

FACTORS INFLUENCING THE DECISION OF CASSAVA FARMERS TO SELL OR
PROCESS ROOTS IN SELECTED STATES OF SOUTHWEST, NIGERIA

BY

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CERTIFICATION

I hereby certify that this research was carried out under my supervision by AJIFERUKE, OLUWAFUNMILAYO ESTHER with matriculation number 217231 in the Department of Agricultural Economics, University of Ibadan, Nigeria in partial fulfilment of the requirements for the award of master's degree in Agricultural Economics.

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DEDICATION

I dedicate this research work to my ultimate source of inspiration and strength, our Lord Jesus Christ and my beloved parents, Deacon & Mrs S.O Ajiferuke for encouragement all through and their unrelenting support in all facets.

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ABSTRACT

Cassava farmers are faced with the decision to either sell or process the roots of the crop. However, the factors affecting this decision are largely unknown. Three hundred and six cassava farmers were interviewed, with the objectives to (i) profile the socio-economic characteristics of farmers (ii) examine the price trend between January, 2019 to August, 2020, (iii) costs and returns of the farmers who sell roots and cassava products, (iv) profile the risks and mitigating strategies used by farmers (v) examine the factors that influence farmer's decision and (vi) evaluate the effect of the decision on farmer's welfare status. Descriptive statistics such as mean and standard deviation were employed for the socioeconomics, trend analysis and risks and mitigating strategies, gross margin analysis to analyse the costs and returns, double hurdle model to evaluate the factors influencing their decision and tobit regression to evaluate the effects of the decision. The price of fresh roots, garri, flour and fufu across the studied months were found to progressively increase. Gross margin analysis showed that garri processing was beneficial than roots and other products in terms of returns to the farmers with an average of ±N4000 per acre. Age, distance from house to farm and from farm to market (in kilometres), point of sales outlet, years of farming experience, age squared, cassava farm size(acres), economic-related benefits, price of garri and price of fresh roots were found to influence decision to sell or process roots. Age and male gender had negative relationship with the decision to sell roots while age and years of farming experience influenced the extent of processing. In conclusion, the decision to sell roots positively influenced welfare of the farmers while decision to process roots does not affect the welfare of the farmers. This recommends effective policies that stabilize prices of cassava roots and products which would compensate the costs incurred by participants of cassava industry and also translate to improved wellbeing of their households.

Key Words: Cassava, Cassava Farmers, Root sales, Value Addition, Price

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