Socio-Economic Contribution of Indigenous Goats to Smallholders in Low Input Crop-Livestock Production System in Malawi

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Abstract

Indigenous goats are important in resource-poor communities because they provide tangible benefits such as cash revenue from animal sales, meat for home consumption, manure, skins, and fiber. They are also a source of intangible benefits, e.g. savings, insurance, and for socio-cultural purposes. Despite the valuable contributions of goats to the livelihoods of millions of resource-poor farmers in developing countries, goats have been overlooked in national agriculture development strategies and prejudice towards other livestock species like cattle still exist. This study was conducted to determine socio-economic contributions of indigenous goats to smallholders in low input crop-livestock production system where community-based goat breeding programs (goat CBBPs) are being implemented. The aim was to provide government and other development agencies with the information which can form the basis for policy, technical and financial support for the goat CBBPs. Data was collected through a 12-month flock and household (137 households) monitoring study between August 2017 to July 2018. Data was analysed using enterprise budgeting and cost-return analysis.

The results showed that indigenous goat enterprises in smallholder farms are profitable and economically viable. The mean annual gross margins per flock and per goat was €101.00 and €17.60, respectively. The average return on capital invested was 24.6 %, exceeding the prevailing average commercial deposit rate (8 %) by several folds. Goats accounted for 61.2 % of the total livestock household income representing the biggest contributor, while cattle, pigs and chickens contributed 17.6 %, 15.5 % and 4.1 %, respectively. Sale of live goats constituted the major (79.2 %) proportion of the total offtake rate, suggesting that goats are primarily kept for generation of cash revenues. Inclusion of intangible benefits of goats significantly increased the mean annual gross margins and the return on capital by 60.3 %, reflecting the importance of socio-economic roles goats play in providing current and future economic stability to rural households’ economy. Hence, programs like goat CBBPs are meant to harness the potentials of indigenous goats to optimise their contributions towards reduction of rural poverty and hunger. Therefore, financing and supporting scaling up of such programs is a meaningful direct investment into the development of rural economy.

Keywords: Breeding program, community-based, gross margins, rural poverty, tangible and intangible benefits

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