual's RSA. PENCOM is also electronically informed.

The employee may only withdraw from this account upon attaining the age of 50 and can withdraw a lump sum provided that the balance is sufficient to procure an annuity or fund programmed withdrawals that will produce an amount not less than 50 percent of his monthly

remunerations at date of his retirement. The balance after the lump sum payment can be applied by either a programmed monthly or quarterly withdrawal or the purchase of annuity for life through a licensed life insurance company with monthly or quarterly payments.

Plight of the Nigerian Farmer

With a pension, older people can afford to eat at least one meal a day, access basic services such as credit, health care and water, invest in income-generating activities and the health and education of dependants, support the millions of children in their care, orphaned by HIV/AIDS or conflict and emergencies and break the cycle of chronic poverty from one generation to the next. In spite of the knowledge that poverty is endemic in the rural areas and among the senior citizens (Madzingira, 1997), not much has been done to tackle such problems in terms of social security options or benefits to alleviate their poverty. Owing to the certainty of aging, when physical health and strength diminishes and capacity to generate income dwindles, there is need to prepare for old age so that such times does not become a regret after a life time of hard work. The case of farmers in developing countries is crucial as their activities are labour intensive. Their productivity is tied to their labour capacity using primitive tools. If any intervention will be implored to cater for the welfare of aging farmers/rural dwellers, who have no stake in the current Nigerian social pension package, there is the need to understand their perception of the time of old age in relation to their livelihood as well as examine their indigenous ways of preparing for old age if any?

General objective

The general objective of the study is to examine farmer's indigenous approach to

preparing for old age in Ondo State. It will specifically;

1. examine the personal characteristics of the respondents
2. identify their proposed strategies of coping with old age as farmers and
3. examine respondents approaches in ensuring a comfortable retirement for themselves

METHODOLOGY

The study was carried out in Ondo state, Nigeria with its capital in Akure. The state was created in February 3, 1976 as one of the 36 states of the Federation of Nigeria by the Government of General Muritala Mohammed. Created from the former Western region, it originally included the present Ekiti state (which was carved out in 1996). The state is made up of 18 Local Government Area and located in the south-western Zone of Nigeria. Lying entirely in the tropics, the state lies between longitudes 4°30" and 6" East of the Greenwich meridian, 5° 45" and 5°15" North of the Equator. Ondo state is bounded in the North by Ekiti and Kogi states, in the East by Edo state, in the West by Osun and Ogun States, and in the South by the Atlantic Ocean. The State covers a land area of 14,793 square kilometers and is located entirely in the tropics. The State enjoys luxuriant vegetation with forest zone (rain forest) in the south and sub-savannah forest in the northern fringe. The state has a population of 3,441,024 comprising 1,761,263 males and 1,679,761 females according to the 2004 census. Having a total state GDP estimate of \$8.41 billion in 2007, the per capita GDP of the State was \$2,392 in 2007. The State is peopled predominantly by Yorubas who speak various dialects of the Yoruba language such as the Akoko, Akure, Ikale, Ondo, Ile-Oluji/Oke Igbo, Owo and the Ilaje, Apoi and the Ijaw. The

people are mostly subsistence farmers, fishermen and traders. The state economy is basically agrarian with large scale production of cocoa, palm produce and rubber. Other crops like maize, cassava and yam are produced in large quantities. In the riverine areas of the state, inhabitants engage in lumbering, building of canoes, and a major occupation in fishing.

Sampling technique and sample size

The population of the study consisted of crop farmers of age 50 years and below. A multi-stage and purposive sampling technique was employed to select representative farmers. In the first stage, ten percent of the agrarian local government areas of the state was selected. This led to the selection of two (2) local government areas, Ifedore and Akure North LGAs. In the second stage, 10% of the communities in each local government were chosen, which gave two communities each. In the third stage, 30 farmers who were below fifty years of age were selected in each community to obtain a total of one hundred and twenty (120) respondents. Primary data were collected for the study using a well structured interview schedule containing open and close ended questions. Descriptive statistics such as frequency tables, mean, standard deviation and bar charts are used to present the findings of the study.

RESULTS AND DISCUSSION

Socioeconomic Characteristics of Respondent

Data presented in Figure 1, reveal 86.5% of the respondents were males, while 13.5% were females. This shows the preponderance of males

in arable cropping in the study area. Due to the purposive nature of the study, mean age of the sample was 41.7 years. This revealed most of the respondents had already crossed their

mid-year and further buttresses the fact that the young, agile and able bodied youths are no longer involved in agricultural activity. Furthermore, since agricultural activity in Nigeria is labour intensive with the use of hoes and cutlasses, physical strength and productivity which diminishes with age makes preparations for old age or retirement a great concern for respondents.

Marital status of a person determines to a great extent the degree of “responsibility” of that person in the society. As shown on Table 1. Majority of the respondents (83.3%) were married with 13.3% of them single and 3.4% widowed. The implication is that majority of the farmers marrying more wives acquires a cheap source of labor through their labour and their children’s since family labor is the cheapest and not usually accounted for especially in the Nigerian agrarian economy.

As shown in Figure 1, 52.5% of the farmers were literate as they had completed primary

school education, 45.8% had no formal education while 1.7% of the farmers had non-formal education. Though, all respondents (100%) were farmers, some still involve in other income generating activities. Majority of them were engaged in other occupations such as, trading (15.0%), teaching (14.2%), artisans (21.7%), politics (1.7%), and general businesses (3.3%) while 45.3% of the respondents had no other income generating activities. The implication of this is that, farmers involved in non-farm activities have greater propensity for profitable investments and savings than those who rely solely on farming.

Savings and Investment Culture of Respondents

About one third of the respondents were involved in savings which was mainly in cooperative societies (39.2%). Those involved in “Ajo” the local monthly contributory savings followed accounting for 35.8%, then savings in commercial banks (18.3%) and through ‘Esusu’ contributions

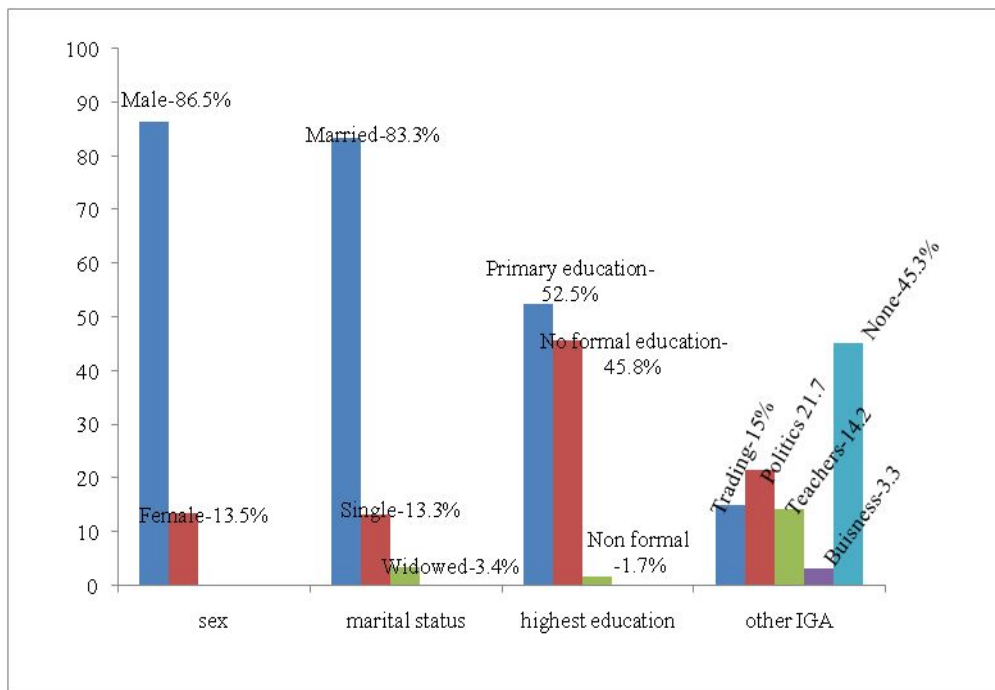


Fig. 1: Socioeconomic Characteristics of Respondents

(8.3%). This is a good development towards preparation for old age as such avenues of saving can be used to propel special savings towards old age. Though 33.3% did not save, the amount saved by others varied from 1-10% of their income (50.8%) to those saving above 20% of their income (10%) and then those saving between 11-20% (5.8%). Since the pension contributory scheme mandates savings of 7.5% by individuals, such scheme would not be much resisted by the farmers if introduced as they are used to saving as much as that. Reasons for saving also varied. Majority (53.3%) saved towards the welfare of their children and not in particular for their own welfare. Forty percent saved for future investment and 39.2% saved for emergency purposes. This reveals that majority were not actually saving for old age or retirement purposes (Ediomo and Iboro, 2010). The need for a steady stream of income for farmers in old age should be encouraged to alleviate old age poverty which is widespread. This situation could be changed with proper

reorientation and awareness creation on the benefits of such practices.

Investments towards Retirement

Most of the respondents (72.5%) affirmed that they were preparing for retirement. Their preparations for retirement took various forms of investment. Investment in children's education (70.8%) was the major form of investment as a security for old age. It is the belief of many that when their children have good education and are able to secure good jobs and means of income, they will thus reciprocate the gesture by taking care of them in old age. They see this as a much more secure investment for their old age. Other forms of investment in preparation for old age included savings (40.0%), real estate (10.0%), and shares in public liability companies (5.0%). Thus, it becomes imperative to educate farmers on various investment portfolios towards old age so that such diversity will engender better social security.

Table 1: Distribution of Respondents According to Savings Culture

Variable	Percentage (%)	Variable	Percentage (%)
Involvement in savings	66.7	Percentage of Income Saved	
Non involvement in savings	33.3	None	33.4
Type of savings*		1-10%	50.8
Cooperative societies	39.2	11-20%	5.8
Ajo	35.8	>20%	10.0
Esusu	8.3	Reasons for Savings*	
Commercial banks	18.3	Welfare of children	53.3
		Future investment	40.0
		Emergency purposes	39.2

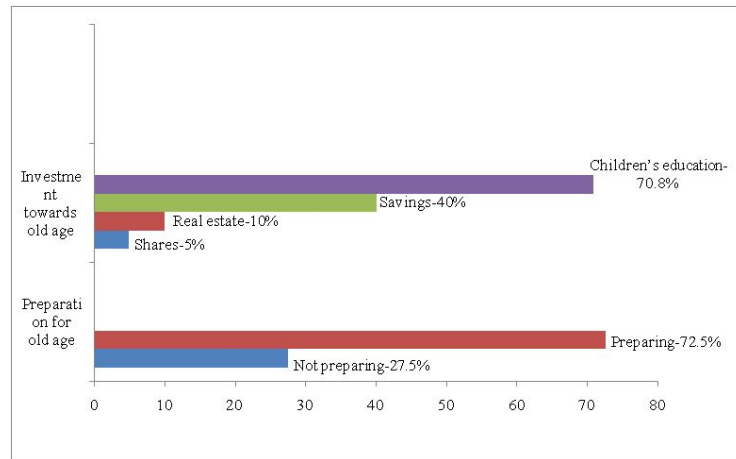


Fig. 2. Investment towards old age

Figure 3, presents respondents decision on what they will do with their farmlands as they grow older. Those who indicated that they will lease part of their farmland were 35.8%. Some responded that they will divide it among their children (33.3%) while the rest will either lease all their land (9.2%), sell part of it (6.7%) or sell all the farmland (3.3%). The decision to lease part of their land will ensure a more stable level of agricultural productivity. Dividing it among the children may bring increase in production if all the children will decide to go into agriculture. However in the event that some will not, it may reduce the available land for those interested in farming and lead to a reduction in agricultural production. The fact that most respondents were not willing to sell off their land rather they prefer to lease it reveals the level of significance and attachment to land among the locals and in the culture of the Yoruba's (Francis, 1986).

Proposed Decisions on Farming Activities

Farmers agreed that strength diminishes with age and thus they had various strategies they indicated they will employ to cope with farming activities. Figure 4 reveals that majority (96.7%) plans to use herbicides for clearing and weeding

as this is the task that consumes much physical labour. This has implications for organic agriculture and the drive towards a green world, as the use of herbicides is a contrary practice. However, the alternative of physical weeding will be labour intensive, which aging farmers will not be able to adopt. In line with the issue of labour intensiveness, most farmers (83.3%) planned to hire labour to assist them in their farm operations. This will definitely increase production cost and make food items more costly. This has implications for food security programmes. On the other hand, it may also reduce farmers profit if market forces do not favour an increase in food prices. Thus, the perpetuation of poverty is entrenched in farming households even in old age. The use of machines (41.7%) to assist in their production comes next. This sounds good but the fact is, how many of the small scale, resource poor farmers will be able to purchase or rent machines on their small farms. This option of utilization of machines if it will work, calls for greater cooperation among farmers to jointly own or rent machines to work on their farms or to process their produce. About 51.7% also intends to diversify into non-farm income generating activities and 11.7% intends to diversify into less

energy tasking farm activities. Thirty five percent intends to engage their children in their farm activity, while 25.8% will be employing share croppers and 5% will reduce their farm size to a manageable size. The various options they intend to use suggests that many still want to continue to produce as much as they can because only 5% indicated a reduction in farm size. It can be seen that reducing their activity is not an option. This shows the commitment of

farmers to their profession, but also reveals their level of insecurity as many are not ready to hands off farming, retire or reduce their activity even in old age unless physiological factors involved in aging forces them to do so. This is not good for the welfare of farmers who toil to feed the nation because, when their colleagues of the same age are retiring and are enjoying the fruit of their labour in pensions, they still continue to labour under uncomfortable circumstances.

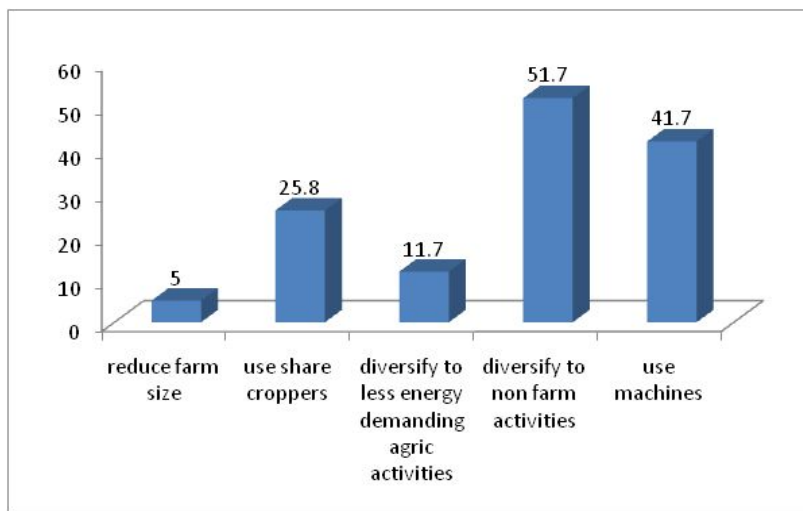


Figure 3: Distribution of Respondents According to Proposed Decisions on Farm Land in Old Age

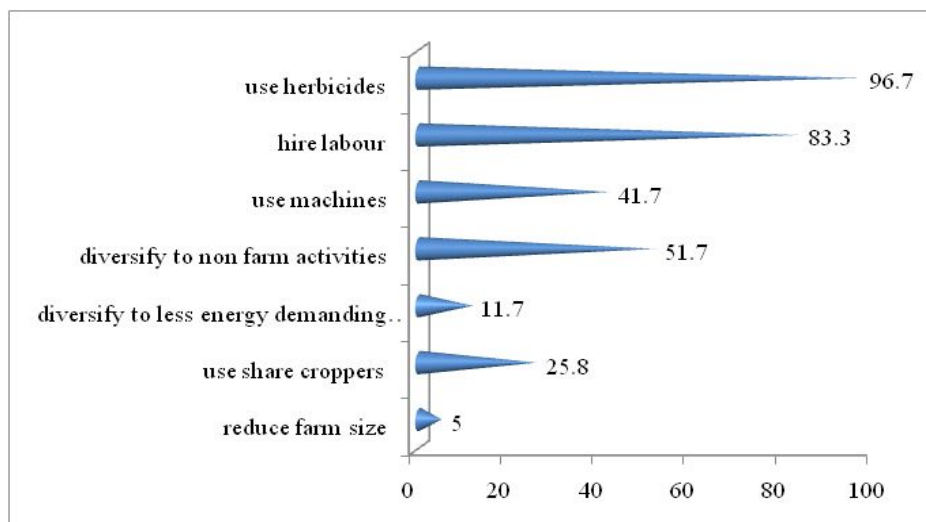


Figure 4: Distribution of Respondents According to Proposed Decision on Farm Activities

CONCLUSIONS

The study has revealed that farmers are preparing for old age. They are involved in various investment activities in their preparations especially the education of their children. Their dependence on the family, the traditional safety net of social linkages cannot however be said to be sufficient as this has degenerated due to civilization. The global economic crisis is also further deepening the crises in families as to their economic sustenance. This would further deepen the poverty severity of farmers at old age. Their proposed strategies for coping with agricultural activities have implications for

climate change as most will opt for the use of herbicides. The issue of diversification to non-farm activities as a strategy for coping with old age and generating income from a less stressful source also has implications for food security as well. Agricultural extension services should thus, develop a sustainable information package for coping with old age for farmers and properly orientate them to a fulfilled retirement or withdrawal from agriculture that would not jeopardize their welfare or the continuous supply of food for the teeming population.

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