



Research Article

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The Role of Credit on Marginal People Livelihood Improvement the Case of Essara, Tocha and Maraka Districts, Dawuro Zone Snnprs, Ethiopia



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Abstract

Manja is one of the ethnic group in Dawuro zone and those ethnic group originated from kafa zone of southern nation nationalities and peoples regional state in its early history were they originated. The ethnic group was considered in Dawuro zone as minority because for long period of time their livelihood was poor and marginalized, culturally “Manja” ignore themselves from the native Dawuro “they have their own culture and religion” the ethnic group in Dawuro zone vulnerable for identity complex and their voices was may not heard in terms of representative delegation in different government organization like political positions. Very few educated Manja family was and is given emphasis to be employed in government organization since 1990 and even the number of educated people in the ethnic group was irrelevant. The core problem that incite to conduct the current research with respective zone was pivoted to the economic problem of Manja class, awareness gap of the respective body in the community on poverty alleviation of Manja class, cultural and religious respects in the community and the existing factors that hinder credit accessibility and credit opportunity for the minorities. To this end 90 house hold head purposively selected from three district of the zone and by using discursive statistics factors that affecting credit accessibility opportunity on minorities and the role of credit on minority income generation to improve their livelihood as specific objectives analyzed. 94.4% and 96.7% were lack credit accessibility and requested collateral to obtain credit from legale credit providing organizations. 91.1% of the respondent does not own fixed asset and only 5.6% owns very few fixed assets and 3.3% even doesn't know about fixed asset. 75.6% income source was selling fair wood, 17.8% was engaged employing as daily laborer and 6.7% engaged on farming. Therefore, the current research finding indicates that the livelihood based on fair wood selling. Unless taking reasonable solution by responsible body life in Manja community except few was miserable. the responsible local and regional government should encourage Manja community in public participation and education them as much as possible to capacitate them, providing credit without collateral from public sector, diversifying income generating source, land equity distribution, integrating them with Majority was recommended.

Keywords: Manja; Credit; Majority; Minority; Culture integration equity

Introduction

Back ground of the study

Manja is one of the ethnic group in Dawuro zone and those ethnic group originated from kafa zone of southern nation nationalities and peoples regional state in its early history were they originated. The ethnic group was considered in Dawuro zone as minorities because for long period of time their level hood was poor and marginalized, culturally “Manja” ignore themselves from the native Dawuro they have their own culture and religion. Because of economic, culture and wealth states difference between “Manja” and “Malla” in the community the reaction level varies between them, that means the elder Manja must great the younger malla family as superior. Even though most of the manja ethnic groups were farmers, while they are land less and distribution of land share as compared majority ethnic group which was and is called up “Malla” it was very few land shar was owned by the minorities. Even though they were land lass, they are hard workers in the community and most of labour intensive

works carried by them. They perform hard work like carrying have loads, selling fire woods to urban area, etc. to sustain their livelihoods for long period of time. Life on the minority group is hard and most of their children's were not educated and even they joined to school, most of them withdraw in primary education level. Manja ethnic group in Dawuro zone vulnerable for identity complex and their voices was may not heard in terms of representative delegation in different government organization like political positions. Very few educated Manja family was and is given emphasis to be employed in government organization since 1990 and even the number of educated people in the ethnic group was irrelevant. The manja class back ward living slandered was mainly related with poverty, food self-sufficiency, intellectual, and awareness gap, problem in the zone. Multiculturalism and group rights focused on the relationship between the minority and majority. Minority right focusing on conflicts that arises with majority and within minority groups by examining the different

kind of responses that may moderate the conflicts arise along the groups with related to economic, social, cultural and political position benefits in the area. Based on this most of the economic benefit share was inclined to majority of the community group "Malla" than Minority "Manja" and it was created unbalance living statuses on all economy generation and entertaining on it.

The delivery of credit access for poor people including urban and rural area can improve the production and resource (asset) generation capacity of poor and it was one of poverty reduction tool because it directly reduces unemployment, increasing household income and consumption level. Manja was one of poor people in the community provision of credit services to them in the area were supposed to alleviate poverty, increase the income of credit beneficiary, and create employment opportunity. Microfinance model has rarely served as a vehicle for lending to support seasonal agricultural input purchase [1].

Problem statement

The core problem that incite to conduct the current research with respective zone was pivoted to the economic problem of Manja class, awareness gap of the respective body in the community on poverty alleviation of Manja class, cultural and religious respects in the community the existing factors that hinder credit accessibility and credit opportunity for the minorities. Organizing farmers, women and youth by different types of micro and small-scale enterprise and providing voluble resource like accessing rural urban poor credit, training on entrepreneurship and enterprise development skill, trading shelter accessing in urban area and farming land providing for organized groups in rural and urban agriculture was one of currently government policy issue in our country Ethiopia. While, Minorities (Manja) participation to receive credit by themselves was very few or almost none, accessing credit opportunity by governmental and none governmental organization and encouraging the minority to receive credit repay the principals with inters was insignificant by themselves and opportunity creation by responsible body was also very few in the zone and it needs intervention. Based on the problems the current research interested to identify the core problems and came up with appropriate policy recommendation in the area.

General objectives

The general objective of the study was to analyze the role of credit on livelihood improvement of minorities [2].

Specific objectives

- To analyze factors that affecting credit accessibility opportunity on minorities (Manja community) in the study area.
- To assess the role of credit on minority income generation and to improve their livelihood.

Research questions

- What are the main factors that affect credit access in your area for minorities?

- Do minority have any credit obtaining opportunity?
- Is there any credit providing organization without Collateral asking in your area?
- What role does credit play on minority income generation and improvement?

Research Methodology

Description of the study area

Dawuro zone lies in between 60 36' to 7021' north latitudes and 36068' to 370 52' east longitudes. The Omo Rivers circumscribe and demarcate Dawuro from northwest to southwest in a clockwise direction. Dawuro shares boundaries with Konta Special Wereda in west, Jimma zone (Oromiya Region) in northwest, Hadiya and Kambata-Tambaro zones in northeast, Wolaita zone in east and Gamo-Gofa zone in southeast. Dawuro has an area of 5,000 km². The altitude of Dawuro ranges from 500 meters around the confluence of Zigna and Omo rivers to 3000 meters above sea level at Tuta in Tocha Wereda. Thus, Dawuro exhibits climatic variations from lowland to highland [3].

Manja

Manja was and is one of the ethnic groups in Dawuro zone and the class exist for long period of time in the community under inclusion of majority, that means majority of Dawuro considered "Malla" and under malla there were sub class upper class and lower class as well. Manja in the zone have been living in three districts Essara, Tocha and Maraka districts and their way of living were depending mostly on natural gifts like forest, wild animals and farming. In manja household most of family responsibility like feeding the family lay on the shoulder of female as compared to male even including in male headed households. All productive and reproductive responsibility like fetching water, selling fair wood by carrying from rural area natural forest to urban area, purchasing food items from market and non-market area, cooking, care children etc. performed by women groups. The households head (male) of the class play dominant role on female and he have been right to marry at least 2 women and above. The economic problem does not prevent the male manja to marry more than one woman because the female has obligation to feed their family by performing any labour intensive work and it also creates the female manja living livelihood worse.

Method of data collection and analysis

Dawuro zone and the respective three Districts (Essara, Tocha and Maraka) were selected purposively. Primary Data was collected from three districts, from each districts 3 kebele selected and Manja family selected from the selected 9 kebele purposely and data was analyzed by using distractive statistics [4].

Results and Discussion

Credit accessibility and opportunity on minorities (Manja) In Dawuro Zone

In Dawuro zone credit accessibility and requesting collateral to provide credit for minority (Manja) people was serious problem

because out of 90 household respondents from three districts (Essara, Tocha and Maraka) of the zone included in current research, 94.4% and 96.7% were lack credit accessibility and requested collateral to obtain credit from legal credit providing organizations. To grant asset for collateral purpose, most of the Manja house hold were lacks fixed asset as compared to majority. The reason was they lack income generating sources. Therefore, the research finding indicates that most of the Manja household were economically poor and to develop income generating capacity at household level credit accessing by the responsible body was very crucial issue, whereas the response given for those minority household by responsible body was less and it needs imperative outlook to improve the poverty level of them in research conducted zone [5].

Credit opportunity depends on collateral or guarantee agreement signing to credit provider organization whether the organization was public or privet. The asset considered for collateral purpose was fixed asset like land, building or house, sometimes livestock, crop and plants owning level of households. But Manja people in research conducted zone and the respective district indicates that, they lack fixed assets meaning that out of research conducted 90 house hold in both three district show as 91.1% of the respondent does not own fixed asset and only 5.6% owns very few fixed asset owning and 3.3% even doesn't

know about fixed asset and its function with related to credit. It results that the Manja household face challenge to obtain credit accessibility and opportunity to improve the economic statuses in the community as compared to the Majority (Malla) class. Therefore, it results the minority become poorer and poorer in the community and because of income source reduction and limitation they consume and live in inferior quality standard as compared Majority. In order that it needs appropriate intervention by government and any responsible organization starting from awareness creation to income generating system developing in the research conducted area.

Income source of Manja people and their livelihood mostly depends on engaging fair wood selling and employing as daily laborer for majority to generate income, and the level income obtained by them was very low, it cannot sustain even basic necessity for them. Out of 90 household respondents included in current research 75.6% income source was selling fair wood, 17.8% was engaged employing as daily laborer and 6.7% engaged on farming. Therefore, the current research finding indicates that the livelihood based on fair wood selling and unless taking reasonable solution by responsible body life in Manja communities except few were miserable. Using farming as income source was insignificant which was 6.7% and occupy as daily laborer was 17.8% see Table 1 & Figure 1.



Figure 1: Manja women carrying fair wood and selling to generate income in Essara district 2017.

Table 1: Credit accessibility, Request Collateral and owning fixed asset level of Manja people household in Dawuro 2017.

Objective	Frequency	%
Credit Accessibility		
Finding credit accessibility opportunity	5	5.6
Not finding credit accessibility opportunity	85	94.4
Total	90	100
Requested Collateral		
Asked Collateral	87	96.7
Not Asked Collateral	3	3.3

Total	90	100
Owning Fixed Asset		
No fixed asset owning at all	82	91.1
Very few fixed assets owning	5	5.6
No knowledge about asset developing	3	3.3
Total	90	100
Income Source of Manja Family		
Selling fair wood	68	75.6
Employing as laborer	16	17.8
Farming	6	6.7
Total	90	100

Source: own survey result 2017.

The role of credit on minority income generation and to improve their livelihood

Land owner right in farming household plays Significant role in its economic and social aspects, if farmer household own farming land they can sustain their food security easily and can generate income from on farming, whereas Manja community in Dawuro face highly shortage of farm land ownerity problem. The current research finding indicates that out of 90 household head included in the research, only 1.1% own greater than 2hr land and only 7.8% own less than or equal to 0.5ha the remaining 91.1% owns less than or equal to 0.0025ha land. Therefore, it implies most of the farmers of Manja family is land less and they cannot generate income at household level in sufficient manner. Due to land shortage problem, they have no farming animal like oxen and out of 90 household head included in current research more than 90% were lack owning single oxe and less than 10% own one oxe with share of others or the majority. Land tenure system of Minority (Manja) community was by using by using hand tools like Sharpen wood and its production capacity was poor based on current research finding out of 90 household head included, only 7.8% use oxen for farming activities with share or Partnership producing or farming with Majority and sometimes with minority. Therefore, to improve income developing capacity

of Manja community providing credit facility to purchase oxen and providing land or fair distribution of farm land among majority were the main solution for minority income generating capacity development in the area. Credit facilities for Manja community from legal credit providing organization was very less and even the credit type given for them was fertilizer purchasing credit only and there was no opportunity for other types of credit. Based on current research data analysis finding, out of 90 household head included in the research, more than 89% of the respondent obtain credit from informal credit providers and only 8.9% and 2.2 obtain fertilizer purchasing credit from microfinance and bank service. Out the credit provided for Manja community 97.8% was for fertilizer credit and only 2.2% was food item purchasing credit. Therefore, the research finding indicates most of the minority lacks credit accessibility to develop there, production capacity and income generating as well. So that it was highly recommended that the responsible body should provide credit opportunity and accessibility for Minorities in the area see Table 2. To reduce the levels of child poverty by reducing income poverty and material deprivation by maximizing household incomes and reducing the pressure on household budgets among low income families - using measures such as maximizing the potential for parents to access and sustain good quality employment and promoting greater financial inclusion and capability Scotland annual report [6].

Table 2: Land and oxen owned, tenure system, credit providing organization and type credit for Manja community in Dawuro.

Objective	Frequency	%
Land owned by household head of Manja family		
<=0.0025 ha	82	91.1
0.5 ha	7	7.8
>= 2ha	1	1.1
Total	90	100
Number of Oxen Owned by Manja Household Head		
Owning no oxen in the household	81	90
owning 1oxen in the household with share of others	9	10
Total	90	100
Land Tenure System of Manja Household Head		
By using hand tools like Sharpen wood	83	92.2
By using oxen from Partnership producing	7	7.8

Total	90	100
Organization Providing Credit		
Microfinance	8	8.9
Bank	2	2.2
Informal financial organization	80	88.9
Total	90	100
Types of Credit Provided by the Organization		
Fertilizer purchasing credit for land owners	88	97.8
Food item purchasing credit	2	2.2
Total	90	100

Source: own survey result 2017

Education status of Mang household head and his/her family was considered that schooling students is problem starting from there initial ancestors until today. Because educating family was related to the economic status of the manja community and they prefer rather sending children to school, let them to work hard and cop up the hard ship to sustain in unfavorable condition and environment. The current research finding indicates that out 90 household head included in the research, more than 92% of household head persuade that no schooling children and also family themselves and only 7.8% perused that selectively schooling male children and also male family only. Therefore, the research finding indicates Manja community participation on education was main problem, beyond that all of Manja community women was and is not participating education and it highly creates miserable life on female more than male. Therefore, based on current research finding income generating capacity of Manja community was very week and to develop their capacity education level of them was very poor and it makes difficult in one side providing credit for them, was also difficult for credit providers

because they don't know about principal and interest repaying system and generating income from credit capita. It needs clear attention on education facility providing for Manja community may be capacitate them and encourage them to obtain credit and to develop income at household level [7,8].

Culturally the Manja class integration to the Malla or majority by mirage and religious was very poor and they themselves Marginalize them, and majority group also marginalize them. This create social interaction problem among them and creates credit accessibility and opportunity problem in the area. Credit obtaining and repaying need experience, were as the Manja lacks role model in their community, that results low participation on credit and credit providing legal organization. The current research finding indicates out of 90 household respondents 94.4% and 90% Integrated with the majorities and has no experience at all see Table 3. However, inclusive growth is more than that an economy there is a feedback loop between the bottom- and top-lines (growth and equity) in a national economy World economy forum report [9,10].

Table 3: Education, cultural integration and credit experience Manja community in Dawuro.

Objectives	Frequency	%
Education		
No schooling children and also family	83	92.2
Selectively schooling male children and also male family	7	7.8
Total	90	100
Integration		
Not Integrated with the majorities	85	94.4
Partially integrated with the majorities	5	5.6
Total	90	100
Experian the Manja to Receive Credit and Repay		
No experience at all	81	90
Few experiences only fertilizer and improved seed credit receiving and repaying	4	4.4
No knowledge skill about credit	5	5.6
Total	90	100

Conclusion and Recommendation

Manja community in Dawuro currently demands strong political and economic intervention by responsible body to

improve the livelihood of the community, because for long history they were marginalized from political position and even economic benefits as citizen when compared to the majority

(Malla) community. The reason was related poor livelihood of the minority, Minorities attitude that marginalizing themselves, from majority, culture and religion difference between majority and minority, resource equity distribution between and among them and emphasis given by local government limitation may affect them and based on this credit accessing for minority and creating opportunity may hinder there living slandered as compared to Majority.

Based on current research finding to improve livelihood of Manja community in Dawuro developing income generating capacity of minority needs intervention. Therefore, the responsible local and regional government should encourage Manja community in public participation and education them as much as possible to capacitate them was highly recommended.

To improve the income generating level of Manja community credit access and creation opportunity for them needs commitment by responsible local government. Therefore, providing credit without collateral from public sector (formal financial institution) for them and through training capacity development in the community may improve the economic statues of the community.

The current research finding indicates income source of Manja community depends on fair wood selling, were as the amount of income generated from fair wood selling does not sustain properly the livelihood because it was very low income. Therefore, diversifying income generating source for Manja community by local and reginal government may improve the livelihood. So that the responsible body should give care about the livelihood improvement by organizing them in different off farm income generating cooperatives and enterprise development for them was recommended.

Land ownerity was main problem for Manja community in the area, therefore, land equity distribution for house hold income improvement and poverty alleviation in the community was possible solution. Therefore, the responsible local government body may fairly distribute farm land for them to improve the livelihood development were the main solution.

Ahead of credit accessibility and opportunity creation for minority or Manja community, the responsible local and regional

government body may develop capacity building intervention through educating and training about credit benefit and repaying system were recommended as best intervention in the area.

To accessing Credit for the manja community in research conducted area social and cultural integration with majority was main problem, therefore, integrating them with Majority in the locality needs important intervention methods by local government and non-governmental organization. The common understanding of both responsible body may create warrens for them. Therefore, the responsible body should develop awareness to the local Majority people and minority themselves about social factors that encourage credit facility or discourage based on cultural and religious aspects. That may encourage Manja community to participate in social aspects, obtaining credit accessibility and opportunity in the area.

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