EVOLUTION, PERFORMANCE AND ROLE OF TRADITIONAL CREDIT SYSTEM ON POVERTY REDUCTION: A CASE OF *IFOGONG'HO* OF THE WASUKUMA, TANZANIA

BY

OKULI WILLIAM SWAI

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ABSTRACT

A study on *ifogong'ho* traditional credit system was conducted in Magu District, Mwanza region, Tanzania. The general objective of the study was to explore the contribution of *ifogong'ho* to poverty reduction. Specifically, the study aimed at describing the evolution and operational procedure of *ifogong'ho;* assessing performance of *ifogong'ho* as indicated by repayment, interest and default rates; assessing accessibility to *ifogong'ho* by age, gender, education, household type and wealth; and determining the contribution of *ifogong'ho* credit to poverty reduction using income, food security and health indicators. A cross-sectional survey approach was employed, whereby four villages that practice *ifogong'ho* were selected purposively and respondents were selected randomly. Semi-structured and structured questionnaires were administered to *ifogong'ho* committee members and 131 respondents, respectively. Likert scale questions were employed to determine attitude of members towards access to *ifogong'ho* by sex, age, household type, education and wealth. Data were analyzed using the Statistical Package for Social Sciences whereby frequencies, percentages, means and cross-tabulations, were used to elaborate analytical results. Qualitative data were summarized and presented in tables to supplement *ifogong'ho* important information. The chi-square test statistic was used to determine attitude of *ifogong'ho* members towards *ifogong'ho* access and sex, age, household type, education and wealth. Results showed no statistical significant relationship between access to *ifogong'ho* and sex, age, household type, education and wealth of respondents. The t-test results at $p < 0.05$ level of significance proved that net income, food security and health expenditure among *ifogong'ho* members before

getting credit differed significantly after using credit. Net income, food security and health expenditure after credit were higher than those before credit. These results substantiated the need of credit for poverty reduction. The study came up with pertinent recommendations. One of the recommendations given was to boost *ifogong'ho* fund portfolio size by introducing saving practice in the system.

DECLARATION

I, Okuli William Swai, do hereby declare to the SENATE of the Sokoine University of Agriculture that this dissertation is my own original work and that it has not been submitted for a degree at any other University.

Signature.....

Date..... 09 | 11 | 2006

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DEDICATION

This work is dedicated to my Lord Jesus Christ.

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LIST OF ABBREVIATIONS

ADB	African Development Bank
AIDS	Acquired Immunodeficiency Syndrome
BoT	Bank of Tanzania
CARE	Co-operative for Assistance and Relief Everywhere
CBOs	Community Based Organizations
CIDA	Canadian International Development Agency
CRDB	Cooperative and Rural Development Bank
DANIDA	Danish Development Agency
FAO	Food and Agriculture Organization of the United Nation
FGDs	Focused Group Discussions
HESAWA	Health through Sanitation and Water
HIPC	Highly Indebted Poor Countries
HIV	Human Immunodeficiency Virus
IMF	International Monetary Fund
MAC	Ministry of Agriculture and Co-operatives
MEDA	Mennonite Economic Development Agency
NBC	National Bank of Commerce
NBS	National Bureau of Statistics
NGOs	Non-Governmental Organizations
NMB	National Micro-finance Bank
NPES	National Poverty Eradication Strategy
NSGRP	National Strategy for Growth and Reduction of Poverty

OXFAM	OXFAM
PBZ	Peoples Bank of Zanzibar
PRIDE	Promotion of Rural Initiatives and Development Enterprises
PRSP	Poverty Reduction Strategy Paper
ROSCAs	Rotating and Savings Credit Association
SACCOs	Savings and Credit Cooperatives
SACCOS	Savings and Credit Cooperative Societies
SEDA	Small Enterprises Development Agency
SIDA	Swedish International Development Agency
SPSS	Statistical Package for Social Sciences
SSA	Sub Saharan Africa
TAS	Tanzania Shilling
TDHS	Tanzania Demographic and Health Survey
TIB	Tanzania Investment Bank
TPB	Tanzania Postal Bank
UNDP	United Nations Development Programme
UNICEF	United Nations Children Education Fund
URT	United Republic of Tanzania
WB	World Bank

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background to the problem

Poverty is a worldwide problem, particularly in the Third World. In developing countries over 1.2 billion people live in absolute poverty, as they spend less than one US dollar a day per person to meet basic needs (URT, 2003a). The rural poor make up more than 75% of the poor in many Sub-Saharan Africa and Asian countries (Pinstrup-Andersen and Pandya-Lorch, 2001; FAO, 2001). About 50% of Tanzanians are defined as poor and 36% as very poor (URT, 2001; National Bureau of Statistics, 2002). Poverty remains overwhelming in rural areas, where 87% of the poor live, and where the majority of households depend on agriculture (URT, 2005). To reduce rural poverty in Tanzania, improvement in farm incomes of the majority of rural population is a precondition (URT, 2001; URT, 2003b).

Some of the reasons associated with poverty in rural areas are dependence on rain fed agriculture and low levels of education. However, one very prominent reason is inadequate capital, mainly finance, to boost agricultural productivity. Inadequate capital is mentioned by many scholars as being the most limiting factor in advancement of small-scale farmers. It is ranked high in Tanzania and in other developing countries (Bagachwa, 1993; Kuzilwa *et al.*, 1997). Finance can be obtained from production activities, credit, salary, business, casual labour, and inheritance from parents or given by others. However, for most of the rural poor credit is a very important means of getting capital. It enables small-scale farmers to tap

finances beyond their own resources and take advantage of profitable investment opportunities (Adams, 1992; Braun, 1992). In the Tanzania National Strategy for Growth and Reduction of Poverty (URT, 2005), one of the strategies for reducing poverty is to increase access to rural micro-finance services for subsistence farmers. Furthermore, the strategy aims at promoting and sustaining community-based savings and credit schemes such as Savings and Credit Co-operatives Societies (SACCOS) and revolving funds (URT, 2005).

In the effort to provide credit services to small-scale farmers, different organizations including governmental, non-governmental, parastatal, banks, private and informal as well as traditional groups have been formed (Clark *et al.*, 1997; Gurgard, *et al.*, 1996). These financial lending institutions differ significantly from one another in terms of types of clients, institutional framework, and funding arrangements. Generally however, they can be classified into three major groups: formal, semi-formal and informal institutions (Sumay, 1999; Kashuliza *et al.*, 1998).

Formal credit systems comprise of institutions subject to banking regulations and supervision, such as banks. Semi-formal credit systems fall outside the regulations of the banking authority. They are usually registered by the government and/or supervised by government agencies. In Tanzania, most of the semi-formal institutions are Non-Governmental Organizations (NGOs) and often have donor assistance. Examples are Caritas, Mennonite Economic Development Agency (MEDA), and many others (Sumay, 1999). Some of the donor-funded credit schemes also operate through government, co-operatives and community development activities. Informal

thus leaving rural areas where the majority of poor live, without such services. The majority of small-scale farmers therefore depend on informal sources of finance in order to initiate or improve their farming activities.

In an effort to lessen problems associated with lack of access to credit from formal credit systems by rural people, innovative traditional credit systems have been initiated. *Ifogong'ho* is one of such local credit system practiced in many districts in Shinyanga and Mwanza regions. While the formal financial sector operations in Tanzania are well known (Amani, 1987; Kashuliza, 1992), there is shortage of information relating to the operational mechanism and value of informal credit arrangements in the country including *ifogong'ho*. The existing literature on informal credit arrangements in Tanzania lacks essential information on how such institutions operate and how credit provided by such institutions contribute to poverty reduction (Kashuliza *et al.*, 1998). This study is intended to fill part of the information gap through examining the evolution, performance and role on poverty reduction of *ifogong'ho* in Sukuma land.

1.3 Justification of the study

Though credit as an important factor in increasing agricultural production and problems of credit accessibility to small-scale farmers have been well documented, little has been documented on *ifogong'ho* traditional credit system. According to Kashuliza *et al* (1998) study on the role of informal and semi-formal finance in poverty alleviation in the Southern Highlands of Tanzania, access to informal and semi-formal credit was linked with the attempt to reduce poverty in a number of

ways. These ways included ability to cultivate large farms, increased yields and better food security status than before (or in comparison with farmers without access to credit). This study was intended to complement existing information on informal credit system by examining the *ifogong'ho* traditional credit system. Results of the study would increase our understanding on the evolution, performance, operational mechanism, sustainability, failures and other important issues concerning *ifogong'ho*. It would uncover practices and techniques that could be promoted for the benefit of the rural (and urban) poor. The study would gauge the demand of small-scale farmers in the study area for various types of credit and other financial services. The findings would also provide the basis for suggesting probable changes in informal credit services in Tanzania and make contribution to the improvement of relevant public policies aimed at poverty reduction in the country.

1.4 Objectives

1.4.1 General objective

The general objective of this study was to explore the contribution of *ifogong'ho* traditional credit systems to poverty reduction in Magu District.

1.4.2 Specific objectives

- To describe the evolution and operational procedure of *ifogong'ho*.
- To assess the performance of *ifogong'ho* as indicated by repayment, interest and default rates.
- To assess accessibility to *ifogong'ho* by age, sex, education, household type and wealth.

- To determine the contribution of *ifogong'ho* credit system on poverty reduction using income, food security and health indicators.

1.5 Hypotheses

1.5.1 Null hypothesis

Age, sex, household type, education and wealth of respondents do not affect their access to *ifogong'ho*.

1.5.2 Alternative hypothesis

Age, sex, household type, education and wealth of respondents affect their access to *ifogong'ho*.

1.5.3 Null hypothesis

Access to *ifogong'ho* has not changed income, food security and health status of the member households.

1.5.4 Alternative hypothesis

Access to *ifogong'ho* has changed income, food security and health status of the member households.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Definition of concepts

2.1.1 Credit and credit systems

Credit means money lent with an interest for profit. A lender makes a loan with the idea that the borrower will pay back as agreed and that an interest rate will be paid as some sort of rent or the price of the money (Berthöld, 1996). Kashuliza (1986) defines credit as working capital obtained by borrowers from lenders or the transfer in cash or in kind with an obligation to repay.

Credit is classified into three categories: Formal, semi-formal and informal. In this study, the term formal credit is applied to all transactions, loans and deposits that are regulated by central bank authorities. Semi-formal credit is conceptualized as financial transactions partially regulated by government agencies, and they may also have some linkages with the formal credit system. Informal financial transaction is defined as the one that occurs outside the regulation of the central monetary authority (Sumay, 1999).

2.1.2 Poverty and poverty reduction

Poverty is a state of deficit that makes one unable to afford a decent human life (URT, 1998; World Bank, 2000/2001; URT, 2003a). In other words poverty is a state that prevents people from living in acceptable standards of life. Factors leading to poverty include: inadequate productive resources to generate material wealth, illiteracy,

prevalence of diseases, discriminative socio-economic and political systems, natural calamities such as drought, floods, Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS) and man made calamities such as war.

Poverty reduction can be defined as lifting the poor out of poverty (Makombe *et al.*, 1999; Bagachwa, 1994). According to Limbu (1995), poverty reduction entails increasing the ability of rural populations to acquire basic necessities, namely adequate food, adequate and decent clothing, and better shelter/housing that include better places to sleep.

2.2 Effort to reduce poverty in Tanzania

Poverty is such an important global issue that the World Development Reports of 1990 and 2000/01 were devoted to poverty through re-examining how policies could help to reduce poverty. The 1990 report urged industrialized countries to assist developing countries commitments to reduce poverty. In 1997, the United Nations Development Programme (UNDP) Assembly declared the 1997 to 2006 decade to be the United Nation's Decade for poverty eradication, and every October 17 to be commemorated as an International day for poverty eradication (URT, 2003a).

The Government of Tanzania has been undertaking various initiatives towards poverty reduction and attainment of social and economic development. Founded within a broad policy framework, Vision 2025 stipulates the vision, mission, goals and targets to be achieved with respect to economic growth and poverty eradication by the year 2025. To operationalize Vision 2025, the Government formulated the

National Poverty Eradication Strategy (NPES), which provided overall guidance and framework for coordinating and supervising the implementation of policies and strategies of poverty eradication. The Poverty Reduction Strategy Paper (PRSP) of 2000 was then formulated as a medium-term strategy of poverty reduction in the context of the enhanced Highly Indebted Poor Countries (HIPC) initiative (URT, 2005).

The National Strategy for Growth and Reduction of Poverty (NSGRP) is a second national organizing framework for putting the focus on poverty reduction high on Tanzania's development agenda. The NSGRP keeps in focus the aspiration of Tanzania Development Vision 2025 for high and shared growth, high quality livelihood, peace, stability and unity, good governance, good education and international competitiveness. It strives to widen the space for country ownership and effective participation of civil society, facilitate private sector development and build fruitful local and external partnerships. NSGRP picks from the Poverty Reduction Strategy Paper (PRS (P)), (2000/01-02/03) and the one year of PRS Review that revisited the experience that had been gained in poverty reduction (URT, 2005). The overall goal of the National Poverty Eradication Strategy was to provide a framework to guide poverty eradication initiatives in order to reduce absolute poverty by the year 2010 and eradicate absolute poverty by the year 2025.

2.3 Role of credit in poverty reduction

The present worldwide view considers credit as an important factor in reducing poverty amongst poor people in rural areas in the developing countries. For poor rural

families, credit plays an effective role in addressing material poverty, the physical deprivation of goods, services, and income. Credit helps people become more economically secure. This in turn, has a multiplier effect on people's standard of living, enhancing basic household welfare, such as food security, nutrition, shelter, sanitation, health and education services.

Credit empowers people by allowing them to create employment through starting or improving small businesses that generate income or revenue for themselves and their families. Credit can be used as working capital so that clients' efforts become more productive especially in enhancing agricultural development for poor rural families in developing countries. For instance, micro-finance providing credit and saving services to the self-employed poor enables them to initiate or expand small income generating activities (Coates, 1997; Mkandawile and Soludo, 2003).

Further, credit can facilitate rural resource mobilization and allocation to sound investment; integrates rural development within macro-economic development; makes rural people more self-reliant and self-sufficient economically, socially and culturally; and provides financial intermediation services (World Bank, 1990). As clients become more productive, their incomes increase and they are able to accumulate savings for other investments and emergencies.

Credit can also address issues associated with "non-material" poverty, which includes social and psychological effects that prevent people from realizing their potential. For example, micro-finance initiatives empower people as a steady income, a savings

account, training, and the discipline to honour loan repayments usually raise the self-esteem and status of clients in societies where they are often treated as second-class citizens. Micro-finance financial institutions often utilize micro-finance groups to provide training in financial management, legal rights, business management, as well as other support services. Principles of collective organization and solidarity empower people to bargain for higher wages, better work conditions, health services, child-care, and common forms of insurance to protect their lives and livelihoods (Jazairy, 1992; Mkandawile and Soludo, 2003).

Participants of micro-finance financial institutions, especially women, are often empowered to speak out more, assume leadership roles, and address issues beyond their workplace, such as domestic violence. The group, which is formed as a condition for getting credit, is the first opportunity for many women to meet formally with other women to discuss problems and develop joint action. Groups serve as a channel of information. For example, members may tell one another about counselling services that have been established for women victims of violence and drug and alcohol addicts. Many women participants experience a change in their household and community status. However, some women experience an increase in financial responsibilities when their husbands notice that the women are involved in lucrative activities (Jazairy, 1992; Mkandawile and Soludo, 2003).

2.4 Access to credit in Tanzania

The financial policies of Tanzania government have long emphasized the importance of providing credit to support productive activities in rural areas. A number of

authors (Kashuliza, 1986; Temu, 1994) have documented the historical background of credit in Tanzania that showed that the Cooperatives and Rural Development Bank (CRDB), the National Bank of Commerce (NBC), the Tanzania Investment Bank (TIB), and the People's Bank of Zanzibar (PBZ) provided most of the financial services. However, banks and cooperatives give credit according to their objectives and priorities. Although these banks do not in principle discriminate between large and small scale farmers, in practice loans are given to large scale farmers since they have collateral (Kashuliza, 1986; Temu, 1994). Evidence has shown that commercial and rural development banks in Tanzania normally will not lend to small scale farmers because these farmers have little security to guarantee the loan, lack a positive credit experience, and are unable to prepare feasibility studies or meet the high interest rates (Due and Kurwijila, 1991). In addition, despite women's full engagement in agricultural production, loans are granted to men since they are more likely to own collateral and they head families (Saito, 1992).

To serve micro-entrepreneurs and small-scale farmers the government of Tanzania started a Micro-Finance Bank, which was formerly part of NBC (Clark *et al.*, 1997). Moreover, the government allowed private companies and NGOs to provide financial/input services to small-scale farmers. Currently there are a number of NGOs, private companies and projects which are engaged in the provision of financial services, for example, OXFAM, Promotion of Rural Initiatives Development of Enterprises (PRIDE), Small Enterprises Development Agency (SEDA), etc. In addition, a number of informal credit systems have been initiated.

2.4.1 Formal credit institutions

Formal credit institutions include International Monetary Fund (IMF) and The World Bank, (WB) which provide loans to the government, ministries and NGOs. The African Development Bank (ADB) provides loans to various institutions in various countries. Multilateral and Bilateral organs provide loans to the government and various NGOs. The Bank of Tanzania (BoT) provides loans to various banks in the country. Banks that access loans from BoT include National Micro Finance (NMB), National Bank of Commerce (NBC), Cooperative and Rural Development Bank (CRDB) and the Tanzania Postal Bank (TPB). These provide credit to individuals, Savings and Credit Co-operatives (SACCOs), and NGOs for rural development (Chijoriga and Cassimon, 1999; CIDA, 2002).

2.4.2 Semi-formal credit institutions

Semi-formal financial institutions include NGOs involved in financial service provision, SACCOs, parastatals and government projects with credit components (MAC, 1999). Disregarding their internal differences, they are all based on savings. Membership is voluntary and the utilization of money is not prescribed. The organizations have revolving funds with initial capital input from donors. In this way they try to keep self-sustainability in order to meet credit demands. The mode of operation is more personalized, each member is registered, has a ledger which is a double entry card where both deposits and credit are entered. It is a simple method, which can easily be handled by small-scale farmers (Biergegaard, 1993). Institutions and organizations participating in the semi-formal credit system have increased substantially and exploited their cooperation in both rural and urban areas. This is

partly a result of implementation of structural adjustment and financial sector liberalization policies in the majority of the sub-Saharan Africa (SSA) countries in the last ten years. The size and scope of the micro-finance industry is expected to grow further as the demand for financial services by the poor remains largely unmet. In Tanzania alone the number of SACCOs is estimated to be more than 4,000 (CIDA, 2002).

2.4.3 Informal credit institutions

The establishment of formal credit institutions was in addition to other reasons, linked to the belief that local or informal moneylenders as merchants, land lords, and shop owners exploit small-scale farmers by charging them very high interest rates. The emerging views about merchants, land lords, and shop owners from studies conducted in the 1980s in a number of developing countries is that in general, they perform legitimate economic functions in the rural financial markets. Further, their operations are frequently more cost effective and useful for the poor than those of formal credit institutions and commercial banks (Kashuliza *et al.*, 1998). There is a wide range of informal finance and credit arrangements in SSA. They range from transactions which are largely social and personal to those partly commercial and impersonal; credits between friends and relatives, moneylenders, shop owners and traders (that advance loans and sell goods on credit); and the now common group rotating savings and credit associations (ROSCAs) (Temu and Hill, 1994; Nikos, 1997). In different parts of SSA, ROSCAs are known by different names, for example in Ghana they are called *susus*, in Uganda *bibiina*, (Biergegaard, 1993; Kashuliza, 1993) and *ifogong'ho* in Sukuma land Tanzania. Adams (1992) identified ten types of informal finance:

- Sophisticated but legally unregulated institutions such as credit unions, indigenous banks, pawnshops, finance companies and services of NGOs, which are regulated only slightly by governments.
- More or less specialised moneylenders operating in localised markets. They have highly personalised relationships with their customers. Their interest rates are high, but they extend their loans quickly.
- Merchants who provide loans (usually with no explicit interest charge) linked to the sale or purchase of commodities.
- Pawnbrokers who require borrowers to exchange collateral physically for loans. Therefore, they do not need much information about their clients.
- Loan brokers who facilitate contacts between lenders and borrowers by trading on inside information about potential clients. Loans are relatively large compared to other types of informal finance.
- Landlords who provide their tenants with loans.
- Friends and relatives. These are the most common source of informal finance. Loans from friends and relatives usually do not involve interest or collateral, can be of different sizes and repayment arrangements can be open ended. Often borrowers are expected to provide a loan to the lender in the future (reciprocity).
- Money guards are responsible persons who agree to safeguard cash for individuals, usually without interest although favours and gifts may be given.
- Savings groups consist of individuals who regularly or irregularly deposit

funds with a group leader. The accumulated money can be distributed to members after a certain time or can be used as an emergency fund.

- Rotating savings and credit associations (ROSCAs) explicitly pool savings and tie loans to deposits. Members are usually familiar with each other; contribute a certain sum every day, week or month, after which the fund is distributed to one of the members.

2.4.4 Informal credit institutions in Tanzania

In Tanzania there exists a range of informal financial services for savings and borrowing. Such institutions include ROSCAs that take many forms and may exist among rural farmers, traders, urban businesses, women associations, etc (Kashuliza *et al.*, 1998). In the most basic way ROSCAs consist of a small number of individuals, (typically six to forty) who have mutual confidence in each other and who selects a leader. The leader's role is to collect a given amount (share) from each member of the group periodically. The money collected is then given in rotation to each member of the group (Nagarajan and Meyer, 1996; Kashuliza *et al.*, 1998). The transaction costs of ROSCAs are generally very low; overhead and administration costs are virtually non-existent. The close social bonds of members and reciprocal dependence are a powerful control mechanism of risk. However, ROSCAs are not suitable for small scale farmers because in an agrarian society most farmers need money at the same time, notably in the planting season and ROSCAs can not meet these needs for more than one or two members at a time. Batterhan and Majid (1987) and Biergegaard (1993) pointed out that production credit is what resource poor farmers need rather than credit for long-term investments. In this way ROSCAs had a limited effect in

assisting poor farmers in their main economic activities. In addition Schirmeister and Nadler (1996) concluded that ROSCA's weaknesses are based on its low capital base and closeness. Other informal finance sources that are found in Tanzania include in kind lending of seed and grains e.g. *isongoledo* and *mpenento* in Dodoma and Singida respectively. The interest rate of these informal credit groups is 100% and repayment period is usually one season (Mwanga *et al.*, 2005). Also there is in kind lending of cattle, seed, fertilizers; friends and relatives; *ifogong'ho* in Sukumaland; etc (Nikos, 1997; Temu and Hill, 1994).

Researchers in Tanzania concluded that informal finance made a "positive contribution to both production and consumption activities of rural people" (Kashuliza, 1993). Also, informal finance was "linked with the attempt to alleviate poverty in several ways including: ability to cultivate larger farms, getting higher crop yields and a better food security status than before" (Kashuliza *et al.*, 1998).

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Location and geographical description of the study area

The study was conducted in Magu district, Mwanza region. Magu is located in the Northern part of Tanzania on the eastern shores of Lake Victoria 2°50' south of the Equator. It lies between 33° and 34° longitude East of Greenwich and borders Ukerewe and Bunda districts to the North, Maswa and Bariadi districts to the East, Misungwi and Kwimba districts to the South and to the West Magu borders Ilemela and Nyamagana districts (URT, 2002; Toner and Kamuzora, 2002). Other districts of Mwanza region are Sengerema, Geita, Ukerewe, Nyamagana, Ilemela and Misungwi. Magu district occupies an area of 4800 square kilometres, of which 1725 is under water and 3075 square kilometres is a dry area. Administratively, the district is divided into six divisions, 27 wards, 125 villages and 778 sub-villages. According to URT (2002), the Tanzania National Census, Magu district has a population of 416 113, which is composed of 202 007 males and 214 036 females.

The rainfall pattern of Magu district is bimodal. Short rains are experienced from October to December, with a dry period from January to February, followed by heavy rains that end in May. The annual rainfall ranges from 700 to 1000 mm while temperatures range from 18°C to 20° during rain seasons and from 26°C to 30° in dry seasons. The major economic activities of Magu district are crop farming, livestock keeping and fishing. The main crops grown are cotton (the main cash crop), maize, sorghum and paddy. Livestock kept are cattle, goats, sheep and donkeys (URT, 1997).

Magu district has been experiencing persistent unfavourable weather conditions. For example, in 1993, 1997 and 1999, there were persistent droughts, and in 1998 *El-Nino* floods resulted in livelihood insecurity and destruction due to drought and floods. Also, soil fertility has declined due to factors such as overgrazing, poor farming methods, and deforestation. These problems have collectively resulted into marginalizing further the livelihood of residents through declining food and cash crop production.

Poor management of cooperatives is another problem, which aggravated problems in agricultural production, particularly in accessing appropriate agricultural inputs and marketing of agricultural produce. Efforts to promote income generation activities and other divestment coping strategies have been undermined by inadequate access to credit, and inadequate business entrepreneurial skills among the target population (Toner and Kamuzora, 2002). This study was carried out in four villages of Lubugu and Bubinza in Lubugu ward; and Mwamabanza and Mwalinha in Mwamabanza ward.

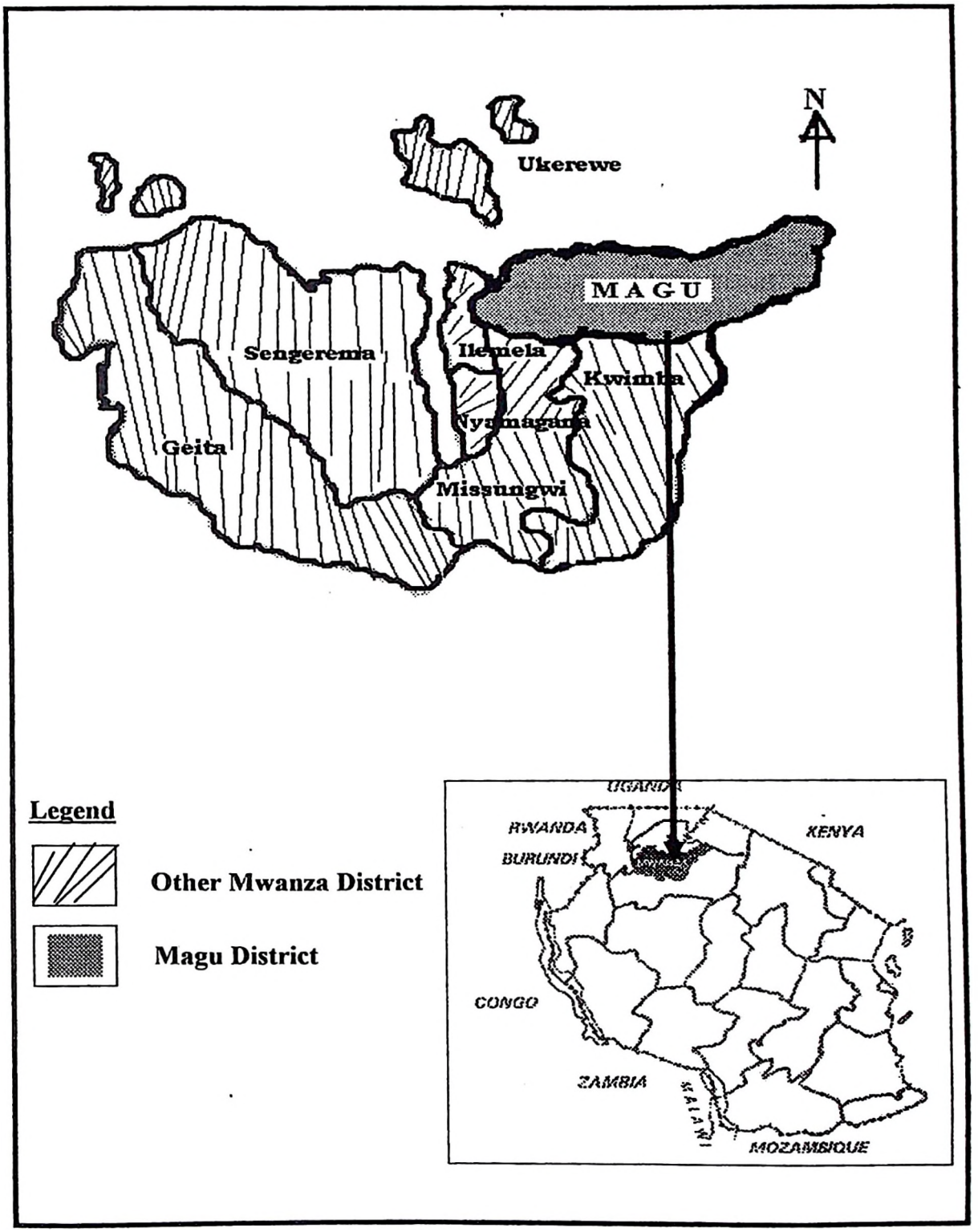

Figure 1: Map of Mwanza region showing the study area

3.2 Research design

The study was carried out using cross sectional research approach, which is most common in survey research as it makes possible the collection of data at a single point in time. The approach is suitable for a descriptive study, determination of relationships between and among variables, and is also economical in terms of finance and time (Babbie, 1990). In this study, both qualitative and quantitative data were collected using semi-structured and structured questionnaires, respectively. The structured questionnaire was designed to include both closed and open-ended questions.

3.3 Sampling procedure and sample size

Villages that practice *ifogong'ho* were chosen purposively and simple random sampling was employed to select respondents from the villages. The sampling frame for the study was the list of household heads. The sample included *ifogong'ho* and non-*ifogong'ho* credit members in the same environment. A sample of 65 respondents was randomly selected from the list of all *ifogong'ho* members and another 66 respondents from the list of all non-*ifogong'ho* members to make a total sample of 131 household heads. This sample was justified by limitation of time and other resources; degree of accuracy; and a need to ensure sufficient number for meaningful analysis (Bailey, 1994). A household was used as the sampling unit because it is the most appropriate unit of measure when assessing the level of poverty and standards of living in a society (Blackwood and Lynch, 1994).

3.4 Data collection methods and data sources

Both primary and secondary data were collected. To collect primary data, a checklist of items was used in discussion with *ifogong'ho* committee members (Appendix 1). Also, a structured questionnaire was administered to members and non-members of *ifogong'ho* (Appendix 2). Secondary data were gathered by consulting different publications relevant to the study area, libraries and the Internet. Information concerning background of the study area was obtained during the literature search as well.

3.4.1 Informal survey

Focus group discussions (FGDs) were held with *ifogong'ho* committee members in each selected village to get in-depth understanding of *ifogong'ho* (Table 1). Information concerning evolution and performance of *ifogong'ho* were gathered. The information from informal survey was very fundamental in development and fine-tuning of the questionnaire used later in formal survey.

Table 1: Distribution of participants in focus group discussions by gender

Village	*Ifogong'ho* committee members		Total
	Males	Females	
Mwalinha	11	5	16
Mwamabanza	9	3	12
Lubugu	9	2	11
Bubinza	5	4	9
Total	**34**	**14**	**48**

3.4.2 Pre-testing of questionnaires

Pre-testing of instrument for formal survey was done where 15 farmers were randomly selected from Mwalinha and Mwamabanza villages. These farmers were not included in the actual study survey. The aim of conducting pre-testing was to check for any vagueness and inconsistence in the wording of items to ensure meaningfulness, clarity and comprehensiveness. Furthermore, the exercise was useful in discovering reaction of respondents towards some sensitive questions and making some corrections that the instrument could be effective and efficient in data collection.

3.4.3 Formal survey

The formal survey was conducted to verify and quantify some of the findings of informal survey using the questionnaire that was translated into Kiswahili language. The questionnaires were administered to all sampled household heads by the researcher and trained interviewer. General information collected included age, sex, marital status, wealth status, education level, family size, production activities done by respondents and land ownership. Moreover, for *ifogong'ho* credit members information concerning the role of credit, changes in production, income, months of food shortage, number of meals per day, change in food items consumed due to credit use, deficiencies and ways to improve *ifogong'ho* operational procedures were collected (Figure 2).

Figure 2: Interview of one of *ifogong'ho* members in Bubinza village

To measure attitude of members on the role of sex, age, education, household type and wealth status on access to *ifogong'ho*, 30 statements for each variable were constructed using a Likert scale. The scale consisted of items measured on a strongly agree, agree, undecided, disagree and strongly disagree latitude of measurement. Respondents were asked to indicate their level of agreement or disagreement with the statements (Appendix 3). According to Bryman and Cramer (1992), this method is popular for measuring attitudinal concepts. Furthermore, reliability analysis was carried out to check whether questions used in assessing access to *ifogong'ho* were reliable. Each variable had 30 statements but after reliability testing to find statements with highest Cronbarch's alpha value, the sex variable remained with 11 statements that had the highest alpha value of 0.8572; age remained with 16 statements with the highest alpha value of 0.8828; household type remained with 11 statements that had

the highest alpha value of 0.8969; education remained with 10 statements that had the highest alpha value of 0.9159; and wealth status remained with 10 statements with the highest alpha value of 0.9292 (Appendix 4).

3.5 Data analysis

Data collected from the primary sources were coded and analyzed using the Statistical Package for Social Science (SPSS). In this statistical package, frequencies, percentages, mean, and cross tabulations were used to elaborate the analytical results. Qualitative data were summarized and presented in tables to supplement important information regarding *ifogong'ho*. Inferential analysis was done using chi-square and t-tests. Chi-square at $p < 0.05$ level of significance was employed to determine association between access to ifogong'ho on one hand and age, sex, household type, education, and wealth status on the other hand.

The formula for chi-square is $$\chi^2 = \frac{\Sigma (fo - ft)^2}{ft}$$

Where: fo = an observed frequency; ft = expected/theoretical frequency; and

$\chi 2$ = chi-square statistic.

The t-test statistic was used to assess differences due to credit in poverty variables such as income, food security and health status.

The t-test statistic can be calculated as follows:

$$T = \frac{X_1 - X_2}{\sqrt{S_1^2/N_1 + S_2^2/N_2}}$$

Where: X_1 and X_2 are the sample means, S_1 and S_2 are variances and N_1 and N_2 are the sample sizes of credit users after and before credit use. The paired sample T-test was employed to compare households that got credit before and after getting credit.

3.6 Conceptual framework

- Variables of the study were: Poverty indicated by income, food security and health expenditures. Poverty status among *ifogong'ho* members was measured by change in income, food security and expenditure on health before and after using *ifogong'ho* credit.
- Income was measured by change in net income; change in agricultural and non-agricultural production; and total expenditure on production, assets and human resource development due to *ifogong'ho* credit.
- Food security status was measured by change in food production, number of months of food shortage, number of meals per day and change in food items due to *ifogong'ho* credit.
- Health was measured by change in expenditures on health service due to *ifogong'ho* credit.

Other variables were access to *ifogong'ho* credit by sex, age, education level, household type and wealth status. Accessing *ifogong'ho* by an individual could enable him/her to obtain money to invest in agricultural, non-agricultural production and human resource development. Investing in those areas could increase/improve production and the well being of *ifogong'ho* members, which is one way of reducing poverty among members (Figure 3).

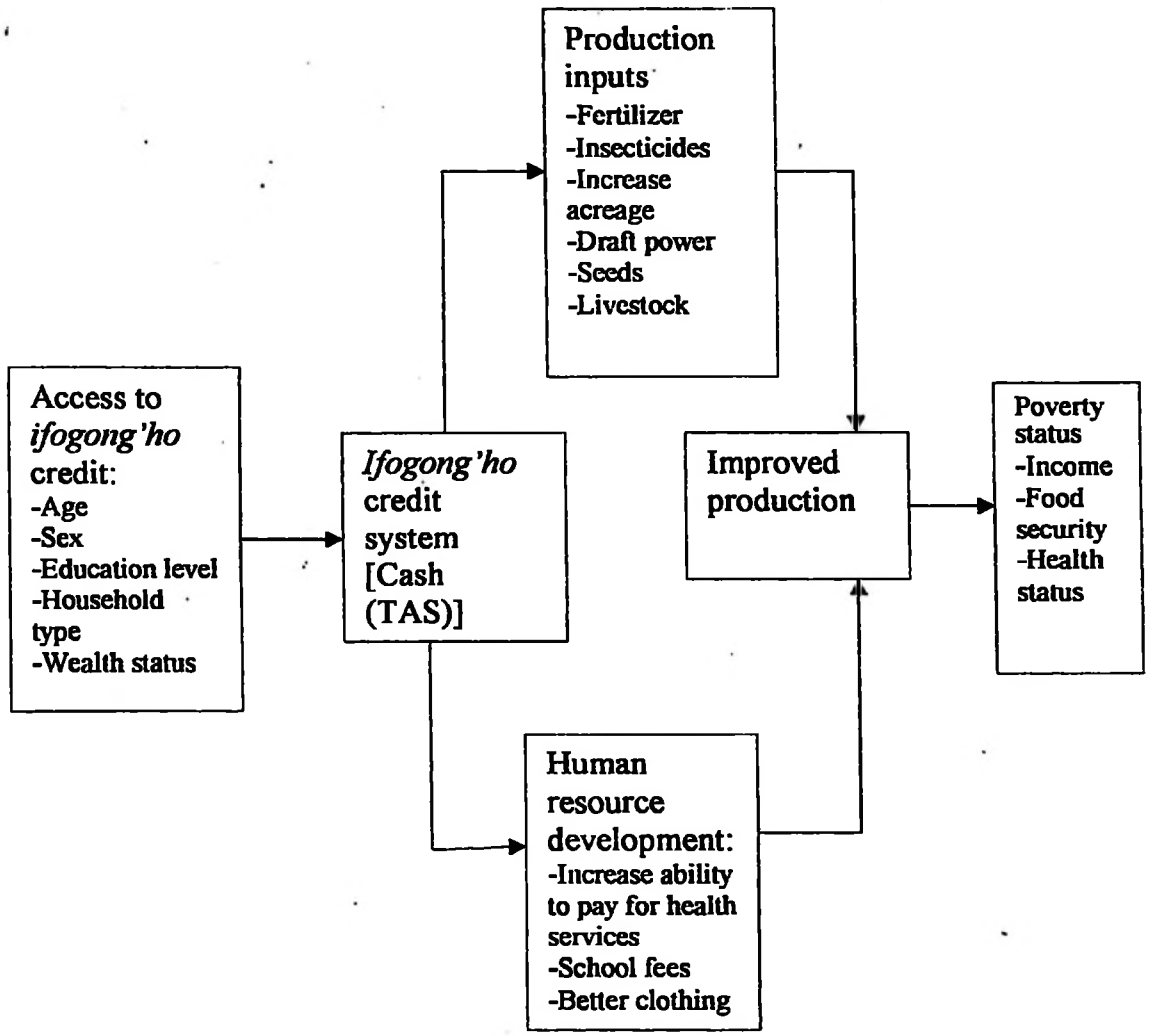

Figure 3: Conceptual framework

CHAPTER FOUR

4.0 RESULTS AND DISCUSSION

4.1 Basic characteristics of household heads

4.1.1 Age distribution

Table 2 shows age distribution of respondents. According to the data the highest proportion of *ifogong'ho* members (44.7%) was aged between 36 and 55 years while the majority of non-*ifogong'ho* members (69.7%) were between 15 and 35 years old. Members of *ifogong'ho* between 15 and 35 years old were few compared to non-*ifogong'ho* members probably due to the fact that in addition to having own residence and livestock/land/furniture, one had to be 18 years old and above in order to join *ifogong'ho*. Most youths' access to *ifogong'ho* was limited because they had no their own residence, land or livestock as also explained by Kayunze *et al.*, (2002).

Table 2: Distribution of respondents by age (n=131)

Household characteristic	Respondent category				Total (n=131)		X^2-value	P-value
	Members (n=65)		Non-members (n=66)					
	n	%	n	%	n	%		
Age categories							**41.487**	**0.000*** **
15 - 35	24	36.9	46	69.7	70	53.4		
36 - 55	29	44.7	16	24.2	45	34.4		
56 - 75	11	16.9	4	6.1	15	11.5		
76 and above	1	1.5	0	0.0	1	0.8		
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**		
Mean years in age		42.7		33.2				

*** = Highly significant association

Further, most youths are mobile as indicated by Mwanga (2001) and are therefore likely to migrate to other areas to seek employment or engage themselves in petty trade. For example, most youths from surveyed villages were engaged in bicycle transport where they spent most of the day in Magu town ferrying passengers from one place to another.

The mean age of *ifogong'ho* members was 42.7 years while that of the non-members was 33.2 years old indicating that most of *ifogong'ho* members were aged people. The chi-square test statistic showed significant relationship between age categories of respondents and whether or not one was a member of *ifogong'ho* ($p < 0.05$).

4.1.2 Education level

Table 3 shows distribution of respondents by level of education. About 77% of *ifogong'ho* members had attained primary education level while 20.0% had no formal education.

Table 3: Distribution of respondents by education category (n=131)

Household characteristic	Respondent category				Total (n=131)		X^2-value	P-value
	Members (n=65)		Non-members (n=66)					
	n	%	n	%	n	%		
Education level							**4.341**	**0.114 (NS)**
No formal school	13	20.0	5	7.6	18	13.7		
Primary school	50	76.9	58	87.9	108	82.4		
Secondary school	2	3.1	3	4.5	5	3.8		
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**		
Mean years in education		4.9		6.4				

NS=No significant association

Among non-*ifogong'ho* members 87.9% had attained primary education level and about eight percent had no formal education. The mean number of years of education for *ifogong'ho* and non-*ifogong'ho* members was 4.9 and 6.4 respectively. Given the low level of education, there is a need to improve education level of these farmers to eliminate illiteracy. Improving literacy is another dimension of fighting poverty. The action will improve farmers' level of understanding and enable them to use *ifogong'ho* credit efficiently (Ragnar, *et al.*, 2002). For example during interviews, educated respondents understood and responded very well to the questions compared to non-educated ones. The chi-square test statistic denoted no significant association between education level of individuals and being a member of *ifogong'ho* ($p < 0.05$). This is because education level was not among conditions necessary for individuals to join *ifogong'ho.*

4.1.3 Distribution of respondents by sex

Table 4 shows distribution of respondents by sex where the number of males was high in both *ifogong'ho* and non-*ifogong'ho* members (i.e. about 52% and 55% respectively). The percentage of females was 48 for *ifogong'ho* members and 46 for non-members. Further, the chi-square test statistic showed no significant association between sex of respondents and *ifogong'ho* membership ($p < 0.05$). This result suggests an equal opportunity for males and females in joining *ifogong'ho*.

Table 4: Distribution of respondents by sex (n=131)

Household characteristic	Respondent category				Total (n=131)		X^2-value	P-value
	Members (n=65)		Non-members (n=66)					
	n	%	n	%	n	%		
Sex							**0.066**	**0.797 (NS)**
Male	34	52.3	36	54.5	70	53.4		
Female	31	47.7	30	45.5	61	46.6		
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**		

4.1.4 Marital status of respondents

The distribution of respondents by marital status is presented in Table 5. About 80% of *ifogong'ho* members and 65% non-*ifogong'ho* members were married. The number of widows/widowers was high among members (8) compared to non-members (4) due to the fact that being married was one of the conditions for individuals to join *ifogong'ho*. Only one member of *ifogong'ho* was single while the non-*ifogong'ho* members group had 15 single respondents.

Table 5: Distribution of respondents by marital status (n=131)

Household characteristic	Respondent category				Total (n=131)		X^2-value	P-value
	Members (n=65)		Non-members (n=66)					
	n	%	n	%	n	%		
Marital status							**14.963**	**0.05 ****
Married	52	80.0	43	65.2	95	72.5		
Widow/widower	8	12.3	4	6.1	12	9.2		
Separated	3	4.6	2	3.0	5	3.8		
Single	1	1.5	15	22.7	16	12.2		
Divorced	1	1.5	2	3.0	3	2.3		
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**		

** = Significant difference at 95% Confidence interval (CI)

The chi-square test statistic showed significant association between marital status of an individual and *ifogong'ho* membership ($p < 0.05$) implying that married individuals were more likely to be members of *ifogong'ho* than non-married ones.

4.1.5 Distribution of respondents by wealth status

In the study area wealth was divided into three groups: wealthy/rich, poor and very poor. According to Magu district society, a wealthy person was expected to own about 50 and above heads of cattle, about 6 and above hectares of land and a good iron sheet roofed house. Further, a wealthy person was expected to produce enough food for the household throughout the year and surplus to support others. He/she was expected to sell food and get cash to contribute for a variety of village development activities. Also, a wealthy person was expected to consume three meals per day, to have a good transport means such as car/vehicle, ox-cart for crops transportation and be able to pay for his/her children's education.

A poor person had 10 and above but less than 50 heads of cattle, about 2 hectares and above but less than 6.25 hectares of land and could afford three meals per day. Also a poor person was expected to produce enough food for the household throughout the year, have a good iron sheet roofed house, pay for his/her children's education, and have a bicycle as a means of transport.

A very poor person might keep poultry but had no cattle, had land below 0.83 hectares and some did not have land. He/she owned a thatch roofed house, faced six to eight months of food shortage, could afford only one meal per day and sometimes

he/she had no meal at all. Furthermore, a very poor person could not pay for his/her children's education and he/she needed support from the village government or other village members.

Table 6 shows distribution of respondents by wealth status and reveals that there were no wealthy or rich farmers among *ifogong'ho* and non-*ifogong'ho* members. Most farmers were either poor or very poor. The percentage of poor respondents among *ifogong'ho* members was 44.6% while among non-*ifogong'ho* members was 42.4%. Very poor farmers constituted 55.4% among *ifogong'ho* members and 57.6% among non-members.

Table 6: Distribution of respondents by wealth status (n=131)

Household characteristic	Respondent category				Total (n=131		X^2-value	P-value
	Members (n=65)		Non-members (n=66)					
	n	%	n	%	n	%		
Wealth status							**0.064**	**0.800 (NS)**
Very poor	36	55.4	38	57.6	74	56.5		
Poor	29	44.6	28	42.4	57	43.5		
Wealthy	0	0.0	0	0.0	0	0.0		
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**		

The chi-square test statistic showed no significant association between wealth status of respondents and *ifogong'ho* membership ($p < 0.05$). This situation suggested an equal chance for individuals to join *ifogong'ho* regardless of their differences in wealth status.

4.1.6 Duration of stay in the village, household size and hectares cultivated

Table 7 shows the mean number of years that respondents had stayed in a particular village, household size and amount of land cultivated in 2004/05 season. The mean years of stay in the village for *ifogong'ho* members were 33.0 years while non-*ifogong'ho* members had 25.1 mean years of stay in the village. Members of *ifogong'ho* had resided longer in the village probably due to the fact that to be the member of *ifogong'ho* one had to be a village or sub-village member.

Table 7: Duration of stay in the village, household size and hectares cultivated (n=131)

Variable	Respondent category	
	Members	Non-members
	Mean	Mean
Duration of stay in the village (years)	33.0	25.1
Household size	7.2	5.9
Total number of adults in the household	3.2	2.8
Total number of children in the household	4.0	3.1
Hectares of the land cultivated in 2004/05 season	3.8	3.9

The mean number of household members among *ifogong'ho* members was 7.2 persons that included 3.2 adults and 4.0 children. Also, the mean household size for non-*ifogong'ho* members was 5.9 persons that included 2.8 adults and 3.1 children. *Ifogong'ho* members had bigger household size compared to non-*ifogong'ho* members. Further, the household size of 7.2 and 5.9 for *ifogong'ho* and non-*ifogong'ho* members respectively in this study were above the rural average household size of 5.1 (TDHS, 1997), and is considered large. Having big families is said to be one of the causes of poverty in Tanzania (URT, 1998). Also, according to World Bank (2000) and NBS (2002), larger households are likely to be poor.

However, some studies, for example by Kayunze (2000) and Kamuzora (2001) have found that larger households in rural areas are better off than smaller ones. This happens where almost all of the household members take part in production and/or service provision, thereby helping to boost their households' economies. The above findings tend to oppose the mainstream thinking that bigger households are poor. This implies that household size has both negative and positive effects on poverty reduction, depending on the activities done by household members, and the number of them who work effectively.

Findings from the study also revealed that the mean number of hectares of land cultivated in 2004/05 season was 3.8 for *ifogong'ho* members and 3.9 for non-*ifogong'ho* members. Generally smallholder farmers cultivate an average land area of between 0.9 to 5.0 hectares (URT, 2003c) therefore; the land size for the two groups was not big enough.

4.1.7 Land ownership

Table 8 shows methods that respondents in the study area used to acquire land. In Tanzania, all land is publicly owned and vested in the state. But individuals have user rights (usufruct) (MAC, 1995). There are three major land tenure systems: customary or communal; commercial; and leasehold and right of occupancy. The majority of households own land under communal system.

Table 8: Land acquisition methods by members and non-members (n=131)

Land acquisition methods	Respondent category				Total (n=131)	
	Members (n=65)		Non-members (n=66)			
	n	%	n	%	n	%
Inherited from parents	37	57	42	63.7	79	60.3
Purchased	11	16.9	4	6.1	15	11.5
Hired	9	13.8	14	21.2	23	17.6
Given by the village government	7	10.8	3	4.5	10	7.6
Cleared the forest	1	1.5	3	4.5	4	3.1
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**

Results in the Table show that about 64% of non-*ifogong'ho* members and 57% of *ifogong'ho* members inherited their plots. Twenty one percent of non-*ifogong'ho* members and 14% of *ifogong'ho* members hired their plots, and 17% of *ifogong'ho* members and six percent of non-*ifogong'ho* members had purchased the land. Further, 11% of *ifogong'ho* members and five percent of non-*ifogong'ho* members were offered land by village government while five percent of non-*ifogong'ho* members and two percent of *ifogong'ho* members cleared the forest in order to acquire land.

4.1.8 Economic activities done by respondents

Results from the study indicate that the majority of respondents produced both cash and food crops; kept livestock; did fishing; and some non-agricultural activities (Table 9). The main cash crop produced was cotton, which accounted for 17.9% of the responses among *ifogong'ho* members and 19.8% among non-*ifogong'ho* members. Maize was the main food crop grown as it accounted for 18.2% of responses for *ifogong'ho* members and 17.0% of responses for non-*ifogong'ho* members. Due to poor soils and short rains, farmers also planted sorghum, sweet

potatoes and cassava, which were early maturing crops and were mainly used as hunger buffering crops.

Paddy was produced as the second cash crop for both *ifogong'ho* and non-*ifogong'ho* members (i.e. about 10% of the responses for *ifogong'ho* members and 11% for non-*ifogong'ho* members). Other crops produced include beans, green grams, cowpeas, groundnuts, chickpeas, tomatoes and simsim. Livestock kept were cattle, goats, and sheep. Only about one percent of non-*ifogong'ho* members were involved in fishing while there was no *ifogong'ho* member found to be involved in fishing. This was probably due to long distance that exists between the surveyed area and Lake Victoria where fishing activity takes place.

Non-agricultural activities done by respondents include masonry, tailoring, carpentry, petty trade and restaurant business. Non-members were leading in cash crop production and non-agricultural activities compared to members that were leading in food production. This result suggested low capital to members although they borrowed from *ifogong'ho* because small fund portfolio size of *ifogong'ho*, could not allow them to borrow enough/large amount of money to invest in large business or farm activities.

Table 9: Economic activities done by *ifogong'ho* and non-*ifogong'ho* members (n = 131)

Variable	Respondent category				Total (n=131)	
	Members (n=65)		Non-members (n=66)			
	n	%	n	%	n	%
Production activity						
Maize farming	60	18.2	54	17.0	114	17.6
Cotton farming	59	17.9	63	19.8	122	18.9
Cassava farming	42	12.8	30	9.4	72	11.1
Paddy farming	33	10.0	35	11.0	68	10.5
Sweet potato farming	33	10.0	30	9.4	63	9.7
Sorghum farming	20	6.1	7	2.2	27	4.2
Beans farming	18	5.5	16	5.0	34	5.3
Cattle rearing	11	3.3	9	2.8	20	3.0
Cow peas	10	3.0	9	2.8	19	2.9
Green gram	8	2.4	6	1.9	14	2.2
Goat keeping	8	2.4	9	2.8	17	2.6
Chick peas	7	2.3	9	2.9	16	2.5
Petty trade	6	1.8	13	4.1	19	2.9
Groundnuts	5	1.6	10	3.2	15	2.3
Tomatoes	3	0.9	4	1.4	7	1.0
Tailoring	1	0.3	1	0,3	2	0.3
Restaurant	1	0.3	2	0.6	3	0.5
Simsim	1	0.3	0	0.0	1	0.2
Masonry	1	0.3	1	0.3	2	0.3
Charcoal selling	1	0.3	0	0.0	1	0.2
Carpentry	1	0.3	0	0.0	1	0.2
Poultry farming	0	0.0	1	0.3	1	0.2
Sheep rearing	0	0.0	5	1.6	5	0.8
Fishing	0	0.0	3	0.9	3	0.5
Traditional healing	0	0.0	1	0.3	1	0.1
Total	**329**	**100.0**	**318**	**100.0**	**647**	**100.0**

NB: Respondents had more than one productive activity

4.2 *Ifogong'ho* traditional credit system

4.2.1 Meaning of *ifogong'ho* and its evolution

The word *ifogong'ho* was explained as a Sukuma word that means the practice of saving and issuing of credit. Toner and Kamuzora (2002) and Rweyemamu *et al.*, (2003) also revealed the same meaning for the word. It is a traditional way of accumulating money/funds by using entrance fees and interest charges. *Ifogong'ho* is

identified as a traditional SACCOs in the study area. Various types of *ifogong'ho* that were found in the study area include *Sungusungu*, HESAWA (Health through Sanitation and Water) or water *ifogong'ho*, sub-village *ifogong'ho*, youths, village, clan and women *ifogong'ho*.

Committee members of *ifogong'ho* mentioned different vulnerability contexts that prompted the formation of *ifogong'ho* in different villages of Magu. For example, *Sungusungu ifogong'ho* was initiated after the *Sungusungu* (traditional militia) operation. The operation was introduced in the country among the Wasukuma in Kahama district of Shinyanga region in the early 1980s. Later, it was extended to Tabora and Mwanza regions (cattle-rich zone' areas) after the outbreak of cattle theft that reached its height in 1982. The name *Sungusungu* is usually taken as deriving from the Kiswahili word for large biting black *safari* ants. Although this name became and is still used to refer to all such groups in Tanzania, among the Wasukuma/Wanyamwezi the more usual designation is *basalama*, which may be broadly translated as 'people of peace or peace enforcers' (Heald, 2002). During *Sungusungu* practice, thieves were sometimes beaten to death and there were many killings at the beginning. The suspects were urged to confess their misdeeds and pay some money as fine. The amount of fine-money paid by offenders was just kept in *Sungusungu* portfolio. This practice continued until they collected some significant amount of money. Instead of spending the money *Sungusungu* committee members and other individuals willing to join the group borrowed the money and invested in different production activities. In that way *Sungusungu ifogong'ho* was initiated.

Water *ifogong'ho (Mafogong'ho ya maji*) or HESAWA was initiated to protect/manage water wells. This started in 1998 in Magu district after the HESAWA project that operated from 1985 to 1998 phased out. HESAWA was an integrated rural water supply, sanitation and health improvement programme that started in 1985. The programme covered sixteen districts in the Lake Regions of Tanzania (Kagera, Mara and Mwanza).

HESAWA replaced a previous Swedish programme – the Water Supply and Sanitation Programme, which was more decidedly an engineering programme dealing with the installation of piped water. HESAWA supported the installation of a range of different water-source facilities including shallow wells, depending on the topography in different areas around Lake Victoria (Booth *et al.*, 2001). In Magu district, the project constructed one to two water wells for each sub-village in selected villages, depending on the size of population of that particular village. The HESAWA programme winded up in 1998, leaving water wells in order. Perceiving problems that could arise immediately after the project, farmers decided to initiate water fund (HESAWA *ifogong'ho)*. The water fund was to be used to maintain/preserve water wells and ensure water availability. Each sub-village member was required to pay an entrance fee of TAS 200.00 to join the group. The amount of money obtained (capital) was lent to members to invest in various activities and the interest was charged to increase fund portfolio size. Figure 4 shows one of HESAWA *ifogong'ho* water wells at Bubinza.

Figure 4: One of HESAWA *ifogong'ho* water wells at Bubinza

Diverse challenges of life had forced Magu farmers to form different kinds of *ifogong'ho* groups in order to improve their economic and social conditions and in that way reduce poverty among members. Other types of *ifogong'ho* credit system that were formed include:

(i) Village and sub-village *ifogong'ho*, which included all village and sub-village members respectively. Village or sub-village leaders to solve members' immediate problems and enable them to contribute money for village development initiated most of the village and sub-village

ifogong'ho. Sub-village *ifogong'ho* had different names such as *Mwabhayanda* that mostly involved youths and *Mwabhanhamala* that constituted mostly adults/older people. The main activity of these two groups was land cultivation. Every one that joined the group was to be involved in providing labour for cultivating member farms. Also they had to sell labour to increase their fund portfolio size.

(ii) The livestock sub-village *ifogong'ho* that catered for livestock keepers. The main purpose of its establishment was to solve problems associated with livestock farming.

(iii) Clan *ifogong'ho* that constituted of a particular clan members who joined together to help each other during sickness, burial, wedding and other social obligations. Each member contributed some money monthly or yearly and borrowed from that *ifogong'ho* to solve his/her problems.

(iv) *Ifogong'ho* of youths that involved all out of school youths. It was established in 2003 through the initiative of the United Nations Children Education Fund (UNICEF). Its main activity was to sensitise and create awareness among village members about consequences of HIV/AIDS, drugs and abortion, using drama and songs. Members borrowed money from this *ifogong'ho* to solve their daily problems.

(v) *Ususi* (weaving) *ifogong'ho* at Bubinza village that made chairs using local materials and sold them to increase their fund portfolio size and also lend money to its members.

(vi) Bicycle transportation *ifogong'ho* that uses bicycles to ferry passengers within and out of Magu town and increase their fund portfolio size through money they got.

Moreover, there were other types of credit systems such as *Hisa* and women groups initiated by CARE International in 2002 to improve members' economic condition. CARE entered the area for the first time in 1997 and was dealing with food security and life improvement of members (Tonner and Kamuzora, 2002). In 2002 *Hisa* was initiated and it involved entrance fee; saving and borrowing; and the mode of operation was through groups.

4.2.2 *Ifogong'ho* organizational structure and operational procedures

The organizational structure of *ifogong'ho* regardless of their variation involved a chairperson, a secretary, an accountant and for the case of *Sungusungu* two commanders. The chairperson organized/supervised all meetings, borrowing and interest repayment processes when they meet every month. The secretary's duty was to keep important records concerning borrowing, interest payment and meeting documents although most of the records were kept in memory. The accountant managed borrowing and interest repayment processes. The commanders were responsible for organizing ordered operations of *Sungusungu ifogong'ho,* for example

in dealing with defaulters. In other *ifogong'ho* that did not have commanders, committee of *ifogong'ho* was responsible for organizing ordered operations. Whenever they met every month, the whole amount of money repaid, which includes principal and interest, was lent to *ifogong'ho* members. No money was left in the fund portfolio to avoid risks, such as theft and misuse. In addition, HESAWA *ifogong'ho* members cleaned water wells' environment and set aside some of the money for repair and water wells management whenever they met.

All types of *ifogong'ho* paid interest. The monthly rate of interest for the surveyed *ifogong'ho* ranged from five to 20 percent. There was no saving practice to increase fund portfolio but portfolio size was increased by interest charge that was paid monthly. Loan duration varied from one to twelve months. Taking an example of *ifogong'ho* member that borrowed TAS 1000.00 at an interest of 10% per month and three months loan duration, the member would be required to pay only TAS 100.00 for each of the first two months. In the last payment during the third month, the member would pay interest of that particular month and the principal i.e. TAS 1100.00.

The target beneficiaries of *ifogong'ho* were members of villages or sub-villages who were willing to join *ifogong'ho.* For example, in HESAWA *ifogong'ho,* only members were allowed to use water from wells serviced by that *ifogong'ho* free of charge while the non-*ifogong'ho* members had to pay money for water use. When an *ifogong'ho* member dies his family is given part of the profit, which had been gained by that particular *ifogong'ho* depending on the joining date of the member. In most *ifogong'ho* the profit given to the family of the member who died was mainly money

and crops for *Mwabhayanda* and *Mwabhanhamala.* For a member that died before loan recovery and the loan was significant, the family head/leader was responsible for servicing the debt. However, if the loan was not significant the family was forgiven from paying.

According to *ifogong'ho* committee members the following conditions had to be met for one to join *ifogong'ho*: (i) to be a village or sub-village member (ii) to pay entrance fee that ranged from TAS 2000 to 10 000 depending on the type of *ifogong'ho*; (iii) to have livestock/land/furniture; (iv) to be mentally fit; (v) to be 18 years old and above; (vi) to be able to pay interest and repay loan in time; (vii) to be married; (viii) to have own settlement. Individuals intending to join *ifogong'ho* were required to be aware of mentioned conditions and decide themselves to be loyal to *ifogong'ho*. People that did not meet *ifogong'ho* conditions were not able to join. In addition to membership conditions, *ifogong'ho* had established by-laws to deal with delays or failures to repay loans. The by-laws included taking away and selling defaulters' property; penalty to pay money equal to the amount of interest; and to report those who resisted repaying to higher levels of leadership such as village leaders where they were forced to repay loans.

4.2.3 Performance of *ifogong'ho*

4.2.3.1 *Sungusungu ifogong'ho*

Table 10 shows the status of Mwamabanza, Mwalinha and Lubugu *Sungusungu ifogong'ho*. Data obtained from informal survey indicated that *Sungungu* was the first *ifogong'ho* to be initiated. It started in 1988 in Mwamabanza and in 1999 in Mwalinha

and Lubugu villages. When *ifogong'ho* was initiated seven household heads in Mwalinha, 15 household heads in Mwamabanza and 172 household heads in Lubugu villages joined. In 2005 the minimum number of *ifogong'ho* members was 41 household heads (Mwamabanza) while the maximum number was 126 household heads (Mwalinha). Lubugu village *Sungusungu* members were 172 household heads from 1999 to 2004 but dropped to 120 in 2005. The minimum fund portfolio size during initiation of *Sungusungu ifogong'ho* was TAS 3000 (Mwalinha village) and the maximum fund portfolio size was TAS 29 000 (Lubugu village).

In year 2005 the minimum fund portfolio size of *ifogong'ho* was TAS 86 000 (in Lubugu village) and the maximum amount was TAS 350 000 (in Mwamabanza). The interest rate charged by *Sungusungu ifogong'ho* for Lubugu, Mwalinha and Mwamabanza villages ranged from five to 20 percent of the loan. Most members repaid loan in time. However, three members of *Sungusungu ifogong'ho* from Mwamabanza delayed to repay loan in 1988 but after follow-ups they finally repaid.

Table 10: Status of *Sungusungu ifogong'ho* of Mwamabanza, Mwalinha and Lubugu villages

Year	Total household heads	Portfolio size (TAS)	Applicants	Those got loan	Interest rate (%)	Repayment in time	Delayed repayment	Failure to repay	Drop out members	Remained members
***Sungusungu* Mwamabanza**										
1988	15	12 000	15	15	5	12	3	0	0	15
2005	41	350 000	41	41	10	0	0	0	0	41
***Sungusungu* Mwalinha**										
1999	7	3 000	7	7	20	7	0	0	0	7
2000	126	34 680	49	47	20	47	0	0	0	126
2004	126	100 000	80	74	20	74	0	0	0	126
2005	126	200 000	58	40	20	0	0	0	0	126
Sungusungu Lubugu										
1999	172	29 000	20	20	10	20	0	0	0	172
2004	172	470 000	0	0	0	0	0	0	0	172
2005	120	86 000	43	43	10	0	0	0	0	120

Furthermore, in 2000 *Sungusungu* of Mwamabanza donated a total of TAS 160 000 to the village for school buildings construction. Also in 2003, *Sungusungu* of Mwamabanza distributed TAS 580 000 to its four sub-villages where each sub-village got TAS 145 000. *Sungusungu* of Mwalinha had a fund portfolio size of TAS 723 000 in 2004 where TAS 252 000 was used to purchase hand hoes for members. Further, TAS 371 000 was donated to the village to build houses for teachers and the remaining TAS 100 000 was lent to members. In 2004 *Sungusungu* of Lubugu had a fund portfolio size of TAS 470 000 but spent TAS 340 000 to buy hand hoes for its members and lent the remaining TAS 86 000 to members in 2005.

4.2.3.2 HESAWA *ifogong'ho*

Table 11 shows the status of Mwamabanza and Bubinza HESAWA *ifogong'ho*. HESAWA *ifogong'ho* was initiated in 1998 in Mwamabanza and 2001 in Bubinza. During establishment there were 20 member household heads in Bubinza and 125 member household heads in Mwamabanza. By 2005 Mwamabanza members had increased to 434 household heads while Bubinza members had decreased to 19 household heads after the death of one member in 2004. Membership in Bubinza was stagnant while in Mwamabanza membership was increasing every year. The fund portfolio size during establishment of HESAWA was TAS 2000 for Bubinza and 25 000 for Mwamabanza. In 2005 the fund portfolio size had increased to TAS 80 000 for Bubinza and 765 250 for Mwamabanza. The interest rate charged from members ranged from five to 10 percent of loan for both Mwamabanza and Bubinza villages. Members paid interest and repaid loan in time and there were no members that delayed or failed to repay.

Table 11: Status of HESAWA *ifogong'ho* of Mwamabanza and Bubinza villages

Year	Household heads	Portfolio size (TAS)	Applicants	Those got loan	Interest rate (%)	Repayment in time	Delayed repayment	Failure to repay	Drop out members	Remained members
HESAWA-Mwamabanza										
1998	125	25 000	15	15	5	15	0	0	0	125
2004	410	448 000	47	47	5	47	0	0	0	410
2005	434	765 250	61	61	0	0	0	0	0	434
HESAWA Bubinza										
2001	20	2 000	10	10	10	10	0	0	0	20
2004	19	60 000	10	10	10	10	0	0	1	19
2005	19	80 000	19	19	10	10	0	0	0	19

4.2.4 Contribution of *ifogong'ho* to the society

According to *ifogong'ho* committee members, *ifogong'ho* lent money to its members to enable the members solve their economic and social problems. Further, *ifogong'ho* credit helped members to pay money for village development programmes such as construction of schools, dispensaries and houses for teachers, and bought hand hoes for members. *Ifogong'ho* maintained water wells as well as providing labour for land cultivation, for the case of *Mwabhayanda* and *Mwabhanhamala ifogong'ho*.

4.2.5 Major problems faced by *ifogong'ho* committees

Major problems faced by *ifogong'ho* committees were: (i) complaints from members who failed to repay loans since their property was taken away and (ii) accusation of committee members to police station for the charge of mistreating individuals that failed to repay loan completely. Both actions discouraged *ifogong'ho* leaders.

4.2.6 Strategies to ensure sustainability

According to *ifogong'ho* committee members interviewed, *ifogong'ho* had been sustainable due to by-laws and regulations that members abide by. Also, *ifogong'ho* had regular meetings; practiced transparency that enabled each member to be aware of *ifogong'ho* operations; and members chose strong *ifogong'ho* committee leaders. Furthermore, there was respect and obedience between members and leaders that resulted into harmony. *Ifogong'ho* had established various committees such as security and sanitation committees that enabled leaders to delegate power.

4.2.7 Future plans

Future plans for both HESAWA and *Sungusungu ifogong'ho* were to dig deep-water wells and increase the number of wells. Other plans were to sensitize non-*ifogong'ho* members on the usefulness of *ifogong'ho* and to apply credit from different organizations in order to increase fund portfolio size of *ifogong'ho*. Purchasing of milling machines, ox-carts and irrigation pumps; and hiring of tractor services during land cultivation, were also planned.

4. 3 Views of respondents about *ifogong'ho*

4.3.1 Trend of joining *ifogong'ho*

Results from the study indicate that *ifogong'ho* started with very few members that increased slowly from 1984-89 to 1990-95 periods. In 1996-2001 period *ifogong'ho* members increased rapidly and reached climax then started declining (Figure 5). The trend was so probably due to the persistent drought that occurred in Magu district in 1993, 1997 and 1999 and also *El-Nino* in 1998 that destroyed livelihoods of Magu farmers and caused low production. The effect of weather changes forced more farmers to join *ifogong'ho* in order to get money to purchase food, initiate petty trade that was mainly sardines selling and purchase other daily necessities.

Furthermore, farmers could have seen *ifogong'ho* members enjoying *ifogong'ho* benefits and decided to join. This is because whenever an innovation or a new thing is introduced, there are individuals who will be the first to adopt or join the group (innovators). Others will wait to see the results before they decide to join while others will never join (Van de Ban and Hawkins, 1996). Also in the 1996-01 period various

ifogong'ho types were initiated such as sub-village, village and clan *ifogong'ho* that broadened the chances for more individuals to join.

Figure 5 shows trend of joining *ifogong'ho* by respondents in various years.

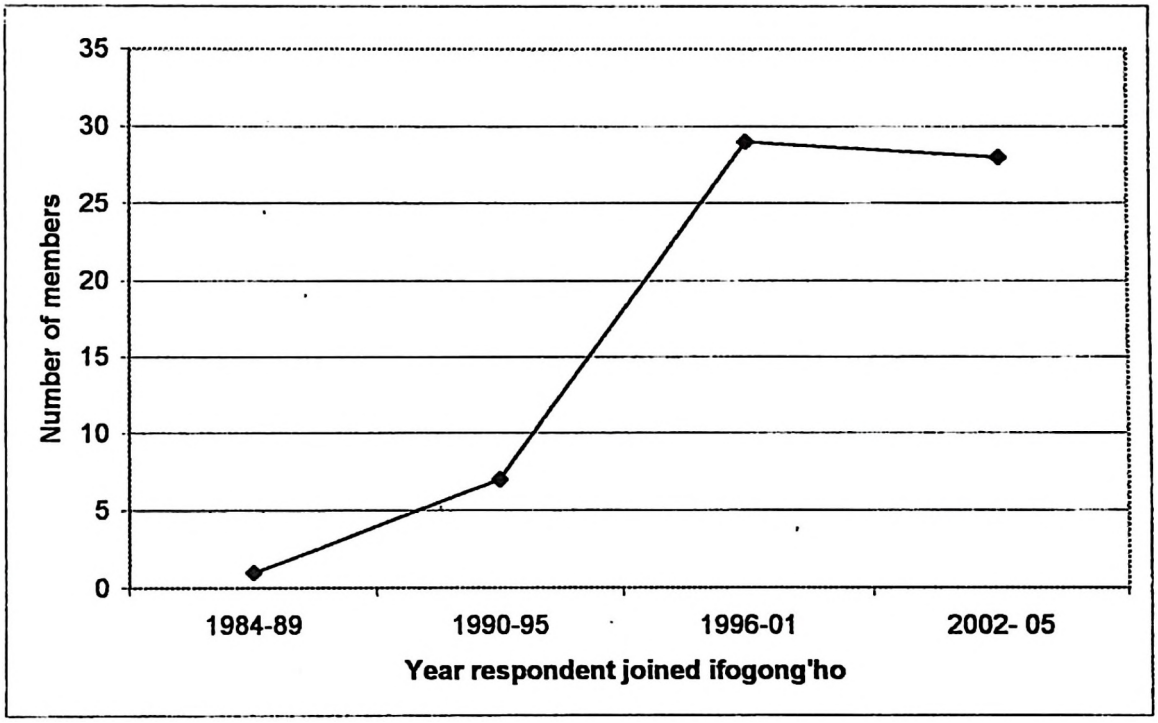

Figure 5: Trend of joining *ifogong'ho* by respondents in various years

The decline in joining *ifogong'ho* was mainly due to weakness of some leaders that did not adhere to *ifogong'ho* leadership agreement. For example in one of the surveyed villages, *Sungusungu ifogong'ho* was broken because leaders did not practice transparency. They decided to borrow large amount of money without informing the members. Members were discouraged to continue with that *ifogong'ho* until the matter was settled.

4.3.2 Number of times requested and obtained loan

Table 12 shows mean number of times respondents requested and obtained loan and the amount of loan requested for. As it can be seen from the Table, the mean number of times that respondents requested and got loan was 5.4 and 5.0, respectively. The mean amount of loan that respondents requested for was TAS 40 092.30. The maximum number of times members requested and got loan was 12 times. Results further indicate that the minimum amount of loan requested by respondents for the last loan was TAS 1000 and the maximum was TAS 2.0 million (which was not granted due to *ifogong'ho* small fund portfolio size).

Table 12: Mean number of times requested and obtained loan (n = 65)

Variable	Members			
	n	Minimum	Maximum	Mean
Number of times respondent had requested loan from *ifogong'ho* in 2004/05 season	65	1	12.0	5.4
Number of times respondent got loan in 2004/05 season from *ifogong'ho*	65	1.0	12.0	5.0
Amount of loan that respondents requested for (TAS)	65	1 000.0	2 000 000.0	40 092.3

The mean of loan requested was higher than that of loan obtained by *ifogong'ho* members because *ifogong'ho* was not able to grant every loan request due to its small fund portfolio size.

4.3.3 Latest *ifogong'ho* loan received

Table 13 indicates latest *ifogong'ho* loan obtained and whether respondents received the exact amount of loan requested for. The latest loan was obtained mainly from sub-

village *ifogong'ho* (44.6%), HESAWA (32.3%), *Sungusungu* (15.4%) and from village *ifogong'ho* (7.7%). The sub-village *ifogong'ho* had more members because in surveyed villages let alone the sub-village *ifogong'ho* such as *Mwabhayanda* and *Mwabhanhamala* each sub-village had established *ifogong'ho* under sub-village leadership. The aim of sub-village *ifogong'ho* was to lend money to its members in order to enable them contribute for village development activities and meet their personal needs.

Results further indicate that sixty three (96.9%) of the 65 members who requested loan from *ifogong'ho* received exactly the amount of money applied for while two members did not. Reasons given by the two respondents for not receiving the exact amount of loan applied for were inadequate money in the fund portfolio and failure of some members to pay interest and repay loan in time.

Table 13: Latest *ifogong'ho* loan obtained (n = 65)

***Ifogong'ho* from which respondents got last loan**	**Members**	
	n	**%**
Sub-village *ifogong'ho*	29	44.6
HESAWA	21	32.3
Sungusungu	10	15.4
Village *ifogong'ho*	5	7.7
Total	65	**100.0**
Whether respondents received exactly amount of loan requested for		
Yes	63	96.9
No	2	3.1
Total	**65**	**100.0**
Explanations on why respondents did not get amounts of loan requested for		
There was no enough money in the fund portfolio	2	66.7
Some members delayed to pay interest and repay loan	1	33.3
Total	**3**	**100.0**

4.3.4 *Ifogong'ho* membership conditions

Table 14 depicts conditions required for an individual to join *ifogong'ho*. Results indicate that individuals willing to join *ifogong'ho* should fulfil the following conditions: (i) be a sub-village/village member (28.3% of responses); (ii) pay entrance fee (17.6%); (iii) agree to pay interest and repay loan in time (13.4%); (iv) be 18 and above years old (11.2%); (v) be mentally fit (8.6%); (vi) be married (7.5%); (vii) must have livestock/farm/furniture (5.9%); (viii) must have good character (3.2%); (ix) be involved in farming activities (mainly for *Mwabhayanda* and *Mwabhanhamala* sub-villages *ifogong'ho)*; (x) must be a livestock keeper (for livestock keepers' *ifogong'ho).*

Table 14: *Ifogong'ho* membership conditions (n = 65)

***Ifogong'ho* membership conditions**	**Members**	
	n	%
Sub-village/village member	42	28.3
To pay entrance fee	33	17.6
Must pay interest and repay loan in time	25	13.4
Should be 18 and above years old	21	11.2
Mentally fit	16	8.6
Must be married	14	7.5
Must have livestock/farm/furniture	11	5.9
Must be involved in farming activities	7	3.7
Must have a good character	6	3.2
Must be livestock keeper	1	0.5
Total	**187**	**100.0**

4.3.5 Non-*ifogong'ho* members' knowledge about *ifogong'ho*

Table 15 shows awareness of non-*ifogong'ho* members about *ifogong'ho* and reasons for not joining *ifogong'ho*. Out of the 66 non-*ifogong'ho* members that were interviewed, 90.9% were aware of the existence of *ifogong'ho* in the village while

nine percent were not aware. Reasons that hindered most non-*ifogong'ho* members from joining *ifogong'ho* were failure to pay entrance fee; fear of failure to repay loan; failure to attend meetings regularly; and some respondents were not aware of the presence of *ifogong'ho.* Further, other respondents had no business to invest *ifogong'ho* capital.

Table 15: Awareness of non-members about *ifogong'ho* and reasons for not joining (n = 66)

Awareness of the presence of *ifogong'ho* in the village by non-members	**Members**	
	n	%
Yes	60	90.9
No	6	9.1
Total	**66**	**100.0**
Reasons for not joining *ifogong'ho*		
Inability to pay entrance fee	13	20.3
Fear of failure to repay loan	10	15.6
Failure to attend meetings regularly	8	12.5
Not aware of *ifogong'ho* presence	6	9.4
Having no business to invest *ifogong'ho* capital	4	6.3
Disturbance of finding money to pay back the loan	4	6.3
Not interested	3	4.7
Not knowing the importance of *ifogong'ho*	3	4.7
Large entrance fee but small credit	2	3.1
Ifogong'ho meetings consuming large amount of money	2	3.1
Ifogong'ho is short lived, starts and breaks	2	3.1
Having no own settlement	2	3.1
Health problems	2	3.1
Fixed number of participants	2	3.1
Can use other mean to solve problems	1	1.6
Total	**64**	**100.0**

4.3.6 Non-*ifogong'ho* members' response to benefits that could be gained by joining *ifogong'ho*

Table 16 indicates non-*ifogong'ho* members' responses on benefits that could be gained by joining *ifogong'ho*. Among the 66 non-*ifogong'ho* members that were interviewed, 49 (74.2%) agreed that there were benefits gained by joining *ifogong'ho* while 21.2% were not sure whether there was any benefit to be gained, and about five percent said that *ifogong'ho* had no benefit to them.

Table 14: Non-members' response to benefits that could be gained by joining *ifogong'ho* (n = 66)

Whether there was any benefit gained by joining *ifogong'ho*	**Non-members**	
	n	%
Yes	49	74.3
Do not know	14	21.2
No	3	4.5
Total	**66**	**100.0**
Benefits to be gained by joining *ifogong'ho*		
Capital	35	34.3
Agriculture improvement fund	14	13.7
Money to solve own problems	13	12.7
Children's education fund	7	6.9
House construction money	6	5.9
Food purchase	6	5.9
Do not know	5	4.9
Farm implements purchase	4	3.9
Facilitates contribution for development activities	4	3.9
Purchase of livestock	3	2.9
To dig deep wells	2	2.0
Payment for health services	2	2.0
Cloth purchase	1	1.0
Total	**102**	**100.0**

Some of the benefits mentioned by non-members who agreed that there were benefits gained if they could join *ifogong'ho* were: getting capital (34.3%); getting funds to

invest in agriculture improvement (13.7%); money to solve member problems (12.7%); and children's education fund (6.9%). Other benefits were fund for house construction and food purchase (5.9% each).

4.4 Performance of *ifogong'ho*

Performance of *ifogong'ho* was assessed by examining default and repayment rates. In this study default rate indicates the number of individuals that delayed or failed completely to repay loan while repayment rate shows the number of *ifogong'ho* members that repaid loan in time. High default rate could hinder *ifogong'ho* performance but if most members paid loans in time it was an indication of good performance in this particular study. Furthermore, rate of interest used by *ifogong'ho* could encourage or hinder members to borrow from *ifogong'ho* and in that case hinder or encourage *ifogong'ho* performance.

4.4.1 Interest payment and last *ifogong'ho* credit interest rate

Interest is the amount of money paid on top of the amount of money saved/borrowed as the price for not using the saved or lent money. Usually, interest on borrowed or saved money is paid annually or semi-annually (Kashuliza, 1986). Table 17 shows the responses of members on interest payment and last *ifogong'ho* credit interest rate. Results from the survey show that all types of *ifogong'ho* charged interest from their members. All 65 members agreed that they had been paying interest. The rate of interest paid ranged from five to 20 percent as also found by Kashuliza *et al.*, (1998). About 69% of *ifogong'ho* members paid 10% of loan as interest while 23% members

paid 20% interest. Other interest rates charged were five percent that was applicable to six percent of members and 15% that was applicable to two percent of members.

Table 17: Interest payment and rate (n = 65)

Interest payment	Members	
	n	%
Yes	65	100.0
No	0	0.0
Total	**65**	**100.0**
Last *ifogong'ho* credit interest rate (% monthly)		
5	4	6.2
10	45	69.2
15	1	1.5
20	15	23.1
Total	**65**	**100.0**

In most of Tanzania banks interest rate for loan is paid in a decreasing rate and varies from 13% to 21% per annum. The rate depends on the kind of the enterprise a client is involved in and it is negotiable for NBC (Tondi, J. and Mwansele, M. personal communication, 2006). Also interest rate charged by banks to the SACCOs varies from 7.5% to 13.5%. The rate of interest of SACCOs to their clients varies from 5% to 15% or more depending on how much profit clients are intending to make (Mlola, G. personal communication, 2006).

4.4.2 Loan duration and sources of income for loan repayment

Table 18 shows loan duration of the last credit received and sources of income for loan repayment. Loan duration varied from one to twelve months. Fifty five percent of *ifogong'ho* members had loan duration of 12 months while 32.3% had loan duration of one month. Other loan duration was of three, two and six months. Results

further show that the majority of members used income from petty trade (46.2%); produce/crop sales (27.7%); and wage (15.4%) to repay loan. Most of formal and semi-formal lending institutions pay both interest and some amount of loan each month during loan recovery. *Ifogong'ho* repayment system differed from the repayment system of those institutions because members of *ifogong'ho* pay interest only each month and in the last month of loan duration, pay both interest of that particular month and amount of loan borrowed. This repayment system puts burden on members in the last repayment month as it becomes difficult for members to accumulate the lumpsum amount of money required. *Ifogong'ho* members have to work hard to be able to repay loan in time, a situation that most non-members fear. Also some members borrow small amount of money fearing to pay a large amount in the last loan repayment instalment.

Table 18: Loan duration and sources of income for loan repayment (n = 65)

Loan duration	**Members**	
	n	%
12 months	36	55.4
1 month	21	32.3
3 months	4	6.2
2 months	2	3.1
6 months	2	3.1
Total	65	**100.0**
Sources of income for loan repayment		
Income from petty trade	30	46.2
Income from produce /crop sales	18	27.7
Wage	10	15.4
Own savings	4	6.2
Remittance from children/friends/relatives	2	3.0
Income from livestock sales	1	1.5
Total	65	**100.0**

Further, *ifogong'ho* repayment system had no grace period as after one had borrowed the money was required to start paying interest from the first month he/she borrowed. Basing on my personal observation during the survey, there was no need for *ifogong'ho* to allow grace period for its members under that repayment system. Grace period could be considered after changing the repayment system and adopting the banks' or other financial institutions' repayment system that pays interest together with a portion of amount of loan during each loan instalment. This is because most members borrow small amount of money and pay only interest for most of months until the last loan duration where he/she is required to pay principal and interest of that particular month.

4.4.3 Number of times respondents delayed or failed to repay loan and actions taken

Table 19 shows the number of times respondents delayed or failed completely to repay loan and actions taken against them by *ifogong'ho* committee members. Seven members (10.8%) had delayed to repay their loan once while 89.2% of *ifogong'ho* members had never delayed to repay. Results further indicate that one *ifogong'ho* member had failed twice to repay loan completely. To be disciplined, two of the seven members who delayed to repay loan were required to pay an amount of money equal to interest of loan for each delayed day; the other two were required to pay interest for each delayed month; and the remaining three were forgiven (not given any penalty but paid the debt) because the reasons given for their delay were considered reasonable by *ifogong'ho* committee. Generally, *ifogong'ho* member who delayed to repay loan could be forgiven if he/she had faced problem, which was beyond human control such

as sickness, death of a family member, or any natural calamity. Among the seven members that delayed to repay their loans once, four were youths while three were adults; two were poor while five were very poor; and five were males while two were females.

Table 19: Number of times respondents delayed or failed to repay loan and actions taken (n = 65)

Number of times respondent has delayed to repay loan	Members	
	n	%
None	58	89.2
Once	7	10.8
Total	**65**	**100.0**
Number of times a respondent has ever failed to repay loan		
None	64	98.5
Twice	1	1.5
Total	**65**	**100.0**
Action taken by *ifogong'ho* committee (n=7)		
Forgiven	3	42.8
Penalty to pay amount equal to interest for each delayed day	2	28.6
Paid interest each delayed month	2	28.6
Total	**7**	**100.0**
Action taken for failures to repay loan (n=1)		
Taking away his belongs equal to the amount of dept	1	100.0
Total	**1**	**100.0**

Females that delayed to repay loan were few compared to males perhaps because the percentage of males in *ifogong'ho* was higher than that of females (i.e. 52.3% and 47.7% respectively). Also according to Gladwin (2005), women put more attention to loan recovery than men and women's loan recovery rate for general loans seems to be higher than that of men. The chairperson of *Ushirikiano* SACCOs Morogoro

municipal also said that loan recovery rate for females in *Ushirikiano* SACCOs were higher than that of males (Mtumbei, J. personal communication, 2006). The one *ifogong'ho* member who had failed completely to repay loan had his belongings taken away and sold to recover the amount of money equal to the debt. This *ifogong'ho* member was a male, youth and very poor.

The above situation is more or less similar to other third world countries. Most of the small credit programmes in formal finance have been affected by serious default rates. For example in Africa, Asia and Middle East, default rate of 50% to 80% has been reported in small credit programmes (Kashuliza, 1986). Some of the reasons given are that poor clients operate in environments with high general business risk and they lack practice in the rules of formal finance or even because their moral character is uncertain. Thus, high delinquency rates in credit programmes for the poor were often blamed on weather, poor market structure and economic recession. Other factors were deficient business practices or clients' misallocation of loan funds into consumption activities (Zeller, 1998). The above-mentioned factors are interrelated and farmers may fail to repay loan for more than one reason (Kashuliza, 1986). Defect in organization of credit schemes have also been blamed for poor loan repayment. For instance, high rates of defaults have been linked to an "overly striving expansion of credit facilities with inadequate follow-ups by the authority responsible for collection" (Biseth, 1987).

High rate of defaults reduce both the number of credit-worthy borrowers and the ability of credit programmes to continue as an aid to rural development (Biseth,

1987). As it is shown in Table 19, only one member failed completely to repay loan and forced *ifogong'ho* to take action against him. *Ifogong'ho* has shown a good example, because default rate was almost negligible. The repayment rate of *ifogong'ho* had been higher and encouraging, probably due to the by-laws that had been employed to deal with defaulters and the ability to lend/borrow small amounts of money. Also, the fact that *ifogong'ho* is within the traditional system where cultural values such as honour, solidarity, integrity and serving others are observed, makes it useful in enforcing repayment. However, according to Ramli (1988), a high loan repayment rate is not necessarily a good thing. Ramli argues that a 100% loan repayment rate may mean that the lending organization is playing it safe and not giving out loans to risky clients, or plays it too tough.

4.4.4 Importance of repaying loans in time

Table 20 shows importance of repaying loan in time as reported by recipients. Repaying loan in time enabled *ifogong'ho* to increase its fund portfolio size (29.9% of responses) and give other borrowers chances to borrow money (23.4%). Further, repaying loan in time helped members to avoid penalty (14%), reduced disturbances within the group (14%), and allowed members to borrow again (12.1%). Also it was *ifogong'ho* members' agreement to repay loan in time because repaying loan in time could enable members to reinvest money e.g. to construct and maintain more water wells.

Table 20: Importance of repaying loan in time (n = 65)

Variable	Members	
	n	%
Perceived importance of loan repayment by members		
To increase portfolio size	32	29.9
To give others chances to borrow money	25	23.4
To avoid penalty	15	14.0
To reduce disturbances in the group	15	14.0
To be able to borrow again	13	12.1
To conform with the group agreement to pay timely	6	5.7
To be able to dig and maintain water wells	1	0.9
Total	**107**	**100.0**

4.4.5 Problems of *ifogong'ho* as experienced by members

Table 21 shows problems of *ifogong'ho* as experienced by members. Those problems include difficulties in obtaining money to repay loan in time (12.2% responses) and small *ifogong'ho* fund portfolio size that could not allow members to borrow large amounts of money (4.5%). Also *ifogong'ho* members had to borrow money from other sources to service the credit borrowed from *ifogong'ho.* However, about 81.8% of the responses reported that most of *ifogong'ho* members found no problems with *ifogong'ho.*

Table 21: Problems of *ifogong'ho* as experienced by members (n = 65)

Problems cited by members	Members	
	n	%
No problem	54	81.8
Difficulty in obtaining money to repay loan in time	8	12.2
Small *ifogong'ho* fund portfolio size	3	4.5
Having to borrow money from others to repay loan	1	1.5
Total	**66**	**100.0**

4.4.6 Deficiencies in *ifogong'ho* credit provision and suggestions for improvement

According to responses of *ifogong'ho* members in Table 22, the main deficiencies in credit provision were: Small fund portfolio size that limited members from borrowing large amount of money and inadequate security because no records were kept. Others were inadequate leadership knowledge and irresponsiveness of some leaders; and use of by-laws that were not fully known by village/ward leaders. On the other hand, 79% of the responses showed that there were no deficiencies in *ifogong'ho* credit provision. Suggestions given to improve *ifogong'ho* credit system by *ifogong'ho* members were (i) to increase fund portfolio size, (ii) to keep records and (iii) leaders to solve problems arising from the group in time. However, about 81% of responses showed that *ifogong'ho* members were satisfied with the system and had no suggestions.

Table 22: Deficiencies in *ifogong'ho* credit provision and suggestions for improvement (n = 65)

Deficiencies	**Members**	
	n	%
No deficiency	54	79.4
Small fund portfolio size	7	10.4
No security because no records are kept	3	4.3
Leaders are not sharp	2	2.9
Inadequate knowledge on how to lead *ifogong'ho*	1	1.5
By-laws for failure to pay loan not being known by village/ward leaders	1	1.5
Total	**68**	**100.0**
Suggestions to improve *ifogong'ho* credit system		
No suggestion	54	80.6
To increase portfolio size	6	9.0
To use record keeping system	3	4.4
Leaders to solve problems arising from the group in time	2	3.0
Leaders of *ifogong'ho* to be trained	1	1.5
By-laws to be known by village and ward leaders	1	1.5
Total	**67**	**100.0**

4.5 Perception of *ifogong'ho* members towards access to *ifogong'ho*

Appendix 5 presents results of *ifogong'ho* members' perception on the role of one's sex, household type, age, education and wealth variables on accessing *ifogong'ho*. Frequencies of two contrasting statements for each variable were obtained and the relevance of the first hypothesis was tested using a chi-square test statistic at $p < 0.05$ level of significance. Cross-tabulation was used to show the number of respondents in each category for sex, age, household type, education and wealth using one statement from each variable. The first null hypothesis was, "Age, sex, household type, education and wealth of respondents do not affect their access to *ifogong'ho*". The alternative hypothesis was, "Age, sex, household type, education and wealth of respondents affect their access to *ifogong'ho*".

4.5.1 *Ifogong'ho* members' perception of the relationship between access to *ifogong'ho* and sex

Forty nine (75%) *ifogong'ho* members agreed with the statement "Being female makes it easy for one to access *ifogong'ho*", while 53 (82%) agreed with the contrasting statement "Being male makes it easy for one to access *ifogong'ho*". Agreeing with the two contrasting statements implies that both males and females had equal chances of accessing *ifogong'ho* (Table 23).

Table 23: Perception on relationship between access to *ifogong'ho* and sex (n = 65)

Sex statement	Agree		Undecided		Disagree		Total	
	n	%	n	%	n	%	n	%
(i) Being female makes it easy for you to access *ifogong'ho*	49	75.4	0	0.0	16	24.6	65	100.0
(ii) Being male makes it easy for you to access *ifogong'ho*	53	81.5	0	0.0	12	18.5	65	100.0

Cross-tabulation analysis was carried out to see if there were any differences in the perception that men and women had equal access to *ifogong'ho* by sex, age, education, wealth and marital status of respondent. The chi-square test statistic ($p < 0.05$) showed no association between the perception that there is relationship between access to *ifogong'ho* and sex for the sex, age, education, marital status and wealth variables. Lack of association as indicated by the non-significant chi-square test statistic indicates that the perception that access to *ifogong'ho* is associated with ones sex does not differ with respondents' sex, age, education, marital status and wealth (Table 24).

Table 24: Chi-square test results for the relationship between access to *ifogong'ho* and sex (n = 65)

	Being female makes it easy for you to access *ifogong'ho*				X^2-value	P-value
		Agree	Undecided	Disagree	Total	
Sex	Male	25	0	9	34	0.132	0.716 NS
	Female	24	0	7	31		
Age	Youth	17	0	7	24	0.425	0.515 NS
	Adult	32	0	9	41		
Wealth	Wealthy	0	0	0	0	3.305	0.069 NS
	Poor	25	0	4	29		
	Very poor	24	0	12	36		
Education	No formal education	9	0	4	13	0.929	0.629 NS
	Primary education	38	0	12	50		
	Secondary education	2	0	0	2		
	College/university	0	0	0	0		
Marital status	Married	39	0	13	52	4.149	0.386 NS
	Single	0	0	1	1		
	Separated	2	0	1	3		
	Divorced	1	0	0	1		
	Widow/widower	7	0	1	8		

4.5.2 *Ifogong'ho* members' perception of the relationship between access to *ifogong'ho* and household type

Fifty three (82%) and 55 (85%) *ifogong'ho* members agreed that male headed households and female headed households have the right to access *ifogong'ho* respectively. The results imply that household type had no influence on access to *ifogong'ho* and that male and female headed households had equal chances of accessing *ifogong'ho* (Table 25).

Table 25: Perception on relationship between access to *ifogong'ho* and household type (n = 65)

Household type	Agree		Undecided		Disagree		Total	
	n	%	n	%	n	%	n	%
(i) Male headed households' access to *ifogong'ho* is a right	53	81.5	0	0.0	12	18.5	65	100.0
(ii) Female headed household have a right to access *ifogong'ho*	55	84.7	1	1.5	9	13.8	65	100.0

Table 26 shows cross-tabulation analysis, which was done to check if there were any differences in the perception that male and female headed households had equal access to *ifogong'ho* by sex, age, education, wealth and marital status of respondent. The chi-square test statistic ($p < 0.05$) showed no association between members' perception on whether one's household type is related to one's access to *ifogong'ho* for the sex, age, education and wealth variables. Lack of association as indicated by the non-significant chi-square test statistic for sex, age, education and wealth variables indicate that the perception that being male or female headed household have no influence on one's access to *ifogong'ho* does not differ with respondents' sex, age, education and wealth. However, the significant chi-square value for the marital status variable implies that the perception that access to *ifogong'ho* is related to the household type varies among various categories of marital status.

Table 26: Chi-square test results for the relationship between access to *ifogong'ho* and household type (n = 65)

	Male headed household access to *ifogong'ho* is a right				X^2-value	P-value
		Agree	Undecided	Disagree	Total		
Sex	Male	29	0	5	34	0.668	0.414 NS
	Female	24	0	7	31		
Age	Youth	18	0	6	24	1.081	0.299 NS
	Adult	35	0	6	41		
Wealth	Wealthy	0	0	0	0		
	Poor	25	0	4	29	0.758	0.384 NS
	Very poor	28	0	8	36		
ducation	No formal education	12	0	1	13	1.870	0.393 NS
	Primary education	39	0	11	50		
	Secondary education	2	0	0	2		
	College/University	0	0	0	0		
Marital status	Married	44	0	8	52	9.790	0.044*
	Single	0	0	1	1		
	Separated	1	0	2	3		
	Divorced	1	0	0	1		
	Widow/widower	7	0	1	8		

4.5.3 *Ifogong'ho* members' perception of the relationship between access to *ifogong'ho* and age

Fifty three (82%) *ifogong'ho* members disagreed with the statement "Giving *ifogong'ho* to youth goes against nature" while 58 (89%) agreed with the statement "Giving *ifogong'ho* to adult people is natural". Disagreeing with the statement "Giving *ifogong'ho* to youth goes against nature" and agreeing with the opposite statement "Giving *ifogong'ho* to adult people is natural" implies that both youths and adults have equal chances of accessing *ifogong'ho* (Table 27).

Table 27: Perception on relationship between access to *ifogong'ho* and age (n = 65)

Age statements	Agree		Undecided		Disagree		Total	
	n	%	n	%	n	%	n	%
(i) Giving *ifogong'ho* to youth goes against nature	10	15.4	2	3.1	53	81.5	65	100.0
(ii) Giving *ifogong'ho* to adult people is natural	58	89.2	1	1.5	6	9.2	65	100.0

Cross-tabulation analysis was undertaken to see if there were any differences in the perception that youths and adults had equal access to *ifogong'ho* by sex, age, education, wealth and marital status of respondent. The chi-square test statistic showed no association between members' perception on whether one's age is related to one's access to *ifogong'ho* ($p < 0.05$). Lack of association as indicated by the non-significant chi-square test statistic indicates that the perception that access to *ifogong'ho* is related to age does not differ with respondents' sex, age, education, marital status and wealth (Table 28).

Table 28: Chi-square test results for the relationship between access to *ifogong'ho* and age (n = 65)

	Giving *ifogong'ho* to youth goes against nature				X^2-value	P-value
		Agree	Undecided	Disagree	Total	
Sex	Male	8	1	25	34	3.639	0.162 NS
	Female	2	1	28	31		
Age	Youth	2	0	22	24	2.879	0.237 NS
	Adult	8	2	31	41		
Wealth	Wealthy	0	0	0	0		
	Poor	5	2	22	29	2.807	0.246 NS
	Very poor	5	0	31	36		
Education	No formal education	2	0	11	13	2.480	0.648 NS
	Primary education	7	2	41	50		
	Secondary education	1	0	1	2		
	College/University	0	0	0	0		
Marital status	Married	7	2	43	52	7.086	0.527 NS
	Single	0	0	1	1		
	Separated	2	0	1	3		
	Divorced	0	0	1	1		
	Widow/widower	1	0	7	8		

4.5.4 *Ifogong'ho* members' perception of the relationship between access to *ifogong'ho* and education

Thirty five (54%) *ifogong'ho* members agreed with the statement "Accessing *ifogong'ho* is the responsibility of educated ones" while 38 (59%) agreed with the statement "Accessing *ifogong'ho* is the responsibility of non-educated ones". Assenting with the two contrasting statements suggests equal chances of accessing *ifogong'ho* for educated and non-educated farmers (Table 29).

Table 29: Perception on relationship between access to *ifogong'ho* and education (n = 65)

Education statements	Agree		Undecided		Disagree		Total	
	n	%	n	%	n	%	n	%
(i) Accessing *ifogong'ho* is the responsibility of educated ones	35	53.8	6	9.3	24	36.9	65	100.0
(ii) Accessing *ifogong'ho* is the responsibility of non-educated ones	38	58.5	3	4.6	24	36.9	65	100.0

Cross-tabulation analysis to see if there were any differences in the perception that access to *ifogong'ho* is related to education by sex, age, education, wealth and marital status of respondent was done. The chi-square test statistic showed no association between members' perception on whether one's education is related to one's access to *ifogong'ho* ($p \leq 0.05$) for respondents' sex, age, education and wealth variables. However, the chi-square test statistic for the marital status variable was significant ($p < 0.05$). Lack of association as showed by the non-significant chi-square test statistic indicates that the perception that access to *ifogong'ho* is related to education does not differ with respondents' sex, age, education and wealth. However, the test showed significant association for the marital status variable, which implies that the perception that access to *ifogong'ho* is related to education varies by marital status category (Table 30).

Table 30: Chi-square test results for the relationship between access to *ifogong'ho* and education (n = 65)

	Accessing *ifogong'ho* is the responsibility of non-educated ones				X^2-value	P-value
		Agree	Undecided	Disagree	Total		
Sex	Male	17	1	16	34	3.290	0.193 NS
	Female	4	2	8	31		
Age	Youth	15	0	10	24	1.988	0.370 NS
	Adult	24	3	14	41		
Wealth	Wealthy	0	0	0	0	2.379	0.304 NS
	Poor	20	1	8	29		
	Very poor	18	2	16	36		
Education	No formal education	7	2	4	13	4.434	0.350 NS
	Primary education	30	1	19	50		
	Secondary education	1	0	1	2		
	College/University	0	0	0	0		
Marital status	Married	33	1	18	52	25.847	0.001***
	Single	0	0	1	1		
	Separated	1	0	2	3		
	Divorced	0	1	0	1		
	Widow/widower	4	1	3	8		

4.5.5 *Ifogong'ho* members' perception of the relationship between access to *ifogong'ho* and wealth

Forty six (71%) *ifogong'ho* members and 47 (72%) agreed with the statement "Being wealthy is assurance for you to access *ifogong'ho*" and "Being poor is assurance of accessing *ifogong'ho*" respectively. This result suggested an equal access to *ifogong'ho* for poor and wealthy farmers (Table 31).

Table 31: Perception on relationship between access to *ifogong'ho* and wealth (n = 65)

Wealth status statements	Agree		Undecided		Disagree		Total	
	n	%	n	%	n	%	n	%
(i) Being wealthy is assurance for you to access *ifogong'ho*	46	70.8	2	3.0	17	26.2	65	100.0
(ii) Being poor is assurance of accessing *ifogong'ho*	47	72.3	2	3.1	16	24.6	65	100.0

Table 32 shows cross-tabulation analysis which was carried out to see if there were any differences in the perception that access to *ifogong'ho* was related to wealth by sex, age, education, wealth and marital status of respondent. The chi-square test statistic showed no significant association between members' perception on the relationship between one's wealth and access to *ifogong'ho* ($p < 0.05$). The chi-square test statistic indicates that the perception that wealth has no influence on access to *ifogong'ho* does not differ with respondents' sex, age, education, marital status and wealth. The results were so because access to *ifogong'ho* was the responsibility of every one regardless of his/her sex, age, education, wealth or household type. What was important for one to be a member of *ifogong'ho* was for that individual to meet conditions required to join *ifogong'ho*.

Table 32: Chi-square test results for the relationship between access to *ifogong'ho* and wealth (n = 65)

	Being wealthy is assurance for you to access *ifogong'ho*					X^2-value	P-value
		Agree	Undecided	Disagree	Total		
Sex	Male	24	1	9	34	0.007	0.996 NS
	Female	22	1	8	31		
Age	Youth	18	1	5	24	0.655	0.721 NS
	Adult	28	1	12	41		
Wealth	Wealth	0	0	0	0		
	Poor	23	1	5	29	2.153	0.341 NS
	Very poor	23	1	12	36		
Education	No formal education	8	0	5	13	2.470	0.650 NS
	Primary education	37	2	11	50		
	Secondary education	1	0	1	2		
	College/University	0	0	0	0		
Marital status	Married	40	2	10	52	13.756	0.088 NS
	Single	0	0	1	1		
	Separated	0	0	3	3		
	Divorced	1	0	0	1		
	Widow/widower	5	0	3	8		

For that case the null hypothesis that "Age, sex, household type, education and wealth of respondents do not affect their access to *ifogong'ho*" is accepted and alternative hypothesis that "Age, sex, household type, education and wealth of respondents affect their access to *ifogong'ho*" is rejected.

4.6 Role of *ifogong'ho* in production

Ifogong'ho traditional credit system was expected to play a big role in both agricultural and non-agricultural production activities to raise the level of production. Increase in the level of production could enable *ifogong'ho* members to increase net income and reduce poverty among members.

4.6.1 Activities done and total amount of loan spent on each activity

Table 33 shows the mean and total amount of *ifogong'ho* loan spent on key activities for the year. Most of the loan from *ifogong'ho* was spent on food purchases, petty trade, house construction/improvement, livestock purchases, health services, food and cash crop production. Other expenditures that were facilitated by *ifogong'ho* were increasing farm/land acreage, purchasing education/school needs and better clothing. Furthermore, some of the money from *ifogong'ho* was spent on farm and oxen implement purchases. The data show that *ifogong'ho* had played the important role in developing human resource and providing capital for members to invest in agricultural and non-agricultural activities as also reported by Kashuliza *et al.*, (1998) for semi-formal and informal credit.

Table 33: Total and mean expenditure of loan by expenditure item (n = 65)

Loan amount	Members	
	Sum (TAS)	Mean (TAS)
Amount of loan spent on food purchases	561 600	8 640.0
Amount of loan spent on petty trade	529 500	8 146.2
House construction/improvement	408 500	6 284.6
Amount of loan spent on livestock purchases	318 000	4 892.3
Amount of loan spent on health services	306 600	4 716.9
Amount of loan spent on food production	258 000	3 969.2
Amount of loan spent on cash crop production	238 900	3 675.4
Amount of loan spent on increase of land/farm acreage	145 000	2 230.8
Amount of loan spent on education/school needs	142 000	2 184.6
Amount of loan spent on better clothing and other needs	127 000	1 953.9
Amount of loan spent on farm implements	103 100	1 610.9
Amount of loan spent on oxen-implements	45 000	692.3

4.6.2 Change in agricultural, non-agricultural production and net income due to *ifogong'ho*

Table 34 shows responses of *ifogong'ho* members on changes in agricultural, non-agricultural production and net income due to *ifogong'ho*. About 49% of members said that their agricultural production had increased while eight percent said that it had decreased and 43% experienced no change in production. In non-agricultural production activities, 72.4% of *ifogong'ho* members reported increases in production while for 27.6% of members' production had not changed. In the case of net income, 55% of *ifogong'ho* members reported increases in net income where nine percent reported a decrease and 35% experienced no change in net income.

Table 34: Change in agricultural, non-agricultural production and net income due to *ifogong'ho* (n = 65)

Change in agricultural production due to *ifogong'ho*	**Members**	
	n	**%**
Increased	32	49.2
No change	28	43.1
Decreased	5	7.7
Total	**65**	**100.0**
Changes in non-agricultural production due to *ifogong'ho*		
Increased	21	72.4
No change	8	27.6
Total	**29**	**100.0**
Change in net income due to *ifogong'ho* credit		
Increased	36	55.4
No change	23	35.4
Decreased	6	9.2
Total	**65**	**100.0**

Major reasons given by members for the increases in agricultural, non-agricultural production and net income are as summarized in Table 35. The increase in capital from *ifogong'ho* enabled members to hire labour during land cultivation, planting,

weeding and harvesting; and enabled them to purchase and use agro-chemicals, improved seeds, fertilizers and draft animals. Also *ifogong'ho* members were able to expand or initiate non-agricultural activities such as charcoal and sardines selling. Increases in agricultural production, non-agricultural production and net income are indicators of improvement in the well being of *ifogong'ho* members. The improvement in the well being of *ifogong'ho* members as such means poverty reduction among members as also World Bank (2000) explained that, growth in income is essential for poverty reduction.

Table 35: Reasons for changes in agricultural and non-agricultural production (n = 65)

Reasons for changes in agricultural production	**Members**	
	n	%
Use of labour	31	24.8
Drought	23	18.4
Use of agro-chemicals	21	16.8
Small amount of loan	14	11.2
Use of improved seeds	14	11.2
Inadequate land	6	4.8
Insects attack	4	3.2
Use of fertilizers	3	2.4
Big family	3	2.4
Use of drought animals	3	2.4
Death of family member/relatives	1	0.8
High price of commodity	1	0.8
Low price of cotton	1	0.8
Total	**125**	**100.0**
Reasons for change in non-agricultural production		
Increase in capital due to *ifogong'ho* loan	17	63.0
Small amount of loan from *ifogong'ho*	5	18.5
Charcoal selling	3	11.1
High prices of commodities	1	3.7
Drought	1	3.7
Total	**27**	**100.0**

Note: Respondents had more than one response

Reasons given for stagnancy or decreases in agricultural production, non-agricultural production and net income were: Drought; small amount of loan; inadequate land and insects attack. Other reasons were that some of *ifogong'ho* members had big families with members that could not contribute much to production, as most members were children and aged people. Also the death of family member/relative hindered some members to do some of the operations such as weeding in their fields in time and resulted in low production. Furthermore, high price of inputs and other commodities robbed farmers some money that could be used to purchase more fertilizer or hire labour to cultivate more land and harvest more yield. Besides, the price of cotton was low that caused losses to farmers because they invested more than what they got after selling cotton.

4.6.3 Sufficiency status of food produced in 2003/04 season

Table 36 presents results on the sufficiency status of food produced in 2003/04 season for *ifogong'ho* members and non-*ifogong'ho* members. Results in the Table indicate that 46.2% of *ifogong'ho* members and 22.7% non-*ifogong'ho* members agreed that they produced enough food in the 2003/04 season. Further, 53.8% of *ifogong'ho* members and 77.3% non-*ifogong'ho* members said they did not produce enough food. The percentage of non-*ifogong'ho* members (22.7) that produced enough food was a half of that of *ifogong'ho* members (46.2). This signified the importance of credit on members' food security.

Table 36: Sufficiency status of food produced in 2003/04 season (n=131)

Production of enough food in 2003/04 season	Respondent category				Total (n=131)	
	Members (n=65)		Non-members (n=66)			
	n	%	n	%	n	%
No	35	53.8	51	77.3	86	65.6
Yes	30	46.2	15	22.7	45	34.4
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**

Major reasons given by *ifogong'ho* and non-*ifogong'ho* members for not producing enough food include (i) drought; (ii) inadequate funds to purchase agricultural inputs; (iii) small land size; (iv) the big number of dependants (Table 37).

Table 37: Reasons for not producing enough food in 2003/04 season (n=86)

Reasons for not producing enough food in 2003/04 season	Respondent category				Total (n=86)	
	Members (n=35)		Non-members (n=51)			
	n	%	n	%	n	%
Drought	30	48.4	34	40.5	64	43.8
Inadequate funds to purchase agricultural inputs	14	22.6	19	22.6	33	22.6
Small land size	8	12.9	7	8.3	15	10.3
Big number of dependants	5	8.1	9	10.7	14	9.5
Sickness	3	4.8	6	7.1	9	6.2
Death of a family member/relative	1	1.6	0	0.0	1	0.7
Having no land	1	1.6	0	0.0	1	0.7
Use of hand hoes	0	0.0	5	6.0	5	3.4
Animal attack	0	0.0	2	2.4	2	1.4
Floods	0	0.0	1	1.2	1	0.7
Insect attack	0	0.0	1	1.2	1	0.7
Total	**62**	**100.0**	**84**	**100.0**	**146**	**100.0**

The reasons put forward are the main problems in rural areas where individuals depend mainly on farming activities. To be able to choose the best alternative production activities and allocate resources efficiently, farmers need to have enough

resources especially money. *Ifogong'ho* had tried to reduce the problem of money shortage but non-*ifogong'ho* members did not enjoy the benefit.

4.6.4 Change in quantity of food produced, months of food shortage and number of meals per day attributed to *ifogong'ho*

Table 38 shows responses of *ifogong'ho* members on change in food production, months of food shortage and number of meals per day in 2004/05 season due to *ifogong'ho*.

Table 38: Change in quantity of food produced, months of food shortage and number of meals per day attributed to *ifogong'ho* (n = 65)

Responses of members on changes in food produced in the 2004/05 season due to *ifogong'ho*	Members	
	n	%
Increased	34	52.3
No change	31	47.7
Total	**65**	**100.0**
Change in months of food shortage		
Decreased	36	55.4
No change	22	33.8
Increased	7	10.8
Total	**65**	**100.0**
Change in the number of meals per day in the respondents' households		
No change	46	70.8
Increased	17	26.1
Decreased	2	3.1
Total	**65**	**100.0**

About 52% of *ifogong'ho* members reported that they had experienced an increase in the amount of food produced in 2004/05 season due to credit from *ifogong'ho*. However, food production for 48% of *ifogong'ho* members did not change. Results

further indicate that 55.4% of *ifogong'ho* members had a decrease in months of food shortage while 10.8% members had increases in months of food shortage. Furthermore, 26.1% *ifogong'ho* members reported increases in the number of meals per day while three percent reported decreases.

4.6.5 Number of months of food shortage

Results in Table 39 show that months of food shortage for both *ifogong'ho* and non-*ifogong'ho* members ranged from a half month to more than seven months. About 60% of *ifogong'ho* members had a half to three months of food shortage compared to 38% of non-*ifogong'ho* members. Further, *ifogong'ho* members that had 7 and above months of food shortage were 3 while non-*ifogong'ho* were 19. The results showed a decrease in months of food shortage for *ifogong'ho* members compared to non-*ifogong'ho* members.

Table 39: Number of months of food shortage (n=131)

Months of food shortage in respondents' households	Respondent category				Total	
	Members		Non-members			
	n	%	n	%	n	%
0.5 – 3 months	39	60.0	25	37.9	59	48.8
4 – 6 months	23	35.4	22	33.3	45	34.4
7 months and above	3	4.6	19	28.8	22	16.8
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**

4.6.6 Number of meals per day for adults and children

Table 40 shows the number of meals per day for adults and children of *ifogong'ho* and non-*ifogong'ho* members. The results indicate that most adults and children for both *ifogong'ho* and non-*ifogong'ho* members had three meals followed by two meals

per day. Children are expected to have four to five meals per day (Tuvana, S. personal communication, 2005). Having less than three meals per day for children is an indication of food deficiency but in most households in the study area, children used to eat snacks such as raw cassava, sweet potatoes and groundnuts.

Table 40: Number of meals per day for adults and children (n=131)

Number of meals per day for adults	Respondent category				Total	
	Members		Non-members			
	n	%	n	%	n	%
Three meals	35	53.8	34	51.5	69	52.7
Two meals	29	44.7	31	47.0	60	45.7
Four meals	1	1.5	0	0.0	1	0.8
One meal	0	0.0	1	1.5	1	0.8
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**
Number of meals per day for children						
Three meals	43	66.2	40	60.5	83	63.4
Two meals	20	30.8	19	29.0	39	29.7
Four meals	2	3.0	5	7.5	7	5.3
Five meals	0	0.0	1	1.5	1	0.8
One meal	0	0.0	1	1.5	1	0.8
Total	**65**	**100.0**	**66**	**100.0**	**131**	**100.0**

4.6.7 Change in food items due to credit from *ifogong'ho* in 2004/05

Food items consumed frequently by *ifogong'ho* members before *ifogong'ho* credit did not differ very much from those consumed by non-*ifogong'ho* members. This was because most food items consumed were indigenous that each villager consumes although frequencies of taking particular foods might differ. These food items were stiff porridge, sweet potatoes, amaranths and sardines (Appendix 6). Rice was consumed occasionally because it was used as the second cash crop after cotton, from which farmers obtained money to purchase other necessities. Among 65 members of *ifogong'ho* that were interviewed, 33.8% acknowledged changes in food items due to

credit from *ifogong'ho* whereas 66.2% said that there were no changes (Table 41). Food items consumed frequently due to credit from *ifogong'ho* were fish, rice, meat, tea, milk, fruits and burns. According to members that experienced changes in food items, frequencies of consuming the food items mentioned increased after acquiring credit.

Table 41: Change in food items due to credit from *ifogong'ho* (n = 65)

Changes in food items due to credit from *ifogong'ho* in 2004/05	**Members**	
	n	**%**
No	43	66.2
Yes	22	33.8
Total	**65**	**100.0**
Some food items consumed in 2004/05 as a result of *ifogong'ho*		
Fish	19	26.8
Rice	17	23.9
Meat	14	19.7
Tea	12	16.8
Milk	7	10.0
Fruits	1	1.4
Burns	1	1.4
Total	**71**	**100.0**

Before credit these food items were consumed occasionally or not consumed at all. This is commensurate with the economic theory that when income increases, there is a tendency of consumers to switch from inferior to superior goods (Marshall, 1975). Milk was a rare commodity because most of the livestock keepers had migrated to Morogoro and other areas to seek pastures.

4.7 T-test results

Table 42 shows means for net income, health expenditure, total expenditure, total food production, number of months of food shortage and number of meals per day for adults and children in 2004/05 season among *ifogong'ho* members. The Table also shows t-test value and the level of significance for *ifogong'ho* members before and after *ifogong'ho* credit.

Table 42: Poverty indicators, t-test and p-value for members before and after *ifogong'ho* credit (n = 65)

Variables	Before credit	After credit	T-value	P-value
Net income (TAS)	131 872.3	255 441.5	- 4.95	0.000***
Total expenditures 2004/05 season (TAS)	125 213.9	234 786.2	- 2.273	0.026***
Expenditures on health services 2004/05 season (TAS)	7 735.4	18 163.5	- 3.220	0.002***
Total food production (kg)	459.2	744.2	- 6.262	0.000***
Number of months of food shortage in 2004/05 season	4.1	2.9	5.380	0.000***
Adult's number of meals per day	2.3	2.6	- 4.096	0.000***
Number of meals per day for children	2.5	2.7	- 4.096	0.000***

The second null hypothesis of the study was: "Access to *ifogong'ho* has not changed income, food security and health status of member households" while the alternative hypothesis was: "Access to *ifogong'ho* has changed income, food security and health status of the member households". Contribution of *ifogong'ho* credit to poverty reduction and the relevance of the hypothesis were determined using t-test to find if net income, food security and health expenditure were significantly different after using credit.

Results show that the poverty indicators (net income, total expenditures, expenditure on health services, amount of food produced, total months of food shortage, and numbers of meals per day for adults and children) among credit members before getting credit differed significantly after using *ifogong'ho* credit. Net income, total expenditure, expenditure on health services, amount of food produced and number of meals per day for adults and children were higher after *ifogong'ho* credit than before while the total months of food shortage decreased. The result substantiated the need of credit for poverty reduction as also suggested by Kashuliza *et al.*, (1998). Basing on the findings, the second null hypothesis of the research "Access to *ifogong'ho* has not changed income, food security and health status of member households" was rejected and the alternative hypothesis "Access to *ifogong'ho* has changed income, food security and health status of the household members" was accepted.

Since the objective of the study was to explore the contribution of *ifogong'ho* traditional credit system on poverty reduction, only changes of poverty indicators among *ifogong'ho* members before and after using credit were compared. Comparison of poverty indicators between *ifogong'ho* and non-*ifogong'ho* members was not carried out because most of the non-*ifogong'ho* members surveyed had no resources of their own. They were sharing resources with their families/parents and it was difficult to have a clear demarcation of resources between non-*ifogong'ho* members and their families/parents.

To facilitate comparison of poverty indicators between *ifogong'ho* members and non-*ifogong'ho* members there should be a clear demarcation of resources between the

non-*ifogong'ho* members and their parents. Because of difficulties of demarcating resources between some of non-members' and their families, their incomes seemed to be higher than those of members'. This situation suggested most of non-*ifogong'ho* members to be wealthier than *ifogong'ho* members while in reality it was not. This is because in Table 6 findings indicate that the number of very poor respondents was higher among non-members than among members. Therefore, the methodological approach adopted by the study was the before and after rather than with and without because of difficulties in getting matching comparison for the groups.

4.8 Importance of *ifogong'ho* to respondents and their society

Table 43 lists the importance of *ifogong'ho* to respondents and their society which was money to pay for daily needs, money for capital and money to buy some food. Also from *ifogong'ho* members got money to pay for development contributions, to improve agriculture, to meet school needs and pay for health services. Besides, to the society of respondents *ifogong'ho* contributed money for village development such as: construction of school buildings and houses for teachers; provided water service through wells; and labour to cultivate large farms. Other roles were to maintain water wells and improve society understanding; to provide security services to the village and its property (e.g. *Sungusungu* militia); to provide cattle dipping and vaccination services; and to improve cooperation among society members.

Table 43: Importance of *ifogong'ho* to respondents and their society (n = 65)

Importance of *ifogong'ho* to respondents	**Members**	
	n	%
Money to pay for daily needs	30	23.1
Money for capital	25	19.2
To buy some food	16	12.3
Enable to pay development contributions	11	8.5
Money as important in daily life	11	8.5
To improve agriculture	7	5.4
Money to meet school needs	7	5.4
Payment for health services	6	4.6
To buy farm implements	4	3.1
Water through water wells	4	3.1
To buy exercise books and pens	3	2.3
To buy livestock	3	2.3
To save money	2	1.5
House construction/improvement	1	0.7
Total	**130**	**100.0**
Importance of *ifogong'ho* to the society of respondent		
Contribution for village development	41	35.0
Contribution of money for school construction	25	21.4
To maintain water wells	14	12.0
To improve society understanding	14	12.0
Labour to cultivate large farms	7	6.0
Water provision through wells	7	6.0
Contribution of money to construct houses for teachers	3	2.6
To improve cooperation among the society members	3	2.6
To guard the village and its property	2	1.7
To get dip and vaccination services	1	0.7
Total	**117**	**100.0**

CHAPTER FIVE

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

Empirical evidence from this study showed that there were different forms of *ifogong'ho* traditional credit system that evolved in the study area. The forms emerged due to various vulnerability contexts under which the society succumbed at various times particularly, cattle robbery and deficiency of clean water. Examples of such *ifogong'ho* initiatives include *Sungusungu ifogong'ho*, HESAWA *ifogong'ho*, village *ifogong'ho*, sub-village *ifogong'ho*, clan *ifogong'ho*, and youth *ifogong'ho*. The main aim of *ifogong'ho* was to reduce poverty among its members. This was indicated by the effort of *ifogong'ho* leaders to decide to invest money obtained from *Sungusungu* operations, instead of putting the money to other uses. Also the same effort enabled *ifogong'ho* leaders to find ways to preserve and sustain water wells after HESAWA project had phased out. Through that practice, water well service provision had been sustainable.

An access to *ifogong'ho* was free and open to each individual who was 18 years old and above, mentally fit, married and could pay interest and repay loan in time. Also, access to *ifogong'ho* was free to individuals that had livestock/farm/furniture, could pay entrance fee, and the one who had own settlement. *Ifogong'ho* did not segregate people according to sex, household type, education, wealth status or age. Although there was no segregation in *ifogong'ho* system, fewer women were ready to borrow money compared to men, an implication of low risk taking capacity among women.

With respect to performance, *ifogong'ho* was found to perform well. Although the number of borrowers and fund portfolio size had not increased very fast, *ifogong'ho* had been sustainable because the rate of loan repayment had been higher than that of default, which had been very low. This was partially due to the use of effective by-laws, and the fact that the system was traditional where cultural values such as honour, solidarity, integrity and serving others (social assets) had been profitably used. Further, interest rate and the loan duration had been conducive for most borrowers to repay loan in time. However, the repayment system of *ifogong'ho* (paying interest in the first months of loan and then interest and principal in the last loan instalment) had imposed difficulties to members, especially during the last loan instalment. This situation had limited some members from borrowing large amounts of money or forced them to reduce borrowing frequencies.

Results from this study also indicate that Magu farmers borrowed money from *ifogong'ho* to meet their daily needs especially food purchases, payment for health services, payment for school needs and capital for production activities. Moreover, *ifogong'ho* had been effective in reducing poverty among its members and lives of the *ifogong'ho* members had improved. The net income, food security and health expenditure among credit members before getting credit was significantly different after getting *ifogong'ho* credit. This was indicated by the increases in net income, total expenditure, expenditure on health services, amount of food produced and the number of meals per day; and the decrease in the number of months of food shortage. Most members of *ifogong'ho* came from very poor group although, not all poor individuals joined *ifogong'ho.* Wealthy members from the study area did not join

ifogong'ho because the group required large capital outlay to invest in large business and farms, which *ifogong'ho* could not provide because of its small fund portfolio size.

Finally, it was realized that *ifogong'ho* system involved no saving. The fund portfolio size was increased by entrance fee and interest of the loan, which was charged monthly from borrowers. There were few challenges identified in *ifogong'ho* system such as, inadequate training on how to lead *ifogong'ho* for *ifogong'ho* committee members and the *ifogong'ho* small fund portfolio size. Small portfolio size limited borrowers from borrowing large amount of money to invest in large business and other farm activities. Also there were some difficulties in obtaining money to repay loan in time among some of *ifogong'ho* members.

5.2 Recommendations and policy implications

Basing on the findings of this study the following are the pertinent recommendations to improve *ifogong'ho*.

5.2.1 Considering the Tanzania National Strategy for Growth and Reduction of Poverty.

The recommendations take into consideration the Tanzania National Strategy for Growth and Reduction of Poverty. One of the strategies to reduce poverty is to increase access to rural micro-finance services for subsistence farmers. Furthermore, the strategy aims at promoting and sustaining community-based savings and credit schemes such as SACCOs and revolving funds. The strategy needs to recognize the

existence of *ifogong'ho* traditional credit system in Sukuma land and find ways to improve it. *Ifogong'ho* demonstrated self-initiatives among the poor for the purpose of contributing to poverty reduction. Intervention of the local government to improve *ifogong'ho* and motivate farmers to join is needed. Also, *ifogong'ho* needs to keep up their financial services to contribute significantly to the national objectives of reducing absolute poverty by a half by 2010 and eradicating it completely by 2025.

5.2.2 The need of change in repayment system

The existing loan repayment system in *ifogong'ho* needs to be reviewed so that members will pay interest together with some amount of loan as it is practiced in most lending institutions. The practice of paying interest only each month and repaying principal and the last interest in the last month of loan duration puts heavy burden on members and increases fear of borrowing large amounts of money.

5.2.3 Scaling up *ifogong'ho* prototype

The initiative of *ifogong'ho* sounds effective in reducing poverty and improving food security among individuals. Therefore, there is a need to encourage the adoption of *ifogong'ho* system among financial institutions, Community Based Organizations (CBOs), NGOs and other service providers in Tanzania. Results from the study indicate that in areas where *ifogong'ho* was practiced, most of the very poor people were improving their life standards. Many people are squeezed by poverty in rural and even urban areas of Tanzania. The same practice exercised in Magu district can be introduced in different parts of Tanzania to reduce poverty among Tanzanians.

5.2.4 Boosting of fund portfolio size by introducing saving practice in *ifogong'ho*

An intervention is needed to increase the fund portfolio size of *ifogong'ho* in order for many people to access, members to invest in large businesses and farm activities. In this area all stakeholders, including the government and NGOs, have a role to play. To address issues of small fund portfolio size, a savings account system needs to be introduced in *ifogong'ho* traditional credit. Savings accounts coupled with positive savings attitude will enable *ifogong'ho* to have a reliable inexpensive and sustainable source of funds for lending. Well-designed saving services are indispensable characteristics of successful micro-finance. Strategies should be laid down such that every farmer, even those with relatively low incomes are encouraged to embark on micro saving schemes. Through regular saving it is possible to accumulate a substantial amount of cash and, therefore, broaden the resource base of the established *ifogong'ho*. This is because it is not only credit that leverages the poor out of poverty but also their ability to save from income generated from credit utilization. Saving will assist many poor people who may wish to save but not necessarily to borrow. Savings services not only provide a valuable financial assistance to low-income clients, but they also strengthen institutional self-sufficiency, membership commitment to micro-finance initiatives and build a sense of discipline, self-esteem and well-being.

5.2.5 Capacity building to *ifogong'ho* leaders and members

Ifogong'ho leaders need to be trained and facilitated on how to lead; how to keep records; importance of keeping records; and how to undertake monitoring and evaluation. To facilitate credit use, *ifogong'ho* should introduce credit management

training to assist farmers better manage their loans. Successful credit schemes are those that integrate loans with literacy training. Literacy training equips members with necessary skills that enable members to use their loans effectively and productively. Introduction of record books to borrowers and regular monitoring of proper recording of necessary information is important. Also *ifogong'ho* leaders need to be trained on how to identify and address problems and weaknesses that arise among *ifogong'ho* members in their infancy, before they become serious.

5.2.6 Policy lessons

Further promotion of informal and traditional credit schemes should be made by the government and by other relevant institutions because credit (in conjunction with other factors) plays an important role in the reduction of poverty.

5.3 Further research

Ifogong'ho is only one type of many traditional credit systems that exist in Tanzania. There is a need to study other traditional credit systems that exist in other parts of the country to generate more insights for conclusive results and recommendations. For instance among Wanyiramba ethnic group in Singida there is local credit system known as *mpenento* and among the Wagogo ethnic group there is what is known as *isongoledo* but little is known on how they operate (Mwanga *et al.*, 2005). In this view therefore, there is a need for further intensive research regarding many other traditional credit systems so that relevant information can be derived on how such credit systems may contribute to poverty reduction in Tanzania.

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APPENDICES

Appendix 1: Checklist of items for discussion with *ifogong'ho* committee members

1. Meaning of *ifogong'ho* and reasons/purpose of its formation.
2. *Ifogong'ho* organization structure/management of *ifogong'ho.*
3. *Ifogong'ho* operational procedure.
4. Changes that have taken place.
5. Factors influencing the evolution of *ifogong'ho.*
6. Performance of *ifogong'ho.*
7. Contribution of *ifogong'ho* to society.
8. Major problems faced in operating *ifogong'ho* credit system.
9. Strategies to ensure sustainability of credit program.
10. Future plans.

Appendix 2: Structured questionnaire for members and non-members of *ifogong'ho*

Date..... Questionnaire number..... Interviewer's name.....

A: Basic household characteristics

A1. Division .....

A2. Ward .....

A3. Village .....

A4. The status of house head 1) Member of *ifogong'ho* 2) Non member of *ifogong'ho* (....)

A5. Name of the house head .....

A6. Sex: 1) Male 2) Female (.....)

A7. Age (..... years)

A8. Marital status

1) Married 2) Single 3) Divorced

4) Widow 5) Separated (.....)

A9. If married what is the number of spouses (wives)? (.....)

A10. Do you consider yourself as poor, very poor or wealthy? 1) Wealthy 2) Poor

3) Very poor (.....)

A11. What are the total years spent in schooling? (.....)

A12. Number of years spent in College (.....)

A13. How many years have you lived in this village? (.....)

A14. What is the number of individuals that live within your household? (.....)

(i) Number of Adults (age of 18 years and above).....

(ii) Children number (age below 18 years).....

A15. What are your income generating activities? (Name them according to their importance).

1).....2).....3).....

A16. How many hectares of land do you own?.....

A17. How did you obtain the land?

1) Purchased 2) Rented 3) Inherited

4) Just cleared the forest 5) Given by village committee

6) Others (specify) (.....)

A18. How many hectares of land did you manage to cultivate in 2004/2005 season?

B: Interaction with *ifogong'ho* credit system

(i) *Ifogong'ho* access (members)

B1. Which year did you join *ifogong'ho*? (.....)

B2. How many times in the past three years (2003 – 2005) have you requested loan from *ifogong'ho*? (.....)

B3. How many times in the past three years have you ever received loan?

(.....)

B4. Which *ifogong'ho* did you get your last loan? .....

B5. What was the amount of money that you request in the last loan?

..... TAS

B6. Which year did you request last loan from that particular *ifogong'ho*?

(Month/year).....

B7. Did you receive the exactly amount of cash applied for?

1) Yes 2) No (.....)

B8. If the answer of B7 above is no explain why?

1).....

B9. What conditions were you required to fulfil in order to join/become *ifogong'ho* member? 1).....

(ii) Knowledge about *ifogong'ho* credit systems (non-members)

B10. Are you aware of the existence of *ifogong'ho* credit systems in the village?

1) Yes 2) No (.....)

B11. If yes, why are you not a member?

1).....

B12. Do you think you can get any benefit by joining *ifogong'ho*?

1) Yes 2) No 3) Do not know (.....)

B13. Explain 1).....

C. Performance of *ifogong'ho*

C1. Have you ever been asked to pay an interest when you borrow loan from *ifogong'ho*? 1) Yes 2) No (.....)

C2. If C1 is yes what amount of interest were you required to pay in the last time you borrowed from the last *ifogong'ho*? .....(%)

C3. What was the loan duration? (Months).....

C4. What were procedures of repaying the loan?

1).....

C5. How have you managed to repay your latest loan?

1) Sell produce 2) Petty trade 3) Own saving 4) Sell of assets (.....)

5) Remittance from children/friends/relatives 6) Sell of animals

7) Others (specify) .....

C6. How many times have you ever delayed to repay loan? (.....)

C7. What action did *ifogong'ho* committee take?

1).....

C8. How many times have you failed to repay loan completely? (.....)

C9. What actions did *ifogong'ho* committee take?

1).....

C10. Why is it important to repay loan?

1).....

C11. What problems have you experienced in *ifogong'ho* credit system?

1).....

C12. What are the deficiencies in *ifogong'ho* credit provision?

1).....

C13. If there are deficiencies in *ifogong'ho* credit provision what are the suggestions to improve it?

1).....

D: The role of *ifogong'ho*

(i) Activities for which *ifogong'ho* credit was sought for and the total amount of loan spent on each activity.

D1 In which of the following areas does you uses *ifogong'ho* credit? (Tick then indicate value TAS).

(a) Food crops production ( ) Value.....(b) Cash crops production ( ) Value.....

(c) Medical/hospital ( ) Value.....(d) School needs ( ) Value.....

(e) House improvement ( ) Value..... (f) Ox-equipment ( ) Value.....

(g) Oxen use ( ) Value.....(h) Increase in land area ( ) Value.....

(I) Farm implements ( ) Value..... (j) Better clothing ( ) Value .....

(k) Fishing ( ) Value..... (l) Livestock purchase ( ) Value.....

(m) Food purchase ( ) Value..... (n) Petty trade ( ) Value.....

(o) Others (specify).....Value.....

D2. Is there any change in your agricultural production in 2004/05 season due to credit from *ifogong'ho*?

1) No change 2) Have increased 3) Have decreased (.....)

D3. Can you show the amount of change of crops?

1) Increased from (kg).....to.....

2) Decreased from (kg).....to.....

3) Remained the same

D4. Explain 1).....

D5.Would you say your non-agricultural production has increased, decreased, or remained the same?

1) Increased by how much .....(TAS)

2) Decreased by how much. .....(TAS)

3) Remained the same

4) Have no non-agricultural activity

D6. Explain 1).....

D7. Has your income increased, decreased, or remained the same after getting credit?

1) Increased by how much?.....TAS

2) Decreased by how much?.....TAS

3) Remained the same

D7. Did you produce enough food for your household in 2003/04 season?

1) Yes 2) No (.....)

D8. If the answer above is no explain why

1).....

D9. Is there any change in the amount of food availability to your household in 2004/05 season due to credit from *ifogong'ho*?

1) Yes 2) No (.....)

D10. If the answer of D9 is yes what are the changes?

1) Increased from (kg).....to.....

2) Decreased from (kg).....to.....

3) Remained the same

D11. Is the number of months of food shortage increased, decreased or remain the same across the year (2004/05)?

1) Increased from (months).....to....(months)

2) Decreased from (months).....to.....(months)

3) Remained the same

D12. Has the number of meals per day for adults (18 years old and above) 2004/05 season increased, decreased, or has not changed due to *ifogong'ho* credit?

1) Increased from .....times/day to.....times/day

2) Decreased from .....times/day to.....times/day

3) Remained the same

D13. Has the number of meals per day for children (below 18 years old) 2004/05 season) increased, decreased, or has not changed due to *ifogong'ho* credit?

1) Increased from .....times/day to.....times/day

2) Decreased from. .....times/day to.....times/day

3) Remained the same

D14. Has the type of food items in your meals changed or remained the same as a result of *ifogong'ho* credit?

1) Changed (.....)

2) Remained the same

D15. If there is a change what food items that are part of your meal are a result of credit from *ifogong'ho?*

1).....2).....

D16. What food items were consumed just before last credit from *ifogong'ho*?

1).....2).....

(ii) Production activities (non-members)

D17. Please indicate your production activities, cost of production and total value per year in 2004/05 season.

SN	Production activity	Yield (kg)	Variable cost (TAS)	Total value per year (TAS)
1	Crops production 1).....			
2	Fisheries			
3	Petty trade 1).....			
4	Others (specify) 1).....			

D18. Did you produce enough food for your household in 2003/04 season?

1) Yes 2) No (.....)

D19. If the answer above is no explain why .....

D20. What was the total number of months of food shortage in your household in 2004/05 season? (....)

D21. What is your household's number of meals per day? (.....)

1) Number of meals per day for adults (18 years old and above) in 2004/05 season? (.....)

2) Number of meals per day for children (below 18 years old) in the same season? (.....)

D22. What food items have your family consumed in the past two weeks?

1) .....2).....3).....

D23. Please fill in the table below your expenditures in 2004/2005 season due to the production accrued from 2003/2004 season.

S/N	Investment item	TAS invested
1	**Housing** Buying building materials Buying site for house construction Paying for labour Others (specify)....	
2	**Education** School fees School supplies Uniforms Others (specify).....	
3	**Animals (buying livestock)** 1. Oxen (*Maksai*) 2. Donkey 3.	
4	**Increased acreage** Farm expansion, buying more land	
5	**Purchased farm inputs/ productive assets** Fertilizers Pesticides Improved seeds	

	Farm implement	
6	**Non-productive assets e.g. radio etc** 1.	
7	**Health** Paying for health services and treatment	
8	**Apparel and personal care items clothing and apparel** Buying better clothes Shoes Cosmetics Other (specify)....	
9	**Non-agricultural income generating activities** 1. Kiosk/shop 2.	
10	Food purchases 1.	
TOTAL		

D24. What is the importance of *ifogong'ho* to your own household?

1).....

D25. What is the importance of *ifogong'ho* credit system to your community?

1).....

Thank you for your cooperation

Appendix 3: Attitude of *ifogong'ho* members towards access to *ifogong'ho*

Variable 1: Sex	Strongly agree	Agree	Undecided	Disagree	Strongly disagree
Being male is assurance for accessing *ifogong'ho*					
Being female is assurance for accessing *ifogong'ho*					
Being female negates you from accessing *ifogong'ho*					
Being male negates you from accessing *ifogong'ho*					
Being male makes it easy for you to access *ifogong'ho*					
Being female makes it easy for you to access *ifogong'ho*					
Being a man makes it hard for you to access *ifogong'ho*					
Being a woman makes it hard for you to access *ifogong'ho*					
Ifogong'ho is for men					
Ifogong'ho is for women					
It is a waste of time for a woman to apply for *ifogong'ho*					
It is a waste of time for a man to apply for *ifogong'ho*					
Ifogong'ho is only good for men					
Ifogong'ho is only good for women					
Men's access to *ifogong'ho* is a right					
Women's access to *ifogong'ho* is a privilege					
Few women make good use of *ifogong'ho*					
Most men make good use of *ifogong'ho*					
Women have a right to accessing *ifogong'ho*					
Accessing *ifogong'ho* by men is a privilege					
Giving *ifogong'ho* to women is improper					
Giving *ifogong'ho* to men is proper					
Giving *ifogong'ho* to men is natural					
Giving *ifogong'ho* to					

women goes against nature					
Giving *ifogong'ho* to women is wasting the money					
Giving *ifogong'ho* to men is investing the money					
Accessing *ifogong ho* is the responsibility of men					
Accessing *ifogong'ho* is the responsibility of women					
Maintaining access to *ifogong'ho* for men is a tradition that need to be preserved					
Denying women access to *ifogong'ho* need to be abandoned					

Variable 2: Household type	Strongly agree	Agree	Undecided	Disagree	Strongly disagree
Being female headed household negates you from accessing *ifogong'ho*					
Being male headed household is assurance for accessing *ifogong'ho*					
Ifogong'ho is for male headed household					
Being female headed household is assurance for accessing *ifogong'ho*					
Being male headed household negates you from accessing *ifogong'ho*					
Being female headed household makes it easy for you to access *ifogong'ho*					
Being a female headed household makes it hard for you to access *ifogong'ho*					
It is a waste of time for a female headed household to apply for *ifogong'ho*					
It is a right for male headed household to access *ifogong'ho*					
Female headed household have a right to access *ifogong'ho*					

Giving *ifogong 'ho* to male headed household is natural					
Giving *ifogong 'ho* to female headed household goes against nature					
Accessing *ifogong 'ho* is the responsibility of male headed household					
Maintaining access to *ifogong 'ho* for male headed household is a tradition that need to be preserved					
Being male headed household makes it easy for you to access *ifogong 'ho*					
Being a male headed household makes it hard for you to access *ifogong 'ho*					
Ifogong 'ho is for female headed household					
It is a waste of time for a male headed household to apply for *ifogong 'ho*					
Ifogong 'ho is only good for male headed household					
Few female headed household make good use of *ifogong 'ho*					
Ifogong 'ho is only good for female headed household					
It is a privilege for female headed household to access *ifogong 'ho*					
Most male headed household make good use of *ifogong 'ho*					
Accessing *ifogong 'ho* by male headed household is a privilege					
Giving *ifogong 'ho* to female-headed household is improper					
Giving *ifogong 'ho* to male headed household is proper					
Giving *ifogong 'ho* to female-headed household is wasting the money					
Giving *ifogong 'ho* to male headed household is investing the money					
Denying female headed					

household access to *ifogong 'ho* need to be abandoned					
Accessing *ifogong 'ho* is the responsibility of female headed household					

Variable 3: Age	Strongly agree	Agree	Undecided	Disagree	Strongly disagree
Ifogong 'ho is only good for adults					
Youth's access to *ifogong 'ho* is a privilege					
Accessing *ifogong 'ho* by adults is a privilege					
Giving *ifogong 'ho* to youth goes against nature					
Giving *ifogong 'ho* to adults is investing the money					
Accessing *ifogong 'ho* is the responsibility of youth					
Denying youth access to *ifogong 'ho* need to be abandoned					
Giving *ifogong 'ho* to adults is natural					
Accessing *ifogong 'ho* is the responsibility of adults					
Maintaining access to *ifogong 'ho* for adults is a tradition that need to be preserved					
Giving *ifogong 'ho* to youth is wasting the money					
Giving *ifogong 'ho* to adults is proper					
Youth have a right to access *ifogong 'ho*					
Few youth make good use of *ifogong 'ho*					
Giving *ifogong 'ho* to youth is improper					
Most adults make good use of *ifogong 'ho*					
Adult's access to *ifogong 'ho* is a right					
It is a waste of time for adults to apply for *ifogong 'ho*					
Ifogong 'ho is only good for					

youth					
It is a waste of time for youth to apply for *ifogong'ho*					
Being youth makes it hard for you to access *ifogong'ho*					
Being youth makes it easy for you to access *ifogong'ho*					
Ifogong'ho is for youth					
Being adult makes it easy for you to access *ifogong'ho*					
Ifogong'ho is for adults					
Being adult makes it hard for you to access *ifogong'ho*					
Being adult is assurance for accessing *ifogong'ho*					
Being youth is assurance for accessing *ifogong'ho*					
Being adult negates you from accessing *ifogong'ho*					
Being youth negates you from accessing *ifogong'ho*					

Variable 4: Education	Strongly agree	Agree	Undecided	Disagree	Strongly disagree
Giving *ifogong'ho* to non-educated is improper					
Few non-educated make good use of *ifogong'ho*					
Being non-educated makes it easy for you to access *ifogong'ho*					
It is a waste of time for a non-educated to apply for *ifogong'ho*					
Non-educated access to *ifogong'ho* is a privilege					
Being non-educated is assurance for accessing *ifogong'ho*					
Being educated negates you from accessing *ifogong'ho*					
Being educated is assurance for accessing *ifogong'ho*					
Being non-educated negates you from accessing *ifogong'ho*					
Being educated makes it easy for you to access *ifogong'ho*					

Ifogong 'ho is for educated ones					
Being educated makes it hard for you to access *ifogong 'ho*					
Ifogong 'ho is only good for educated ones					
Being non-educated makes it hard for you to access *ifogong 'ho*					
Ifogong 'ho is for non-educated					
Ifogong 'ho is only good for non-educated					
Most educated people make good use of *ifogong 'ho*					
Educated people's access to *ifogong 'ho* is a right					
Non-educated have a right to access *ifogong 'ho*					
It is a waste of time for educated people to apply for *ifogong 'ho*					
Accessing *ifogong 'ho* by educated ones is a privilege					
Giving *ifogong 'ho* to non-educated goes against nature					
Giving *ifogong 'ho* to educated people is proper					
Accessing *ifogong 'ho* is the responsibility of educated ones					
Giving *ifogong 'ho* to educated people is natural					
Accessing *ifogong 'ho* is the responsibility of non-educated					
Denying non-educated access to *ifogong 'ho* need to be abandoned					
Maintaining access to *ifogong 'ho* for educated ones is a tradition that need to be preserved					
Giving *ifogong 'ho* to educated ones is investing the money					
Giving *ifogong 'ho* to non-educated is wasting the money					
Variable 5: Wealth	Strongly	Agree	Undecided	Disagree	Strongly

	agree				disagree
Being poor makes it easy for you to access *ifogong'ho*					
It is a waste of time for wealthy people to apply for *ifogong'ho*					
Being wealthy is assurance for accessing *ifogong'ho*					
Ifogong'ho is for poor people					
Being poor is assurance for accessing *ifogong'ho*					
Ifogong'ho is only good for wealthy people					
Being poor negates you from accessing *ifogong'ho*					
Accessing *ifogong'ho* for wealthy people is a right					
Being wealthy negates you from accessing *ifogong'ho*					
Poor people have right to access *ifogong'ho*					
Being wealthy makes it hard for you to access *ifogong'ho*					
Giving *ifogong'ho* to poor people goes against nature					
Being wealthy makes it easy for you to access *ifogong'ho*					
Being poor makes it hard for you to access *ifogong'ho*					
Ifogong'ho is only good for poor people					
Ifogong'ho is for wealthy people					
Poor people's access to *ifogong'ho* is a privilege					
It is a waste of time for poor people to apply for *ifogong'ho*					
Accessing *ifogong'ho* by wealthy people is a privilege					
Few poor people make good use of *ifogong'ho*					
Giving *ifogong'ho* to wealthy people is natural					
Most wealthy people make good use of *ifogong'ho.*					
Giving *ifogong'ho* to poor people is improper					
Giving *ifogong'ho* to poor people is wasting the money					

Giving *ifogong'ho* to wealthy people is proper					
Accessing *ifogong'ho* is the responsibility of poor people					
Denying poor people access to *ifogong'ho* need to be abandoned					
Accessing *ifogong'ho* is the responsibility of wealthy people					
Giving *ifogong'ho* to wealthy people is investing the money					
Maintaining access to *ifogong'ho* for wealthy people is a tradition that need to be preserved					

Appendix 4: Reliability Analysis –Scale (Alpha)

Variable 1: Sex of respondent

```
R E L I A B I L I T Y   A N A L Y S I S - S C A L E   (A L P H A)

  1.      BEMALE       Being male makes it easy for you to acce
  2.      BEIFEMAL     Being female makes it easy for you to ac
  3.      RIGMEACI     Men's access to ifogong'ho is a right
  4.      MEIFOUSE     Most men make good use of ifogong'ho
  5.      RIGTACIF     Women have a right to access ifogong'ho
  6.      GIFMEPRO     Giving ifogong'ho to men is proper
  7.      GIFOMNAT     Giving ifogong'ho to men is natural
  8.      GMEIFISI     Giving men ifogong'ho is investing money
  9.      IFACISRM     Accessing ifogong'ho is the responsibili
 10.      ACIFISRW     Accessing ifogong'ho is the responsibili
 11.      IFOMEPRE     Maintaining access to ifogong'ho for me

        N of Cases = 65.0
Item Means              Mean     Minimum     Maximum     Range     Max/Min
Variance
                       2.2979     1.7692      2.9538    1.1846      1.6696
.1158
Item Variances          Mean     Minimum     Maximum     Range     Max/Min
Variance
                       1.1794      .8365      1.6909     .8543      2.0213
.0822

Item-total Statistics

                Scale          Scale          Corrected
                Mean           Variance       Item-          Squared
Alpha
                if Item        if Item        Total          Multiple
if Item
                Deleted        Deleted        Correlation    Correlation
Deleted

BEMALE          23.0154        48.7654         .6535          .7598
.8378
BEIFEMAL        22.8308        47.3303         .6723          .7346
.8352
RIGMEACI        23.2154        49.1716         .6664          .5849
.8376
MEIFOUSE        22.7692        50.4615         .4086          .2768
.8565
RIGTACIF        23.4923        50.6288         .5172          .4759
.8473
GIFMEPRO        23.0615        49.8399         .4526          .3854
.8529
GIFOMNAT        23.5077        48.0976         .7750          .7023
.8307
GMEIFISI        22.3231        52.0971         .3975          .4850
.8554
```

IFACISRM	22.8000	46.7562	.5803	.8089
.8430				
ACIFISRW	22.9077	47.7101	.5604	.7823
.8443				
IFOMEPRE	22.8462	51.0072	.4381	.2615
.8530				

Reliability Coefficients 11 items

Alpha = .8572 Standardized item alpha = .8632

Variable 2: Household type of respondent

R E L I A B I L I T Y A N A L Y S I S - S C A L E (A L P H A)

1.	BEMAHHH	Being male headed household is assurance
2.	BEFHHH	Being female headed household is assuran
3.	FEHHHE	Being female headed household makes it e
4.	MHHHRIGH	Male headed household's access to ifogon
5.	FEHHHRIG	Female headed household have a right to
6.	GIFMHHHP	Giving ifogong'ho to male headed househo
7.	ACIFMHRE	Accessing ifogong'ho is the responsibili
8.	MHEASYIF	Being male headed household makes it eas
9.	MHMGUIF	Most male-headed households make good us
10.	GIFMHNAT	Giving ifogong'ho to male headed househo
11.	ACIFREFH	Accessing ifogong'ho is the responsibili

N of Cases = 65.0

Item Means	Mean	Minimum	Maximum	Range	Max/Min
Variance					
	2.2126	1.6000	2.7077	1.1077	1.6923
.1380					

Item Variances	Mean	Minimum	Maximum	Range	Max/Min
Variance					
	1.2897	.8062	1.7101	.9038	2.1210
.0665					

Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
BEMAHHH	22.7077	65.7726	.6627	.9279	
.8865					
BEFHHH	22.7385	66.0399	.6835	.9339	
.8860					
FEHHHE	21.7538	62.5010	.6629	.7543	
.8855					
MHHHRIGH	22.2615	63.3837	.6345	.5817	
.8872					

FEHHHRIG	22.2923	63.4601	.6656	.4772
.8854				
GIFMHHHP	22.1077	62.9726	.6724	.7516
.8849				
ACIFMHRE	21.9077	65.3351	.5187	.5605
.8943				
MHEASYIF	21.6308	61.7365	.6508	.7231
.8866				
MHMGUIF	21.6923	63.2788	.6668	.5583
.8853				
GIFMHNAT	22.1385	65.6837	.5525	.6711
.8918				
ACIFREFH	22.1538	65.4135	.5715	.6723
.8908				

Reliability Coefficients 11 items

Alpha = .8969 Standardized item alpha = .8994

Variable 3: Respondent age

R E L I A B I L I T Y A N A L Y S I S - S C A L E (A L P H A)

1.	IFGFORAD	Ifogong'ho is only good for adults
2.	GIYOAGNA	Giving ifogong'ho to youth goes against
3.	GIFAINVE	Giving ifogong'ho to adults is to invest
4.	GIFADNAT	Giving ifogong'ho to adult people is nat
5.	ACIFADRE	Accessing ifogong'ho is the responsibili
6.	TACIFADP	Maintaining access to ifogong'ho for adu
7.	GIFYWAST	Giving ifogong'ho to youth is wasting th
8.	GIFADPRO	Giving ifogong'ho to adults is proper
9.	GYIFIMPR	Giving ifogong'ho to youth is improper
10.	MADUSGIF	Most adults make good use of ifogong'ho
11.	ADACIFRI	Adult's access to ifoging'ho is a right
12.	YAPLIFWT	It is a waste of time for youth to apply
13.	BYHACIFO	Being youth makes it hard for you to acc
14.	BADESACI	Being an adult makes it easy for you to
15.	IFORADUL	Ifogong'ho is for adults
16.	BYNGACIF	Being youth negates you from accessing i

N of Cases = 65.0

Item Means	Mean	Minimum	Maximum	Range	Max/Min	Variance
	2.8385	1.8000	3.8923	2.0923	2.1624	.6608

Item Variances	Mean	Minimum	Maximum	Range	Max/Min	Variance
	1.3170	.8716	2.2654	1.3937	2.5990	.1491

Item-total Statistics

	Scale Mean if Item	Scale Variance if Item	Corrected Item-Total	Squared Multiple	Alpha if Item

	Deleted	Deleted	Correlation	Correlation
Deleted				
IFGFORAD	41.8769	105.2346	.5558	.6808
.8751				
GIYOAGNA	41.7231	104.8596	.7055	.7792
.8689				
GIFAINVE	42.9077	111.2726	.4807	.3898
.8779				
GIFADNAT	43.6154	112.5216	.4261	.6868
.8798				
ACIFADRE	43.2923	109.3351	.4876	.6359
.8776				
TACIFADP	43.2308	109.9615	.5829	.5646
.8746				
GIFYWAST	41.8615	106.8712	.5548	.7189
.8749				
GIFADPRO	43.2769	112.7346	.3605	.5295
.8824				
GYIFIMPR	41.9846	105.1404	.5924	.5653
.8732				
MADUSGIF	43.4615	109.6899	.5910	.7288
.8743				
ADACIFRI	43.5846	110.6529	.4647	.6462
.8785				
YAPLIFWT	41.5231	107.3471	.5482	.7438
.8752				
BYHACIFO	41.6769	101.7221	.7167	.7288
.8673				
BADESACI	43.2462	112.8135	.4167	.6568
.8801				
IFORADUL	42.4000	103.8687	.5252	.6610
.8774				
BYNGACIF	41.5692	108.4990	.5120	.6537
.8767				

R E L I A B I L I T Y A N A L Y S I S - S C A L E (A L P H A)

Reliability Coefficients 16 items

Alpha = .8828 Standardized item alpha = .8845

Variable 4: Respondent education

R E L I A B I L I T Y A N A L Y S I S - S C A L E (A L P H A)

1.	BNEDSACI	Being non-educated is assurance for acce
2.	BEDSACIF	Being educated is assurance for accessin
3.	BEDESACI	Being educated makes it easy for you to
4.	MEDMGUIF	Most educated people make good use of if
5.	EDACIFRG	Educated people's access to ifogong'ho i
6.	NEDHRACI	Non-educated people have a right to access ifog
7.	GIFEDPRO	Giving ifogong'ho to educated people is
8.	ACIFEDRE	Accessing ifogong'ho is the responsibili
9.	AIFNEDRE	Accessing ifogong'ho is the responsibili
10.	MAIFEDTP	Maintaining access to ifogong'ho for edu

N of Cases = 65.0

Item Means	Mean	Minimum	Maximum	Range	Max/Min
Variance					

	2.3938	1.8923	2.8154	.9231	1.4878
.0911					

Item Variances	Mean	Minimum	Maximum	Range	Max/Min
Variance					
	1.5467	1.0563	2.1635	1.1072	2.0482
.1138					

Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
BNEDSACI	22.0462	73.3885	.6502	.5959	.9095
BEDSACIF	21.7846	67.6091	.7547	.7169	.9036
BEDESACI	21.1231	72.0159	.6738	.6089	.9082
MEDMGUIF	21.4923	71.0663	.7676	.6148	.9029
EDACIFRG	21.6462	69.4822	.7808	.7476	.9017
NEDHRACI	21.8462	74.5697	.6349	.6148	.9104
GIFEDPRO	21.5385	74.9399	.6134	.4755	.9115
ACIFEDRE	21.1385	67.9962	.7944	.8663	.9007
AIFNEDRE	21.2923	71.7413	.6528	.8152	.9096
MAIFEDTP	21.5385	76.8774	.5601	.4691	.9141

Reliability Coefficients 10 items

Alpha = .9159 Standardized item alpha = .9152

Variable 5: Wealth of respondent

R E L I A B I L I T Y A N A L Y S I S - S C A L E (A L P H A)

1.	BPOESACI	Being poor makes it easy for you to acce
2.	BWESACIF	Being weathy is assurance for accessing
3.	BPOSACIF	Being poor is assurance for accessing if
4.	WACIFRIG	Wealthy people access to ifogong'ho is a
5.	PPHRIACI	Poor people have right to access ifogong
6.	BWEASACI	Being wealthy makes it easy for you to a
7.	MWPMGUSI	Most wealthy people make good use of ifo
8.	GWIFPROP	Giving ifogong'ho to wealthy people is p
9.	IFACREWE	Accessing ifogong'ho is the responsibili
10.	GIFWENAT	Giving ifogong'ho to wealthy people is n

N of Cases = 65.0

Item Means	Mean	Minimum	Maximum	Range	Max/Min	Variance
	2.4477	2.0615	2.8000	.7385	1.3582	.0620

Item Variances	Mean	Minimum	Maximum	Range	Max/Min	Variance
	1.5850	.9962	2.3038	1.3077	2.3127	.1811

Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Alpha if Item Deleted
BPOESACI	21.8154	80.9966	.6640	.7699	.9249
BWESACIF	22.1846	72.5279	.8504	.9133	.9149
BPOSACIF	22.2154	73.0779	.8806	.9215	.9129
WACIFRIG	22.0462	77.3260	.7710	.6583	.9194
PPHRIACI	22.4154	83.7466	.6609	.5905	.9255
BWEASACI	21.6769	78.5034	.7728	.8263	.9194
MWPMGUSI	21.8308	83.0490	.6390	.5179	.9261
GWIFPROP	21.9846	77.6716	.7219	.6371	.9222
IFACREWE	21.8000	79.8813	.6558	.5124	.9256
GIFWENAT	22.3231	83.5971	.6316	.5840	.9265

Reliability Coefficients 10 items

Alpha = .9292 Standardized item alpha = .9287

Appendix 5: Perception of *ifogong'ho* members towards access to *ifogong'ho* (n = 65)

Statements of the variables	Agree		Undecided		Disagree		Total	
	n	%	n	%	n	%	n	%
Sex								
(i) Being female makes it easy for you to access *ifogong'ho*	49	75.4	0	0.0	16	24.6	65	100.0
(ii) Being male makes it easy for you to access *ifogong'ho*	53	81.5	0	0.0	12	18.5	65	100.0
Household type								
(i) Male headed households' access to *ifogong'ho* is a right	53	81.5	0	0.0	12	18.5	65	100.0
(ii) Female headed household have a right to access *ifogong'ho*	55	84.7	1	1.5	9	13.8	65	100.0
Age								
(i) Giving *ifogong'ho* to youth goes against nature	10	15.4	2	3.1	53	81.5	65	100.0
(ii) Giving *ifogong'ho* to adult people is natural	58	89.2	1	1.5	6	9.2	65	100.0
Education								
(i) Accessing *ifogong'ho* is the responsibility of educated ones	35	53.8	6	9.3	24	36.9	65	100.0
(ii) Accessing								

ifogong'ho is the responsibility of non-educated ones	38	58.5	3	4.6	24	36.9	65	100.0
Wealth								
(i) Being wealthy is assurance for you to access *ifogong'ho*	46	70.8	2	3.0	17	26.2	65	100.0
(ii) Being poor is assurance of accessing *ifogong'ho*	47	72.3	2	3.1	16	24.6	65	100.0

Appendix 6: Food items consumed by *ifogong'ho* and non-*ifogong'ho* members (n = 131)

Food items	Respondent category				Total (n=131)	
	Members (n=65)		Non-members (n=66)			
	n	%	n	%	n	%
Stiff porridge	65	16.1	66	14.2	131	15.7
Sweet potatoes	46	11.4	31	6.7	77	9.2
Amaranths sop	45	11.2	42	9.1	87	10.4
Sardines (*dagaa)*	45	11.2	44	9.5	89	10.7
Cassava leaves	31	7.7	29	6.3	60	7.2
Puree (*makande*)	30	7.4	24	5.2	54	6.5
Jute species (*mlenda*)	29	7.3	20	4.3	49	5.9
Rice	25	6.3	52	11.2	77	9.2
Cassava	21	5.3	9	1.9	30	3.6
Fish	19	4.3	47	10.1	66	7.9
Beans	14	3.5	24	5.2	38	4.6
Porridge	11	2.8	10	2.2	21	2.5
Cabbages	7	1.7	9	1.9	16	1.9
Bean leaves	7	1.7	0	0.0	7	0.8
Chick peas	1	0.2	2	0.4	3	0.5
Pumpkin	1	0.2	1	0.2	2	0.2
Cow peas	1	0.2	0	0.0	1	0.1
Pumpkin leaves	1	0.2	10	2.2	11	1.3
Cucumber leaves	1	0.2	0	0.0	1	0.1
Groundnuts	1	0.2	1	0.2	2	0.2
Bambaranuts	1	0.2	2	0.4	3	0.4
Milk	1	0.2	8	1.7	9	1.1
Total	**403**	**100.0**	**464**	**100.0**	**834**	**100.0**