PRINT: ISSN 0971-8923 ONLINE: ISSN 2456-6756
JOURNAL OF SOCIAL SCIENCES
Interdisciplinary Reflection of Contemporary Society

J. Soc. Sci., 11(3): 183-192 (2005)
PRINT: ISSN 0971-8923 ONLINE: ISSN 2456-6756
DOI: 10.31901/24566756.2005/11.03.03

Saving and Investment Patterns of Cooperative Farmers in Southwestern Nigeria

R. Adeyemo and A. S. Bamire

Department of Agricultural Economics, Faculty of Agriculture, Obafemi Awolowo University, Ile-Ife, Osun State, Nigeria

KEY WORDS Income; loan; rural farmers; gender; regression

ABSTRACT This study examined the pattern of saving and investment among four hundred cooperative farmers in southwestern Nigeria. Data were collected using structured questionnaires. Data were analysed using descriptive statistics and multiple regression technique. Results show that cooperative farmers in southwestern Nigeria are mostly males, literate and of average age of 47 years. About 40% of total capital borrowed was expended on farm work and mean annual total investment was N75,043.00, with cooperative farmers earning more than 3 times the investment made. Average annual savings was N31,572.00 and this increased in proportion to annual incomes in the area. However, the unavailability and inadequacy of credit was a major problem of the farmers. Different factors influenced cooperative farmers' saving and investment patterns. Income, loan repayment and amount of money borrowed were significant variables that influenced saving patterns while the fund borrowed significantly influenced investment patterns. These factors therefore have to be considered in designing strategies aimed at improving the saving and investment patterns of cooperative farmers in southwestern Nigeria. Additionally, the saving and investment level of the cooperative farmers can be enhanced if loans are adequately made available and proper supervision and monitoring of funds for specified production purposes are put in place.