

ASSESSMENT OF NORTH INSURGENCY AND PERFORMANCE OF FOOD DEALERS IN ABIA STATE, NIGERIA

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Abstract

Large quantity of the food consumed in Abia State comes from the Northern part of the country. The insurgency in the north has created an atmosphere of panic and this has affected agricultural production and trade in the northern region. This study assessed north insurgency and the performance of food dealers in Abia state, Nigeria. Specifically this study examined the constraining experience of the food dealers due to insurgency, examined the frequency of travelling to the north by the food dealers and analyzed the cost effect of the insurgency on the performance of food dealers in Abia State. The towns of Aba and Umuahia were selected for the study because of the huge presence of food marketers. A multi stage random sampling technique was adopted to select the food dealers. Firstly, a purposive selection of two major markets in the towns of Aba and Umuahia which include Ariara Main Market and the Ubani Ultra Modern Market Umuahia. . In order to give each of the food dealers an equal opportunity of been selected a random sampling technique was used to select 25 food dealers from the markets respectively to make a sample size of 50 food dealers. Both questionnaires and interviews were used to elicit the required data from the selected food dealers. Descriptive statistics and cost and return analysis were used to achieve the objectives of this study. The study clearly shows that majority of the food dealers are females representing 64% of the sampled food dealers and majority of the food dealers had basic education. The major constraining experiences due to the insurgency were the decrease in the number of food dealers in Abia State and in the North and the continuous increase in the cost and selling price of the food items. The states of the North Central Zone are the most visited as shown by 55.9% of the food dealers response, while the North East Zone got the lowest number of visit of 8.9% as shown by the food dealers' response. The insurgency had a 19.5% estimated reduction on the net profit of the food dealers. Buying through an agent and the encouragement of local production of the food products mostly purchased in the North are the measures to curb the effect of the insurgency on the performance of the food dealers. The government should thoroughly consider the plight of these food dealers who put their life in danger in order to make food available in the state. The security of these traders should be paramount; they should consider organizing a system of purchasing the food in bulk with the aid of security agent and through trade agents. A plan to improve the agricultural system in the state in order to boost local production of some essential food commodities will reduce the risk of the insurgency on the food dealers.

Key words: insurgency, food, performance

INTRODUCTION

Availability of food as well as one's access to the right quality and quantity of food required is often impaired by the rising level of insurgency globally. The availability, accessibility and affordability of the required food products amount to the food security of the individuals [7]. The lives and well being of millions can come under serious threat when that privilege is impaired in the right quantity and quality of food for their

nourishment. There are estimates that more than 65 per cent of the Nigerian population is food insecure [9]. Most food produce consumed in the Southern part of Nigeria are produced from the Northern part of the country due to the fertility of their soil, land mass, the improved agricultural policies of the Northern states and the adoptable nature of some of these crops to the Northern climate. About 90 per cent of food items consumed in Lagos and other South-west and South-Eastern states come from the North [3].

The food that comes from the Northern part of Nigeria includes some vegetables, beans, yam, groundnut, potatoes, carrot, onions, beef etc. [4]. These food items constitute major part of the diet consumed in the Southern part of Nigeria. The Southern part of Nigeria depends on the food supply from the Northern part of Nigeria to meet their daily food requirement. The Southern part of the country is notable for the production of cassava, yam, some vegetables and palm fruit. The people in the southern part of the country are noted to be predominantly traders and farmers but due to the weak agricultural policy implementation and corruption, the food production rate in the area is very low, resulting to the high dependence on food imports and food from the northern part of the country [8].

Though there are rare cases of insurgence in the South-East part of Nigeria which include communal clashes, kidnapping and youth restiveness. But in the Northern part of the country, the Boko Haram upsurge coupled with the increase cases of communal clashes, herdsmen violence and youth restiveness have made the part of the country a serious nightmare and horror for the southern traders who usually travel to the Northern part for their trade. According [3] from Benue to Taraba, Nasarawa and Plateau in the North Central region and Zamfara and Kaduna States in the North West, clashes between farmers and herdsmen have left in its trail heavy losses of lives and property. In the past two years, farmers in North Eastern parts of Nigeria, particularly Adamawa, Yobe and Borno states are no longer able to farm for security reasons especially for fear of attacks by the dread Boko Haram sect who continued to unleash untold havoc in the part country[2]. These cases of insurgence have harmfully affected farming activities and other related businesses and this has resulted in a drastic reduction in farm outputs [6]. Less number trucks convey food to the South these days, because of the insurgence and this is having its effects on prices of food. The effects of the insurgence in the North is being felt, not only by the consumers but the traders as well who depend on supplies from the North for their

livelihood.

This situation has really sky rocket the price of food from the Northern part of the country. The transportation cost and other cost component of travelling to the North to purchase these food products have been on the increase translating to increase in the price of the available food products from that part of the country. The terrorist group called boko haram has resorted to serial killing and widespread attack on the farming communities and this has instilled fear in the minds of the southern food dealers as well as the consumers. The food dealers are primarily scared of their security and safety when they go for their trade in the northern part of the country while the consumers are scared of the terrorists poisoning the food products made available by the food dealers. With the difficult socio economic conditions faced by the food traders in Abia State in adjusting to the rigors of the relocation of the major markets in last three years by the government (10). These situations have made the food dealers unable to procure enough food to meet the ever increasing demand for food items in the state, most food dealers have resorted to a change in the line of business where they can convey their product and transact securely. Based on the above premise this study examined the effect of the insurgence in the northern part of Nigeria on the performance of the food dealers in Abia State that source their products from the north.

Specifically, this study:

- (i) Analyzed the constraining experience due to insurgency by the food dealers in Abia State,
- (ii) Examined the frequency of travelling to the North to purchase foods produce, and
- (iii) Analyzed the cost effect of the insurgency on the performance of food dealers in Abia State.

MATERIALS AND METHODS

This study was carried out in Abia State, Nigeria. Abia state is a State created in 1991 was carved out from Imo State. The citizens are predominantly Igbo's. Abia state is located in the South Eastern region of Nigeria.

The state is approximately within latitudes 4°, 41' and 6°, 14' north of the equator and longitudes 7°, 10' and 8° east of the Greenwich meridian. It has seventeen Local Government Areas that are divided along three agricultural zones namely Ohafia, Umuahia, and Aba [1]. This state share common boundaries to the North with Ebonyi State, to the south and South west with Rivers State and the east and south east with Crossriver and Akwa Ibom States respectively; to the West is Imo State and to the North West Amambra State. The towns of Aba and Umuahia were selected for the study because of the huge presence of food markets. The commercial town of Aba is the abode for major market which include the Ariaria Market, Ahiaohuru, Salad Market/Railway Station, tenant by Asa Road/Mini Market etc. The most popular market in the capital town of Umuahia is the Ubani Main market.

The population from which data pertinent to this study were collected are the food dealers in Abia state, Nigeria.

A multi stage random sampling technique was adopted to select the food dealers. Firstly, a purposive selection of two major markets in the towns of Aba and Umuahia which include Ariara Main Market and the Ubani Ultra Modern Market Umuahia respectively , secondly, a fact finding visit to the various market associations popularly known as “OMATA” to ascertain the number of major food dealers in the market plying the North for their goods. The leadership of the markets gave the figures to be 180 and 98 in Ariara Main Market and the Ubani Ultra Modern Market Umuahia respectively. In order to give each of the major food dealers an equal opportunity of been selected a random sampling technique was used to select 25 food dealers from the markets respectively to make a sample size of 50 food dealers. Both questionnaires and interviews were used to elicit the required data from the selected food dealers.

Descriptive statistics and cost and return analysis were used to achieve the objectives of this study.

The cost and returns model follows and specified thus:

$$NEI = TR - (TVC + TFC)$$

Where:

NEI = Net enterprise income for the investment options in Naira

TR = Total Return in naira

TVC = Total Variable Cost in Naira

TFC = Total fixed cost in Naira

Gross margin: GM = TR – TVC

TR = Total Revenue.

TVC = Total Variable Cost.

RESULTS AND DISCUSSIONS

The questionnaires were distributed to the selected food dealers and interview sections were held with the respondents in the two major markets in the state.

Table 1. Socio economic characteristics of the respondents

Variable	F	%
Gender		
Female	32	64
Male	18	36
Total	50	100
Age in years		
21-30	22	44
31-40	17	34
41-50	8	16
51-60	3	6
Total	50	100
marital status		
Single	13	26
Married	37	74
Total	50	100
education level		
Primary	14	28
Secondary	23	46
Bsc/HND	8	16
Msc	4	8
PhD	1	2
Total	50	100

Note: F and % represents frequency and percentage of response respectively

Source: Own Calculation

Multiple responses were allowed for some questions in the questionnaire.

The socio economic characteristics of the food dealers examined include their gender, age, marital status and educational level. Descriptive statistics were used in the analysis while the result is presented in Table 1.

It was observed that 36% of the food dealers were males while 64% were females. This clearly shows female dominance among the food dealers in the study area. We observed that 44 % were in the age bracket of 21 – 30 years while 34% were in the age bracket of 31 – 40 years representing majority of the respondents which implies that most of the food dealers are in their youthful age. In the distribution of the respondents according to their marital status which indicates that 74% of the respondents are married while 26% are single, this result implies that there is high sense of responsibility among majority of the food dealers. Most of the food dealers had secondary and primary education representing 46% and 28% respectively. This clearly shows that majority of the food dealers in the state have acquired basic education.

Table 2. Constraining experience of the food dealers due to insurgency

Constraints due to insurgency	F	%
Increase in the cost of transportation	43	15.75
Unavailability of the food product	34	12.45
Increase in the cost of purchase of the food products	49	17.95
Insurgence attack	47	17.22
Decrease in the number of produce dealers both in the north	50	18.32
Continuous increase in the selling price of products	50	18.32
Total	273	100

Note: F and % represents frequency and percentage of response respectively

Source: Own Calculation

The food dealers were allowed to give an array of constraints experienced due to the rising level of insurgency in the northern part of the country where they source the food commodity for sale. Continuous increase in the selling price of products and decrease in

the number of food produce dealers were identified by all the respondents as the constraining experience representing 18.3% of the total responses respectively. Increase in the cost of purchase of the food products from the North and the insurgent attacks as constraints accounted for about 17% of the total responses. The constraining experience of unavailability of the food products was indicated by about 12% of the total responses while increase in the cost of transportation was indicated by 15.8% of the total response as a constraining experience by the food dealers due to the insurgency in the Northern part of the country.

Table 3 presents the distribution of the food dealers to their frequency of visit to the northern states to purchase food items. From the North East geo-political zone of the country which is the major hub of the insurgency. This zone harbours states like Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe which before the insurgency were relatively peaceful and were noted for their agricultural prowess.

Adamawa State was identified by the food dealers as the major source for food items such as groundnut and yam. Only 10% of the respondents do visit the state every month to make purchase, 6% of the food dealers visit the state every quarter for their purchase while 2% of the food dealers visit the state annually for the purchase of the identified food products from the state which are in high demand in the southern part of Nigeria where the production is low.

Bauchi State was identified by the food dealers as the major source for food items such as beef and groundnut. Only 6% of the respondents do visit the state every month to make purchase, 4% of the food dealers visit the state every quarter for their purchase while 2% of the food dealers visit the state annually for the purchase of the identified food product from the state.

Borno State was identified by the food dealers as the major source for food items such as beef, sorghum, cowpeas and Maize. Due to the high presence of insurgency in this state only 2% of the food dealers visit the state for their purchase monthly. This state has been

noted to have the highest record of insurgent attacks and this have limited the number of trade in the state.

Table 3. Distribution of the food dealers according to their visits to the Northern states

	WEEKLY		TWO WEEKS		MONTHLY		QUARTERLY		BI ANNUALLY		ANNUALLY	
	F	%	F	%	F	%	F	%	F	%	F	%
NORTHEAST												
ADAMAWA	0	0	0	0	5	10	3	6	2	4	1	2
BAUCH	0	0	0	0	3	6	2	4	5	10	1	2
BORNO	0	0	0	0	0	0	1	2	0	0	0	0
GOMBE	0	0	1	2	2	4	0	0	0	0	0	0
TARABA	0	0	2	4	2	4	0	0	0	0	0	0
YOBE	0	0	0	0	0	0	2	4	1	2	5	10
NORTHWEST												
JIGAWA	0	0	5	10	10	20	8	16	5	10	7	14
KADUNA	0	0	3	6	8	16	9	18	6	12	4	8
KANO	0	0	9	18	9	18	10	20	2	4	8	16
KATSINA	0	0	4	8	8	16	2	4	4	8	3	6
KEBBI	0	0	0	0	1	2	3	6	3	6	3	6
SOKOTO	0	0	1	2	3	6	3	6	5	10	6	12
ZAMFARA	0	0		0	0	0	0	0	0	0	0	0
NORTH CENTRAL												
BENUE	4	8	2	4	19	38	9	18	6	12	10	20
KOGI	0	0	9	18	11	22	7	14	3	6	6	12
KWARA	0	0	8	16	8	16	9	18	4	8	7	14
NASSARAWA	0	0	2	4	6	12	11	22	6	12	4	8
NIGER	0	0	4	8	9	18	10	20	9	18	8	16
PLATEAU	7	14	5	10	8	16	10	20	8	16	9	18

Note: F and % represents frequency and percentage of response respectively

Source: Own Calculation

Gombe State was identified by the food dealers as the major source for food items like beef, millet and sorghum. The state was visited by 2% and 4% of the food dealers on every fourth night and monthly respectively despite the need for these important food items which must have fallen short of supply due to rising level of insurgency.

Taraba State was identified by the food dealers as the major source for food items such as beef, millet and sorghum. The state was visited by 4% of the food dealers on every fourth night and monthly respectively while Yobe state which produces beans, beef and groundnut was visited by 10% of the food dealer annually.

North West geopolitical zone harbours Jigawa, Kadunna, Kano, Kastina, Kebbi, Sokoto and Zamfara states which are prominent commercial hub for the trade of products such as agricultural produce. There have been several cases of insurgence in these states and this has limited the trade and

agricultural production of the states in this zone.

Jigawa State was identified by the food dealers as the major source for water melon, beef, potatoes, cowpea and groundnut. Only 10% of the respondents do visit the state every month to make purchase, 20% of the food dealers visit the state every quarter for their purchase while 14% of the food dealers visit the state annually for the purchase of the identified food product from the state which is in high demand in the southern part of Nigeria.

Kadunna State was identified by the food dealers as the major source for food items such as beef, ginger, pepper, onions, sugar cane and yam. Despite the scare of insurgent attacks 6% of the food dealers visit the state for their purchases every two weeks, on a monthly basis 16% of the food dealers visit Kadunna State for their purchases, 18% visit the state on quarterly basis, 12 % visit the state bi annually while 16% visit the state for

their purchases annually. Kano State is the producer of beef, millet, sorghum and maize. On a monthly and every two weeks 18% of the food dealers respectively visit the state in search of these scarce food crops with the rising rate of insurgency.

Kastina State produces beef, beans, groundnut, guinea corn, wheat and beans. On a monthly basis 18% of the food dealers visit the Kastina State to purchase these agricultural produce to serve the demand of their customers in Abia State.

Kebbi State produces beef, guinea corn, maize and potatoes. The food dealers that visit Kebbi State were 6% on a quarterly, bi annually and annually respectively to purchase the produce for sale in Abia State. Sokoto State produces beef, beans, millet, wheat and potatoes. The food dealers that visit Sokoto State were 6% on a quarterly, bi annually and annually respectively to purchase the produce for sale in Abia State.

North Central geopolitical zone harbours Benue, Kogi, Kwara, Nasarawa, Niger, and Plateau states. Benue State was identified by the food dealers as the major source for yam, guinea corn and soya bean.

Benue State remains a favourable destination for the food dealers as the state has not been really hit by the Boko Haram insurgency except frequent communal clashes in the state. On a monthly basis 38% of the food dealers visit the state to purchase these food crops. Kogi State is a major centre for the purchase of food crops like Maize and guinea corn. On a monthly basis 22% of the food dealers visit the state to purchase these food crops.

Kwara State is a major centre for the purchase of food crops like Maiz millet, sorghum and groundnut and guinea corn. On a quarterly basis 22% of the food dealers visit the state to purchase these food crops. Nasarawa and Niger States produces yam, groundnut, sorghum and millet. These states were visited by 22% and 20% of the food dealers on a monthly basis for Nasarawa and Niger states respectively. Plateau state is the home for vegetables and the state is widely visited by the food dealers to bring these highly perishable food crops despite the increasing level of communal clashes and

insurgence. On a weekly basis 14% of the food dealers visit Plateau State while 16% visit the state on a monthly basis.

Table 4. Distribution of the food dealers according to geopolitical zones visited for purchase of food crops

Geo political zones	States	F	%
	Adamawa	31	2.77
	Bauchi	31	2.77
North East	Borno	3	0.27
	Gombe	9	0.8
	Taraba	12	1.07
	Yobe	14	1.25
Total		100	8.93
	Jigawa	91	8.13
	Kaduna	82	7.32
North West	Kano	98	8.75
	Katsina	57	5.09
	Kebbi	24	2.14
	Sokoto	42	3.75
	Zamfara	0	0
Total		394	35.2
	Benue	130	11.6
North Central	Kogi	96	8.57
	Kwara	94	8.39
	Nassarawa	79	7.05
	Niger	104	9.29
	Plateau	123	11
Total		626	55.9
Grand Total		1120	100

Note: F and % represents frequency and percentage of response respectively. Multiple responses

Source: Own Calculation

Table 4 clearly shows the frequency of visits to the north by the food dealers. The North Central zone of the country was mostly visited by the food dealers representing 55.9% of the total visits to the north to source for food. Plateau and Benue states got the highest trade visits of 11% respectively, due to the high level of agricultural production of the states. This implies that despite the challenge of insurgency in the zone, the food dealers find it more secure to trade in the North Central Zone of the country. The North West geopolitical zone got 35.2% of the total visits to the north by the food dealers. Though there are cases of insurgency in this zone but the food dealers find it necessary to assume the risk in pursuit of the wealth of agricultural produce from this zone. But in the North East geopolitical zone of the state the food dealers

had the less number of visits to this zone representing 8.9% of the total visits.

Table 5. Cost effect of insurgence on the performance of the food dealers in Abia State

Item	Amount(N per month)
Total revenue	45,372,860
Expenditure	
Inputs	982,417
Wages (labour)	4,412,085
Transportation	1,298,050
Fuel/energy	1,470,695
Other variable cost	688,208
Total variable cost	8,851,455
Rent	8,371,250
Levies	674,250
Equipment	922,750
Other fixed costs	1,074,250
Total fixed cost	11,042,500
Total cost	19,893,955
Gross profit	36,521,405
Net profit	25,478,905
Estimated loss due to insurgency	20,600,100
Gross profit after estimated loss due to insurgency	15,921,305
Net profit after estimated loss due to insurgency	4,878,805

Note: F and % represents frequency and percentage of response respectively. Multiple responses
 Source: Own Calculation

As shown in Table 5, the cost effect of insurgency on the sampled food dealers indicated that the total revenue of the food dealers in the State was ₦45,372,860 with the total variable cost (TVC) of ₦8,851,455 and a total fixed cost (TFC) of ₦11,042,500. With an aggregate loss (due to insurgence effect) of ₦20,600,100, the profit of the food dealers in the state plummeted to ₦4,878,805. This magnitude of aggregate loss accounted for reduction in the net profit of the farmers in the region by 19.15%.

As shown in table 6 the food dealers identified some remedy to cushion the effect of the insurgence on their trade. About 40.8% of the food dealers was of the opinion that purchasing the food items through an agent who goes to the north to buy on behalf of the food dealers who have hired him and paid him.

Table 6. Distribution of the respondents according to the identified solutions

Identified solutions	F	%
buying through an agent	38	40.86
reduction in the number of visit for purchases	26	27.96
going to the north with security	2	2.15
encouraging local production of the food produce	15	16.13
importation of food products	12	12.90
Total	93	100

Note: F and % represents frequency and percentage of response respectively. Multiple responses
 Source: Own Calculation

This situation reduces the risk associated with food dealers going to the north on their own. The food dealers have resorted to proper planning of their visits to the north as indicated 27.9% of the response by the food dealers. This reduces their number of visits to the north as they may buy the products in bulk. Encouragement of local production of some of the food products was indicted by 16.13% of the total response by the food dealers. They do these by contracting the local farmers to produce these crops in large quantity as they buy up the produce. Importation of food as a remedy to mitigate the effect of insurgence on the food dealers was indicated by 12.90% of the food dealers' response. This is detrimental to the economic growth of the nation as the government tend to formulate policies to reduce food imports.

CONCLUSIONS

Food as a necessity for the survival and nourishment of every individual is an important issue to be studied. Attaining food sufficiency is the major concern of policy makers. To bridge the gap in the food supply trade becomes inevitable. But the upsurge of the insurgency that has affected the farming communities in the northern part of Nigeria has also affected the food supply to the southern part of Nigeria. This study has assessed the performance of the food dealers in Abia State who travel to the North in quest of food to meet the food need of about 2,883,999 people of Abia State [1]. The study clearly shows that majority of the food dealers are females representing 64% of the sampled

food dealers and majority of the food dealers had basic education. The major constraining experience due to the insurgence were the decrease in the number of food dealers in Abia State and in the North and the continuous increase in the cost and selling price of the food items. The states of the North Central Zone are the most visited as shown by 55.9% of the food dealers response. While the North East Zone got the lowest number of visit of 8.9% as shown by the food dealers response. The insurgence had a 19.5% estimated reduction on the net profit of the food dealers. Buying through an agent and the encouragement of local production of the food products mostly purchased in the North are the measures to curb the effect of the insurgency on the performance of the food dealers.

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