

CO-OPERATIVE ORGANIZATIONS AS A MEANS OF POVERTY ALLEVIATION AND RURAL COMMUNITY DEVELOPMENT IN NIGERIA

Maria Chinecherem Uzonwanne

Department of Economics, Nnamdi Azikiwe University, Awka, Anambra State, Nigeria

mc.uzonwanne@unizik.edu.ng; onyiifisayo@yahoo.com

Abstract

The importance of co-operative organization for rural community development has been declared highly important by many scholars in the developed countries. It is on the basis of this, that the objective of this paper is to examine the role of co-operative organization towards poverty alleviation in rural community in Nigeria. It goes further to assess the effort made by the co-operative organization in Nigeria, more specifically in ideato local government area of Imo State to bring about real development at the grassroots level. In attempt to do this, clarification of concepts like development, community development, co-operative organization was carried out. The study employed collective active theory and Talcott Parson's Theory of AGIL (social needs) as well as some empirical review. Primary and secondary data were collected and analyzed with descriptive statistics. At the end, the study recommends that the cooperative organizations in the rural community areas should be accorded more recognition in terms of budgetary provisions and provision of social and economic amenities by the Nigerian government so as to enable them function adequately and attain their objectives, mission, and vision on rural community development since over 70% of Nigerian population live in the rural community areas and produce the greatest wealth of the nation through agricultural production.

Keywords: Co-operative Organization, Rural Community, Development, Poverty Alliviation, Collective Action

INTRODUCTION

Co-operative organization as defined by Okeke, et al (2001) are institutions within whose framework co-operators or joint activities by people take place in a formalized deliberate social and economic sphere of human endeavor for socioeconomic development. Okeke, (2001) identified salient features of co-operative organizations as an association of free and independent persons that is voluntary, joint actions for their mutual benefits on equitable and democratic basis, existence of a business enterprise and the promotion of economics interest of members and its societies at large.

Cooperative organizations exist within any aspects of our economy, so long as there is felt need and willingness amongst the people to cooperate. There are therefore various types of cooperative organization in Nigeria prominent among which are: Agricultural cooperative, Consumers cooperatives and Cooperative thrift and loan societies. Cooperative organization can also be defined as a business organization where various entrepreneur cooperators pool their resources together with view of making profit for their own sustainability and economic survival such as the cooperative thrift and loan societies.

The international labour organization (ILO, 1988) defines cooperatives as an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled business organizations, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the participation. For Anyanwu (1997) it is a family of people who unite with equal rights and equal duties, to overcome the difficulties that affect them all, working together for their economic and social advantages and sharing the business risks, they run an enterprise to which they delegate the economic function according to their common needs as producers and consumers.

A widely used definition of a co-operative is: a business organization that is owned by those who use its services, the control of which rests equally with all its members, and the surplus earnings of which are divided among the members in proportion to the use they make of its services (Alexander F.L, 1962). A co-operative could also be defined as an autonomous association of people that unite voluntarily to answer to their own necessities, economically, socially, and cultural aspiration through a collective enterprise democratically checked. Jerry, V. (1964), in his own explanation, states that a co-operative; “is made up of a group of people faced with common needs, who decide that the best or only way to meet their need is by organizing a new business to supply it directly to themselves. This that group of people do by joining voluntarily to pool their capital investment and thus to own, control, and patronize their own enterprise”.

Co-operative organization started in Nigeria in the early 1930s with the enactment of the co-operative society law in 1935. The law followed the submission of Strickland report in April 1945. Strickland was commissioned in 1933 by then Government of the colony and protectorate of Nigeria to advise her on the feasibility of introducing co-operative societies in Nigeria. There were some attempts by indigenous with similar aims prior to the colonial attempt. Those associations include the Ibadan Agricultural Society of 1904, the Agega Planters Union of 1907 and the Egba Farmers Association of 1910. These associations were organized mainly in coca growing areas of Nigeria (Mamser 1989).

The aim of introducing co-operative organization in Nigeria according to Strickland was "...not only a matter of increased or improved crops, nor even of increased credit to cultivators who wanted to change their farming methods... but it is also a question of urban and rural thrift of co-operative building, of labour contractors, afforestation and prevention of erosion and the preservation and expansion of handicraft of the supply of electric light, the organization of individuals for a better diet, for precaution against diseases and for sanitary measures in towns and country of the extension of education and of group agreements for the removal of social evils and the spreading of better customs. As may be seen, co-operatives were expected to be introduced in all the spheres of the people's lives in Nigeria.

Hence, the value of co-operative as an effective channel of rural transformation is widely recognized in advanced and less developed countries of the world. In Nigeria for instance, one of the government objectives state the need for the use of co-operative societies, particularly for socio-economic development of rural areas.

Co-operatives organizations have some essential features for which they are known. They include: (1) The co-operative organization consist of a group of people who come together to do something they cannot do very well as individuals. (2) They aim at providing some services that are necessary and very desirable in the lives of the people concerned. (3) They operate on the basis of self-help, that the people involved look towards themselves as a group for the solution of their problems. (4) A co-operative from the origin of their foundation does business from the motive of service, and not for the purpose of making a profit. Their objectives are as follows: (1) They aim at providing goods and services at all cost. (2) They aim at eliminating the unnecessary profits of middlemen in trade and commerce. (3) They seek to prevent the exploitation of the weaker members of the society (4) They aim at protecting the rights of people, both as producers and consumers. (5) They promote mutual understanding and education among their members, and, in the long run, among people generally.

Now, the matter remains whether the cooperative organizations in Nigeria has really recognized this indispensable role they play for rural community development. Therefore, this

author would like to see what possible means are open to alleviate poverty in rural community in Ideato Local Government of Imo State to attain development, through cooperative organizations.

Problem Statement

Poverty rate in the rural area of Nigeria is relatively higher in percentage than poverty level in urban cities. Range of income earning and savings are ways of rating one's economic stand. Nigeria as a country has been trying to make some impact in poverty reduction by launching poverty reduction programs but this impact seems not noticeable. Experience has shown that basically there is gap between rural and urban poverty level. The disparity is widening every day. Growing income inequality, economic vulnerability to external shocks, persistence of poverty, inadequate food supply to the teeming population, little or no access to drinking water, illiteracy, inability to take right decisions, to negotiate terms of trade, rigorous process in registering cooperatives, inadequate funds for registered cooperatives, endemic corruption, and bureaucratic bottle necks within the government agencies responsible for cooperative societies/ organizations, floating of flamboyant programs that are not sustainable that serve as a means of catering away funds meant for cooperative organizations are factors that militate against the aim and objectives of cooperative organizations and as such increases the indices of poverty.

The incidence of poverty in Nigeria for instance was put at 28.8% in 1980, 46.3% in 1985, 42.7% in 1992 and 65.6% in 1996. In 2008, estimates from the National Bureau of Statistics put incidence of poverty at 54.4% (Fakoya et al 2010).

Table 1: Prevalence of Poverty in Nigeria from 1980-2010

	1980	1985	1992	1996	2004	2010
Sector						
Urban	17.2	37.8	37.5	58.2	43.2	61.8
Rural	28.3	51.4	46.0	69.3	63.3	73.2
Total	28.1	46.3	42.7	65.6	54.4	69.0

Source: National Bureau Statistics, Nigeria 2012

The incidence of poverty in rural communities unfortunately has its implications and could lead to a lot of things such as rural depopulation, over-population and migration to urban areas, overcrowding and over use of urban facilities such as schools, hospitals and roads, high rate of unemployment, widespread of crime, such as armed robbery, hard drug pushing, cultism and other forms of deviant behaviour. Hence, these problems have in one way or the other affected

labour output in rural communities and affected as well agricultural productions as rural areas are left with the older generations

The paradox of Nigeria's poverty rate could be termed a misnomer as our bountiful natural endowments cannot be equated with our unprecedented poverty level. Many programmes have been targeted by the Nigerian Government to eradicate poverty and improve the lives of the people, such as Operation Feed the Nation (OFN), Green Revolution, Structural Adjustment Programme, Better Life Programme and Family Support Programme, National Directorate of Employment (NDE), Directorate of Food, Roads and Rural Infrastructure (DFRRI), National Poverty Eradication Programme (NAPEP) and National Economic Empowerment and Development Strategy (NEEDS). With all these programmes unfortunately, the quality of life of majority of Nigerians had remained unenviable and embarrassingly low, despite the huge budgetary allocations by these governments to these poverty alleviation programmes (Orji 2005). Hence, there is a need to identify other means of addressing the serious damage caused by poverty to the Nigerian society, attention should therefore be shifted to the use of self-help using Co-operative organizations formed and administered by the people themselves.

Co-operatives have been dedicated to conducting business in a way now being recommended as the most effective route to transformational development in reducing poverty in rural community. Empowering people to be in-charge of their own destinies, helping them to be change agents to their communities; making them to be part of decision making, making them to be accountable through democratic participation; providing them with a profitable connection to the private sector, motivating them to build and protect assets at the community level and helping them to work together to resolve problems that are paramount in fighting and reducing poverty.

This situation therefore calls for close examination in order to overcome the poverty problem especially those that exist in Ideato local government of Imo State in Nigeria.

THEORETICAL LITERATURE

There are many theories behind the co-operative organization as a means of alleviating poverty in rural areas in Nigeria, for this reason this study focused its attention to only two theories that are beneficial to the work. They are collective active theory and Talcott Parsons' Theory of AGIL.

The Collective Active Theory

Collective active theory was propounded by Marshall in (1998). The theory states that individuals under certain institutional arrangements and shared norms are capable of organizing

and sustaining co-operation that advances the common interest of the group in which they belong. This line of thought recognizes that human beings can organize and govern themselves based on appropriate institutional arrangements and mutual agreements in a community of understanding. The theory of collective action is not restricted to a particular phenomenon and can be related to groups, organizations, agencies and even community action. For Marshall, collective action is an action taken by a group (either directly or indirectly through an organization) in pursuit of members perceived share interest especially in reducing any economic problem affecting them as a community. He saw it also as a voluntary action taken by a group to achieve common interest which helps in reducing negative externalities in providing there rural or local public goods or services since they address the needs of the people. It brings a lot of positive impact on the society, for instance, poverty inequities could be bridge, and livelihood for marginalized and voluble group like the elderly and widow etc could be improved. Hence this theory finds its rightful place in this paper.

Talcott Parsons' Theory of AGIL

It is noteworthy that Parsons, who was a student of Malinowski at London School of Economics during the mid-1920s, was deeply impressed by the latter's conceptualization of social needs according to Malinowski in 1944 when he identified a number of distinctive biological, cultural and social needs, all of which he regarded as indispensable. He identified the four basic social needs as: (1) production and distribution, (2) social control and regulation, (3) education and socialization, and (4) political organization and integration.

Talcott Parsons Theory of AGIL tried to retain these four needs in much altered form in his own AGIL scheme. The famous AGIL posits that societies have certain basic *needs* that must be met. Therefore, the 'function' of a particular social institution is the positive contribution that it makes to that society as a whole. Moreover, if the societies are to persist and maintain themselves in some form of recognizable continuity, they must fulfil certain requirements. If these functional requisites, which are said to be fundamental to all societies, are not satisfied, the society in question will experience social dysfunctions in the form of extinction, disequilibrium, disintegration and so on (Trevino, 2005).

The following is Parsons' explanation of the AGIL: - *Adaptation and Goal Attainment*: these deal with *instrumental* actions and concern the social system's relations with its external environment, including its physical milieu, the bodily needs of its members, and other social systems with which it must contend. - *Integration and Latent Pattern Maintenance*: these deal with *expressive* actions and have to do with the social system's internal organization as a human group of socialized persons with commitment in interaction.

The 'A' function, *adaptation*, is an external environmental problem that refers to the processes through which the social system such as co-operative organization, procures and subsequently distributes, the resources it requires for its activities. The 'G' function, *goal-attainment*, is an external environmental problem that refers to the social system's formulation of goals and the motivation and mobilization of resources directed to achieving those goals. The 'I' function, *integration*, is an internal organizational problem concerned with processes that ensure the coordination of various relations that make up the social system for the purpose of producing an organization that can prevent or withstand major conflictual disruptions that the system may face. Finally, the 'L' function, *latent pattern-maintenance/tension management*, is an internal organizational problem that refers to the processes whereby the social system maintains normative patterns and manages the strains and tensions of actors. According to Parsons, any action system, if it is to preserve its equilibrium, will meet these, and only these four functional requisites (Trevino, 2005).

In applying the AGIL scheme to social system according to Bortolini, (2007) Parsons notes that although each of the functional requisites has many implications for the social system as a whole, they nonetheless tend to have primary functional significance for specific subsystems. Thus, the adaptation functions, given the roles and institutions on which it depends (co-operative organizations), has economic significance. The goal-attainment function, with its structural units of chiefdom, government or private, comprises the 'polity'. The integrative function, creating as it does a sense of cohesion and solidarity among members of the social system, forms the 'integrative subsystem' (later, societal community) of a society, while the latent pattern-maintenance/tension-management function, which, through the process of socialization, serves to maintain the fundamental value patterns of the social system (Trevino, 2005).

These four subsystems, according to Parsons, are analytically distinct from each other. They are interrelated and interdependent in many ways, and they are aids for thinking about how systems like Co-operative organizations can function effectively and reduce poverty in rural areas of Nigeria hence ensuring economic growth or stability.

This study has filled a gap by employing these two great theories to show the relationship that exist between cooperative organization and rural community development. Specifically, collective action theory demonstrated the positive or economic impact of actions taken by group of people who understands the implication and effects of poverty on a nation and hence, desire to eliminate or reduce it by teaching the people the need to come together and alleviate their problem through learning by watching, learning by investment and learning by doing what the government cannot help them to do. Parsons' AGIL theory on its own side is

based on the fact that it has enumerated the necessary requirements for the better functioning of a system like co-operative organizations in rural community as a means for poverty alleviation and rural community development. If the co-operative organization exist and do not have a better functioning system, then its objective, aim or goal cannot be achieved. Hence these two growth theory emphasises the need for people to come together and develop new ideas that will help them solve their problem as it yields a long-run economic growth for community and the nation at large.

Finally the study has also filled a gap because no known study has ever employed the two theories at the same time to explain the benefits of co-operative organization for rural community development in Nigeria.

Empirical Literature

Aigbokhan (2000) in a research carried out found out that “an increasing number of Nigerians were living in absolute poverty between 1985 and 1996. It was 38% in 1985, 43% in 1992 and 47% in 1996. Poverty is higher in rural areas than in urban areas”. Also it has been shown that there are major gains to be made in reducing poverty by focusing on development programs such as cooperative organizations.

Aniebonam, G.C. (2012) in a research which he carried out on the role of co-operative organization in development of secondary schools in Delta State, by using descriptive survey research design and a population of hundred and forty two head teachers in Delta State, discovered that co-operative organization has a great role to play in the development of secondary schools in Delta State.

In a study of the human resource capacities of agricultural cooperatives, Geotz (2003) wrote that cooperatives are the best suited institutions for economic and rural development.

Babalola and Ayemi (2009) in a research title “Educational management theories and tasks” establish that since no government can solely solve the financial problems of the educational sector, other philanthropist private sector, such as cooperative organizations, other non-government organization (NGO'S) as well as external donors should do more in complementing government efforts in providing funding for the provision of infrastructure, hence, demonstrating the importance of cooperative organizations.

University of Wisconsin Centre for Cooperatives in (2002) carried out a research on economic impact of cooperatives in the state of Wisconsin and found out that cooperatives are responsible for the most significant economic boom in the State. FAO (2012) in the year for cooperatives established the importance of agricultural cooperatives, by recognizing it as the pillar for agricultural development and food security in rural areas.

Birchall (2003) has noted that cooperatives' record for reducing poverty in developing countries is less than stellar, not due to shortcomings in the cooperative model, but rather due to external and internal constraints. The barriers are multiple and multifaceted: lack of autonomy due to government interference, inadequate access to markets, men typically hold membership and decision-making positions though women did most of the farming, and mismanagement. As these constraints are overcome and an environment for the growth of cooperatives is established, the viability of cooperatives is greatly increased.

Cooperatives play a major self-help role in rural areas, particularly where private businesses hesitate to go and public authorities do not provide basic services; they are instrumental in providing opportunities for employment as well as offering education and giving 'voice' to rural groups (ILO, 2002).

James Laraki (2012) carried out a primary research in local communities of Porgera Valley, in the Enga Province and found out that agricultural cooperatives plays a leading roles in production and marketing of food stuff in rural areas.

A cooperative organization reinforces the fact that they contribute to rural economy. Cooperative organizations also provide specific results that can be used to educate the public and policy makers less familiar with cooperatives about their impacts throughout the nation (Folsom, 2003). Cooperatives generally provide an economic boost to the community as well (Dogarawa, 2005).

Cooperative Organizations' created returns on behalf of the members such as better prices than alternatives, valuable services access to markets otherwise not available, increased market power, valuable information. Cooperative organizations have a unique link to member production areas and rely on areas where members are located. The necessity to remain in proximity to member makes it less likely to relocate to location that might have a cheaper raw products or labour. Such economic stability may generate a number of benefits for both members and their communities (Barton, 2004).

With the view of the above mentioned scholars, it is clear that no research of this sort has been carried out in ideato local government area of Imo State. Hence, this research is filling a second gap by conducting this survey research in this part of the world and contributing to the academic world.

RESEARCH METHOD

Imo state, Nigeria is endowed with abundant human resources. With her central location and abundant natural resources, the state is an attractive investment center for various types of industries including agro-allied, petro-chemical and mineral based tourism. Ideato Local

Government council is one of the 27 local governments that make up Imo state. The study examines the role of cooperative organization in alleviating poverty in the rural area of Ideato LGA in Imo State, South Eastern Nigeria. The study adopted survey research method to help the author have a systematic and descriptive approach towards the state of study. The secondary data were collected from research reports, journals, newspapers/magazines, governmental and other organizational publication and National Bureau Statistics of Nigeria 2012 etc.

The primary data was collected through a self designed questionnaire. This was used to elicit information from the respondents because our study geared towards selecting and studding samples chosen from the population to be representative of the entire population. A sample of 300 people was chosen from this rural parts of Imo state. A simple random sampling method was used where all the members of the population have equal opportunity of being selected as a sample. Descriptive statistics was used in analyzing the data collected.

ANALYSIS AND FINDINGS

Table 2: Demographic Data

VARIABLES	FREQUENCY	PERCENTAGE
Gender		
Male	110	36.7%
Female	190	63.3%
Marital Status		
Single	48	16%
Married	234	78%
Divorce	18	6%
Age		
20-35	45	15%
36-50	92	30.7%
51-65	105	35%
66-80	50	16.7%
81-100	8	2.6%
Occupation		
Farming	232	77.3%
Business	58	19.4%
No Response	10	3.3%
Educational Qualification		
No formal Education	67	22.3%
Primary Education	123	41%
Secondary Education	70	23.4%
Degree and Above	40	13.3%

Income Range in Nigeria		
Below 10,000	171	57%
10,001-15,000	88	29.3%
15,001-20,000	23	7.7%
Above 20,000	18	6%
Household Size		
1-3	27	9%
4-6	78	26%
7-10	195	65%

Source: Authors Computation from Field Survey 2015

Demography is very important in understanding the co-operative organization role in alleviating poverty in rural community in Imo State. The section on demography in our questionnaire has seven items including gender, marital status, age, occupation, educational qualification, income and household size.

This data collected on gender shows that 36.7% male responded to the question while females are 63.3%. The data implies that rural area of Ideato LGA are largely populated by women and that women are more interested in co-operative organization which may enable them to take care of their households needs. The above data also show that 16% of the participants are single, 78% are married and 6% are single. This indicates that majority of our participants are married people who have tasted poverty and are eager to move away from it. Hence joining co-operatives will help to reduce their rate of poverty.

As shown in the Table 2 the greatest number of participants in our survey were within the age bracket of 51-65 with 105 (35%) and the least is within 81-100 with 8 (2%). 92 of the participants were 36-50 years olds representing 30.7%, 50 were 66-80 years old representing 16.7% and those from 20-35 years were 45 taking 15% of the respondent. It is interesting to notice that the greatest number of participants in the survey fell within that active working age while the least number were the aged above active working age. This indicates that age is an important predictor in joining co-operative organizations. The active working age saw the benefits of the co-operative organization and hence wish to make good use of it for specific purposes unlike the older people.

The above table also shows that the occupation of most our participants are farmers with 232 (77.3%), 58 (19.4%) are business people and 10 participants (3.3%) gave no response to our questionnaire. The outcome of majority being farmers implies that those in rural areas of Ideato LGA earn their living through farming.

With education comes the issue of necessary capabilities and skills needed to participate in co-operative organization and their possible impacts. Education extends from

giving people information to helping people to develop their own deepest possibilities for building a better world. Education also ranges from training programs for members and employees of co-operatives to informing the general public about co-operative origins, developments and trends, Emory, (1964:57). Our survey shows the distribution in Table 2 above according to the 300 participants. Our questionnaire made provisions for those without formal education, primary education, secondary education and tertiary/university education. The table illustrates, the respondents cut across the four levels. This was understandable as the question was designed for all of them. The table clearly shows that of the 300 participants, 67 had no formal education representing 22.3%, 123 had primary education representing 41%, 70 had secondary education representing 23.4% while those with tertiary/university education were 40 representing 13.3%. This is understandable considering the fact that most of the people found in rural areas are those without tertiary education. Hence this little background makes the individual assume a correct and responsible behavior in the planning and management of all around him

Income is an indispensable factor in considering peoples participation in cooperative organization. The table above demonstrated the average monthly income of the respondents in naira. 57% (171) earned less than 10,000 naira while 29.3% (88) earned 10,001-15,000 naira, 7.7% (23) earned 15,001-20,000 and 6% (18) earned 20,000 above. Income plays an important role in adoption. Many rural people earn less and hence needs some financial assistance from the co-operative organization in this location to push up their daily businesses. Cooperatives are mainly foundation for the benefits of the poorer people to help boost their self reliance or employment attitude.

Table 3: Participants Perception towards Cooperative Organization in Ideato LGA

	S.A	A	D	S.D
Cooperative is a source of income	210	78	7	5
Cooperative increases my creative skills	203	84	8	5
Cooperative establishment brings about rural community development	210	78	7	5
I am displeased with cooperatives in ideato LGA	39	52	93	116
Cooperatives has lots of economic benefits	212	76	5	7
It plays a major self role in agricultural development	167	88	55	5
It helps in reducing the rate poverty	215	65	16	4

S.A= strong agree, A= agree, D=disagree, S.D= strongly disagree

The table above shows that majority of the respondents are of the opinion that cooperative organization is a source of income. The above question was asked just to know their opinion towards the role cooperative plays towards increasing creative output, bringing of rural

development and lots of economic benefit such as agricultural development and poverty reduction in the area. Notwithstanding these positive impacts as most of them indicated, some respondents also expressed their disapproval of the cooperative organization economic benefit but as it is, majority carries the votes; hence this implies that establishment of more cooperative organization in Ideato local government will alleviate poverty and development in their rural community.

Table 4: Participants Perception on the activities undertaken and Achievements made by the few cooperatives organizations in Ideato LGA

VARIABLES	FREQUENCY	PERCENTAGE
Construction of Town Civic Hall	57	19%
Building of Community/Microfinance Banks	60	20%
Construction of Borehole	26	8.7%
Building of Market Stores	11	3.7%
Building of Recreational Centre	7	2.3%
Creation of Jobs	64	21.3%
Vocational and Skills Training	41	13.7%
Building of Schools	2	0.6%
Building of Poultry	32	10.7%

Table 4 above shows that 75% of the respondents recognized the importance of cooperative organization in most of the activities undertaken by them in this part of the country. However, it is also worrisome to note that their percentage contribution to vocational and skills training which is supposed to be one of their main objective is not encouraging.

Table 5: Participant Perception on factors that influences cooperatives growth in Ideato LGA

VARIABLES	FREQUENCY	PERCENTAGE
Human Reference	24	8%
Political instability	36	12%
Finance/Lack of Credit Facilities	68	22.7%
Lack of Technical Support	21	7%
Illiteracy	41	13.6%
Poor Management of Resources	8	2.7%
Government Negligence	51	17%
Inconsistency of Co-operative Policy	20	6.7%
Lack of Proper Awareness	17	5.6%
Fear of Failure	14	4.7%

The table above shows that 22.7% of the respondents said that the highest factor that affects productivity or growth of cooperative in Ideato LGA is finance/lack of credit facilities, followed by

government negligence with 17%, illiteracy with 13.6% and political instability with 12%. The smallest factor is poor management of resources. This implies that majority of the respondent are of the opinion that the productivity/growth of the cooperatives organization in rural community are of utmost important and can be improved through the availability of finance/credit facilities, government paying attention to these organizations, political stability and education of the rural people. Finally, co-operative organizations are plant of slow growth. Needed as it is for a backward economy, it has to overcome handicaps imposed by illiteracy, political instability, government negligence etc.

Figure 1: Can Establishment of more Co-operatives in Ideato LGA bring about a change in the economy.

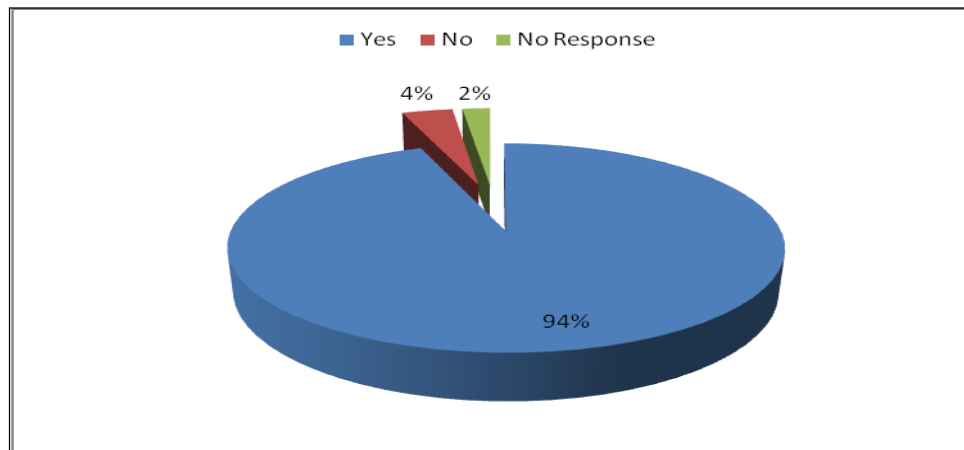


Figure 1 above shows that 94% of the respondent strongly agreed that establishment of more cooperative organization in Ideato LGA will bring about a change in the economy while 2% have no option and 4% of the respondents strongly disagreed. This implies that majority of the respondent strongly agreed that through cooperatives organizations, poverty will be alleviated in rural community, development will set and this will at last translate into economic benefits for the entire nation.

RECOMMENDATIONS

From the exposition above, it is pertinent that we offer recommendations and suggestions as a way of solving the lingering problems of rural community underdevelopment and making cooperative organization formidable for economic development in Nigeria especially in Ideato LGA.

1. Since over 70% of Nigerian population live in the rural communities and generate the greatest wealth of the nation through agriculture, these areas should be accorded more recognition in terms of supporting the cooperative organizations through budgetary provisions and provision of social and economic amenities. There should be a provision of fund to the rural men and women by the government, organizations and philanthropic individuals.
2. Feeder roads should be urgently constructed and linked to rural communities to enable them transport their products to urban cities. Equally irrigation should be provided were necessary for more agricultural product for cooperative farmers.
3. The cooperative society should establish monitoring evaluation teams to supervise the activities of members, provide charter of demand for budgetary allocation to the government for the benefit of cooperative members.
4. The so-called “agricultural credit guarantee scheme” under which commercial banks are encouraged to support cooperative organizations and to give peasant farmers loans guaranteed by the federal government through the Central Bank need to be reviewed. This is because the processes involved, including feasibility studies-required to secure those loans are beyond the capability of peasant farmers and cooperative organizations.
5. Government should also provide monitoring and evaluating team that will monitor grants and loans given to cooperative organization to ensure sustainability and diversion of funds to trivial matters.
6. The government should provide tractors, processing cottage industries to aid the cooperatives package their goods for marketing.
7. Government should provide enough fund for Bank of Agriculture and Microfinance Bank to assists cooperative societies to promote their micro and macroeconomic activities with less bureaucratic processes.
8. Government should also register and identify genuine cooperative societies to lessen the activities of charlatans and kangaroo cooperative societies that subvert the fund meant for genuine cooperatives.
9. Government should encourage registration of cooperatives and forming them in clusters for effectiveness and maximum expected result.
10. Empowerment seminars and tutorial for cooperatives organization to empower them to acquire required knowledge in wealth generation, saving, re-investment and long time plan for economic survival.
11. Cooperatives should be equipped with the knowledge of risk management and dealing with emergency situations especially in time of natural disasters like flooding etc.

CONCLUSION

The survey research has really helped in broadening our understanding of cooperative organization and its indispensable role in rural community development, especially its ability in enhancing rural community development, economic empowerment and self reliant economy. It is our considered opinion that establishment of cooperative organization in Ideato LGA will reduce poverty and unemployment in rural communities and thus open doors for rural development. We strongly believe that the recommendations and suggestions if used or applied will go a long way to alleviate poverty in the aforementioned LGA and Nigeria in general.

Notwithstanding, this study does not claim to be exhaustive regarding cooperative organization as a means of poverty alleviation and rural community development in Nigeria. The limited time and funds at our disposal did not allow us to extend to other places. Apart from this, our study also has a limitation in investigating other dimensions of cooperative organizations and rural community development not included in this study as the questions used for survey cannot be said to be exhaustive.

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