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IMPEDIMENTS OF COOPERATIVE SOCIETIES MEMBERS IN RURAL COMMUNITIES TOWARDS SUSTAINABLE DEVELOPMENT IN NIGERIA

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ABSTRACT

Cooperative societies are part of the community based organizations (CBO's) in the rural communities of the world. The idea of her formation is for the low income and the peasants or subsistent groups, especially the farmers, fisherfolk, nomads, petty traders, lower cadre civil servants and artisans. Their principle role is to come together and their resources pool in order to alleviate or fight poverty amongst members, through open membership, democratic mindedness, independence and sharing of useful information to the growth of the association and improve their livelihood at the level of sustainability. Secondly, afford members the ample opportunities of security, protection and empowerment by increasing the bargaining power between the socio-economic production and higher income earners. These ideas of formative of cooperative societies were laudable and acceptable because it concerns development of the rural areas. This is the reason why successive government in Nigeria instituted Nigeria Agricultural Cooperative Bank Ltd (NACB), People's Bank (PB), Community Bank (CB) and other Economic Advancement Programmes as a sure way of attracting government financial aid or soft loans to the group of cooperators. But this idea later became a nightmare and dishearten in the sense that field workers and officials of the executive members hijacked and see it as a household for embezzlement and sharing of cooperative funds, which resulted to the dash of hope and extinction of most of the cooperative organizations in Nigeria. Therefore, the reason or essence of this paper is to identify the impediments plaguing the cooperative society members in the rural communities towards sustainable development. (i.e. securing the existence, benefits and roles of cooperators in the present and future generation) in all human endeavour. The paper discussed concept of cooperative society, types, roles, features and challenges, rural communities and sustainable development, conclusion and recommendations.

Keywords: Cooperative Society, Rural Communities, Sustainable Development.

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INTRODUCTION

All over the developed and developing countries of the world, the larger population percentage are poor and lives in the rural areas as peasants and artisans. They engage in agricultural activities and micro business ventures (small and medium scale enterprises). They also live with poverty which spread within the depth and breadth of the local communities. The group in question, like elsewhere are powerless, voiceless and lack basics of life and are generally deprived with insufficient income, access to basic modern infrastructures, rather they survive on engaging in menial jobs that has no effects on their family or household. The rural people are poor because they lack modern tools, capacity, techniques, innovations, management skills and new ideas to enable them participate in decision-making on the issues affecting them. That is the reason why in the past and present commercial banks traditionally lend money to small and medium scale enterprises with signs of been credit worthy, than the poor group. In supporting this view Ajayi and Nwalieyi (2010) added that the rural communities in Nigeria still lack resources to enjoy decent living because of persisting disparity in livelihood opportunities.

Ayanwale and Amusan (2014) saw this scenario as a type of inequality attributed to the fact that gender related issues have become a common mark and a major determinant of access to resources, productive activities, income generation and ways of making a living across all societal endeavour. Adeniyi (2015) also pointed out that poor livelihood and low incomes are major problems linked to increased poverty in rural communities of Nigeria, in spite of several developmental and empowerment programmes to alleviate the situations over the years. Idriss (2015), mentioned that rural poverty is as a result of poor income generation from lack of assets, limited economic opportunities and poor education and capabilities, as well as disadvantages rooted in social and political inequalities have engulfed the sub Saharan African countries to the level of extreme poverty. From the discourse it is not out of place to mention that efforts have been made by the people in the past and present era to pool their resources together and organize small loan scheme for themselves in order to meet their financial obligations through the age grade system, farmers group, fisher folk, artisans etc. inform of cooperative societies.

Cooperative society notwithstanding is the effective vehicle used for organizing and mobilizing people, especially in the rural/urban centres for modern productive of goods and services. The concept is not new in Nigeria with efforts of the indigenous cocoa farmers in the western states of Nigeria who feel exploited and oppressed by their foreign buyers in the way and manners they are treated. Most countries of the world where the idea of cooperative grew was because of same experience, especially on poverty and income inequality. But the realization that coordination of group efforts in production as producers yielded greater results than individual efforts of been empowered.

Nwaenyi (2021), in tracing the origin of cooperative society referenced to the first recorded cooperative dates far back to 1750 in France, where local cheese makers in the community of Franche-comte established a producer cheese cooperative society and that of 1844, equitable pioneers of Rochdale society (EPRS). The overall idea is that low income grace should come together to pool their resources in order to alleviate poverty level of cooperators. Cooperative society brings economic empowerment, because empowerment in this regard is the antidote to poverty. The government at all levels have recognized that for sustainable community growth and development to thrive the financial empowerment of the rural areas or communities is very vital. In furtherance of this recognition in the year 2001, the federal government merged Nigeria Agricultural Cooperative with the people's Bank of Nigeria to form Nigeria Agricultural

Cooperative and Rural Development Bank, whose later changed to Bank of Agriculture Ltd, to enhance the provision of finance to the agricultural sector. In a relationship to the rural communities, a cooperative society serves as functional arms of government to finance member's economic activities through micro lending. Cooperative society at the global space is seen as one of the ways of reaching out of the unbanked and neglected few in the rural communities, i.e. people who does not operate the regular banking activities. It is an ideal arrangement for income enhancement, capacity building pivotal to economic development of a nation with different types and nature.

Types of Cooperative Societies

Apart from the traditional or indigenous cooperative societies like the ESUSP, Eke Market Women and Age grade cooperative societies, other ones exist:

- Wholesalers cooperative society;
- Retailer sellers cooperative society;
- Producers or processing cooperative society;
- Credit and thrift cooperative society;
- Multipurpose cooperative society;
- Consumers cooperative society;
- Community services cooperative society

Wholesalers Cooperative Society: Is formed by small scale wholesalers who purchase goods in bulk from the manufacturers at reasonable price and sell in small quantities to retail cooperatives. They have good bargaining power to purchase in bulk.

Retail Sellers Cooperative Society: They are formed by many small independent retailers. They pool their resources together to enable them buy in bulk, sell at lower price to their members who receive some form of patronage returns based on the amount of goods they purchased.

Producer or Processing Cooperative Society: Formed by producer or similar products producers and undertake joint marketing of the products. They share useful information amongst them.

Credit and Thrift Cooperative Society: Are usually salary/wagers like the civil servants and public servants who want to save and borrow to solve personal challenges. The other is for the smaller traders and artisans. Draws funds from share capital, thrift savings and deposit. It encourages savings habits amongst members, share at the end of year surplus to members as dividends or buy household items for members.

Multipurpose Cooperative Society: It is formed by existing cooperative societies that undertakes any form of cooperative activity that is profitable to the society. They protect the interest of each other.

Consumer Cooperative Society: This type of cooperative society is owned and operated by a group of consumers who pool their resources together to purchase goods and services in large

quantity and distribute primarily to its members. They have operating policies of; open membership, democratic control, limited interest percentage paid on capital invested and proportionate dividends based on their level of purchases or patronage.

Community Service Cooperative Society: Is carried out on the felt needs of the community such as electricity/solar supply, water and irrigation, maternity homes, security, transportation, school. They operate in public ownership controlled by the local, state and federal government, but organized as cooperative activities. It works for instance where doctors who are willing or prepared to carry out their duties in the rural communities cooperate with the people to build dispensaries and houses for the doctors, while small rooms with beds for minor health cases are taking care of.

In Oduoha Emohua in Emohua Local Government Area, such challenge or self-help ideas was used to build the first maternity home in the 1980's for the people. Courtesy of Ojikwaraeli women (Every Eke Sun group, meetings) that involved all the women age grades in the community. The project was completed and commissioned by the then Chairman, Directorate of Food, Roads and Rural Infrastructure (DFRRI), Air Vice. Marshal, Larry Koinyan (Rtd), (Chukunda, 1999). He saw the project as community based and useful to the community in all spheres and later awarded a road and electricity supply contract to the maternity home. Same in other communities in Emohua and Rivers State are large. Most franchise transportation companies are operated, managed and owned through this cooperative process.

Features of Cooperative Societies

A cooperative society is a group-based and members owned businesses that can be formed for socio-economic development of the communities. Lawal (2012) mentioned that cooperative society have four main characteristics:

- They are formed by groups of people, who have a specified need or problem;
- The organization is formed freely by members after contributing to its assets;
- They organization formed is governed democratically in order to achieve desired objectives and aims on equitable norms and values;
- It is independently promoted enterprise, owned and controlled by people to meet their need.

Nwaenyi (2021) adds that cooperative society operates on:

- Been voluntary and accommodates open membership;
- Democratic in all aspects especially in terms of decision-making process that will lead to the growth and development of the group;
- Autonomy and independence;
- Built with education, training and information dissemination amongst members.

These indicators attest to show that cooperative society are for self-reliance, self-sustenance, comfort, empowerment, integration and building of capacity of members in any given rural community especially in Nigeria.

Roles of Cooperative Society

Cooperative society plays the following significant roles and functions in the society or nation. They include:

- Known for providing funding to their members at reasonable interest rate, without security collateral;
- Vital organs for financing members socio-economic activities (a strong and viable economic alternatives);
- Offers the best machinery for reaching the masses, especially small scale rural entrepreneurs in the rural communities;
- Improvement of living conditions of members, especially those at the low income level by creating employment;
- Cooperative society exists to satisfy the felt needs of members and not principally for the purpose of making profit.
- Helps to make decision that balance the need for profitability with the welfare of their members and the rural community.
- Improves the bargaining power of her members by providing other higher benefit in terms of income and social production;
- It manages the risk that keeps markets efficient in the rural communities;
- Settlement of disputes amongst members;
- Education of members on technical issues, especially when dealing with external forces like NGO's and donor agencies, information at this level is on the best ways, handle their operations as to make more income and improve their living standards;
- Acquisition of loan facilities on behalf of members;
- Cooperative society serve as fundamental and indispensable elements in rural development, as their service can attract government influence to the rural communities that will lead to sustainable livelihood status of members.

Challenges of Cooperative Society Members in Rural Communities

Apart from the enormous roles and better features of the subject matter they are not devoid of impediments or challenges in every society of the universe. Such challenges or impediments include:

- Bad collaboration between government cooperative field officers and some executive members of the cooperative society to embezzle funds meant for members of cooperative at the rural communities;
- No appropriate policies and vision for cooperative society;
- Corruption that leads to moribund of many cooperatives, which has made many go into extinction and create room for non-functionality;
- Poor nature of the capitalist society on the economy (Wilson, 2022);
- Insecurity of lives and properties at the rural communities as a result of cult wars, kidnapping, hooliganism, group and regrouping of bad boys who hijack and sack communities at will;

- Traditional and customary beliefs on the use of modern technology in handling the activities of the cooperation;
- Ethical gap and wrong reward pattern to a particular group;
- Illiteracy, fear and ignorance of some members who refused to accept inter-generational learning approach in dealing with modern time cooperative activities;
- Communication gap between the producers and buyers of products;
- Less attention from the government, public and private sectors by seeing the group as commoners in the society;
- Difficulties to access loan facilities from agricultural, industrial and other commercial banks, even when government release intervention funds to the group;
- Misconception about what cooperative society stands for in the rural communities;
- Poor rural/urban linkages as a result of social mobility and migration, that contributes to city congestion and over use of public facilities or infrastructures this causes abandonment of rural facilities e.g. roads, water supply, market and school;
- Poor quality/political will to sustain programmes of government that will give soft loans to members, especially rural banking schemes;
- Merger of cooperative society projects and programmes with the ministry of rural development activities.

Based on the challenges or impediments aforementioned, one will say that the development plans of the nation did not favour the activities of cooperative society and rural industrialization in our rural communities. Such as Yar'Adua's vision 20:2020, Goodluck Ebele Jonathan's Transformation Agenda 2011-2015, Abacha Sani, Vision 2020, Ibrahim Babangida, 1986 Structural Adjustment Programme (SAP). Olusegun Obasanjo Vision 20:20, Muhammed Buhari's Economic Recovery and Growth Plan (ERGP) 2021-2025 (Ihenacho, in Wilson 2002; Eneh, 2011; Uche, 2019; Gyong, 2012; Business Day in Wilson, 2022).

The current development plan of 2021-2025, had a vision of unlocking Nigeria potentials in all sectors of the economy for sustainable, holistic and inclusive national development. This is targeted at economic diversification, poverty alleviation, economic and social development which minimizes regional socio-economic disparities. These plans are robust in content and visionary. Despite that the country since independence has failed to achieve the much needed sustainable development in these areas, but continue to make colossal loss of huge investment of resources into the plans unachievable (Godwins, 2022).

Sustainable development: It shows the ability of a given society, group, institutions to maintain the existing development projects and programmes and resources at present and move ahead for future usage without interference to each strata either in lifestyle, quality of traits, social status, talents, popularity or achievements. Flint (2003), see sustainable development as a global phenomenon that has arisen out of global politics. From the concept of world commission on environment and development (WCED) in Alexander (2018), sustainable development is about meeting the present needs of man without compromising future generations and also integrating environmental and social aspects into economic development from the beginning of an activity. The main focus is on meeting man needs in terms of food, clothing, shelter, job and improved quality of life. Secondly, on ethical values based on moral actions of meeting the needs of the vulnerable people in the rural communities should be given special priority. Thirdly, on cooperation of partnership, continuous dialogue engagement, active participation of major

groups stakeholders in the business of community livelihood. Sustainable living depended on accepting a duty to seek harmony with other people and with nature that humanity must take no more from nature than nature can replenish.

CONCLUSION

Cooperative society as an approach towards the alleviation of rural poverty and improvement of the income level of members, which results to income equality, by coordination of group efforts to empowerment capabilities. This approach have not thrived even in the means of robust several development plans targeted at economic diversification, social and economic development etc in the rural communities. From the indicators of cooperative societies within the globe, one will say that if probably cooperative societies are managed without manmade impediments it will actually assist in the achieved of sustainable development of building moral actions, towards meeting man's basic needs, ethnical values and cooperation of all in the fight for poverty and better livelihood of the rural members of cooperative societies in Nigeria both of the present and future generations activities.

Recommendations

- Nigeria national development plans of the past and present should be implemented to ensure that cooperative society activities thrive in the new era;
- Avoid socio-economic disparities in terms of providing soft loans to the genuine cooperative society members in the rural communities of Nigeria;
- Participatory approach should apply to cooperative activities in terms of making policies, taking decisions that will better the lift of the commoners in the society;
- Ethnical gaps should be avoided to prevent wrong reward pattern to a particular group in the country or society;
- Need for better rural/urban linkages;
- Cooperative society projects and programmes should remain autonomous and independent.

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