

**PROBLEMS FACING SMALL FARMERS AND AGRICULTURAL
ENTREPRENEURS INSOMEVELLAGES OF DIYALA
GOVERNORATE**

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ABSTRACT

Small enterprises represent one of the economic sectors that many countries in the world are interested in. The study was conducted in five villages in Diyala Governorate, and field information was taken on the information through a random sample of 120 respondents from the 2400 research community .The results of the research showed that there were 13 problems were repeat the answer 3 which had a great influence on farmers with small agricultural enterprises. The average response to these problems ranged from 2.51 to the problems of the security situation and 2.02 to the problem of using old methods of production. These findings also confirmed that 4 problems have a moderate impact on stallholder farming enterprises The average response to these problems ranged from 1.97 to the problem of the high wages of hired labor and 1.87 to the problem of lack of legal cover for small enterprises. While there were 3 low - impact problems, their impact is weak and related 1 the average response to these problems ranged 1.77 the problem of the lack of awareness of the establishment of small-scale agriculture. The results show there is a significant correlation between the farmer`s opinions and both educational level and age.

Keywords: problem, farmers, proposals, entrepreneurs.

المشكلات التي تواجه المزارعين أصحاب المشاريع الزراعية في بعض قرى محافظة ديالى

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المستخلص

تمثل المشاريع الصغيرة إحدى القطاعات الاقتصادية التي تهتم بها كثير من دول العالم ، تم اجراء الدراسة في خمسة قرى بمحافظة ديالى ، تم جمع المعلومات الميدانية باستخدام استمارة الاستبيان من خلال عينة عشوائية بلغت 120 مبحوثاً من مجموع مجتمع البحث البالغ 2400 فرداً ، واطهرت نتائج البحث ان هناك 13 مشكلة كان المنوال لتكرار اجابه المبحوثين لها 3 أي انها لها تأثير كبير على المزارعين اصحاب المشاريع الزراعية الصغيرة وقد تراوح متوسط الاجابه لهذه المشكلات بين 2.51 لمشكلة الوضع الامني و 2.02 لمشكلة استخدام الوسائل القديمة بالإنتاج . كما اكدت هذه النتائج ان هناك 4 مشكلات كان المنوال لتكرار اجابه المبحوثين لها 2 أي انها لها تأثير متوسط على المزارعين اصحاب

المشاريع الزراعية الصغيرة . وقد تراوح متوسط الاجابه لهذه المشكلات بين 1.97 لمشكلة ارتفاع اجور العمالة المؤجرة المساعدة بالإنتاج و 1.87 لمشكلة عدم توفر غطاء قانوني للمشاريع الصغيرة . في حين كان هناك 3 مشكلات منخفضة التأثير أي ان تأثيرها ضعيف وبلغ منوالها 1 وتراوح متوسط الاجابه لهذه المشكلات 1.77 لمشكلة تعدد الجهات الرقابية و 1.60 لمشكلة عدم الوعي بأهمية اقامة المشروعات الزراعية الصغيرة. مما يشير الى حجم تلك المشكلات ، وتبين وجود علاقة ارتباط معنوية بين اراء المزارعين اصحاب تلك المشاريع وكل من التعليم والعمر .

الكلمات المفتاحية : المشكلات ، الفلاحين ، المشاريع ، المقترحات

INTRODUCTION

Economic and social development in general ,and agricultural development in particular ,are a necessity and a duty for the upliftment of rural communities which are the fundamental pillars developing countries and achieving rural development through various methods and means including small-scale agricultural enterprises which has emerged in recent years as a means of creating jobs in the community and diversifying sources of income is better able to meet many of the commodity and service needs agricultural enterprise (Thorston, 2003) , also helps to stop rural-urban migration and contributes to reducing the burden of state budgets (Omer, 2013) therefore, most countries have paid increased attention to these projects and have provided them with aid and assistance ,as they have been able and lost to address the problem of the main economic institutions facing the state economy (Almahrq, 2006) and agricultural extension is one of the most important development systems in the rural community, it seeks to solve problems facing farmers and present service to raise their economic and social level (Abu Al-Saud, 2008).

Agricultural production in Iraq suffers from inadequate and capacity to meet the growing food needs from abroad and in hard currency, this is a heavy burden on the overall state budget (Abraham, 2014) and small enterprises are defined as those projects to be managed by the owners in a personal and local nature, and as fully regulated by the local resources in there development (Alexandr, 2000), it can also be defined as the business that managed or occupied by the number of workers who need little capital compared to large projects (Berkowiz,1999). Small projects can include three basic elements, namely, material resources and human resources, profits, where the small projects originate from the pooling of these resources and are amen to improve income and increase development (Hatten, 2003) defines (pigment, 1994). The small agricultural project as a project that relies on simple agricultural techniques and is the owner of the

projects is the manager and the main factor of time and identifies the most important features of these projects in that they are done at home or beside it does not require specialized technical or managerial expertise. The financial system relies on primary calculations simple product and requires limited capital the capital cycle is fast, uses mostly local resources and relies on a small number of auxiliary workers and the product is often marketed locally, and this definition incorporates most of the criteria that illustrate the concepts of small-scale agricultural projects and from studies on small –scale projects (Suleiman, 2004) entitled development problems in small – scale projects, where the researcher analyzed the reality of small projects and the main problems they faced ,and concluded the need for a new banking formula to deal with small enterprises ,as indicated in the study ,to reconsider the tax bases and legislation imposed on these projects and government support for them and see (Mrtje, 2004) that. projects suffer from several problem including lack of expertise inadequate management or competition from major projects lack of adequate funding the develop countries have relied on small enterprises for their economic growth and the Japanese have relied on small enterprises for their economic develop and support such projects provide interest -free loans ,grant payment facilities as well as the Canadian experience a awarded the owners of such project have export capabilities develop their methods of production, motivate their owners to apply modern techniques and remove unnecessary government regulatory restrictions that hinders the growth of small enterprises (Sagra , 2004) filed studies in candy have found that small and medium – sized enterprises (SEMs) have taken greater the largest technology in the field and in advertising and the most overlooked and appropriate equipment with the sector in which it is located (Qawiea, 1997), has become strong reliance on the impartment of the role that small enterprises play as the so source of initiative .creativity and networking ,they are creating product products and processes new and they are offer small in size at the beginning of their activity and then grow rapidly as they have proved successful. (Eyrwi, 2002) the number of small enterprises in developed countries has doubled accounting for 90 % of the number of existing economic projects in the world and work between 50 to 60% of the total labor force and contribute more than 70% of the global production of goods and services (Janeiy, 2004) that the development small projects are key to the recovery of development strategies for many economic projects that compete with each other and small enterprises will be the best in the long run of their competitors (Schermer, 2006) the importance of these projects has been highlighted by the views of smallpox

entrepreneurs to problems faced by small enterprises as well as their proposals to overcome those problem, leading to the success of these projects in aching their objectives, the Diyala governorate has been chosen in these research at it from the governorate contain many small agricultural projects and that its production supplying money other governorates.

The problem of research and its importance

Iraq suffers from several economic problems that have led to its inability to promote real and small -scale agricultural project, one of the economic trends that most countries are pursuing in solving economic problems, they have an active role in increasing income, creating a new job, achieving self-sufficiency, and facing small business farmers have a lot of problems with these projects and therefore it is necessary to identify the views of these farmers the impact of those problems on them and their proposals to overcome them in order to bring them to the officials to address them so that they can survive and develop those projects.

Search objectives

1. Identify the views of smallholder farmers about the problems facing their projects in Diyala governorate.
2. Identify the correlation between the views of smallholder farmers and some of the following independent variables (age, education, level).
3. Identify small business farmers' proposals to overcome these problems.

MATERIALS AND METHODS

Research methodology

Use the descriptive analysis method as a search methodology to provide the truth about the issue of the search to ensure that it is clearly defined and that appropriate solutions and proposals are developed to address those problems and used to analyze the data statistically.

Percentage, an average of the correlation coefficient in the law (safety et al., 2007).

$$\text{pearson link coefficient} = \frac{\Sigma Xy - \frac{\Sigma X \times \Sigma y}{n}}{\sqrt{\Sigma X^2 - \frac{(\Sigma X)^2}{n}} \sqrt{\Sigma y^2 - \frac{(\Sigma y)^2}{n}}}$$

$$\text{RnB Correlation coefficient} = 1 - \left| \frac{6\Sigma d^2}{n(n^2 - 1)} \right|$$

The problems were measured using are in and arranged into three levels high effect, middle effect, low effect according to an average degree.

Population and sample search

The research included stallholder farmers who benefited from agricultural loans and identified research village based on the basis of the presence of agricultural projects in which they were implemented. According to those determinants, the search was conducted in 5 villages to cover most of the areas, and to achieve the search objectives, a random sample of 5% was selected of the total project owners using the records of the agricultural bank, the size of the sample selected (120) was related to the following villages (20) wasp ;(20) Dokhoff,(17) Happiness,(21) broken border, and (22) Fatimid.

Data collection

For the purpose of collecting data from the respondents ,a three -part questionnaire has been prepared which related to information on certain personal characteristics of the respondents (age , education (age was measured by the number of years considered at the time of data collection and given one grade per year and education was measured at levels) University ,prep school ,medieme ,elementry ,reading and writing .illiterate these levels have been allocated to grades (1, 2, 3, 4, 5, and 0) the second part of the form contained a number of paragraphs each expressing a problem identified by informing the research about the literature the views of a group of specialists (20) paragraphs and the use of a three-tire measure were (high, medium effect , low , where he gave the three degrees of responsiveness to the problems as high-impact two degrees of medium – impact response and one degree of low-impact answer the

third part of the form included the proposal of the respondents to overcome the problems of small – scale agricultural projects after completing the form in its initial form some specialists were offered to ensure content and face and based on their observations the items were deleted ,modified and drafted to make them fit to achieve the search objective then the pre-test form was selected on a sample size (30) and the constant coefficient of the scale (0.85 the power factor (0.93) indicates the high persistency of the scale and its items .

RESULTS AND DISCUSSION

First the views of small -scale farmers on the problems they have in their participation

1. High-impact problems: the results in table 1 showed that thirteen problems were the same for repeating the respondents. Her (3) that the problem has a significant impact on small business farmers or the average response to these problems has ranged from (2.51,-2.02 for thirteen problems: security factor lack of personal funds, lack of knowledge of the markets through which the product can be marketed, taxes and fees on the ground lack of tax exemption, weak extension services and provide information having foreign competition for legitimate products lack technical assistance for the work of the project, low capacity and knowledge of the use of modern methods of production of the projects.
2. Medium- impact problems: the results of the research show that there are for, the problem that were the same as the repetition of the respondents (2) that is „the problem has a moderate impact on farmers with small agricultural enterprises .the average response to these problems ranged from (1.97.-1.87) To four issues: The wages of leased labor are aided by the project, the use of old methods of production „lack of skilled workers and peasants and the legal cover for small-scale agricultural projects.
3. Low impact problems: the results indicated that three problems were of a similar value to the repletion of their respondents (1). That is it has a low impact on farmers with these projects, the average response to these problems ranged between (1.77-1.50) and these are the multiplicity of regulators,, lack of knowledge of project procedures lack awareness of the importance of small –scale agricultural projects.

These findings generally confirm the magnitude of the problems that hinder efforts to develop the solution.

Table 1. Iterations of stallholder farmers' responses to the problems of such projects and similar. (c)Medium-term problems

Mean	The problems	Average	The mode
1	Security factor	3.00	2.51
2	Lack of electricity services	3.00	2.41
3	Small Loan Amount	3.00	2.31
4	procedures for (obtaining) a loan and guarantee	3.00	2.26
5	Lack of personal funds	3.00	2.31
6	Lack of knowledge of the markets through which the product can be marketed	3.00	2.22
7	High taxes and fees on the ground and no tax exemption	3.00	2.21
8	The weakness of extension services and provision of information	3.00	2.14
9	The existence of foreign competition for projects products	3.00	2.12
10	Unavailability of technical assistance for project work	3.00	2.11
11	Inability and knowledge to use modern methods of production	3.00	2.08
12	Lack of repayment period of the loan granted	3.00	2.07
13	Use of old methods of production by project	3.00	2.02
14	Higher wages for rented labor in the project	2.00	1.97
15	Difficulty obtaining the necessary production inputs for the operation of the project	2.00	1.92
16	Lack of skilled workers and peasants	2.00	1.88
17	Weak legal cover for small -scale agricultural projects	2.00	1.87
18	Multiplicity of regulators	1.00	1.77
19	Lack of knowledge of project construction procedures	1.00	1.62
20	Poor awareness of the importance of small- scale agricultural projects	1.00	1.60

Second to determine the correlation between the views of small-scale agricultural entrepreneurs and the problems faced by these farmers and some independent variables related to them.

A. Age

In the distribution of the respondents according to Age groups, the proportion of the age group (50-55) is higher, with a rate of 22% being the same as in table 2 While the age group(20-25) came to a minimum of 7% it was found that there was a positive correlation between the views of small agricultural entrepreneurs towards the problems encountered and age where the value the simple correlation coefficient (person) (0.43) this means that because of the time spent on agricultural production, a large -age farmer has the experience and knowledge of the problems related to small enterprises.

Table 2. Distribution of stallholder farmers according to age groups and their relationship to their views on problems in such projects

Mean	Categories	The number	Percentage	Link coefficient value	Significant level
1	25-20	8	%17	0.43	Significant at the probability level (0.01)
2	31-26	12	%22		
3	37-32	14	%28		
4	43-38	19	%18		
5	49-44	24	%12		
6	55-50	26	%3		
7	56- more	17			
Total			%100		

B. Educational level

In the distribution of the respondents according to scientific attainments, a proportion (17%) of smallholder farmers are still illiterate. A high proportion requires intensive efforts between agricultural extension and educational institutions to teach them and the proportion of those who read and write 22% and it turns out that there are 28% of the respondents have an elementary certificate, and the middle class (19%) came and the middle - class B(12%) college class B (3%) these are lowest percentages.

There was a positive correlation between the views of smallholder farmers on the problems they face and their level of education, the value of the correlation coefficient (0.23) is a moral at the level of 0.05, which means that increased educational attainment leads to an increase in the ability or potential of farmers small project in identifying problems and their impact.

Table 3. Distribution of smallholder farmers according to their level of education and their relationship to their views on the problems of small enterprises

Mean	Categories	The number	Percentage	Link coefficient value	significant level
1	illiterate	20	%17	0.23	significant at a probability level (0.05)
2	Reads and writes	26	%22		
3	elementary	34	%28		
4	Medium	22	%18		
5	Prep	14	%12		
6	university	4	%3		
Total		120	%100		

Third: proposals by stallholder farmers to overcome the problems they face to guide the proposals of small –scale agricultural entrepreneurs to overcome the problems face projects the research indicated that are (12) proposals mentioned by the respondents at a rate ranging from (74.65%) and (40.12%) these proposals are ranked downward, as indicated in table 4.

The following is the treatment of the security situation (74.65%), the provision of electricity with government support (73.49%), the provision of soft loans (73.33%), the protection of small enterprises from the competition (71.66%).

Provision of some production requirements for the project (70.11%), giving the loan a chance to repay in case of project loss(68.98%).Development of an indicative information system (65.37%), reduction of collateral guarantees for the loan (53.34%), small busies Grants tax exemption (52.21%), simplified loan procedures (50.11%), the promulgation of the protection of small enterprises act (47.12%) seminars to solve the problems of smallholder farmers (40.12%).

Table 4. Arranging proposals for small -scale agricultural entrepreneurs to overcome the problems they face in these projects

Mean	Proposals of small entrepreneurs farmers	The number	percentage
1	Handing of the security situation	90	%65.74
2	Provision of electricity services with government support	88	%73.49
3	Provision of concessional loans	87	%73.33
4	Protecting small enterprises from competition	86	%71.66
5	Provide some production inputs for the agricultural project	84	%70.11
6	An opportunity to repay the loan in case of loss of agricultural project	83	%68.98
7	Development of a system of extension and tax information and laws to sensitize farmers	79	%65.37
8	Reduction of guarantees for the loan	72	%53.34
9	Micro-enterprise grants tax exemption	68	%52.21
10	Simplification of loan procedures	64	%50.11
11	Promulgation of law for the protection of small enterprises	57	%47.23
12	Worships to solve the problems of small – scale agricultural entrepreneurs	48	%40.12

CONCLUSIONS

1. The owners of small agricultural prospects suffer from a weak security as a pact and the lack protection necessary for their projects.
2. Lack of equipping small agricultural projects with the electric power needed to operate these projects.
3. The difficulty of obtaining loans for the owners of agriculture projects.
4. Week protection is needed for these projects from imported Products.

5. Lack of availability of necessary production requirements of small agricultural projects.
6. Not giving enough opportunity to repay the loan if the projects are lost.
7. Lack of interest in setting up an information system for the owners of these projects.
8. There is difficulty in providing the guarantees required to obtain a loan.
9. The weakness of laws related to the protection of small agricultural projects.
10. Week extension services are provided to them.

The main conclusion that can be drawn is that all the problems that have been posed to the farmers 'owners of the projects are problems that affect them which means there's a big flaw in those projects and these problems are related to many of those involved in such project as agricultural extension agricultural research other government agencies there is also a correlation between the views of these farmers and the age and level of education.

RECOMMENDATIONS

In light of the problems presented, the hinder the development of projects, it may be recommended this the following considerations be taken when presa for the development of projects:

1. Providing the basic infrastructure for these projects from public services, especially increasing the number of hours of supplying them with electricity, providing the necessary production requirements to them, and security Protection.
2. Facilitating conditions for granting loans and payment terms for the owners of those projects to grow and prosper.
3. Plan and implement extension programs for the owners of these projects and hold courses Training for them in management accounting, and developing capabilities and skills about these projects.
4. Establishing marketing out for small agricultural projects.
5. Establishing a service and maintenance center and providing spare for these projects.
6. Emphasis on encouraging the news of successful projects with material and moral support by agricultural exhibitions for them.

7. Greeting and advanced database in these projects that will be effective in making daily quailing decisions.
8. Conducting future studies on those prospects to develop them.
9. Increase taxes on the owners of these projects.
10. The existence of long and difficult procedures to obtain a loan for the project.
11. The weakness of law related to the protection of small agricultural projects.
12. Weak extension services provided to them.

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