ASSESSING THE IMPACT OF ECONOMIC HARDSHIP ON FISHING MOTIVATION AMONG FISHERMEN IN NIGER DELTA

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ABSTRACT
The Niger Delta region is heavily reliant on fishing for both economic stability and food security. However, economic hardship, driven by factors such as fluctuating oil prices, environmental degradation, and socio-political instability, has significantly impacted the livelihoods of fishermen. This study aims to assess the impact of economic hardship on the motivation of fishermen in the Niger Delta. A mixed-methods approach was employed, combining quantitative surveys and qualitative interviews. Data were collected from 300 fishermen across various communities in the Niger Delta between January and June 2024. The survey included questions on economic conditions, fishing practices, and motivational factors. Qualitative interviews provided deeper insights into the personal experiences and challenges faced by the fishermen. Data were analyzed using SPSS version 25.0 and thematic analysis. The findings revealed that economic hardship has led to a significant decline in fishing motivation among the fishermen. Approximately 70% of respondents reported reduced motivation due to financial constraints, high costs of fishing inputs, and declining fish stocks. The qualitative data highlighted that many fishermen are considering alternative livelihoods due to the unsustainable nature of their current practices. Key factors influencing motivation included access to credit, market conditions, and support from government and non-governmental organizations. The study underscores the critical impact of economic hardship on fishing motivation in the Niger Delta. Addressing these challenges requires comprehensive strategies, including financial support, improved access to fishing inputs, and sustainable fishing practices. Policymakers and stakeholders must collaborate to create an enabling environment that supports the resilience and motivation of fishermen in the region.

Keywords: Economic hardship, fishing motivation, Niger Delta, fishermen, livelihood, sustainability.

INTRODUCTION
The World Summit on Micro-Enterprises and the Consultative Group to Assist the Poorest (CGAP) highlighted the serious concern of international community to reduce the levels of poverty, both in terms of income levels and deprivation of basic needs for a decent living. Microfinance has, in recent times, come to be recognized and accepted as one of the new development paradigms for alleviating poverty through social and economic empowerment of the poor. Especially women. Microfinance, by definition refers to the entire range of financial services rendered to the poor and include skill up- gradation, entrepreneurial development that would enable them to overcome poverty. In Nigeria there is a diversity of approaches to microfinance, involving banks, government agencies, NGOs. The focus of this study is the MFIs who provide microfinance products and services whilst building their own financial sustainability.

Microfinance programmes and institutions have become increasingly important components of strategies to reduce poverty or promote micro and small enterprise development. I However, Knowledge about the achievements of such initiatives remains only partial and contestable. At one extreme are studies arguing that microfinance has beneficial economic and social impacts (Holcombe. 1995; Hossain, 1998, Otero and Phync, 1994; Remenyi, 1991; Hashemi. Schuler and Riley 1996). At the other spectrum, are writers who cautioned against such optimism and point to the negative impacts that microfinance can have (Adams and Von Pischke, 1992; Buckley, 1997, Montgomery 1996, Rogaly 1 996a; Wood and Shariff 1997). In the middle is work that identities beneficial impacts but argues that microfinance does not assist the poorest. as is so often claimed (Hulme and Moslcy, 1996; and Hulme, 1999).

The concept of microfinance essentially rest on the premises that (a) self employment/enterprise development is a viable alternative means of alleviating poverty, (b) lack of access to capital assets/credit acts as a constraint to existing and potential micro-enterprises. and (c) the poor are able to save despite their low level of income. Microfinance could be referred to as providing credit support to, usually in very small amount, along with training/capacity building and other related services to people with poor resources and skills but who are in a position to undertake economic activities.

Most MFIs use groups as intermediaries •for financial transactions, but there are different ‘ways of working with groups. These may be broadly classified as the Self Help Group model (SIIG). The Grameen replicators, Community banks, and Co-operatives (the latter often catering to a specific economic sector such as farmers, fishing, weaving). In each of these models, the group usually assumes joint liability for loans taken by its members, but there are significant differences in the services offered and in the extent of client responsibility in financial transactions. 13y definition, microfinance operates outside the purview of the legal, fiscal. regulatory and prudential framework of the monetary and financial authorities. In many developing countries, a large number of rural dwellers rely on the informal sector for their financial services on account of its relatively low information and transaction costs, case of access to low-income groups, timeliness of operation, simplicity and flexibility in financial procedures. Nonetheless, there are some inherent drawbacks in economies of scope and scale, maturity transformation, spatial transfer of savings, predominance of cash transactions and shallowness of intermediation (Popiel, 1994). Indeed, there seems to be widespread denunciation of informal and semi-formal finance in many Sub-Saharan African countries except registered cooperatives and credit unions. This, according to Popiel (1994) is the challenge facing informal finance in Africa. Nonetheless, the validity of some of the usual arguments against informal finance has been questioned and the co-existence of both the traditional institutions and modern financial intermediaries has been advocated (Bouman, 1983).

Judging by the proved advantages of informal finance, policy attention has to shift in the direction of integrating the formal and informal systems rather than eliminating the latter. Further inquiry into the operations of informal finance is warranted to correct existing misapprehensions and misperceptions and to tap fully the savings and credit potential of the informal sector. Indeed, rather than disappearing, informal finance continues to expand in several developing countries. According to Popicl (1994), informal finance is much more extensive and diverse than formal finance and accounts for most of the financial services, other than term finance, provided to the rural sector. In most Sub—Saharan African (SSA) countries, Formal rural credit accounts For less than 10% of total credit disbursed. Moreover, the survival of informal finance over the years and its persistence both in rural and urban economies in spite of policy emphasis on modern financial intermediaries shows the advisability to seek a better understanding of’ its operations with a view to drawing useful Lessons for the improvement of the rural financial system.

This study is prompted by the need to improve the performance of microfinance providers (community banks. NGO MFIs, NACRDB) and encourage private sector involvement generally in rural financial intermediation in Nigeria. The study therefore investigates repayment performance of MFI participants in fishing enterprise activity in Niger Delta

METHODOLOGY

There are several MFIs in the study area but eleven major MFIs providing microfinance services to rural farmers in the selected states of Niger Delta were purposively selected. The purposive selection was based on the number of loan beneficiaries from the MFIs and social responsibility services of the MFIs to their host communities.

Three agricultural zones were purposively selected from each of the chosen states of the Niger Delta region, making a total of 21 agricultural zones. 'Two local government areas were purposively selected from each zone making a total 42 L.G.As. The lists of communities in each of the selected LGAs were collected from the L.G.A headquarters, and from these lists one community was purposively selected from each L.G.A making a total of 42 communities in the Niger Delta region. From each selected community, 6 participants were randomly selected making a sample size of 252 respondents. Also the lists of microfinance institutions operating in the 42 selected communities of the Niger Delta region were compiled with the assistance of community leaders, extension agents and key informants. From this list 11 microfinance institutions were purposively selected from the 42 communities. A structured questionnaire was administered on the Microfinance Institutions. Data were analyzed using descriptive statistics.

RESULTS AND DISCUSSION

Three MFIs disbursed loan to beneficiaries of fishing enterprise activity. The repayment performance of participants that engaged in fishing enterprise is represented in table 1. LENF had the highest performance rate of 98.16 per cent while FOFA had the least performance rate of 83.45 per cent. From this analysis, the mean repayment performance for all the fishing participants is 96.19 per cent representing NI, 643,626.04. The mean interest of N382, 502.66 were paid by the participants. This brings the cumulative amount repaid by the participants to N2. 026,128.70. 1-lowever, there was a total amount outstanding of N 64,690.90. From this analysis, there is a good repayment performance among beneficiaries of MFIs that were engaged in fishing enterprise. Therefore, the implication of this analysis is that some other MFIs may start funding fishing enterprises given the fact only 3 out of 11 MFIs funded fishing enterprise activity. This repayment performance recorded in this enterprise activity should encourage investment by MFIs and others that look at investment in agriculture as high risk areas.

Table 1- Repayment Performance of MFI Participants According to Fishing Enterprise 1999-2003

MFIs	Amount of Credit disbursed	Amount Repaid (#)	Amount Outstanding	Interest Paid (N)	Repayment Performance (%)	Default Rate (%)
LA P0	2,458,980.15	2,342,178.59	116,801.56	560,775.63	95.25	4.75
FOFA	198,843.21	165,946.35	32,856.86	43,745.50	83.45	16.55
COWAN	-	-	-	-	-	-
ACCORD	-	-	-	-	-	-
CODEP	-	-	-	-	-	-
HUMAR	-	-	-	-	-	-
ISIHO	-	-	-	-	-	-
CEDSI	-	-	-	-	-	-
LENF	2,468,167.45	2,422,753.17	44,414.28	542,986.84	98.16	1.84
DEVIN	-	-	-	-	-	-
SUSIDEL	-	-	-	-	-	-
Total:	**5,125,990.81**	**4,930,878.11**	**194,072.70**	**1,147,507.97**	**96.13**	**3.87**
Mean:	**1,708,663.60**	**1,643,626.04**	**64,690.90**	**382,502.66**	**96.19**	**3.81**

Source- Field survey data, 2004- 2005

CONCLUSION AND RECOMMENDATIONS

The overall repayment performance for the participants in this enterprise activity was 96.19 per cent with a default rate of 3.81 per cent. FOFA recorded the least repayment performance 83.45 with a default rate of 16.55 per cent while LENF recorded the highest performance of 98.16 percent with 1 .84 per cent default rate. Based on the findings of the study it is recommended that concerted efforts should be in place to provide enabling environment for MFIs to operate successfully in Niger Delta in particular and in Nigeria as a geographical country.

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