

## **Economic Impact of Livestock Production on the Society: A Case Study of Ikare Akoko Ondo State**

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**Abstract:** *There is a strong linkage between agriculture and the economy. Economic growth is necessary for poverty reduction, and for Nigeria to be out of its present state of recession there is need to focus on agricultural production and one of the area of focus should be on livestock production. The main objective of the study is to know the impact of livestock production on Nigeria's economy and the specific objectives are to: Access the socioeconomic characteristics of livestock farmers in the study area; identify the challenges of livestock production in Nigeria; and determine the economic impact of livestock production in Nigeria. Data was collected using a well structured questionnaire using a two stage sampling technique of first selecting five types of livestock farmers which include the herdsmen, piggery, fishery, poultry and snail farmers, second was random selection of 35 livestock farmers for each of the five types of livestock farming. This makes it 175 questionnaires but had a return of 96 valid for the analysis of the study. Descriptive statistics was used to analyze the data. The result of the study identifies employment generation and income generation as the major benefit of livestock production, the major constraints of livestock production is death and disease of livestock production and also climate change impact. The study hereby recommend that the government should take livestock production as one of the major factor contributing to the economy and also put some policies in place for the growth of livestock productions.*

**Keywords:** *Economic, livestock production*

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### **I. Background of the Study**

Livestock systems occupy about 30 percent of the planet's ice-free terrestrial surface area and are a significant global asset with a value of at least \$1.4 trillion. (Steinfeld *et al.* 2006) The livestock sector is increasingly organized in long market chains that employ at least 1.3 billion people globally and directly support the livelihoods of 600 million poor smallholder farmers in the developing world (Thornton *et al.* 2006).

Livestock are important in supporting the livelihoods of poor farmers, consumers, traders and labourers throughout the developing world. The greatest impact of livestock in sustainable development designed to help the poor is enhancement of livestock-production systems. Animal diseases are crucial constraints in this: the animals of poor people are particularly vulnerable to disease because of the expense, absence or unsuitability of animal-health and production inputs. (FAO 2010)

Livestock production is an important part of the national economy and an integral component of state and local economies. The production of livestock, as well as other commodities, causes ripple effects throughout the economy in the form of employment; production in allied industries; taxes paid to local, state and federal governments; indirect impacts from purchases of input supplies; and induced impacts from household spending throughout the state.

The Nigerian cattle sector is the highest component of the total livestock cash income. During the past decade, it contributed an average of 12% of total Nigerian livestock cash income. NBS 2010

### **II. Statement of the problem**

Nigeria is presently in recession and there has been incidence of extreme poverty and malnutrition in the country, livestock contribute directly to the economy through employment generation, increase in savings and investment, foreign exchange earnings, contribution to human food and nutrition. Livestock also contribute indirectly to food security by increasing crop output through providing manure, and serve as a buffer to mitigate the impact of fluctuations in crop production on the availability of food for human consumption, thereby stabilizing food supply. Despite its smaller output compared with that of staple crops, productivity and income growth in the livestock sector have strong income multiplier and poverty reduction impacts.

In spite of all this livestock production has not been taken seriously as part of the contributor to Nigeria economy as it is supposed to be and this has led to the study.

### **Objective of the Study**

The main objective of the study is to know the impact of livestock production on Nigeria's economy and the specific objectives are to:

1. Access the socioeconomic characteristics of livestock farmers in the study area;
2. Identify the challenges of livestock production in Nigeria; and
3. Determine the economic impact of livestock production in Nigeria

### **III. Methodology**

#### **Study area**

The study was carried out in Ikare Akoko, Ondo State. The state contains eighteen Local Government Areas, the major ones being Akoko, Akure, Okitipupa, Ondo, and Owo. The majority of the state's citizens live in urban centers. Akoko is located in the Northern senatorial district of Ondo State, Ikare Akoko is in the North Eastern part of Akoko and The ethnic composition of Ikare Akoko is Yoruba who speak a variant of the Yoruba language and also Ikare Akoko dialect.

#### **Method of data collection**

Data was collected using a well structured questionnaire using a two stage sampling technique of first selecting five types of livestock farmers which include the herdsmen, piggery, fishery, poultry and snail farmers, second was random selection of 35 livestock farmers for each of the five types of livestock farming. This makes it 175 questionnaires but had a return of 96 valid for the analysis of the study. Descriptive statistics was used to analyze the data.

### **IV. Result and Discussion**

#### **Socioeconomic Characteristics of Livestock Farmers in Ondo State**

##### **Type of livestock farming involved in by the farmers**

Types of livestock farming	Frequency	Percentage
Cattle herdsmen	18	18.75
Piggery farmers	12	12.5
Fish farmers	26	27.08
Poultry farmers	32	33.33
Snail farmers	8	8.33
Total	96	

##### **Age of the livestock farmers**

Age of the livestock farmers	Frequency	Percentage
25-30	29	30.21
31-40	23	23.96
41-50	19	19.8
51-60	14	14.6
61-70	10	11.06
Above 70	1	0.4
Total	96	100

##### **Average monthly Income of the livestock farmers**

Monthly income	Frequency	Percentage
30,000-60,000	13	13.54
61,000-90,000	23	23.95
91,000-120,000	41	42.71
Above 120,000	19	19.79

##### **Education level of farmers**

Education level of household	Frequency	Percentage
No formal education	11	11.46
Primary education	19	19.79
Secondary education	37	38.54
Tertiary education	29	30.21

##### **Numbers of employee by each of the livestock farmers**

Numbers of employee by farmers	Frequency	Percentage
0-5	28	29.16
6-10	26	27.08
11-15	31	32.29
Above 15	14	14.58

**Household size of farmers**

Household size of farmers	Frequency	Percentage
0-4	31	32.29
5-8	27	28.13
9-12	21	21.88
Above 12	17	17.71

**V. Economic impact of Livestock Production**

**Employment generation:** From the analysis of the study majority (37.5%) of the farmers employ between the range of 11-15 employee and also majority of the farmers have 68.75% have at least secondary education. This indicates the rate at which livestock farming has created job for some graduates and secondary school graduates. This justifies the findings of jilivan 2014 that livestock production provided job for 1,821,000 in US in 2012.

**Income generation through taxes:** The government generate income through taxes been paid by livestock farmers, not only the livestock farmers including their employee. This justifies Edward 2010 which says Because modern livestock production concentrates more animals on less land and increases capital investment in buildings and equipment, the tax base increases relative to other forms of agricultural production

**Increases savings and investment:** Farmers are able to invest their money into other forms of businesses and also they are able to derive some savings from their income as majority of the farmers (62.5%) earn above 90,000 which is 500% of the benchmark minimum wage in Nigeria. Benckhe (2000) discovered livestock has in recent years consistently provided more than 60% of the estimated value added to the agricultural sector, and is a substantially more important contributor to agricultural GDP than crop farming.

**Foreign exchange earning:** Some of the livestock product are been exported outside the country which leads to foreign exchange earnings for the country and increases the income of the livestock farmers. According to Stanford 2010 Livestock production accounts for approximately 40 percent of the global agricultural gross domestic product.

**Provide Food:** Livestock farmers provide food for their families and indirectly for the families of their employees apart from the fact that there are lots of food generated from livestock such as Milk and meat from cattle, Eggs and meat from poultry, Meat from piggery, healthy meat from snail farming and fish. Jilivan 2014 also said Cattle and poultry product provide 32% of the total food consumption in the US in 2012 Also said by Randolph 2007 that Livestock contribute one-third of the protein that people consume: poor people depend on animal-source food (especially dairy products) to ensure that their diets deliver the nutrients necessary for cognitive and physical development.

**Raw materials for industry:** All parts of livestock farming serves as raw materials for industry from milk, beef, poultry, snail shell, pig meat and fish.

**Constraints of Livestock Production**

Constraints of Livestock Production	Frequency	Percentage
Death and diseases of livestock	36	37.5
Absence of production input	12	12.5
Climate Change and other environmental effects such as droughts, flood, pests	29	30.21
Market such as price changes, loss of markets, low demand, deflation	32	33.33
Insecurity	21	21.86
Illegal immigration	12	12.5
Theft	9	9.38

**VI. Conclusion**

Although the agriculture sector makes a relatively small contribution to national income or GDP, large proportions of national economically active labour forces are employed in agriculture. Nearly three-quarters of the extremely poor live in rural areas (World Bank, 2008) and most depend on agriculture for their livelihoods which include livestock production. Average incomes and productivities are lower in livestock production than in the rest of the agricultural production activities.

The study identifies some major contributor of livestock production to the economy as employment generation, provision of raw materials for industries, foreign exchange earnings, and provision of food. The study further identifies some constraints of livestock production as death and diseases of livestock, theft, climate change, insecurity and market.

**VII. Recommendations**

Base on the findings of the study, the following recommendations were made:

Agricultural sector and livestock farmers should put in place policies that take account of livestock health and safety Policies that take account of how climate change affects livestock production should be put in place by meteorological agencies and livestock farmers

Government should create policies that take account of genetic issues related to livestock

Policies that encourage effective governance of the livestock sector should be adopted

Adequate bio security measures should be put in place

Price regulation agency should try as much as possible to regulate the price of livestock so as to prevent losses for the livestock farmers

Immigration services should secure the border properly to prevent illegal immigrants who come from other countries to destroy and steal livestock mostly cattle and pretend to be herdsmen

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