IMPACT OF COFFEE GROWING ON ECONOMIC WELFARE AND DEVELOPMENT IN BUSHENYI DISTRICT

 $\mathbf{B}\mathbf{Y}$

KOMUGISHA ANNAH

1163-06044-08235

A RESEARCH REPORT SUBMITTED TO THE COLLEGE OF HUMANITIES AND SOCIAL SCIENCES UNDER THE DEPARTMENT OF DEVELOPMENT, PEACE AND CONFLICT STUDIES IN PARTIAL FULLFILLMENT OF THE AWARD OF THE DEGREE OF BACHELORS IN DEVELOPMENT STUDIES OF KAMPALA INTERNATIONAL UNIVERSITY

SEPTEMBER 2019

DECLARATION

I, Komugisha Annah declare that this re	esearch report	is my original work and has never bee
submitted to any university or institution	on of higher le	arning for the same award.
Sign. Brettagena		Date30/9/19
KOMUGISHA ANNAH		
		Data
Sign		Date

APPROVAL

I, the undersigned confirm that I have read this research report and it meets the examinations standards of Kampala International university as set by the National Council for Higher Education.

30/09/2019.

Sign

Pr. Rwabuhihi Emmanuel Festus

Supervisor

DEDICATION

This research report is dedicated to Dr.. Jenipher Twebaze Musoke for the financial and moral support rendered to me throughout all the years of study. You have always been a source of guidance and without your financial assistance; this research would perhaps have been a total failure. I also dedicate it to my daughters, Sayun, Sandra, Sierra and Starlone for their encouragement and prayers. You have always been a source of inspiration right from day one of my embarking on studies.

May the almighty God reward you all abundantly.

ACKNOWLEDGEMENT

I would like in a special way to thank the almighty God for his constant grace and protection over the entire period of writing this work.

In a special way I would like to appreciate my supervisor Pr. Rwabuhihi Emmanuel Festus for his tireless efforts in guiding me during the course of writing this work.

I also wish to acknowledge the college of humanities and social sciences, Head of Department and her entire team for their academic support without which I would not be writing research report.

I further acknowledge the proprietor of Kampala International University for the great vision without which I would not be writing this report or else I would be doing it elsewhere.

I would like to thank the administration of Kampala International University for the wonderful job they have done in overseeing all activities of the university.

I extend gratitude to my colleagues and friends for any assistance offered throughout my study.

May the Almighty God reward you accordingly.

ABBREVIATIONS AND ACRONYMS

TANF- Temporary Assistance for Needy Families

SNAP-Supplemental Nutrition Assistance Program

LIHEAP-Low Income Home Energy Assistance Program

NAADS-National Agricultural Advisory Services

UIA-Uganda Investment Authority

CMB-Coffee Marketing Board

MAAIF-Ministry of Agriculture Animal Industry and Fisheries

UCDA-Uganda Coffee Development Authority

NCP-National Coffee Policy

DCDO-District Community Development Officer

EPRC-Economic Policy Research Centre

TABLE OF CONTENTS

DECLARATION	.i
APPROVAL	ii
DEDICATIONi	ii
CKNOWLEDGEMENTi	.V
ABBREVIATIONS AND ACRONYMS	V
IST OF FIGURES	X
IST OF TABLES	X
ABSTRACT	хi
	_
CHAPTER ONE	
NTRODUCTION	.1
.0 Introduction	.1
1.1 Background of the study	.1
1.2 Statement of the Problem	4
1.3 Purpose of the study	5
1.4 Objectives of the study	5
1.4.1 General objective	6
1.4.2 Specific objectives	6
1.5 Research questions	6
1.6 Research hypothesis	6
1.7 Scope of the study	7
1.7.1 Content scope	7
1 7 2 Geographical scope	7

1.7.3 Time scope	7
1.8 Significance of the Study	7
1.9 Limitations to the study	8
CHAPTER TWO	9
LITERATURE REVIEW	9
2.0 Introduction	9
2.1 Theoretical review	9
2.2 Contribution of coffee growing on households' health	12
2.3 The contribution of coffee growing on education level in Bushenyi District	13
2.4 The impact of coffee growing on the farmers' employment and income	15
CHAPTER THREE	17
METHODOLOGY	17
3. 0 Introduction	17
3.1 Research Design	17
3.2 Data type and source	17
3.4 Sample size and selection	18
3.5 Data collection methods and instruments	19
3.6 Quality control of instrument and data collection	20
3.7 Procedure of data collection	
3.8 Data analysis and presentation	
3 9 Validity and reliability of research instrument	

CHAPTER FOUR	
PRESENTATION, INTEPRETATION AND ANALYSIS OF THE FINDINGS	22
4.0 Introduction	22
4.1 Presentation of the findings	22
4.1.1 Age of the respondent	22
4.1.2 Level of education of the respondents	23
4.1. 3 Gender of the respondents	24
4.1.4 The respondents' level of income	24
4.1.5 The respondents' marital status	25
4.2 The contribution of coffee growing to the Health status of the people	26
4.3 The contribution of coffee growing to the level of education of people	27
4.4 The contribution of coffee growing on people's employment and income in Busheny	yi30
CHAPTER FIVE	
SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS	OF THE
	OF THE
SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS	OF THE32
SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS STUDY	OF THE 32
SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS STUDY	OF THE 3232
SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS STUDY 5.0 Introduction 5.1 Summary of major Findings	OF THE 323232
SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS STUDY	OF THE323233
SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS STUDY	OF THE 3232323334
SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS STUDY	OF THE 32 32 33 34
SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS STUDY	OF THE 32 32 33 34

LIST OF FIGURES

FIGURE 2.1: CONCEPTUAL FRAMEWORK	11
Figure 4.1: Age of the respondents	22
Figure 4.2: Education level of the respondent	23

LIST OF TABLES

Table 4.1: Respondents' gender	24
Table 4.2: The responses on the level of income of the respondents	25
Table 4.3: Respondents' marital status	25
Table 4.4: Contribution of coffee growing on employment and income	30

ABSTRACT

The purpose of this study was to find out the contribution of coffee growing on household's economic welfare and development, a case study of Bushenyi district Local Government. The objectives of the study were to assess the contribution of coffee growing to the Health status of the people in Bushenyi District, to find out whether coffee growing has contributed to the education level and to establish whether coffee growing has improved on people's employment and income in Bushenyi District. The study used both primary and secondary data in its analysis and the researcher used descriptive modes of analysis using mainly quantitative methods of data collection to capture data. Data was collected using research questionnaires where the researcher was asking the questions on the questionnaire and noting down the respondents' answers.

The findings revealed that the growing of coffee has enabled the farmers to improve their standards of living since they earn money from the sale of coffee that has enabled farmers to pay school fees for their children in institutions of higher learning. The production of coffee has created employment opportunities to the people in the district especially the youth who are working on the small scale coffee factories in the area and because of this coffee has become the sole source of income to many people in this area.

The researcher recommended that the Government should increase on the budget allocation on agriculture since most of the rural people depend on agriculture as their sole economic activity. This will improve on the economic welfare and development of rural people, Government through the Ministry of Trade should look for international market for Uganda's coffee as this will improve on the prices of Uganda's coffee and the incomes of the rural people which will give farmers ability to pay school fees for their children.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter presents the; background of the study, Statement of the problem, objectives of the study, specific objectives, research questions and the significance of the study, limitations and delimitation.

1.1 Background of the study

Coffee is Uganda's major foreign exchange earner generating millions of dollars annually and for a couple of years, growing of coffee has increasingly become part of Western and African. Since growing of coffee is escalating in South American countries at every half block in one's local downtown, it may not be amazing that coffee has become the second largest traded commodity next to oil (Endergrast, 2012). Coffee is undoubtedly one of the most essential agricultural commodities globally. Brazil's history with the coffee industry has been very old, beginning with the crop's entry in 1727 from French Guiana and entering the international coffee market in 1822 when Brazil attained sovereignty from Portugal's colonial rule (Reinikka, 2013). Brazil has now become the chief producer of coffee. Even though Brazil's history is rooted in foreign rule like so many other nations producing coffee, the country's state "varies from other Latin American coffee producing nations" because the growth of the coffee market in Brazil increased mostly after foreign rule. As an independent nation, from the 1850's to the 1960's, coffee already made up 55% of all the Brazilian export revenue which improved their people's standards of living (Appleton, 2012). The producers of coffee beans in South America are often small scale farmers who are reliant on faceless consumers, large corporations and an ebbing market which acts as their major income base. Coffee being one of the world's leading traded commodities, it is vital for both consumers and producers to understand its influence on their welfare. The situation of farmers growing coffee varies from region to region but generally, the

farmers are at a disadvantage in international markets and often sell their products at low prices (James, 2013). Farmers have not only to deal with the unpredictable force of Mother Nature, but also with "the boom and bust cycles in prices of commodities," political control and inadequate income. Often the examination of the market for coffee can be widespread and focused on economic efficiency other than the local influence of market changes which often result in "the marginalization of small scale farmers, increased environmental degradation, and general rural deterioration and poverty" (Watson, 2012). With market changes, not only are the shifts seen at the economic level but also on lives of farmers at the local level. Farmers growing coffee ought to consider the worth of their crops because their access to social services such as health, education, meals and their entire livelihood is dependent on the production of their crops. Coffee farmers now sell a pound of coffee for the market price of about one dollar globally, which can retail for around ten dollars (Glazer 2007). The enormous majority of coffee production is traced in colonialism, during which colonialists or missionaries commonly imported coffee. Coffee then became a "cash crop, planted and harvested by serfs on large plantations in African countries like; Ghana, Uganda among others and then exported to imperial countries" (James, 2000). Ethnic relations, governments and general ways of life were transformed in these countries due to the shift to the new dependence on production of coffee. The market for exporting coffee has expanded with the growth of the United States economy. Therefore, coffee became a main source of income for most countries in Africa, Central and South America and South Asia where colonialism existed and the environment was conducive for coffee trees.

Coffee is one of the perennial cash crops traditionally grown in the Eastern regions along the Lake Victoria crescent, Western part of Uganda; and studies by (Appleton, 2012) attached the relatively low level of poverty in these regions of Uganda to growing of coffee. Similarly, UBOS (2010) found out that the vast portion (46 percent) of households in Western Uganda were regarded as poor compared to only 11 percent and 23 percent in Central and Western Uganda respectively. UBOS (2010) strongly attributed the well-being of households in Western and Eastern Uganda to growing of coffee. The contribution of coffee growing on the welfare of people in Bushenyi District encouraged the Uganda Coffee Development Authority (UCDA) to introduce growing of Robusta coffee in the region in order to open up financial prospects for poor farmers' households in the western region. The intermediate term objective of UCDA was to offer an alternative source of earning to the poor and on the other hand, the long term

objective was to preserve coffee exports of Uganda, which were on a downward trend because of the coffee wilt disease (CWD) in the traditional regions of Uganda growing coffee.

THEORITICAL PERSPECTIVE

This proposed study was based on Pareto theory of welfare of optimality.

Pareto Optimality

Pareto argues that an advance in well-being can be justified when it has benefited at least one and ought not to worsen any one's situation in society. In addition, social welfare can be attained by summing up all the welfare of individuals. But in most of the actual cases, Paretian criterion is not applicable given that certain policies may benefit given sections of the population at the expense of others. Moreover Paretian optimality situation is free from the possibility of interpersonal relationships in terms of utility and well-being. However, Pareto's opinion can't be undermined. IRSHAD CV (2016)

CONCEPTUAL PERSPECTIVE

Different scholars have defined welfare in various ways as shall be seen below.

Welfare refers to assistance offered mainly by a state or an organization to individuals who cannot afford (Cambridge Dictionary). Welfare is also referred to as a type of government assistance rendered to citizen of a particular area. However, sometimes it may be provided to people irrespective of their economic status. The purpose is to facilitate people access basic needs like; food, shelter among others. (Wikipedia)

Welfare programs are initiatives put in place by a government to help the poor, developmentally challenged and underprivileged sections of a country. (Investopedia). Welfare is usually free. Types of welfare include; Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP) usually referred to as food stamps, Low Income Home

Energy Assistance Program (LIHEAP) and housing programs, and supplemental security income. This welfare is financial and it's given for the following reasons:

To help adults fully ready for the job market, to assist parents in nurturing their children, to decrease the number of children born outside matrimony and to assist parents take care of children in their own homes.

A coffee plant is a small tree of African origin or is a tropical evergreen shrub grown for its seeds that are roasted, ground and sold for preparing coffee drink. (Wikipedia)

There are more than 100 classes of coffee, however, there are two main types that are widely produced and sold that is to say; Arabica coffee and Robusta coffee. Coffee production refers to the manufacturing process of transforming the raw fruit of the coffee plant into the finished coffee. (Wikipedia).

Coffee production refers to the transformation of coffee seeds into manufactured coffee powder ready to be used.

CONTEXTUAL PERSPECTIVE

Despite attempts by government to improve on the economic welfare of people in Bushenyi District, most people in Bushenyi District still lie below the poverty line thus un able to access descent social services such as health and education and they are un able to afford basic needs like; food. Coffee has an impact on the economic wellbeing of people in this District.

1.2 Statement of the Problem

According to (Hill, 2005) Uganda Poverty Assessment, coffee farming has attained commercial significance in Bushenyi District. Coffee grown in Bushenyi District is estimated at 5,000 acres. It is produced exclusively as a smaller holder crop and varieties grown include; clonal coffee and Robusta coffee. Robusta coffee is grown on a smaller scale as compared to clonal coffee. Since the introduction of coffee growing in Bushenyi district, the wellbeing of the farmers has upgraded in terms of housing amenities, sanitation, healthy facilities and this is succeeding the

rise in incomes from growing of coffee (Ichino, 2011). According to the (UIA, 2013) the Government of Uganda through the NAADs Programme has put in 1,947,143 thousand billion Uganda shillings in growing of coffee by offering better-quality varieties of coffee, extending loans to farmers growing coffee at subsidized prices with the aim of improving wellbeing of households, but in spite of the fact that government has made all the above efforts to uplift the welfare of farmers, statistics indicate that 70% of farmers growing coffee in Bushenyi lie below the poverty line (Krivonos, 2014). This implies that their wellbeing is still low as revealed by low revenue reflected and high mortality rate. This research proposal therefore seeks to establish the influence of coffee growing on the wellbeing of households in Bushenyi District and attempts to offer possible solutions to challenges encountered by farmers growing coffee in Bushenyi district, Uganda.

1.3 Purpose of the study

The purpose of the study was to establish whether growing of coffee has any co-relation with the economic welfare of farmers in Bushenyi district.

1.4 Objectives of the study

To establish the contribution of coffee growing on health status of people in Bushenyi District.

To find out the contribution of coffee growing on the level of education of people in Bushenyi District.

To explore whether growing of coffee has improved on the level of incomes of farmers in Bushenyi District.

1.4.1 General objective

The general objective of this study was to investigate the contribution of coffee growing on economic welfare.

1.4.2 Specific objectives.

- i. To find out the contribution of coffee growing on the Health status of the people in Bushenyi District.
- ii. To find out whether coffee growing has contributed to the level of education of coffee growers' children in Bushenyi District.
- iii. To establish whether coffee growing has improved on people's employment and income in Bushenyi District.

1.5 Research questions

- i. What is the contribution of coffee growing on the health status of farmers in Bushenyi district?
- ii. Has the growing of coffee contributed to the level of education of farmers' children in Bushenyi district?
- iii. Has the growing of coffee improved on the farmers' incomes in Bushenyi district?

1.6 Research hypothesis

The growing of coffee does not improve on income of farmers in Bushenyi District.

Growing of coffee has no contribution on the level of education of farmers' children.

The growing of coffee does not contribute to the health status of farmers in Bushenyi District.

1.7 Scope of the study

The study scope of this proposed study on coffee growing and peoples' welfare was as follows.

1.7.1 Content scope

The study focused on the contribution of coffee growing on the households' welfare, contribution of coffee growing on the education of the farmers' children and how coffee growing has improved on people's income in Bushenyi District.

1.7.2 Geographical scope.

The study was carried out in Bushenyi District Located in south-western Uganda.

1.7.3 Time scope.

The study covered the period between 2013 and 2019, as this period provided the required information. The study was projected to be accomplished by October 2019.

1.8 Significance of the Study

The findings of this research study will be used to fill gaps left out by other researchers. The findings will further be used by government authorities in formulation of policies in regard to agriculture. The Uganda investment Authority will use the study findings in estimating the budget required to subsidize growing of coffee. Similarly, the Ministry of Finance, Planning and Economic Development will base on these findings to design appropriate programmers' aimed at uplifting the standard of living of rural people specifically the coffee growers in the whole country since the study will reveal the challenges they go through. The study findings will also be used as reference by other researchers.

1.9 Limitations to the study.

Difficulties in accessing respondents as most of them were pre-occupied by their personal activities, but to overcome this challenge, the researcher designed a questionnaire with few questions so as to reduce on the time of interaction with the respondents.

Some respondents withheld their information since most people treat their information confidential but to overcome this challenge, I informed the respondents about the confidentiality of the information they gave and this was accompanied by a letter from the university which confirmed that the information given was strictly for academic purposes.

Limited funds for conducting the research study due to scarcity of resources. To overcome this, I solicited for funds from my employer, friends and relatives to help cover the projected budget.

wellbeing of others. In such cases the ideal and Pareto's idea of efficiency can't be fully applied. For more understanding, the theory can be represented using Samuelsson's indifference curve.

Here, in the diagram, there are two type of commodities represented. Essential commodities on 'X' axis and luxury commodities on 'y' axis. Tom and Peter are the two people represented on the 'x' axis and 'y' axis respectively. 'IC' is representing the indifference curve. Assume, originally the persons are at point 'Q' and consuming a mixture of both commodities and enjoying welfare from it equivalent to that level. Now the Pareto's situation can be examined.

Pareto asserts that social welfare may rise even when at least one person improves while others' utility is constant or does not reduce. Therefore, based on the above diagram, assuming, a policy reform leads the level of welfare to point 'C'. It is believable that its welfare increasing situation because both Peter and Tom get more fulfillment than the point 'Q'. Now considering point A or B. At point 'A', the satisfaction of Peter has increased, but the utility of Tom is constant. This is also a case of well-being. Likewise, at point 'B', Tom gets better off and Peter is constant. In this case, also social welfare increased. But the critical condition of Pareto's idea can be found outside the area of AQB. In such a case welfare of one person has risen at the expense of another. In the diagram, redistribution of welfare to 'D' and 'E' from point 'Q' drops the welfare of Tom and Peter respectively. Pareto's criterion does not answer the challenge in these cases.

Evaluation

Pareto's criterion of welfare is criticized much as it is considered a revolutionary idea in welfare economics. Some of the critical evaluation points are highlighted below.

The idea is not entirely free from value rulings.

The idea that no person ought to worsen is really a case of worth ruling. In most cases of relocation of income or wealth, some people should feel pain for the benefit of others. Governments are implementing such policies to defend the democratic functioning as well as reducing the level of income disparity in society. But Pareto was an un able to judge this situation of growing and diminishing of well-being in society.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This section of the research study covers: the theoretical review, conceptual framework and related studies.

2.1 Theoretical review

Pareto Optimality

Pareto and his followers argue that an advance in well-being can be justified when it has benefited at least one and has not worsened any one's situation in society. In addition, social welfare can be attained by summing up the welfare of individuals. But in most of the actual cases, Paretian criterion is not applicable given that certain policies may benefit given sections of the population at the expense of others. Moreover Paretian optimality situation is free from the possibility of interpersonal relationships in terms of utility and well-being. However, Pareto's opinion can't be undermined. Irshad cv (2016)

Pareto's idea of welfare made an enormous role in contemporary welfare economics. It is been considered as one of the essential conditions for social welfare. On the other side, Pareto's idea is imperfect due to the following criticisms.

There is no room for value ruling since it accepts the ordinal measurement of utility. And also there is no more scope for interpersonal comparison of utility. Simply Pareto's criterion contends that, an improvement in society can be regarded as welfare even in the case of increasing of welfare of at least one and should not decrease the welfare of anyone in the society. The Pareto's criterion becomes more complex when the wellbeing of one rises along with decrease in the

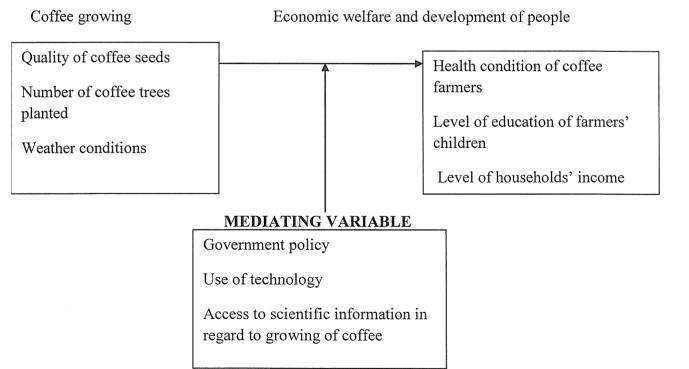
The theory is also criticized for being unable to focus on the maximum likely wellbeing maximizing situation. Pareto just says advancement without any charge is wellbeing. However, there are numerous levels of possibilities for the advancement. Thus he failed to state a definite level of extreme social welfare. Pareto does not quote the likelihood of relating various increased social welfare conditions.

Another critical criticism is the argument of Professor Amartya Sen. According to Amartya Sen, wellbeing can be measured based on utility and it has two dimensions such as level of pleasure and desire satisfaction. But in Pareto's case, there is a possibility of having an extreme disparity in society. Assume welfare of rich has risen but that of the poor has remained constant. Based on Pareto's idea, in this case, there is arise in social wellbeing. Amartya Sen argues that, welfare is not merely narrow but consists of countless aspects of welfare such as; happiness, freedom, dignity etc. In fact, Amartya Sen criticizes Pareto's idea from the qualitative aspects as well as the presence of extreme disparity.

FIGURE 2.2: CONCEPTUAL FRAMEWORK

INDEPENDENT VARIABLE

DEPENDENT VARIABLE



2.2 Related literature

In an attempt to answer the research questions, various studies related to the contribution of Coffee growing on household's welfare were reviewed. Specifically, focus was on the contribution of coffee growing on; household's health, education of farmers' children and farmers' employment and income.

2.2 Contribution of coffee growing on households' health

Krivonos, E. (2004) in his study stated that the coffee industry employs about 100 million workers globally, most of whom live in low developed countries. Most small-holder farmers lack the business skills required to consistently produce quality coffee for the global market. Certifiers and roasters have invested in programs of education because upgraded farming husbandry commonly yields better coffee harvests and higher prices from companies looking for a constant and long-term supply of coffee. This money is then used by farmers to access education, health care and food supply, thus improving their total standard of living. Training programs also assist farmers expand their crops in order to withstand price fluctuations that have historically hurt communities deeply. Dependence on one commodity has assisted most farmers of coffee to get incomes which they use in acquiring medication even from private health facilities that are regarded expensive. Studies by Lindsey (2009) revealed that efforts to improve health among farmers growing coffee in the United States have traditionally looked to the health care system as the main driver of health and health outcomes as well as the health providers. The Affordable manufacture of coffee in Brazilian societies has increased chances of improving health by expanding access to health coverage and assistance reforms to the health care delivery system within these communities growing coffee. While increasing access to health care and changing the health care delivery system are vital, research shows that improving health of the population and attaining health fairness also will require wider methods that address economic, social and environmental factors that impact on health status especially among farmers in rural areas. Hella (2005) in his study stressed that the provision of health services by Government has aided bridge health care and community health among farmers much as some section of them has earned more income which has facilitated them access medication from private facilities. It provides for enhanced emphasis on prevention and primary care, including the making of the National Prevention Strategy, National Prevention Council; assistance for spreading and testing of payment arrangements and new delivery; initiatives to foster increased labor force diversity, and a new requirement for not-for-profit hospitals to conduct community health needs assessments among the communities growing coffee. An increasing number of initiatives are emerging at the state, national and local levels to address wider determinants of health status of the farmers growing coffee in rural areas in Brazil. Given Medicaid's long-lasting role serving a diverse population with multifaceted health treatment programs, social needs and behavioral, efforts to address social determinants of health are coming up through numerous Medicaid provision and payment initiatives by farmers growing coffee and the Government. Despite annual health care expenditures projected to exceed \$3 trillion, health results in the United States of America continue to fall behind other low developing countries among societies carrying out agriculture. Recent analysis proves that, although general spending on health care and social services among farmers in the United States can be compared to other Western countries, United States of America disproportionately spends more on health care and less on social services of the communities involved in agriculture. This is because the output of agriculture greatly relies on the individual's health, (James, 2013).

2.3 The contribution of coffee growing on education level in Bushenyi District

The coffee industry employs about 100 million workers globally, most of whom live in low developing countries. Numerous small-holder farmers lack the business skills needed to consistently produce quality coffee for the global market. Certifiers and roasters have invested in education programs since better farming husbandry usually yields better coffee harvests and sold at higher prices from companies looking for a constant and lasting supply of coffee. Farmers then use this money to acquire health care, education and food supply thus raising their entire standard of living. Programs of training also support farmers diversify their crops so as to endure price variations that have historically hurt communities heavily dependent on a sole commodity (Opoku,2014).

Nsibirwa,(2012) argues that Coffee is Uganda's key foreign exchange earner. Uganda's traditional coffee growing areas are; Western, Central and Eastern regions (World Bank, 2014) and this offers employment to about one million households. With the initiation of coffee farming in Western Uganda in the recent years (around 2001), coffee is considered to be of strategic outcomes significant to the economy of Uganda as an enterprise that can result to both inclusive growth and macroeconomic stability as the main earner of forex to the country, organizations of farmers, exporters, traders and roasters. Coffee is principally produced by smallholder farmers and Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) has pronounced it as one of the strategic commodities for generation of household income and poverty reduction among farmers because it's by means of this income that the liberalization of Uganda's coffee sub-sector in 1991 emerged with countless reforms making activities related to coffee to be private sector headed ventures which has encouraged numerous people to join growing of coffee from which they earn money to pay school fees for their children leading to higher academic level of the farmers' children.

The State Owned Coffee Marketing Board (CMB) and the sub-sector liberalized cooperative organizations were abolished. Elimination of the cooperatives gave birth to autonomous and buyers of coffee at the local level taking over the role of purchasing coffee. Therefore under a free system, the marketing of coffee is carried out by; groups of farmers, middle men, aggregators or small scale traders and coffee exporters. Therefore through this free policy, numerous single farmers have been able to advance on their earnings therefore being able to access education service for their children up to higher institutions of learning.

MAAIF(2013)

The liberalization of the sector of coffee created a gap in the monitoring of the quality of coffee for export. Therefore the Uganda Coffee Development Authority (UCDA) a statutory body was set up in 1991 to perform the functions of; coordination, regulation, licensing quality assurance, and export marketing as well as encouraging advanced investment in the coffee sub-sector aimed at elevating the incomes of the farmers growing coffee, (Verschor, 2011).

Currently, Uganda is the world's tenth biggest coffee exporter and over the last two decades, there has been stagnation in production of coffee at about 3 million 60-kilogram bags annually

(approximately 180 thousand tones). According to UCDA's (2013) statistics, average holding is 0.33 ha per household, which is a reflection of production that is dominated by smallholders. In terms of output, coffee yields are on average as low as 600 kg/ha (FAOSTAT, 2013), with export earnings of about 400 million US dollars a year. After functioning for decades without a wideranging coffee policy, Uganda's National Coffee Policy (NCP) was designed and launched in August, 2013 to guide functioning of the coffee sub-sector. The current NCP covers clear-cut interventions that are projected to improve the performance of the sub-sector. This is because majority of Ugandans growing coffee rely on coffee growing as their sole economic activity, Lwanga (2013).

2.4 The impact of coffee growing on the farmers' employment and income

According to James (2014), about 125 million people depend on coffee for their livelihoods globally through the generated income, and delivery of the much desired rural employment for both women and men in the labour intensive production and harvesting processes. In Ethiopia, almost a fifth of the population relies on coffee for their livelihood. In Uganda, about a million smallholder households producing coffee and the value chain activities of coffee sub-sector is a source of income for about 8 percent of the population or 2.5 million people. However, Appleton (2012) warns that the significance of coffee in reduction of poverty among households can be decreased in conditions of extreme drop in prices of coffee like the 1999-2004 coffee crisis when the price of Arabica plummet to 45 cents a pound (a 30-year lowest price). This had overwhelming economic, social and political consequences for countries in Africa, Latin America and Asia. Export earnings dropped from around \$10bn to \$6bn, reducing rural incomes and trapping farmers growing coffee and their families into poverty (Deininger, 2013).

Numerous farmers growing coffee were forced to leave business, majority abandoning their farms in search for work migrating to neighboring countries or towns, along with thousands of landless plantation workers. As part of literature, we also make a review of the overtime trends in world prices of coffee as a source of risk that it may negatively have influence on the results from intensive efforts to promote growing of coffee in Western Uganda and mid-Northern Krivonos(2012)

Families growing coffee in Northern Uganda are richer than those relying on seasonal crops such as groundnuts, maize a study has proved. The study by (Dorosh,2003) found out that the possibility of coffee to liberate Ugandans from poverty 2014, revealed that households producing coffee were linked to lesser poverty incidences, at 21.7 percent, unlike the households producing coffee with higher poverty incidence of 31.6 percent "Evidence from his data, therefore, showed that production of coffee has a strong influence on reduction of poverty at household level,"

In the same way, a group of scholars at the Economic Policy Research Centre (EPRC) was also in line with his findings. Traditionally, Bushenyi District was not known for growing coffee, which partially explains why it has always lagged behind its counterparts from the other regions (Lindsey, 2009).

Studies by (Nsibira, 2012) indicate that families that grow coffee have more assets unlike those depending on other crops. "An advance in the possession of other household assets like; mobile phones and bicycles by farmers growing coffee is observed both at national level and Bushenyi District. When producers of coffee are related to non-coffee producers, outcomes demonstrate that farmers producing coffee are fairly better off in terms of wellbeing," states the report, which analyzed the possible influence of production of coffee towards reduction of poverty in Uganda.

Studies by Opoka (2014) precisely focused on direct changes in welfare among households growing coffee in mid-northern Uganda. The districts observed were: Nwoya, Lira, Apac, and Gulu. They were selected because the Uganda Coffee Development Authority had put emphasis on the area for the introduction of clonal coffee and the study focused on 1,634 farmers, of which 439 were coffee producers and 1,195 were non-coffee producers. 60 percent of the coffee farmers said they had observed a direct rise in their wellbeing because of the crop. There is a possibility of farmers growing coffee to be richer than those depending on seasonal crops. The study proved that 84 per cent of coffee farmers in Northern Uganda live in rural areas, shows that rise in production of coffee has potential for poverty alleviation in rural areas. In the same study, 75 percent of coffee producers had attended official education meaning that acceptance of extension information skills by coffee farmers are likely to be high.

CHAPTER THREE

METHODOLOGY

3. 0 Introduction

This chapter covers the research methodology used in the study. This section of the research study includes; research design, area of study, population of study, sampling procedure, data analysis, data collection methods and presentation.

3.1 Research Design

The study used non experimental, qualitative cross sectional, co-relational research design in analyzing and quantification of data in establishing the contribution of coffee growing on household's welfare, a case study of Bushenyi District.

3.2 Data type and source

The study used both primary and secondary sources during collection of data that was majorly qualitative but included some quantitative data.

Qualitative data is data that describes characteristics but does not measure the attributes or characteristics, properties of a phenomenon. Quantitative data is data in numerical form which can be put into categories or measured in units of measurement. This type of data can be used to construct graphs and tables of raw data. Data from primary sources was collected using questionnaires while some data from secondary sources was from; text books, internet, abstracts and journals.

3.3 Area and Population of study

The study was carried out in Bushenyi District. According to National Population and Housing Census 2014, there are 992 Coffee farmers in Bushenyi District. The target group comprised of 992 local farmers, 11 Sub-county agricultural officers, the District agricultural officer and the District Community Development Officer (DCDO). This target group was selected since they are the most knowledgeable on growing of coffee. Therefore the target population was 1005.

3.4 Sample size and selection

$$n = \frac{N}{1 + Ne^2}$$

n= sample size

Formula by Slovens

N = population

e = error term (e=0.05)

$$n = \frac{1005}{1 + 1005(0.005^2)}$$

$$n = \frac{1005}{1 + 1005(0.0025)}$$

$$n = \frac{1005}{1 + 2.51250} = \frac{1005}{1 + 3.5125}$$

n=286

Sample Size

Categories	Population	Sample size
Farmers	992	992/ ₁₀₀₅ ×286=281
Sub-county agricultural officers		$11/_{1005} \times 286=3$
	11	
District Agricultural		$1/_{1005} \times 286 = 1$
Officer	1	7 1003
District Community		$\frac{1}{1005} \times 286 = 1$
District Officer		, 1003
	1	
Total	1005	286

The sample size was selected by Slovens formula. This was intended to give an equal chance to all people in the target population. In this regard, a sample size of 286 represented the entire target population.

3.5 Data collection methods and instruments

The research study used interviews as a method of data collection and a self-administered questionnaire as the research instrument.

Questionnaire

The researcher gave a semi-structured questionnaire to each respondent. The questionnaire included both open and closed ended questions. Self-administered questionnaires were given to respondents accompanied with an introductory letter. This generated both quantitative and qualitative data on the selected specific objectives.

Interviews

Interviews with respondents were conducted as a means of data collection because it provided the researcher with first hand and relevant information from preferred groups of respondents. An

interview guide was designed for illiterate farmers and they were asked questions as the researcher noted down.

3.6 Quality control of instrument and data collection

Questionnaire was developed and taken to the supervisor for approval then a pilot study was conducted to test the relevancy of the questions developed after which the questionnaire was distributed to the respective respondents.

3.7 Procedure of data collection

I obtained an introductory letter from the supervisor seeking permission from Authorities of Bushenyi District to allow me conduct my research study in the area of jurisdiction after which I was given an acceptance letter. In addition, I also carried an Identification card of the university. After this, I sought consent from respondents to participate in the study before giving them the questionnaire.

3.8 Data analysis and presentation

The research questionnaire was edited manually to correct writing errors and then coded for easy entry into a Statistical Package for Social Scientists (SPSS) (16.0) because of its flexibility, then the data was further processed to generate Graphs, Frequencies, Tables and Percentages. Graphs showed the trend of responses, percentages to gauge the proportionality of the response, then frequencies and tables will represent a more advanced stage analysis. Qualitative data was further analyzed by making comparisons in relation to the performance and the conclusions will be made.

3.9 Validity and reliability of research instrument

I carried out a pilot study so as to ensure reliability of the research instrument. Meanwhile, I used triangulation so as to ensure conformity of data by respondents and I also to intently generalize findings in order to enhance transferability.

CHAPTER FOUR

PRESENTATION, INTEPRETATION AND ANALYSIS OF THE FINDINGS

4.0 Introduction

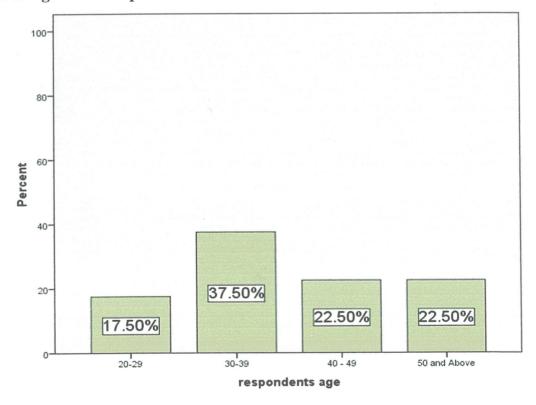
This chapter presents the interpretation of the findings as reviewed in the literature and specific objectives. It summarizes the key issues from literature, identifies any new inferences and insights.

4.1 Presentation of the findings

4.1.1 Age of the respondent

The study involved people of different ages since the age of the respondents determines the validity of responses and arguments on different issues. The distribution of respondents by age is given in the chart below.

Figure 4. 1: Age of the Respondents



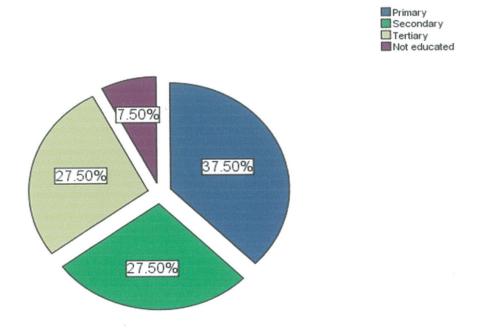
Source: Primary data

Chart 4.1 Portrays that of 286 the respondents, 17.5% were of the age between 20 - 29 years, 37.5% were of the age between 30-39 years, 22.5% were of the ages between 40 - 49 years while the remaining 22.5% were of the ages 50 and above. The observation here is that a larger proportion of the respondents had ages between 30 - 39 years and the least were those with age group 20 - 29 years. This is because most of the household heads are in this age and the least were those in the age group of 20 - 29.

4.1.2 Level of education of the respondents

The researcher wanted to know the level of education of the respondents that participated in the study since the higher the level of education of an individual, the higher and more intelligent that person is assumed to be arguing on different issues and the results are shown in the table below.

Figure 42: Education Level of the Respondent



Source: Primary data

Table 4.1 Portrays that, of the 286 respondents who were involved in the study, 7.5 % were not having any level of education, 37.5% were of primary level of education, 27.5% were of Tertiary level and the remaining 27.5% attained secondary level. The observation here is that a larger

proportion of the respondents were of low level of education and this is because most people in rural areas drop out of schools at lower levels perhaps due to rampant poverty and other matters.

4.1. 3 Gender of the respondents

The gender of the respondents who participated in the study is shown in the Table below

Table 4.1: Respondents' gender

Gender of respondents	frequency	Percentage
Male	160	56%
Female	126	44%
Total	286	100%

Source: Primary data

Table 4.1 indicates that of the 286 respondents, 56% (160) were males while the remaining 44% (126) were females. The observation here is that a larger proportion of the respondents were males and the least were females. This is because many coffee farms and the traders are male dominated so they had the right information that suites the study.

4.1.4 The respondents' level of income

The researcher wanted to know the level of income of the respondents and the results are shown in the table below.

Table 4.2: The responses on the level of income of the respondents

Income levels	Frequency	Percentage
50,000-100,000	63	22%
150,000-200,000	130	45%
300,000-400000	43	15%
500,000 and above	50	18%
Total	286	100%

Source: Primary Data

Table 4.2 indicates that of the 286 respondents who participated in the study, 22%(63) of them said that the their incomes was between 50,000 - 100,000, 45%(130) said their incomes were between 150,000 - 200,000, 15%(43) said the incomes were between 300,000 - 400,000 while the remaining 18%(50) their incomes were between 500,000 and above. The observation here is that a larger proportion of the respondents' income falls between 150,000 - 200,000 and the least were earning between 300,000 to 400,000 and this is because most of them rely on agriculture as their main source of income.

4.1.5 The respondents' marital status

The researcher sought to establish the status of the respondents who participated in the study and the results are shown in the table below.

Table 4.3: Respondents' marital status

Marital status	Frequency	Percentage
Married	165	57%
Single	58	21%
Widowed	63	22%
Total	286	100%

Source: Primary Data

The table 4.3 indicates that 57% (165) were married and had families, 21 %(58) were single while the remaining 22% (63) were widowed. The observation here is that a largest proportion of respondents was married with families that required enough income to sustain their household size and their main economic activity is growing coffee.

4.2 The contribution of coffee growing to the Health status of the people

The researcher was interested in establishing the contribution of coffee growing to the health of the people and the results are shown in the model below. Statistical Package for Social Scientists (SPSS) (16.0) was used to produce the following results.

Ho: Health status of the people is dependent on growing of coffee **Ha:** Health status of the people is dependent on growing of coffee

Dependent Variable: Health Status

Method: Least Squares

Date: 28/09/19 Time: 11:02

Sample: 286

Included observations: 286

included observation				Dual
Variable	Coefficient	Std.Error t-Statistic		Prob.
C	1.886186	2.545808	0.740899	0.0135
Coffee growing	0.788738	0.035123	0.248775	0.0027
				2.540000
R-squared	0.690796	Mean depende	nt var	3.540000
Adjusted R-squared	0.860409	S.D. dependen	nt var	1.422322
S.E. of regression	1.596812	Akaike info c	riterion	4.057604
	5.099614	Schwarz crite		3.823267
Sum squared resid	7.144010	F-statistic	****	0.586787
Log likelihood			: ~ \	0.630204
Durbin-Watson stat	2.453098	Prob(F-statist	10)	0.030204

Source: Primary Data

Estimation Command

LS COFFEE GROWING C HEALTH STATUS

Estimation Equation:

HEALTH STATUS = C(1) + C(2)*COFFEE GROWING

Substituted Coefficients:

HEALTH STATUS = 1.886186221 + 0.788738*COFFEE GROWING

The Adjusted R- square (0.860409 implies that 86% of the variations in the health status of the respondents is explained by the changes in the growth of coffee and the remaining 14% remains unexplained hence a good fit. And Looking at the coefficient of the coffee growing (0.78888738) implies that a unit increase in the production of coffee will on average lead to 0.78888738 increases in the dependent variable which is health status and also since the P- value (0.0027) is less than 0.05 the confidence level, we reject the null hypothesis and conclude with the alternative that Health status of the people is dependent on growing of coffee. The observation here is that growing of coffee has improved on the health status of the people since they are in position to access medicine from private health centers using the incomes earned from growing of coffee. These findings are in line with Lindsey (2009) who in his study asserted that farmers use incomes earned from growing of coffee to access education, health care and food supply, thus raising their overall standard of living. Training programs also help farmers diversify their crops in order to weather price fluctuations that have historically hurt communities heavily dependent on one commodity and this has enabled many farmers growing coffee to get incomes which they use in accessing medication even from private health centers that are considered expensive. Also Hella (2005) in his study asserted that the health service provisions by Government has helped bridge health care and community health among farmers though some farmers have earned more income which has enabled them to access medication from private. It provides for enhanced focus on prevention and primary care including the creation of the National Prevention Council and a National Prevention Strategy; support for testing and spreading of new delivery and payment arrangements; initiatives to foster increased workforce diversity, and a new requirement for not-for-profit hospitals to conduct community health needs assessments among the communities growing coffee.

4.3 The contribution of coffee growing to the level of education of people

The researcher wanted to know whether coffee growing has had an effect on the level of education of the respondents through answering the following hypothesis Statistical Package for Social Scientists (SPSS) (16.0) was used to produce the following results.

Ho: Level of education of the respondents is dependent on growing on coffee.

Ha: Level of education of the respondents is dependent on growing on coffee.

Variable: Education Level Method: Least Squares

Date: 28/09/19 Time: 11:02

Sample: 286

Included observations: 286

included observation		G/ 1 E	t-Statistic	Prob.
Variable	Coefficient	Std.Error	t-Statistic	1100.
C	2.087034	1.512818	0.320891	0.2307
Coffee growing	0.233121	0.115126	0.652100	0.0001
1	0.430723	Mean (dependent var	4.540000
R-squared		S.D. dependent var Akaike info criterion		1.422322
Adjusted R-squared	0.560400			2.057604
S.E. of regression	2.525212			
Sum squared resid	6.054638	Schwarz criterion F-statistic Prob(F-statistic)		2.163226
Log likelihood	7.145014			0.686721
Durbin-Watson stat	2.453023			0.360004

Source: Primary Data

Estimation Command:

LS COFFEE GROWING C EDUCATION LEVEL

Estimation Equation:

EDUCATION STATUS = C(1) + C(2)*COFFEE GROWING

Substituted Coefficients:

EDUCATION LEVEL= 2.087034 + 0.233121*COFFEE GROWING

The Adjusted R- square (0.560400) implies that 56% of the variations in the level of education of the respondents is explained by the changes in the coffee growing and the remaining 44% remains unexplained hence a good fit. And Looking at the coefficient of coffee growing (0.233121) implies that a unit increase in the production of coffee will on average lead to 0.233121 increases in the dependent variable which is education level. And also since the P-value (0.0001) is less than 0.05 the confidence level, we reject the null hypothesis and conclude

with the alternative that the level of education of the respondents is dependent on growing of coffee. The observation here is that growing of coffee has improved on the level of education of the respondents since they are in position to access education for their children even from privately owned schools. These findings are in line with Opoku, (2014) whose findings revealed that many small-holder farmers lack the business skills necessary to consistently produce quality coffee for the international market. Certifiers and roasters have invested in education programs since it improves farming husbandry usually yields better coffee harvests and higher prices from companies looking for a stable and long-term supply of coffee. He adds that farmers then use this money to access education, health care and food supply thus raising their overall standard of living. Similarly Nsibira, (2012) in his study asserted that Coffee is Uganda's main foreign exchange earner and Uganda's traditional coffee growing areas are the; Central, Western, and Eastern regions (World Bank, 2014) and this provides employment to about one million households. With the introduction of coffee farming in Western Uganda in the recent years (around 2001), coffee is rendered to be of strategic importance to the Ugandan economy as an enterprise that can bring about both macroeconomic stability as the main earner of forex to the country and inclusive growth which improves income and hence making people able to acquire medication from good private providers and education. Farmers' organizations, traders, roasters, and exporters. Coffee is predominantly produced by smallholder farmers and it is one of the crops that the Ministry of Agriculture Animal Industry and Fisheries (MAAIF) has remarked as a strategic commodity for household income generation and poverty reduction among farmers since it is through this income that farmers are able to access social services such as education and health among others.

4.4 The contribution of coffee growing on people's employment and income in Bushenyi District.

The respondents views on the contribution of coffee growing on peoples' employment and income in Bushenyi district is summarized in the table below.

Table 4.4: Contribution of coffee growing on employment and income

Contribution of coffee growing on employment and income	Frequency	Percentage
People have been in position to pay school fees for their		
	57	20%
Jobs have been created to people when employed to work in		
coffee gardens.	55	19%
Coffee has become the sole source of income to different		
households which has improved on their general wellbeing.		
1	59	21%
The production of coffee has enabled establishment of small		
scale factories which have acted as source of employment to		
people especially the youth.		
Poople ask	10	3%
Though income earned, farmers have managed to take their		
children to institutions of higher learning.		
Cillidion to instrument of and and a	62	22%
Growing of coffee has stimulated diversification from		
growing of food crops to coffee growing.		
growing or room grops to re-	43	15%
Total		
1000	286	100%

Source: Primary Data

The table indicates that of the 286 respondents who were involved in the study, 57 said that Parents have been in position to pay school fees for their children and these were making a percentage of 20%, 55 said that Jobs have been created to people when employed to work in coffee gardens and these were made a percentage of 19%. 59 argued that Coffee has become the sole source of income to different households which has improved on their general welfare, 10 assert that the production of coffee has enabled establishment of small scale factories which have acted as source of employment to people especially the youth and these were made up a negligible percentage of 3%, 62 said that through incomes earned in coffee growing, farmers have managed to take their children to higher institutions of learning which has enabled them to get higher academic qualifications while the remaining 15% said that growing of coffee has stimulated diversification from growing food crops only to growing of coffee which has enhanced the levels of income of the people. The observation here is that a larger proportion of the respondents were agreed that growing of coffee has contributed a lot to the creation of employment opportunities and incomes of the people. These findings are in line with James (2014) who in his study asserted that around 125 million people depend on coffee for their livelihoods worldwide through the generated income and provision of the much needed rural employment for both men and women in the labour intensive production and harvesting processes. In Ethiopia, nearly a fifth of the population depends on coffee for their livelihood and employment. Also Appleton (2012) warns that the importance of coffee to poverty among households can be reduced in situations of a drastic fall in coffee prices like the 1999-2004 coffee crisis when the price of Arabica plummet to 45 cents a pound (a 30-year lowest price). This had devastating social, economic and political consequences for countries throughout Africa, Asia and Latin America. Export earnings fell from around \$10bn to \$6bn thus reducing rural incomes and trapping coffee farmers and their families into poverty.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSSION AND RECOMMENDATIONS OF THE STUDY

5.0 Introduction

This chapter presents the critical observations from the findings, conclusions and recommendations in line with the objectives of the study.

5.1 Summary of major Findings

The study was conducted on the contribution of coffee growing on households economic welfare, a case study of Bushenyi District Local Government. Questionnaires were designed for the respondents to fill in and there after data was checked, edited and coded. It was then entered in computer software SPSS where different tables and graphs were generated and analyzed. The objectives of the study were to examine the contribution of coffee growing to the Health status of the people in Bushenyi District, to find out whether coffee growing has contributed to the education level in Bushenyi District. And to establish whether coffee growing has improved on people's employment and income in Bushenyi District. It was discovered that the coefficient of coffee growing (0.78888738) implied that a unit increase in the production of coffee will on average lead to 0.78888738 increases in the dependent variable which is health status. And also since the P- value (0.0027) is less than 0.05 the confidence level rejects the null hypothesis and concluded that that Health status of the people is dependent on coffee growing. It was also discovered that the coefficient of coffee growing (0.233121) implied that a unit increase in the production of coffee will on average lead to 0.233121 increases in the dependent variable which is education level and also since the P- value (0.0001) is less than 0.05 the confidence level, we rejected the null hypothesis and conclude with the alternative that education level of the respondents is dependent of coffee growing. It was also discovered that Parents have been in position to pay school fees to their children, 8 said that Jobs have been created to people when employed to work in coffee gardens, 9 suggested that Coffee has become the sole source of income to different households which has improved on their general welfare, and 3 suggested that the production of coffee has enabled establishment of small scale factories which have acted as source of employment to people especially the youth.

5.2 Conclusion

The following conclusions were drawn as a result of the research work carried out on the contribution of coffee growing on households' economic welfare, a case study of Bushenyi district.

The contribution of coffee growing to the Health status of the people

In conclusion therefore, the coefficient of coffee growing (0.233121) implied that a unit increase in the production of coffee on average leads to 0.233121 increases in the education level therefore coffee growing significantly influences the education level of the people.

The contribution of coffee growing to the education level of people

The coefficient of coffee growing (0.78888738) implied that a unit increase in the production of coffee on average leads to 0.78888738 increases in the health status of the rural dwellers. And also since the P- value (0.0027) is less than 0.05 the confidence level, we reject the null hypothesis and conclude with the alternative that Health status of the people is dependent on coffee growing.

The contribution of coffee growing on people's employment and income

The contribution of coffee growing on employment and peoples income includes; Parents have been in position to pay school fees, Jobs have been created to people when employed to work in coffee gardens, Coffee has become the sole source of income to different households which has improved on their general welfare and that the production of coffee has enabled establishment of small scale factories which have acted as source of employment to people especially the youth.

5.3 Recommendations

Basing on the study findings and the conclusions, the researcher derived the following recommendations.

The researcher recommends that the Government should increase on the budget allocation on agriculture since most of the rural people depend on agriculture as their sole economic activity. This will improve on the welfare of rural people. The Government through the ministry of trade should widen the market by creating international markets for farmers in Uganda for as this will improve on the prices of Ugandan coffee and the incomes of the rural people which will give farmers ability to pay school fees for their children.

The Government should provide improved coffee seed varieties to the coffee farmers in an attempt to improve the quality of coffee so that Uganda's coffee can compete favorably with other countries selling coffee in the world market.

5.4 Area for Further Research

The researcher recommends that further research should be conducted on;

- > The contribution of coffee growing on Uganda's Gross Domestic Product.
- > The impact of coffee growing on industrial growth in Uganda
- > Factors influencing coffee growing in Uganda.

REFERENCES

Agriculture Sector Development Strategy and Investment Plan (2010/2011 - 2014/2015).

Alternative growth scenario for Ugandan coffee to 2020 – Intenational Food Policy Research Institute, February 2003.

Appleton, S. (2012) 'Changes in poverty and inequality'. Uganda's recovery. The role of firms, farms, and government. Washington D.C.: World Bank.

Appleton, S. (2013), Poverty reduction during growth: The case of Uganda, 1992-2012'. Under

Collier, P. (2012). The future of perennial crops: Development research group, the World Bank.

Deininger, K. (2013), 'Growth and poverty reduction in Uganda, 1992-2012: Panel data evidence'. Development Policy Review 21 (3): 481-509.

FAOSTAT. (2013). Diversification by smallholder farmers: Vietnam Robusta coffee

Dorosh, P. (2003), Technical Change, Market Incentives and Rural Income: A CGE Analysis of Uganda's Agriculture. Paper presented at the 25thInternational Conference of Agricultural Economists (IAAE), Durban.

IFPRI. (2012). Final report on coffee baseline report: Sokoine University of Agriculture, and Tanzania coffee Research Institute (TaCRI).

Hella, J et al. (2005): Fair trade and coffee: Commodity briefing

Henstridge, M. (2014). Exchange Reforms, Stabilization, and Fiscal Management.

Hill.R. (2005), Selling at the Farm Gate or Traveling to the Market. American Journal of Agricultural Economics (forthcoming).

Ichino A. (2011). Impact of liberalization on Agriculture and food security in Uganda.

James, K (2014), Assessing the impact of agricultural research on poverty using the Sustainable Livelihoods Framework: IFPRI discussion paper brief.

James. K (2013), Impact of farmer field schools on agricultural productivity and poverty in East Africa.

Kappel. R. (2011), Uganda: No More Pro-Poor Growth? Development Policy Review, 23 (1): 27-53.

Krivonos. E. (2004), The Impact of Coffee Market Reforms on Producer Prices and Price

Lindsey, G.S. (2009). Causality and comparative advantage: Vietnam's role in the post - ICA

Lwanga, M. (2013), Poverty reduction during growth: The case of Uganda, 1992-2012.

Nsibira, R.W. (2012). The Transmission of International Commodity Prices to Domestic Producers. Centre for the Study of African Economies (CSAE) Working Paper 2003-14, University of Oxford.

Opoku (2014), tea cropping robusta coffee with some edible crops in Ghana: Agronomic performance and economic returns.

Reinikka, P. (2013), Uganda's Recovery: The Role of Farms, Firms and Government in Coffee production .The World Bank, Washington, D.C.

revision for the Review of Income and Wealth.

Sustainable Livelihoods Guidance Sheets.FAO. (2007).

Suzan . J (2010): Benefit – Cost Analysis of Uganda's clonal coffee replanting program: An exante analysis.

The National Coffee Policy - August, 2013.

Transmission. World Bank Policy Research Working Paper 3358.

Uganda national report for the implementation of program of action for the Least Developed Countries for the decade 2001-2012.

Verschoor, A. (2011). <u>The Role of the 1994/1995 Coffee Boom in Uganda's Recovery</u>. Sheffield Economic Research Paper Series, University of Sheffield.

Five Theories of Welfare Economics. An Evaluation

Irshad CV (2016)

APPENDICES Introductory Letter



Ggaba Road, Kansanga* PO BOX 20000 Kampala, Uganda Tet: +256 700292329, Fax: +256 (0) 41 - 501 974 E-mail: aine.rosette@kiu.ac.ug,

* Website: http://www.kiu.ac.ug

COLLEGE OF HUMANITIES AND SOCIAL SCIENCES DEPARTMENT OF DEVELOPMENT, PEACE AND CONFLICT STUDIES

August 28th 2019

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RE: INTRODUCTION LETTER FOR KOMUGISHA ANAH REG NO: 1163-06044-08235

The above mentioned candidate is a bonafide student of Kampala International University pursuing a Bachelor's Degree in Development Studies.

She is currently conducting a field research for her dissertation entitled "Impact of Coffee growing on Economic welfare and Development in Bushenyi District".

Your organisation has been identified as a valuable source of information pertaining to her Research Project. The purpose of this letter then is to request you to accept and avail her with the pertinent information she may need.

Any data shared with her will be used for academic purposes only and shall be kept with utmost confidentiality.

Any assistance rendered to her will be highly appreciated.

Yours faithfully,

.- (-

Dr.Susan Head d妇

nent 2019

& SOCIAL SCIENCES

QUESTIONNAIRE (For Farmers)

Dear respondents,

My name is Komugisha Annah, a student of Kampala International University pursuing a Bachelor's degree in Development studies. Iam conducting a research study on the topic; The Impact of Coffee growing on Economic Development in Bushenyi District. The study is absolutely for academic purposes and all the information provided will be kept confidential. I thank you in advance for your maximum cooperation.

You are kindly requested to **tick** the most appropriate answer or give your opinion where necessary.

Tick appropriate opinion and fill in where required.

SECTION A (Demographic Information)

Put a tick on the right optio	n				
1. Age of the respondent					
20 - 29 30-39		40- 49		50 and above	.
2. Gender of the responden	t				
Male			Fema	le	
3. Respondent's level of e	ducation				
Primary level		Seco	ondary le	vel	
Tertiary Level		No	ot educate	ed	
Any other					
4. What is your level of in	ncome?				

50,000 - 100,000		150,000	0 – 200,000		
300,000 - 400,000		500,00	00 and Above		
	1				
5. Marital status of the	e respondent.				
Married		Single			
Widowed		Others			
SECTION B (The co	ontribution of coffee	growing to	the household's	health)	
6. Do you have any o	ther economic activit	y apart from	Coffee growing?		
Yes		No]	
7. If yes which other	economic activity is	it?			
					,
8. What is the distance	ce of your home from	the health co	enter (in Km)?		
			,		
9. Are you in position	n to access medication	on from Healt	h centres?		
Yes			No		
10. If yes, has this be	een possible because	of the introdu	uction of coffee g	rowing?	
Yes			No		

ow coffee grov	wing has in	nproved on	the health co	nditions of your
on the contributi	on of coffee	growing or	n people's healtl	n.
•••••				
on of coffee gro	owing on the	education	of the farmer's	children)
does your hous	ehold have?			
		2 – 4 (Children	
	8	and above	children	
children are sch	ooling?			
source of school	l fees for yo	ur children	?	

how has coffe	e growing co	ontributed 1	o the education	level of the coffee
	ution of act	fee growing	on the level of	education acquired
	unon or cor	ice growiii	5 011 1110 10 101 01	
	on the contribution on of coffee ground does your house children are school how has coffee ton the contribution of the contrib	on the contribution of coffee on of coffee growing on the does your household have? Behildren are schooling? source of school fees for you how has coffee growing coffe	on the contribution of coffee growing or on of coffee growing on the education does your household have? 2-40 8 and above children are schooling? source of school fees for your children how has coffee growing contributed to the contribution of coffee growing contributed to the contribute	on the contribution of coffee growing on people's health on of coffee growing on the education of the farmer's does your household have? 2 - 4 Children 8 and above children

SECTION D (Contribution of coffee growing on the farmer's income)
18. Has coffee growing improved on your income levels?
Yes No
19. If yes, mention how this has been possible.
••••••
20. What are the challenges you face in growing coffee?
••••••
21. What do you think should be done to reduce the challenges faced by growers of coffee?
22. Any other comment on the contribution of coffee growing on the farmer's income?

END Thank you for your corporation

QUESTIONNAIRE (For Leaders)

Dear respondents, My name is Komugisha Annah, a student of Kampala International University pursuing a Bachelor's degree in Development studies. Iam conducting a research study on the topic; The Impact of Coffee growing on Economic Development in Bushenyi District. The study is absolutely for academic purposes and all the information provided will be kept confidential. I thank you in advance for your maximum cooperation. You are kindly requested to tick the most appropriate answer or give your opinion where necessary. Tick appropriate opinion and fill in where required.

SECTION A (Demographic Information)

Put a tick on the right option

1. Age of the respondent				
20 - 29 30-39 [40- 49		50 and above	
2. Gender of the respondent				
Male		Female		
3. Respondent's level of educat	ion			
Primary level	Secondary le	evel		
Tertiary Level	other			
4. Marital status of the responde	ent.			
Married	Single			
☐ Widowed	Other			

SECTION B (The contribution of coffee growing to the household's health) 1. Are residents from your area able to access health services 2. If yes, do you attribute this to growing of coffee in this area 3. Is there any other economic activity other than growing of coffee in this district How many kilometers is the health center from your home 5. How is government helping farmers growing coffee to improve in growing and marketing of coffee. SECTION C (Contribution of coffee growing on the education of the farmer's children) 18. Has the growing of coffee improved on the level of income of the people of Bushenyi District Local Government? No Yes 19. If yes, mention how this has been possible.

20. What challenges do farmers growing coffee in this district face?

21. What do you think should be the done to curb this situation?
22. Do you have any other information to share on the contribution of coffee growing on the farmer's income?
SECTION D (Contribution of coffee growing on the farmer's income)
18. Has coffee growing enhanced the level of income of farmers in your distric?
Yes No
19. If yes, mention how this has improved.
20. What challenges are faced by farmers in growing coffee in this area?
21. What do you recommend to be done so as to mitigate these challenges?
22. Do you have any additional information to give on the contribution of coffee growing on the farmers' income?

END Thank you for your corporation