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MSc. Thesis

**Possibilities and role of social economy in Sustainable Rural Development: A Case
Study of Farmer cooperatives in Tharaka Nithi County, Kenya.**

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Abstract

The increasing impacts of climate change have exacerbated rural poverty and food security challenges in developing countries. Unlike developed countries, sub-Saharan Africa significantly relies on agriculture for GDP contribution and sustenance of rural livelihoods, yet sector remains underdeveloped, less mechanized, and not lucrative to rural youth. A multi-pronged approach is required to address market inefficiencies, ease access to inputs and markets, access to information, and reduce vulnerability to climate change. Social economy is the viable route with farmer cooperatives (FCs) advanced as tools for enhancing the efficiency and effectiveness of the adoption of sustainable farming practices. The study's aim was to establish farmer cooperatives' role in enhancing smallholder farmer participation in sustainable rural development. Using descriptive research design and binary regression model we examined social demographic and economic factors limiting holistic participation in sustainable development practices. The multi-stage sampling procedure selected 359 small-scale farmers in Tharaka Nithi county. SPSS data analysis found 63% of rural farmers were women, the average age of farmers was 44 years, and the household size was 5 members, with the majority 59% of respondents lower-level education. 72% had no cooperative membership, 85% had limited credit access, and 73.5% dependent on only farm income. Binary probit results indicated that cooperative membership, ownership of land, age of the farmers, extension services, and training on SRD were statistically significant. However, non-membership to FCs had negative marginal effect to farmer participation in farming practices. Analysis a significant number of smallholder farmers especially women are not able to access inputs, cooperative membership, credit, extension services and training. Results established the factors driving the adoption of sustainable farming practices can be mutually inclusive with the attainment of cooperative membership as it facilitates access to credit, extension services, land ownership, and improved social capital for environmentally friendly practices. FCs address gender inequality, financial access, and land tenure challenges and opens opportunities to enhance knowledge transfer, collective action, attract resources, and policy advocacy. The study recommends that multi-stakeholder approach to strengthen cooperative movement through enhanced governance systems that guarantee transparency and democratic participation. Effective capacity building with specifically targeted programs for youth and women farmers.

Key words: Farmer cooperatives, Rural Development, smallholder farmers, sustainability.