



Management

## **SOCIO-ECONOMIC IMPACT OF THE INTERNATIONAL CATTLE MARKET IN MUBI SOUTH LOCAL GOVERNMENT, ADAMAWA STATE NIGERIA**

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### **Abstract**

The study examined the social and economic contribution of Mubi Cattle Market to the economy of Mubi South Local Government Area. The study data were primarily sourced from the market through structured questionnaire and interviews. The Result obtained revealed on average, 5000 – 7000 cattle are sold in the market on weekly basis where N250 is paid per cattle as revenue to the state and local government (N150 and N100 respectively). It further revealed that about 40% of the revenue collections within the local government emanates from the market, making the market the biggest source of revenue for the local government. Youths are gainfully employed by running various businesses apart from the livestock business in the market. Most of the respondents fall within the age bracket of 20 – 45 years. The result also shows that although the market contributes about 40% of revenue generated within the local government, more revenue could still be generated if sellers of other products such as shoes, clothes, food, and robes etc. were to be taxed. Major challenges of the market included insecurity, language barrier and the non-willingness of some of the marketers to pay tax. It is therefore recommended among other things that government should provide a strong communication system, rehabilitate bad roads, and enhance security measures and consciousness for the sustenance of this informal sector employment and revenue generating business.

**Keywords:** Socioeconomic; Impact; Cattle; Market.

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### **1. Introduction**

Nigeria as the commercial hub of Africa has considerable number of cattle markets where many Nigerians making their livelihood from it particularly in the northern part of the country. A decade ago, the country possessed more than 14.73 million Cattle consisting of 1.47 million milking cows and 13.26 million beef Cattle (Tibi and Aphunu, 2010). It was reported that cattle contribution to

the agricultural Gross Domestic Product (GDP) in Nigeria amounted to about 12.7% of (Central Bank of Nigeria 1999). Although the country has other sources of animal protein, cattle and cattle products are predominant and mostly consumed, thus, the reason why it has proven itself worthy of creating employment and generating revenue over the years.

It is therefore no exaggeration that the cattle market is a very crucial and vital means of not only creating employment but also generating revenue in Mubi South Local Government Area of Adamawa State (Mubi Cattle Market – Tike). This can be clearly seen in how it has made the marketers to be self-reliant as against staying idle or becoming nuisance to the inhabitants of Mubi metropolis.

It is obvious that cattle are mostly reared and grown in the Northern part of the country but mostly taken to the Southern and Eastern parts of the country for consumption and processing for other commercial purpose (Olayemi, 1974; NLDP, 1992, Adamu Ali, 2005). That is the reason why so many intermediaries and stakeholders are practically impossible to be estimated in the marketing chain.

Paying of taxes is a major problem in Mubi Cattle Market because some of the marketers remain adamant to paying taxes to the unions they belong to, while owners of cattle in small numbers coming from within Mubi or nearby villages to sell their cattle sometimes disappear into thin air after selling their cattle without paying tax. In addition, sellers of other commodities operating within the market do not pay tax.

Another disheartening aspect of the ordeal is that transporting these cattle from the market in Mubi to retailers in other parts of the country is both costly and risky. This is because of the series of dangers the cattle and those who transport them are vulnerable to, such as fatigue, lack of food for the cattle, truck accidents, armed robbers, and the likes.

Having said all these, it is necessary that all the earlier mentioned obstacles surrounding Mubi Cattle Market be faced and combated, and that an extension programme be organized to educate the marketers on the importance of paying tax, only then can the stable growth of the Cattle Market will be ensured.

The major aim of this research is to understand how significant the existence of the Mubi cattle Market to the social and economic life of people and to economy of the Mubi South Local Government Area of Adamawa State. It is also a target of the study to identify how revenue is generated in the market and how it can be improved. And finally, to also give a befitting recommendation on how to solve revenue, social and employment issue in the Mubi Cattle Market. Myriads of activities and events emerge from Cattle Market, but then this literature is strictly confined to how revenue is being generated from the Cattle Market.

The vital role Cattle Market plays cannot be overemphasized, as it paves way to the production of meat (beef cattle) and milking cows, whose consumption and usage are increasingly constant. This will therefore mean that their demand will be on the rise, making the market a good source of revenue. In view of this, the continuity in existence of Cattle Market and possibly the establishment of new ones remains crucial as it opens doors and windows of revenue generation to the country

in general. It is also important because it engages the idle youths who couldn't find their way into academic or vocational training grounds due to financial constraints.

### **Review of Existing Literature**

Mubi, Michika and Midau (2013) revealed that age and marital status of cattle marketers has no negative impact on cattle marketing in Mubi cattle market. It was empirically reported also that very insignificant percentage (6.67) of Adamawa central zone cattle marketers' capital comes from personal savings. (Girei , Dire and Bello, 2013). In most cases, the informal sector is the part of the economy that is taxed. In advanced countries, about 70% of the potential working class earn their living through informal sector (Bromley, 1978). Perberdy (2002) maintained that the informal sector form a substantial percentage of economic activities in the African economy and Nigeria in specific.

While analyzing the socio-economic impact of cattle marketing has affected the living standards of many people. As regards intra-regional trade, Holtzman (2009) analyzed trade conditions of cattle in Cameroon, Chad for livestock, listing four main problems that have negative impact on livestock business between the two countries. These problems are: prohibition of import duties, bribery and corruption, non-commercialization of livestock producers and exchange rate issues, adding that the first and second problems encourage smuggling, which brings about Fulani and farmers clashes. A critical examination of previous studies revealed the extent to which efforts have been made towards identifying and explaining the impact of cattle marketing in Mubi.

## **2. Methodology**

This study is conducted in Mubi Local government which happens to be the center for commercial activities in the state with twenty-one local governments. The town is located to the southern senatorial district of the state sharing border with Maiha, Michika Hong local governments and Cameroun republic. Mubi Metropolis is located between latitude 10° 14' 00"N and latitude 10° 18' 00"N of equator and between longitudes 13° 14' 00"E and 13° 19' 00' of the Greenwich Meridian. Again, the study is confined to the particular time frame it was carried out, the result of which cannot be applied at all times as variations in times and seasons are inevitable and unavoidable.

### **Sampling Techniques**

Simple random sampling technique was used to select 75 respondents out of which only 40 were returned for the analysis, cutting across all segments within the market.

### **Types and Sources of Data**

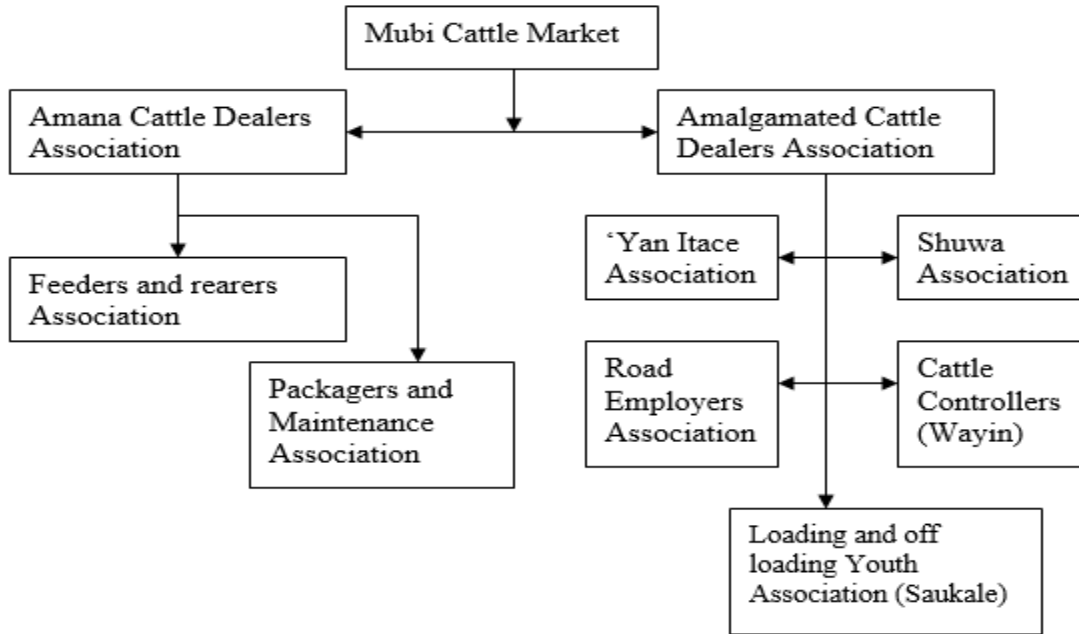
The data relevant to the research are those that revealed the economics of marketing cattle. These data were collected in the year 2017 from the marketers in Mubi Cattle Market (Tike). Data collected from the marketers regarding the markets pattern of generating revenue was through interview and structural questionnaire. Observations were also made by the researchers to add up to the information obtained from the marketers.

### 3. Data Analysis

With respect to the type and nature of the analysis to be carried out, descriptive statistics such as frequency distribution and percentages were employed.

#### Structural Representation

The Mubi Cattle Market consists of unions and sub-unions that can be presented structurally as done below.



#### Result Presentation and Analysis

The age of a person determines the degree of responsibility of that person in the market and in the manner in which that person will discharge his duty. All the respondents were males, and their age groups are shown in table 1 below.

Table 1: Distribution of Respondents based on Age

Age	Frequency	Percentage (%)	Cumulative Percent
20 – 25	6	15	-
26 – 30	8	20	35
31 – 35	10	25	60
36 – 40	9	22.5	82.5
41 – 45	7	17.5	100
Total	40	100	

Field survey, 2017

The result in the table above showed that the percentage of respondents within the age bracket of 31 – 35 years formed the majority of respondents (25%). This is therefore an indication that majority of the respondents are still young and are within the active working age. This should therefore positively influence their productivity and efficiency in the cattle business.

Table 2: Distribution of Respondents based on Years of Working Experience

Age	Frequency	Percentage (%)	Cumulative Percent
≤10	3	7.5	-
11 – 15	12	30	37.5
16 – 20	10	25	62.5
21 – 25	9	22.5	85
> 25	6	15	100
Total	40	100	

Field survey, 2017

According to the table above, those whose years of working experience ranges between 11 – 15 years constituted 30% of the respondents. But then, 92.5% of the respondents have more than 10 years of work experience. This does not mean all of them have mastered the skills required for success in their cattle market business.

### Mode of Transportation

The cattle traded in the study area were brought from nearby countries like Cameroon and Chad by foot. The main mode of transporting the cattle from the market to the southern and eastern markets is by road. This may be due to absence of a rail link from Mubi metropolis to any of the southern cattle markets. This has led to the heavy transport fares charged by road transporters since they know there is no alternative for moving the cattle. In addition, articulated heavy trailers (popularly referred to as Daf – 2800, 3300, 4200, e.t.c) are the common types of trucks used in conveying the cattle.

### Southern Terminal Cattle Markets

Few of the major cities where the cattle are transported to within the country included places like Lagos, Port Harcourt, Akwa Ibom, Cross Rivers, etc. The average amount paid for transporting cattle to these cities are shown below:

Table 1: Cattle Transport Fees

Location	Fees (₦)
Lagos	400,000 – 500,000.00
Port Harcourt	450,000 – 550,000.00
Akwa Ibom	250,000 – 290,000.00
Cross Rivers	300,000 – 350,000.00

Field survey, 2017

The table above shows the ranges of money paid to the listed locations. Transport fees in most cases depends on whether the truck drivers will be given a transportation task or not, that is why transportation fee to Port Harcourt exceeds that of Lagos despite the fact that the distance to Lagos is almost twice the distance to Port Harcourt. This is because any time the truck drivers transport cattle to Lagos they get the transportation task back to Mubi with almost the same amount they were paid.

## Revenue

The main source of revenue to the Mubi Cattle Market is taxation. The rate at which marketers comply will therefore go a long way positively or negatively affecting the revenue generated in Mubi Cattle Market of Mubi South Local Government Area of Adamawa State.

## 4. Conclusion and Recommendation

Conclusively, this study has revealed that cattle marketing is a profitable business if special priority is given to tackle the problems (especially non-willingness of marketers toward tax payment) affect the smooth and efficient operations of the cattle market.

In a bid to providing corrective measures, the government should encourage the production of cattle modernized method of marketing. This can be possible if incentives and credits facilities are provided to the livestock farmers (cattle producers). And also, the provision of modern cattle marketing facilities and veterinary facilities to minimize the cases of diseases and parasites. The government can also provide educative programmes that will make the marketers see the importance of tax payment in the market.

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