

Diversification of Rural Economies Through Non-Farm Employment Opportunities in Boki Local Government Area of Cross River State

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Abstract

Rural economies in Nigeria are increasingly confronted with multifaceted challenges, ranging from climate variability to declining agricultural productivity. Traditionally, agriculture has been the primary source of income for rural households. However, with the growing inadequacy of agriculture to sustainably support livelihoods, rural populations are diversifying into non-farm sectors (Ellis, 2000). This study explores the diversification of rural economies through non-farm employment opportunities in Boki Local Government Area, Cross River State, Nigeria. Rural areas in Nigeria are predominantly agrarian, yet agriculture alone has proven insufficient in sustaining livelihoods due to seasonal variations, low productivity, and market limitations. The study adopts a mixed-methods approach, combining surveys of 200 rural residents with key informant interviews and focus group discussions. Findings reveal that non-farm employment—such as petty trading, carpentry, tailoring, transport services, and hospitality—has become a critical livelihood strategy, contributing significantly to household income, employment generation, and poverty reduction. However, constraints such as limited access to capital, inadequate infrastructure, and insufficient vocational training persist. The paper concludes by recommending targeted investments in rural infrastructure, skills development, and inclusive microfinance schemes to support sustainable rural economic diversification.

Keywords: *Non-farm employment, Rural economy, Livelihood diversification, Boki, Cross River State, Rural development*

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Background to the Study

Rural development remains a central concern in Nigeria's broader national development agenda. While agriculture has historically served as the backbone of rural economies, recent decades have underscored its inadequacy in addressing the mounting economic, social, and demographic demands in rural areas (Ellis, 2000). In many rural communities, particularly across sub-Saharan Africa, reliance on subsistence agriculture has proven unsustainable due to challenges such as land degradation, climate variability, limited market access, and declining yields (Barrett, Reardon, & Webb, 2001; Haggblade, Hazell, & Reardon, 2010). Consequently, increasing attention has been directed towards diversifying rural economies through non-farm employment opportunities.

Non-farm employment refers to all income-generating activities not based on crop cultivation, livestock, forestry, or fishing. These include small-scale enterprises, transport services, vocational trades, hospitality, and manufacturing, among others (Lanjouw & Feder, 2001). Such activities not only supplement household income but also serve as buffers against agricultural shocks and seasonal labour shortages. They offer rural dwellers the opportunity to engage in productive activities throughout the year, particularly in areas where rain-fed agriculture imposes seasonal constraints. Moreover, the expansion of non-farm sectors contributes to employment creation, rural industrialisation, and the mitigation of rural-urban migration pressures (Reardon, Berdegue, & Escobar, 2001).

In Nigeria, the growing significance of the rural non-farm economy has been increasingly recognized. According to the National Bureau of Statistics (2022), a substantial proportion of rural households now derive over 40% of their income from non-farm sources. Nevertheless, the structure and impact of this diversification vary across regions and communities, influenced by factors such as infrastructure availability, educational attainment, cultural dynamics, and access to finance. In Cross River State—specifically in Boki Local Government Area—most rural households traditionally depend on cocoa, plantain, and tuber cultivation. Yet, environmental challenges such as deforestation, soil degradation, and erratic rainfall have rendered agriculture progressively less viable. As a result, many inhabitants have turned to non-farm activities such as petty trading, motorcycle transport services, tailoring, carpentry, and food processing.

Despite this shift, empirical data on the scope, structure, and socio-economic impact of non-farm employment in Boki LGA remain limited. Existing studies often concentrate on broader state or national contexts, without adequately addressing the micro-level dynamics influencing livelihood strategies within specific communities (Adepoju & Obayelu, 2013; Ovwigho, 2014). Moreover, there is a pressing need to understand the barriers rural residents encounter in accessing non-farm employment, including lack of capital, vocational skills, infrastructure, and institutional support. This study, therefore, aims to fill this gap by empirically examining the nature and impact of non-farm employment on rural livelihoods in Boki Local Government Area. Specifically, it seeks to identify the types of non-farm activities undertaken, assess their contributions to household income and well-being, and analyse the major constraints to rural economic diversification. In doing so, the study offers context-specific insights to inform rural development policies and interventions.

Problem Statement

Rural economies in Nigeria, including those in Boki Local Government Area of Cross River State, have traditionally relied on agriculture as the principal source of income and employment. However, this dependence has become increasingly untenable due to multiple challenges such as declining soil fertility, climate change, market instability, and limited access to agricultural inputs (FAO, 2017; Ojo & Adebayo, 2012). These constraints have curtailed agricultural productivity and, by extension, the income-generating capacity of rural households. Consequently, there has been a noticeable shift among rural dwellers towards non-farm activities as alternative or supplementary livelihood strategies.

Despite this growing trend, the non-farm sector in many rural areas, including Boki LGA, remains underdeveloped and poorly understood. Non-farm ventures frequently arise informally, without adequate institutional support, infrastructure, or policy engagement. Many such enterprises operate at subsistence levels, with limited growth potential and low productivity (Barrett, Reardon, & Webb, 2001). In the absence of structured frameworks, access to finance, vocational training, and market linkages, the transformative potential of non-farm employment in driving rural economic growth remains largely unrealised.

Moreover, empirical research on non-farm employment in Nigeria has predominantly focused on macro-level or state-wide trends (Adepoju & Obayelu, 2013; Ovwigho, 2014), often neglecting local-level realities in places like Boki LGA. This leaves a critical knowledge gap in understanding how rural households in this locality engage with and benefit from non-farm livelihood strategies. Additionally, there is insufficient information on the barriers they face—including inadequate access to capital, infrastructure deficiencies, lack of vocational skills, and weak policy frameworks. In Boki LGA, anecdotal evidence suggests that while residents engage in tailoring, petty trading, food processing, transport services, and handicrafts, these activities are primarily survivalist and seldom lead to long-term economic empowerment. The degree to which these ventures contribute meaningfully to poverty alleviation, income growth, and rural development remains unclear. Furthermore, existing rural development policies in Cross River State often overlook or marginalise the role of non-farm employment in rural economic planning (Ekong, 2021).

Without an empirical understanding of the opportunities and challenges surrounding non-farm employment in Boki, effective policy formulation and development planning remain elusive. This study, therefore, seeks to examine the structure, contributions, and constraints of non-farm employment in Boki LGA, offering evidence-based recommendations to enhance sustainable rural economic diversification.

Objectives of the Study

The main objective of this study is to examine the diversification of rural economies through non-farm employment opportunities in Boki Local Government Area of Cross River State. The specific objectives are to:

1. Identify the types of non-farm employment opportunities available in Boki LGA.
2. Examine the contribution of non-farm activities to household income and poverty reduction.

3. Investigate the challenges inhibiting engagement in non-farm economic activities.
4. Propose strategies for enhancing non-farm employment as a tool for rural economic development.

Literature Review

Rural economic diversification entails broadening the spectrum of income-generating activities beyond traditional farming practices (Barrett et al., 2001). It encompasses all livelihood activities excluding crop cultivation, livestock rearing, fishing, and forestry. Non-farm employment opportunities refer to alternatives such as trading, artisanal work, small-scale manufacturing, transport services, and service provision. These sectors offer greater flexibility and are often less susceptible to climatic fluctuations (Haggblade, Hazell, & Reardon, 2010).

In many developing countries, including Nigeria, rural economies have historically been dominated by agriculture, which serves as the principal source of income and employment for most rural households (Ellis, 2000). However, exclusive reliance on agriculture has increasingly proven unsustainable due to a range of challenges including climate variability, land degradation, and limited access to markets, all of which constrain productivity and income growth (FAO, 2017; Ojo & Adebayo, 2012). Consequently, rural households are progressively diversifying their livelihoods through engagement in non-farm employment, a trend that has attracted considerable scholarly interest due to its potential to enhance household resilience and reduce poverty (Barrett, Reardon, & Webb, 2001).

Livelihood diversification refers to the process by which rural households develop a varied portfolio of activities and social support mechanisms to survive and improve their standard of living (Ellis, 2000). Non-farm employment — including petty trading, artisan crafts, food processing, transport services, and wage labour — has emerged as a vital pathway for diversification in rural contexts (Lanjouw & Lanjouw, 2001; Reardon et al., 2006). In sub-Saharan Africa, non-farm income constitutes a substantial share of rural household earnings and sometimes surpasses agricultural income, thereby acting as a buffer against agricultural shocks (Haggblade, Hazell, & Reardon, 2007).

Empirical studies in Nigeria underscore the growing prominence of non-farm activities in rural economic structures. For instance, Adepoju and Obayelu (2013) revealed that households involved in non-farm enterprises in Ondo State exhibited higher income levels and improved welfare compared to those dependent solely on agriculture. Similarly, Ovwigho (2014) reported that rural non-farm activities significantly contribute to poverty alleviation and enhanced livelihoods, although they are often hampered by constraints such as limited access to capital, inadequate skills, and market challenges.

Despite their potential, rural non-farm employment opportunities in Nigeria face several structural and systemic limitations. These include poor access to finance, inadequate infrastructure (particularly roads and electricity), low levels of education and vocational skills, and weak institutional support (Akande, 2015; Ekong, 2021). Moreover, gender disparities

further hinder women's full participation in non-farm enterprises, despite their substantial representation in sectors like petty trading and craft-making (Ezeano & Obasi, 2014).

In Cross River State, empirical research on rural non-farm employment remains sparse. Boki Local Government Area, though primarily agricultural, is gradually witnessing a shift towards non-farm activities (Enong et al., 2017). Anecdotal evidence points to petty trading, artisanal work, food processing, and local transport services as the most common non-farm activities. However, the depth of their contributions to household income, poverty alleviation, and rural economic transformation has not been adequately investigated.

Additionally, rural development policies at both the state and federal levels have traditionally prioritised agricultural development, often neglecting the transformative potential of non-farm sectors (Ekong, 2021). This policy oversight has resulted in a lack of targeted support for rural non-farm enterprises, stifling their growth and long-term sustainability. As Barrett et al. (2001) caution, without strategic investment in infrastructure, skill-building, and market development, non-farm activities may remain informal, marginal, and survival-oriented.

Given the evolving nature of rural livelihoods and the pressing need to address rural poverty in Boki LGA, it is crucial to empirically examine the role of non-farm employment in livelihood diversification. Understanding the scope, opportunities, and barriers within this sector will form the basis for more effective policy formulation and development interventions aimed at fostering rural economic transformation.

Theoretical Framework: Livelihood Diversification Theory

Livelihood Diversification Theory is rooted in the recognition that rural households engage in multiple income-generating activities to improve their resilience, minimise vulnerability, and enhance overall well-being in the face of environmental, economic, and social uncertainties (Ellis, 2000). The theory posits that rural livelihoods are not confined to a single economic activity—typically agriculture—but rather encompass a portfolio of both farm and non-farm undertakings.

The theory contends that diversification arises as a strategic response to risks inherent in agrarian economies, such as seasonality, market instability, climate shocks, and institutional inefficiencies (Ellis, 2000; Barrett, Reardon, & Webb, 2001). These strategies encompass both agricultural diversification (e.g., multiple crops or livestock) and non-agricultural income sources, including petty trade, wage labour, artisanal crafts, transportation, and small-scale enterprises (Lanjouw & Lanjouw, 2001).

Livelihood Diversification Theory underscores several key benefits:

Risk Mitigation: By spreading income sources, households can better manage agricultural failures and market shocks (Ellis, 2000). **Income Growth:** A diverse portfolio of economic activities often leads to increased total household income (Barrett et al., 2001). **Capital Formation:** Non-farm earnings can finance agricultural investments, education, and small-scale enterprises (Reardon et al., 2006).

Human and Social Capital Development: Participation in diverse sectors encourages skill development, enhances networks, and fosters community integration (Ellis, 2000). This theoretical framework is highly relevant to the context of Boki LGA, where agriculture, though dominant, is increasingly constrained by environmental and economic pressures (Enong et al., 2017). With declining soil fertility, erratic rainfall, and limited access to agricultural inputs, households are compelled to explore non-farm alternatives. The theory provides a valuable lens for analysing the motivations, patterns, and socio-economic outcomes of this shift.

By applying Livelihood Diversification Theory, this study seeks to understand how non-farm employment serves as a resilience mechanism, contributes to poverty alleviation, and enhances household welfare. It also provides direction for identifying the types of activities most prevalent and the structural barriers inhibiting their growth. In doing so, the theory supports the formulation of evidence-based rural development strategies tailored to the realities of Boki and similar settings.

Methodology

Research Design

This study employed a descriptive survey design incorporating both quantitative and qualitative research approaches to investigate the patterns, impacts, and challenges of non-farm employment in rural communities.

Study Area

Boki Local Government Area is located in the central part of Cross River State, Nigeria. The area is characterized by mountainous terrain, high rainfall, and dense forests. It is primarily agrarian, with communities such as Boje, Wula, Okundi, Bateriko, and Katabang relying heavily on cocoa, plantain, and tuber cultivation.

Sample and Sampling Techniques

The study selected a total of 200 respondents using stratified random sampling across ten (10) rural communities to ensure representation. Additionally, ten (10) key informants—including community leaders, local government officials, and development practitioners—were interviewed. Four (4) focus group discussions were also conducted to obtain deeper qualitative insights.

Data Collection Instruments

Data were collected using a combination of structured questionnaires, in-depth interview guides, and focus group discussion protocols. The instruments were designed to gather information on the types, benefits, and constraints of non-farm employment activities.

Data Analysis

Quantitative data were analysed using the Statistical Package for the Social Sciences (SPSS), employing descriptive statistics and correlation analysis to identify patterns and relationships. Qualitative data from interviews and focus groups were analysed thematically to capture recurring views, experiences, and insights relevant to non-farm economic engagement.

Results and Findings

Types of Non-Farm Employment

Table 1: Shows the distribution of non-farm activities:

Type of Non-Farm Activity	Frequency	Percentage
Petty Trading	64	32%
Tailoring/Fashion Design	28	14%
Carpentry and Woodwork	20	10%
Motorcycle Transport (Okada)	30	15%
Hairdressing and Beauty Care	18	9%
Hospitality/Local Restaurants	14	7%
Phone Repair/ICT Services	10	5%
Others (e.g., blacksmithing)	16	8%

Source: Field work, 2023

Contribution to Household Income

Approximately 72% of respondents reported that non-farm activities now account for over 50% of their household income. Respondents engaged in both farm and non-farm work reported better financial stability than those solely dependent on agriculture.

Gender Dimensions

Women predominantly engaged in petty trading and hairdressing, while men dominated carpentry, okada transport, and ICT repair. Gender norms influence the type of non-farm work individuals undertake.

Table 2: Shows the Challenges Identified
Respondents reported several challenges:

Challenges	Frequency	Percentage
Lack of Start-Up Capital	102	51%
Poor Infrastructure (roads)	58	29%
Limited Vocational Training	24	12%
Market Access Constraints	16	8%

Source: Field work, 2023

Discussion

The study confirms that non-farm employment plays a pivotal role in rural economic diversification in Boki Local Government Area. The widespread engagement in petty trading and service-based microenterprises suggests a gradual shift of rural economies away from

exclusive reliance on traditional agriculture (Barrett et al., 2001; Haggblade et al., 2010). Nonetheless, structural impediments—most notably limited access to finance and inadequate infrastructure—continue to constrain the scalability and sustainability of non-farm ventures. These findings are consistent with studies across Sub-Saharan Africa, where rural livelihood diversification efforts are frequently impeded by insufficient institutional support and policy neglect (Ellis, 2000).

Conclusion

Diversification into non-farm employment represents a viable and increasingly necessary strategy for enhancing rural livelihoods in Boki LGA. The non-farm sector contributes significantly to household income and provides a buffer against the uncertainties of agricultural production. However, for rural economic diversification to reach its full potential, it is imperative to address systemic constraints such as capital shortages, infrastructure deficits, and skill gaps. Targeted interventions are required to support rural non-farm enterprises and integrate them more effectively into broader development frameworks.

Recommendations

1. **Expansion of Microfinance Services:** Introduce and promote microcredit schemes tailored to rural entrepreneurs, featuring flexible collateral requirements and repayment plans to enhance financial inclusion.
2. **Vocational Skills Development:** Establish community-based training centres offering vocational education in trades with high local and regional demand, such as tailoring, mechanics, catering, and digital services.
3. **Infrastructure Improvement:** Prioritise the rehabilitation and expansion of rural road networks to ease transportation bottlenecks and improve access to local and regional markets.
4. **Strengthening Market Linkages:** Facilitate direct linkages between rural producers and urban markets through cooperative platforms, digital marketing channels, and supply chain integration initiatives.
5. **Policy Formulation and Institutional Support:** Develop and implement local economic development policies that explicitly incorporate non-farm sectors into rural development planning, with dedicated support mechanisms for enterprise growth, regulation, and capacity building.

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