

Effect of Socio-Economic Characteristics of Farmers' Cooperative Societies on Poverty Reduction among Rural Dwellers of Ogun State, Nigeria.

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Abstract

Prevalence of poverty has been a common phenomenon that cut across nations of the world. Indeed, poverty and unemployment are the main problems facing many people especially the rural dwellers this day; Poverty has simply refused to recede in Nigeria mostly among the rural household dweller farmers and the number of people living below the poverty line has continued to increase as the years go by. The study examined effect of farmers' cooperative societies on poverty reduction among rural dwellers of Ogun State, Nigeria. The study examines the role of the socio-economic characteristics of rural cooperative farmers on their income, and determine the role of farmer's cooperative on loan accessibility for members in the study area, Primary and secondary data were used for the research, two hundred ninety (290) respondents were used for the study and also both descriptive and inferential statistics were used for the research. The tested hypotheses and results revealed that social economic characteristics of farmers is very essential and has significant role on their poverty reduction. Also, loans granted by the cooperative societies to members helped in poverty reduction among rural dwellers members and has positive influence on their members' welfare. Finally, measure suggested and used by cooperative society helped in combating the various farmers' problems and has significance influence on the farmer's effort in improving their living standard. And conclude and recommend that to enhance poverty reduction among the rural households, female household counterpart should be encouraged to join farmer's cooperative so as to alleviate poverty among the rural farmers' dwellers and cooperative societies should give full support and credit to profitable farmers with good credit records and thorough supervision so as to enlarge their farm size, thus, earn more income and improve their living standard.

Keywords: Socio-economic characteristics, farmers' co-operative societies, Poverty Reduction, Rural Dwellers

Introduction

Background of the Study

Prevalence of poverty has been a common phenomenon that cut across nations of the world (Abel, 2017). Indeed poverty and unemployment are the main problems facing many people especially the rural dwellers this day (Nefale, 2016). It is believed that most rural communities are relatively living in poverty and they rely on farming for their daily food and income generation. Most people in those areas experience poverty and turn to farming as a tool to reduce poverty because cooperatives can buffer crises, resist the negative effects of rapid and sudden climate change (Roland, 2019) and equally ensure food security and create employment in rural communities (Nefale, 2016; Ugwa, et. al.

2019; Okonkwo, et. al. 2019). Poverty rate all over the world differs according to the socio-economic life and the standard of living of people in a particular nation. However, poverty as a concept is defined in varying dimensions based on researcher's perspective. Poverty in a layman view is the lack of necessities such as food, shelter, medical care, and safety. Nevertheless, necessities differ according to individual wants and needs. The dichotomy of strata in society as a result of socio-economic life affects the development processes in communities. Subsequently, this has made people to come together through cooperative societies to exploit avenues for developing themselves and their community at large. The importance of cooperative societies with regards to poverty alleviation can be likened to its avenue of income generation to members of the community where it exists and also to community members who are likely to benefit from its operation and mission to promote international development and collaboration in all fields (ICA, 2019). International Cooperative Alliance (ICA, 2019) defines Cooperative as **people-centered enterprises** jointly owned and democratically controlled by and for their members to realize their **common socio-economic needs** and aspirations. As enterprises based on values and principles, they put fairness and equality first allowing people to create sustainable enterprises that **generate long-term jobs and prosperity**. Managed by producers, users or workers, cooperatives are run according to the 'one member, one vote' rule. Also, could be defined as "an autonomous association of persons unified voluntarily to meet their common economic, social and cultural needs through a jointly-owned and democratically controlled enterprise". It is a business voluntarily owned and controlled by its member patrons and operates for them and by them on a non-profit basis. Cooperatives are seen as a medium through which services like provision of farm input, farm implements, farm mechanization, agricultural loans, agricultural extension, member's education, marketing of member's farm produce and other economic activities and services are rendered to members to better their standard of living and family.

Poverty is prevalent among farmers in rural areas. There is perpetual poverty, malnutrition and unemployment. The gravity of poverty and its situation is however dynamic across the globe. Over the years, the concern and the threat posed by increasing poverty among rural households has led the Nigerian government and international agencies to devote considerable attention to alleviating its menace through various aid programmes, sometimes in collaboration with the civil society and donor agencies. For example, the number of people living in poverty among farming household in Nigeria is unfortunately on the increase (MDG, 2015).

The broad objective of this study was to assess the effect of farmer's cooperative societies on poverty reduction among rural dwellers of Ogun State, Nigeria. The specific objectives of this study are to:

1. Examine the role of the Socio-economic characteristics of rural cooperative farmers on their income
2. Assessment of farmers' cooperatives and loan accessibility among members in the study area.

Research Questions

1. What role does the socio economics characteristics of rural dweller play in their level of income in the study area
2. What is the role of farmer's cooperative in loan accessibility among members in the study area?

Hypothesis

H₀₁: Socio-economic characteristics have no significant effect on farmers' income in the study area.

H₀₂: Farmers' cooperatives have no significant effect on loan accessibility among members in the study area.

Review of Related Literature

Concept of Poverty

The prevalence of poverty among rural households in Nigeria has prompted various efforts on poverty reduction, and one way out of poverty for rural farmers is participation in cooperative associations Fasakin and Popoola (2019). According to United Nations (2019) *Poverty* entails more than the lack of income and productive resources to ensure sustainable livelihoods. Its manifestations include hunger and malnutrition, limited access to education and other basic services, social discrimination and exclusion, as well as the lack of participation in decision-making. In 2015, more than 736 million people lived below the international poverty line. Around 10 per cent of the world population is living in extreme poverty and struggling to fulfill the most basic needs like health, education, and access to water and sanitation, to name a few. There are 122 women aged 25 to 34 living in poverty for every 100 men of the same age group, and more than 160 million children are at risk of continuing to live in extreme poverty by 2030. UN and its partner organisations says “*whether households or individuals have enough resources or abilities to meet their needs*”. In this assessment, the relative measure of inequality is playing an important role. “*The lower the level of inequality, the larger the share of the benefits of growth that accrue to the poor*”. Hence, growth has to be combined with equity, economic growth has to be linked to poverty reduction. What is needed is growth that does not discriminate. Poverty occurs where the knowledge, the skills, the resources and the socio-economic and cultural environment are de-valued due to changing conditions.

It is difficult to distinguish between causes, reasons and effects of poverty. This becomes obvious when perceiving poverty as a system of inter-related vicious circles: Low income leads to lack of education, resulting in low productivity, low production, perpetuating poverty Low consumption leads to malnutrition, disease, limited capacity to work, causing poverty. Limited capacity to save leads to low investment, low growth, low production, low income and again poverty Most of the world's poor live in rural areas, and rural nonfarm activities are an important part of rural households' complex income strategies. In 2013, an estimated 767 million people were living under the international poverty line of \$1.90 a day, with 80 percent of the total poor living in rural areas (World Bank 2016b). Rather than being lack of resources, poverty often is inability to make good use of available resources, to gain access to new resources and to new knowledge, new technologies and new markets. In this regard, poverty can be described like development as a state of mind of people who are caught in outdated know how and weak socio-economic structures.

Seen from this perspective, poverty reduction has to remove mental obstacles for development, provide access to new knowledge, modern technology and new sources of income. Hence, sustainable reduction of poverty cannot be achieved by distributing grants and soft loans. Development for poverty reduction has to start in the heads. Sustainable poverty reduction can only be brought about by investment in human resources development. Poverty also has to do with unfavourable framework conditions, lack of infrastructure as well as bureaucratic and political restrictions.

Poverty Reduction In Nigeria

Nigeria like a number of developing countries has glaring indices which shows that rural poverty is high. William (as cited in Osuala, 2009) noted that up to 70 per cent of Nigerian population lives below poverty line, on less than universal minimum standard of USD 1 per day. At less than USD 2.00 per day, 90.8 per cent of the Nigerian population is regarded as poor.

The description of Nigeria as a paradox by the World Bank (1996) has continued to be confirmed by events and official statistics in the country. The paradox is that the poverty level in Nigeria contradicts the country's immense wealth. Among other things, the country is enormously endowed with human, agricultural, petroleum, gas, and large untapped solid mineral resources. Particularly worrisome is that the country earned over US\$300 billion from one resource petroleum during the last three decades of the twentieth century. But rather than record remarkable progress in national socio-economic development, Nigeria retrogressed to become one of the 25 poorest countries at the threshold of twenty-first century where as she was among the richest 50 in the early-1970s. Official statistics show that in 1980 the national (average) poverty incidence was 28.1 per of the population. The distribution of the incidence across the states of the federation showed a maximum of 49.5 percent recorded for Plateau (and Nassarawa which was excised from Plateau). This meant that every state had a poverty incidence below 50 percent. By 1985, the national (average) poverty incidence had risen to 46.3 percent, with the maximum of 68.9 percent recorded in Bauchi (and Gombe which was carved out of Bauchi). As at 1996, the national average stood at 65.6 percent with Sokoto, Kebbi and Zamfara (Sokoto State) recording the highest incidence of 83.6 percent; followed by Bauchi and Gombe with 83.5 percent. As at 2000, the incidence of poverty was believed to have risen to 70 percent at the national level.

Government Efforts at Poverty Reduction

The Government of President Olusegun Obasanjo, since inception in May, 1999, has expressed deep concern about the rising incidence of poverty in Nigeria. The government realized that if the worsening poverty situation is not checked, the future of the nation would be doomed. In light of this, the Government has introduced a number of programmes and measures aimed at making a dent on poverty. Among the early activities of the Government were the launching of the Universal Basic Education (UBE) Programme, the Poverty Alleviation Programme like Operation Feed the Nation (OFN) and Green Revolution, and the constitution of the Ahmed Joda Panel in 1999 and the Anglo Abdullahi Committee in 2000. The immediate concern of the Panel/Committee was the streamlining and rationalization of existing poverty alleviation institutions, and the coordinated implementation and monitoring of relevant schemes and programmes. These culminated in the introduction early in 2001 of the National Poverty Eradication Programme (NAPEP) and the establishment of the National Poverty Eradication Council (NAPEC).

Poverty Concept and Measurement

Three ingredients are required in computing a poverty measure. First, one has to choose the relevant dimension and indicator of well-being. Second, one has to select a poverty line, that is, a threshold below which a given household or individual will be classified as poor. Finally, one has to select a poverty measure to be used for reporting for the population as a whole or for a population sub group only. The monetary dimensions of well-being, income and consumption. In particular, the concentration is on quantitative, objective measures of poverty. Subjective and qualitative measures

of income or consumption poverty receive only cursory treatment in this chapter, as do measures related to non-monetary dimensions (such as health, education, and assets).

Poverty is defined as an intricate issue, with its triggers and feedbacks as processes are as well intricate (Ismail, 2000). The solutions to poverty in developing countries are multi-dimensional and require a mix of strategies, of which micro-financing is significant. All social, political and economic strategies of developing nations are focused on poverty alleviation and socio-economic development, being the major challenges these countries are faced with. Nigeria too has not dropped the efforts towards achieving a sound socio-economic development (Okonkwo, et. al. 2017; Odoanyanwu, et. al. 2017; Onwuka, et. al. 2017). Micro-credit is considered as one of the vital tools for poverty alleviation in Nigeria.

There are three interrelated parts to poverty namely poverty of money (which refers to inadequacy in terms of access to the means of income, asset or wealth acquisition to meet the basic needs of life), poverty of access (this arises from lack of access to enjoy certain basic infrastructures or amenities) and poverty of power (which is inability to influence government decisions that affect a person) (see United Nations Economic and Social Commission, 2000). The connections of the three parts definitions of poverty above can be explained in terms of money which belies them all. That is, adequate access to money leads to a corresponding access to infrastructures and amenities, as well as power. Poverty as a development concept is all-inclusive in its impact on varied aspects of life, and includes subjects such as education, social recreation, money and involvement in decision making. These all justify the basis why micro financing is very important as it enables the poor to access more aspects of life for better fulfilment.

Poverty alleviation has continually been at the forefront of development programme of many countries. The approaches have mostly been shaped by the social and economic dimensions of each country. The provision of microfinance services to the economically active poor has remained one of the strategies for poverty alleviation. It is believed that the poor need financial empowerment to attain their dreams and unleash their capabilities.

Theoretical Framework

Social capital refers to the value of connectedness and trust between people and as such to one of the five key assets (human, social, physical, financial and natural) for sustainable livelihoods and is defined as ‘the institutions, relationships, attitudes and values that govern interactions among people and contribute to economic and social development’. Social capital can occur in different forms and scopes. Distinguishes two main forms i.e. ‘structural’ and ‘cognitive’ social capital. The former comprises the objectively and externally observable social structures such as networks, associations, institutions, rules and procedures. The latter is represented by the more subjective and intangible elements such as attitudes, norms of behaviour, shared values and reciprocity and trust, as well as governance. The scope of social capital can be at micro- or local level (horizontal networks of individuals and households), meso-level (both horizontal and vertical networks, fora, platforms and regional groups and networks) and at macro-level (e.g. national farmer organizations). There often is a continuum of social capital from micro to macro in part because there are important effects of complementarity and substitution. The emphasis in this bulletin will be on the structural forms of micro- and meso-level of social capital and on the need for attention for cognitive forms. Social

capital enables collective action, in this case in agricultural innovation. The important features of social capital are: relations of trust, reciprocity and exchanges, common rules, norms and actions and, networks and groups or connectedness. Connectedness can be considered from different angles: ‘bonding’ (within groups), ‘bridging’ (between groups) and ‘linking’ types i.e. with agencies concerned with Agricultural Research and Development (ARD).

Methodology

The research design that was used in this study is the descriptive survey. This study was on the effect of socioeconomic characteristics of Farmer’s cooperative societies on poverty reduction among rural dwellers of Ogun State, Nigeria. The target population of the study comprised of all the selected farmers’ cooperative in Ogun state. The population for this study includes all registered credit and thrift cooperative society in Ogun State. There are 11,542 registered credits and thrift cooperative in Ogun State (OSCOFED 2017). Multi-stage sampling was used to determined a size of 387. Data for the study was sourced from both primary and secondary sources.

Method of Data Analysis

Descriptive, Explanatory data analyses techniques and Probit, Logit analyses were used to achieve the stated objectives.

Examine the role of the Socio-economic characteristics of rural cooperative farmers on their income and determine the role of farmer’s cooperative on loan accessibility for members in the study area

To examine factors influencing cooperative loan accessibility among rural farm household in the study area, rural farm household was categorized into poor and non-poor by the use of their mean per capital household expenditure. When an household spends more than two third $\frac{2}{3}$ of their income on monthly basis, the households was classified as being poor, but the household that spend exactly or less than two third ($\frac{2}{3}$) of the income on monthly basis on food and non-food items, the households were categorized as non-poor. Therefore, to analyse the factors, Logit model was used. The Logit model specification is below:

Implicit form: $Y = \beta_0 + \beta_1 X_i + e_i$

Explicit form: $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + e_i$

Where:

Y= Dependent variable

β_0 = Constant

X_i = Co-efficient of Independent Variables

e_i = Error term

Y = Access to micro-loan (1 = access, 0 otherwise)

X= Vector of explanatory variables,

e_i = Independently distributed error term,

X_1 = Age of the respondents (years),

X_2 = Gender of the Respondents (Dummy variable: male = 1, female = 0),

X_3 = Educational Status of the Respondents (years of formal education),

X_4 = Size of the Household (number of persons),

X_5 = Annual Farm Income (₦)

X_6 = Household Welfare (Poor = 1, Non- Poor = 0)

X_7 = Size of Cultivated Farm (hectare)

X_8 = Total Expenses on Non-Food (e.g. health, education, shelter, and child training).

e_i = Error term

Description of the Socio-economic Characteristics of rural dwellers in Ogun State

The description of the Socio-economic characteristics of rural dwellers was analyzed using descriptive analytical tools. These include the use of statistical tables, frequencies, percentiles, means *et cetera*. Ajetomobi *et al.*, (2006) opined that capacity of farmers can be explained by their socio-economic characteristics.

Table 1: Socio-economic characteristics of rural dwellers in Ogun State

Variable	Frequency	Percentage (%)	Cumulative (%)
Sex			
Male	203	70.0	70.0
Female	87	30.0	100.0
Mean	Std. Dev,	Std. Error Mean	
1.3	0.46	0.02	
Household Size			
< 3	127	43.8	43.8
3 – 7	109	37.6	81.4
8 – 12	37	12.8	94.1
> 13	17	5.9	100.0
Mean	Std. Dev,	Std. Error Mean	
5 household members	0.18	3.06	
Age			
21 – 30	124	42.8	42.8
31 – 40	106	36.6	79.3
41 >	60	20.7	100.0
Mean	Std. Dev,	Std. Error Mean	
37.13 years	0.52	8.89	
Years in Cooperative			
< 2	112	38.6	38.6
3 – 5	132	45.5	84.1
6 – 10	46	15.9	100.0
Mean	Std. Dev,	Std. Error Mean	
3.97 years	0.13	2.22	
Monthly Income			
< ₦30000	57	19.7	19.7
₦30001 – ₦60000	173	59.7	79.3
₦60001 – ₦120000	13	4.5	83.8
> ₦120001	47	16.2	100.0
Mean	Std. Dev,	Std. Error Mean	
₦54,875.86k	₦4,182.33k	₦71,222.43k	
Education			

Primary	103	35.5	35.3	
Secondary	136	46.9	82.4	
ND/NCE	36	12.4	94.8	
HND/B.Sc	15	5.2	100.0	
Mean	Std. Dev,	Std. Error Mean		
10.28	0.25	4.22		
Farm Size				
< 0.1	270	93.1	93.1	
1.01 – 2.0	10	3.4	96.6	
> 2.01	10	3.4	100.0	
Mean	Std. Dev,	Std. Error Mean	Min	Max
1	0.04	2	1	3
Amount Spent on Rent				
< ₦30,000	241	83.1	83.1	
₦30,001 – ₦60,000	23	7.9	91.0	
> ₦60,001	26	9.0	100.0	
Mean	Std. Dev,	Std. Error Mean		
₦10,231	₦1,163	₦19,810		
Marital Status				
Single	43	14.8	14.8	
Married	228	78.6	93.4	
Divorce	15	5.2	98.6	
Separated	4	1.4	100.0	
Mean	Std. Dev,	Std. Error Mean		
1.93	0.03	0.50		

Source: Computed from Field Survey Data, 2020

Majority of the rural farmers dwellers are males (70%). The predominance of male contact farmers is an indication that agribusiness is generally labour intensive and the people are seriously in need of loan (credit) to practice modern agriculture using modern technology, thereby increase their productivity and improve their welfare and increase livelihood. The corroborated with the assertion of (Onasanya & Akerele, 2018) that gender had positive impact on the poverty alleviation through micro-credit.

Bamiduro (2011) stated that poverty as a result of deprivation, lack, insufficiency, inability, inequality and disparity, non-availability, deficiency and shortage in essentials of well being impede many household in rural areas. The family members represent those being fed, clothed and housed by the rural dwellers farmers. This can be important indicator of his productivity on the farming activities. If the farmer has no other occupation apart from farming, the size of the household affects the amount of farm labour determines the food and nutritional requirement of the household, and often affects household food security and well-being. Evident in the table showed that majority (81.4%) rural dweller farmers have household size ranging between 1 – 7 members. About (12.8%) have 8 – 12 household member and 5.9% have from 13 and above household members. Mean household size is 5 household members', the implication is that the rural dweller farmers have more members to cater for thus, would need cooperative credit to improve their farm activities thereby increase their living

standard. Nefale (2016) household size can have an impact in poverty reduction and food security within cooperative member's households.

Nefale (2016) age of rural cooperative dweller farmers is critical part to be considered when applying for credit and also taking risk. Majority (79.3%) of the rural dweller farmers are between 21 – 40 years. This implies that the farmers are at their most productive age range. The mean age is 37.13 years. This is because most of the youth have the ability to combined more than one enterprise to improve their livelihood once credit is available so as to improve their well-being and be able to repay the credit borrowed. Simelane (2011) indicated that younger farmers' are known to be risk takers which may influence the productivity of cooperatives.

Oshisanya (2012) Cooperative membership credit experience in managing credit is highly important to cooperative credit beneficiaries. Evidence showed that majority (84.1%) have cooperative membership experience between 1 – 5 years with mean members of 3.97 years and about 15.9% have experience between 6 – 10 years. This implies that majority of the cooperative rural dweller farmers in the study area are still very young in credit management thus, will need proper monitoring on credit utilization in order to improve their yield and increase their livelihood.

Alabi et al (2007), Stated that a farmer with profitable income could become an early adopter of new technology that may require demanding for credit facilities. Majority (59.7%) of the rural dweller cooperative farmers earned monthly income between ₦60,001 – ₦120,000, about 19.7% earned less than equal ₦30,000 while 16.2% earned from ₦120,001 and above. This indicates that the farmers are still poor, thus, needs credit to support their income in order to alleviate their poor income and come out poverty.

Onasanya and Akerele (2018) stated that education is significant to poverty alleviation among cooperative rural farmers. Education will enable the farmers to adopt new technology and will be able to follow prescription of extension officer to improve their farm output and thereby increase their income in order to improve their living standard. All (100%) the respondents have one form of education or the other, which majority (46.9%) had secondary education which is enough qualification to read and write. This indicates that they will manage credit very well and equally improve their livelihood and alleviate their poverty.

Farm size is very significant to improve farmers' livelihood and alleviate their poverty, also, that farm size is a significant variable that influence the participation of farmers in cooperative society (Akintunde, 2015). Majority (93.1%) of the respondents cultivate below 1.01 hectare of land. This implies that the level of poverty in the study area is severe and need urgent intervention by the government to help them alleviate that poverty.

Type of house lived and amount paid as rent sometimes determine the level of poverty of the individual. Based on the result above, majority (83.1%) of the respondents paid less than equal ₦30,000 annually with mean of ₦10,231. At this presentday Nigeria, it showed that there is poverty in the study area and quick action must be taken to assist in alleviating their poverty.

Oshisanya (2012) opined that most married respondents would be desirous of credit to assist them cater for their family and come out of horrible living standard. The results showed that the majority (78.6%) of the respondents are married and implies that they are settled family people and have family responsibilities and could utilize credit maximally. It also suggests that they would be desirous of opportunities that could be applied towards increasing their income earning capacity and improving their standard of living.

Determinant of Factors Influencing Cooperative Loan Accessibility

The factors influencing cooperative loan access were examined using the Logit regression model. Table 4.2 shows the factors affecting rural farm household access to loan.

Table 2: Logit Regression Model for Factors Influencing Cooperative Loan Accessibility

Variable	Coefficient	T-ratio	Marginal effect
Constant	31.505	2.27	58.739
Age (X ₁)	-0.488	-1.59	0.112
Gender (X ₂)	0.486	0.21	5.014
Education (X ₃)	-0.898***	-2.71	-0.249
Household Size (X ₄)	1.118	1.31	2.791
Annual Farm Income (X ₅)	-6.220*	-1.88	2.480
Household Welfare (Poor = 1, Non-Poor = 0) (X ₆)	-1.410	-0.70	2.546
Size of Cultivated Farm (X ₇)	0.000	0.03	0.023
Total Expenses on Non-Food (X ₈)	0.002***	2.43	0.004
Log likelihood	-8.166		
LR χ^2	86.95		
Prob > χ^2	0.000		
Pseudo R ²	0.842		

(***), (*) Respectively indicate significance levels at 1% and 10%

Source: Computed from Field Survey, 2020

Evidence from Table 4.2 above, showed the result of Logit regression model that three out of the eight variables included in the model were statistically significant. The coefficient of the educational level (X₃) (-0.898) is negative and significant at the one percent level. This implies that a year increase in the level of education will decrease the likelihood that a rural dweller farmer's accessibility to loan. This result is in contrary agreement with the findings of Bamiro *et. al.* (2013) that concluded that the more informed farmers are the more enhanced their judgment. This could be as a result that if their education increases, as they could read and write they would use the cooperative loan to marry more wives or divert it into unprofitable venture. Also at variance with the result of Oladipo and Adekunle (2010) that individuals with higher educational attainment are usually being faster adopters of innovation. The coefficient representing annual farm income (X₅) (-6.220) is negative and significant at the ten percent level. The result is indicative of the fact that increases in annual income of rural dweller farmers' has a likelihood of impeding farmers' welfare. The result further shows that the coefficient for total expenses on non-food (0.002) is positive and significant at one percent and indicate that increases in amount spent on non-food by one naira, will invariably increase farmers' loan accessibility thereby improve their welfare. It could as a result of health care and some other good things.

SUMMARY, CONCLUSION AND RECOMMENDATION

Summary of Findings

1. The gender distribution of the respondents inferred that gender factor is a one of the major socio-economic factor that can influence the rural dwellers in alleviating their poverty. Male dominate the sampled while female contribute little role in poverty alleviation in the study area. This implies that women should be encouraged to participate in cooperative farming activities so as to join hands with their male household held to combat poverty and improve their well-being in the study area.
2. The coefficient for total expenses on non-food (0.002) is positive and significant at one percent and indicates that increases in amount spent on non-food by one naira, will invariably improve farmers' welfare. Educational level (X_3) (-0.898) is negative and significant at the one percent level. Implies that a year increase in the level of education will decrease the likelihood that a rural dweller farmer' will improve their welfare. It is contrary to findings of Bamiro *et. al.* (2013) that the more informed farmers are the more enhanced their judgment. Also at variance with Oladipo and Adekunle (2010) that individuals with higher educational attainment are usually being faster adopters of innovation.

Conclusion

The researchers in their conclusion based on Probit regression analysis revealed ($\chi^2 = 33.267^a$, $p = 0.000$) that access to credit was the only positive significance factors while age, years in cooperative, education and monthly income were significant but at inverse. This indicates that the more the farmers have access to credit the more the poverty will be alleviated in the study area. The tested hypotheses and results revealed that social economic characteristics of farmers are very essential and had significant role on their poverty reduction.

Recommendations

Based on the findings of this study, the following recommendations are made:

- i. To enhance poverty reduction among the rural households, female household counterpart should be encouraged to join farmer's cooperative so as to alleviate poverty among the rural farmers' dwellers.
- ii. Cooperative societies should give full support and credit to profitable farmers with good credit records and thorough supervision so as to enlarge their farm size, thus, earn more income and improve their living standard.

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