

Appraisal of the Role of Co-operative Societies on Well-Being of Members in Adamawa State, Nigeria

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ABSTRACT

This study appraised the role of cooperative societies on well-being of members in Adamawa State. The study used subjective measures, such as income & expenditure, educational & training status, housing & shelter status, nutrition & feeding status, health status, materials & household needs as well as household utilities to determine the respective status of members before and after joined cooperative societies. The structured questionnaire was used to collect data from randomly selected 397 members from four agricultural zones of the state. This study recorded 95% returning rate and data collected were analysed with simple percentage, frequency table and pairwise t-test analysis. The results from analyses show that there are significant improvement in the well-being of member after joined cooperative in all measures: income & expenditure, educational & training status, housing & shelter status, nutrition & feeding status, health status and materials & household, exception of household utilities. The study concluded that cooperative influence good well-being among members and recommends that government should include cooperative in its poverty alleviation programme to reach most people in the rural communities

Keywords: cooperative, well-being, income & expenditure, housing & shelter status, household utilities.

INTRODUCTION

The declining trend in the global economic situation has created an era where many feel weak to change their livelihoods. Recently, many governments and people in different parts of the world have been showing great interest in the activities of cooperative societies. The globally acceptance of cooperative could be as a result of the significant roles that cooperative organisation is playing in all fields of human endeavors, especially, as vital alternatives to strengthening the weak economy and social status of the rural poor (Tanko, 2002). Nigeria is richly endowed with both human and natural resources. Despite the vast resources, the country's economy has not experienced the required institutional and structural changes that guarantee rapid and sustainable growth relative to an acceptable standard of living (UNDP, 2014). In spite of the huge man capacity in Nigeria economy, it could be argued that Nigeria has just presently begun to build a strong and highly competitive market oriented and technology-driven national economy (Onyeze et al., 2014). However, to create such an open and caring economy, popular participation in economic activities is necessary. Thus, because of the low capital base of majority of people, especially the 60–75% population residents in the rural areas, government recognizes the importance of cooperative societies as one of the catalysts of economic empowerment and popular participation of the relatively poor people (NBS, 2014). It was concluded that no meaningful development can be achieved without embracing the poor majority as part of the overall nation building. Cooperatives offer opportunity for local people to take development into their own hands and make it a meaningful concept at the local level. They have arisen where the cost of adjustment to economic change has threatened to destroy communities, where local people needed power to control the pace and direction of change in order to preserve what they value.

Bebeji (2001) asserted that most cooperative societies in Nigeria have failed for a number of reasons which have acted simultaneously. First, there has been an almost universal inadequacy of resources channeled for the promotion of cooperatives. Secondly, there are short-comings in the state of non-governmental administration of cooperatives. Thirdly, government has abused cooperatives by using them for achieving political goals and empowerment their allied. A review of the activities of cooperatives in Adamawa State indicated that there are over 12,000 registered cooperative societies of various categories both at the rural and urban levels, out of which 9,000 are operational (MCI, 2012).

In spite of all odds, cooperative remains one of the measures to atone the negative effects of economy downturn among less privilege, mostly people from rural areas. However, due to lack of interest among elite and Nigerian politicians, cooperatives have not been making any significant strides. Meanwhile, each Government in Nigeria is making efforts to alleviate poverty among people without looking into direction of cooperative society, this shows further how little government of Nigeria appreciate the important of cooperative societies on wellbeing of members. This study therefore, is an attempt to investigate the effective cooperative on wellbeing of members, in Adamawa State.

Evidences from various studies have shown that Nigeria economy is not transmits its richly endowment of both human and natural resources. Babajide (2013) mentioned that the development trend in Nigeria's economic sector did not reflect its great wealth in terms of human and natural resources. This was further reaffirmed by United Nation's Report in 2007 that despite the abundant agricultural resources and oil wealth, poverty is wide spread in the country and has increased since the late 1990. Recently, the International Fund for Agricultural Development, IFAD (2014) reported that the well-being of majority of Nigerians is poor. Specifically, people in the rural areas live below the poverty line and social services/infrastructure are limited, leading to decline in productivity of the majority agricultural oriented activities.

Tanko (2015), reported that the Adamawa State Government has actively encouraged co-operatives in order to promote social and economic changes desirable for attainments of its rural development. The extent at which this effort yielded desired results is still unclear. The well-being of most members of cooperatives has not been in review over the years in Adamawa State. Though, view studies have been conducted but none has considered the well-being of members of Cooperative in Adamawa state as a study focus.

This study will be an insight for the governments, federal and state that is making efforts of improving living standard of populace. Identifying the roles of cooperative as well-being booster will make government to mull the use of cooperative as poverty alleviation strategy. The findings from this paper will give a clear picture about cooperative societies to various individual that may like to join cooperative societies. The likes of institutions of learning, researchers and others that wish to take further studies on the development of cooperatives will find this paper handy.

Generally, there four principles underlies the formation of cooperative society which are; formation by group of individual that common in needs and aspirations; the formation must be voluntary; the decision for forming society has to be democratic, while its control and ownership still belong to the people to meet their needs (Champo et al., 2012). Likewise, Baarda (2006) express cooperative societies as voluntary organizations that open to all persons to use their services and ready to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination. In primary cooperative organisations members have equal voting rights and cooperatives at other levels are as well organized in a democratic manner.

The World Health Organization, in 2009, advocates that a state of well-being is a multifaceted. According to Bourne et al. (2010), to be well-being goes beyond complete physical, mental and social well, or absence of disease or infirmity to a life satisfaction, through self-rated status which can serve as a proxy for actual well-being. Thus, it is difficult to judge well-being from distance observation, the self-rating remains an idea. Lora et al. (2009) argued that life satisfaction is broader in scope and include aspects such as job satisfaction and social relations. This causes Bourne et al. (2010) to recommend life satisfaction as a better measure of overall well-being. Champo, Mwangi and Oloo (2012) expressed that over the years the actual measurement of well-being is changing and keep changing, and recently the future measurement of well-being will be complicated than ever thought, as people yearning for materials and more economic power increasing. Well-being determination can be categorized into quality of life which include health status, work-life balance, education and skills, social connections, civic engagement and governance, environmental quality, personal security and subjective well-being, while material well-being include income and wealth, jobs and earnings and housing standard, but the sustaining well-being over time through preserving will be considered as future well-

being include natural capital, human capital, economic capital and social capital. Of all categories, only quality of life gives hope for other well-being measures.

In order to include all aspects of well-being, subjective measures are more preferred. Onyeze et al. (2014) expressed that though most economists preferred using objective measures for the purpose of investigating over all well-being. However, objective measures are inadequate because they leave out social and mental aspects of well-being (Brenes–Camacho, 2011). To appropriately measure over-all well-being should include all aspects of life, such as life satisfaction and happiness, frequency of laughter, sociability, optimism and those reporting themselves to be happy are also considered to be happy by others (Lora et al., 2009). Both SRH and life satisfaction are affected by cognitions and subjective perceptions. Because of this the concepts are interrelated, and together they form a good base for understanding over-all well-being.

Opong-Manu (2014) carried out survey study on the impact of participating in cooperative societies on members' economic actualization. The study indicated significant impact of cooperative participation on 145 members in their post-harvesting marketing than 150 non-member marketers. This showed an improvement in members' economic status as a result of benefited from credit facilities from their respective cooperative. Omoregbee and Okoedo (2012) found significant influences of the assistances benefited from NGO and other international donors on members' economic activities. Good supervision of the activities of members by teams from cooperatives significantly assisted the members to become more successful within the liberalized economy. Opong-Manu (2014) recommended that government should encourage other marketers to participate in cooperative activities in order to stabilize their economic activities in such chaotic economic situation like Nigeria. It was suggested from study by Tanko (2015) that more cooperative societies should be introduced to increase the catchment areas and wooing more members of communities into cooperative societies and in turn developed the economic standard of the entire communities. In another study conducted by Najamuddeen et al. (2012) on the role of cooperative societies in community development in Sokoto metropolis, Sokoto state, Nigeria. It was established from the study that the contribution of cooperative societies in community development through self-help efforts are ranged from schools rehabilitation, road construction and other community projects, and offer of financial and material assistance to disabled people. This pinpointed how cooperative can be used to positively touch life of needy within society to uplift their well-being. Generally, the members are economically fair among others in the communities in spite of the fact that majority have not been effectively utilized the loan and invest other financial benefit derivable from cooperative. Adurayemi (2014), examined the roles played by cooperative societies in the economic development of Nigeria and the problems faced by cooperatives and their prospects in Igbesa, Ogun State, Nigeria. The study found that members of cooperatives perceived cooperative to be a unique form of business that can be used by people and business for their mutual benefit and well-being. Also, it was established that irrespective of types of purpose or membership, starting a cooperative requires considerable time, energy, commitment and technical resources. The members of cooperatives were found to be unanimously agreed that recognition of a common need is fundamental to the formation and successful operation of a cooperative. Muhammad (2014) reviewed the role played by cooperative organizations in rural community development in Nigeria. The study established that cooperative organizations serve as an effective rural community development vehicle, where most members were able to build economic self-reliance and civil society. It was concluded that being a member of cooperative empowers people in rural community.

Materials and Methods

Adamawa state is one of six states in the north eastern Nigeria, made-up of twenty-one Local Government Areas shared international border with Cameroon. Currently, all twenty-one local government areas within the state are zoned under four (4) Agricultural zones based on the climatic and types of crop grown (Kadams and Sajo, 1999). In all, there are 1140 cooperative societies with total of 54,280 members (Tanko, 2015). This study used Taro Yamane sample size formula to randomly select total of 397 members of cooperative societies from population, comprises total 126 members from Zone A, 87 from Zone B, 75 from

Zone C and 109 from Zone D respectively. The structured questionnaire was used to collect data from sampled respondents and data were analyzed using simple percentage, frequency count and chi-square.

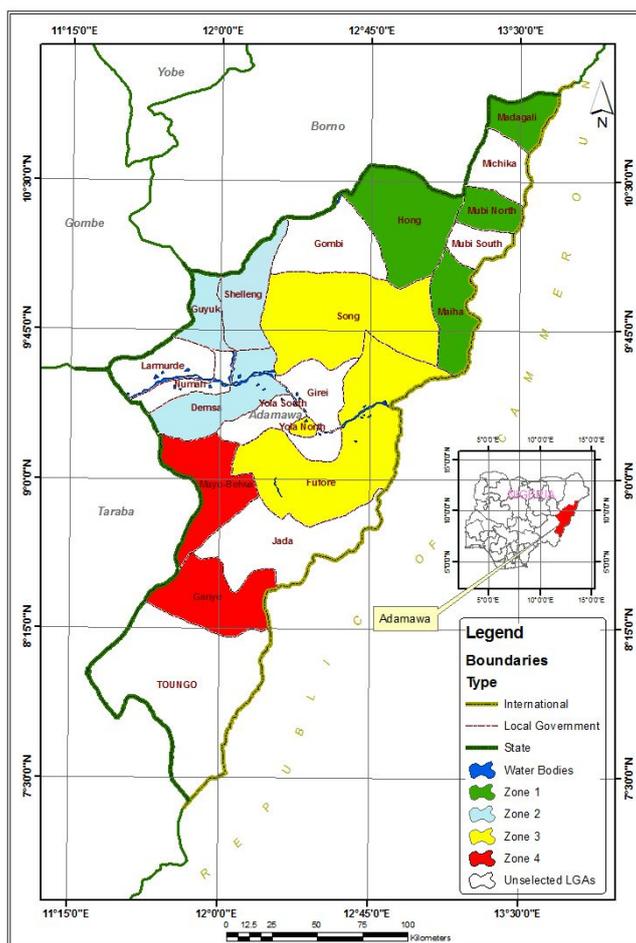


Figure 1: The Study Area

RESULTS

Table 1: Respondents’ Opinion on Wellbeing Status Before And After Joining Cooperative

Well-being indicators	Percentage Change				
	Zone 1	Zone 2	Zone 3	Zone 3	Overall
Income & Expenditure					
High	37	31	40	18	32
Moderate	-33	-24	-34	-8	-26
Low	-4	-7	-6	-10	-6
Education status					
High	39	30	33	30	34
Moderate	-31	-17	-26	-18	-24
Low	-8	-13	-7	-12	-9
Housing and Shelter status					
High	33	45	41	34	38
Moderate	-26	-35	-28	-23	-28
Low	-7	-9	-13	-11	-10

Household Nutrition status

High	29	45	32	35	35
Moderate	-20	-38	-21	-23	-25
Low	-9	-8	-11	-13	-10

Access to Health Care Status

High	34	30	43	35	36
Moderate	-24	-24	-29	-20	-25
Low	-10	-6	-14	-15	-11

Household Materials status

High	36	36	30	29	33
Moderate	-26	-25	-12	-13	-20
Low	-10	-11	-18	-16	-13

Household Utilities Status

High	1	1	1	1	1
Moderate	-12	-9	-11	-2	-9
Low	11	8	10	1	8

%Δ (percentage change in status rating) = % status after being members – % status before being members,
 Source: Field Survey, 2013.

Table 2: Pairwise T-test on Wellbeing Status Before and After Joining Cooperative

	Zone 1	Zone 2	Zone 3	Zone 4	Overall
Income & Expenditure					
t-calculated	11.11	8.38	9.83	6.16	7.48
t-critical	1.968	1.98	1.976	1.98	1.962
Degree of freedom	193	127	154	126	603
Sig. (2-tailed)	0.000**	0.000**	0.000**	0.000**	0.001**
Educational Status					
t-calculated	9.83	9.74	10.59	8.08	9.57
t-critical	1.968	1.98	1.976	1.98	1.962
Degree of freedom	193	127	154	126	603
Sig. (2-tailed)	0.000**	0.000**	0.000**	0.000**	0.001**
House/shelter status					
t-calculated	5.007	5.667	3.935	4.703	4.859
t-critical	1.968	1.98	1.976	1.98	1.962
Degree of freedom	193	127	154	126	603
Sig. (2-tailed)	0.01**	0.001**	0.02**	0.003**	0.001**
Household Nutrition					
t-calculated	11.17	7.79	9.83	10.6	10.16
t-critical	1.968	1.98	1.976	1.98	1.962
Degree of freedom	193	127	154	126	603
Sig. (2-tailed)	0.000**	0.000**	0.000**	0.000**	0.026*
Household Health Care					
t-calculated	11.33	7.25	11.18	7.88	8.16
t-critical	1.968	1.98	1.976	1.98	1.962
Degree of freedom	193	127	154	126	603

Sig. (2-tailed)	0.001**	0.01**	0.001**	0.002**	0.021*
Household Assets					
t-calculated	11.444	9.253	8.619	7.579	5.813
t-critical	1.968	1.98	1.976	1.98	1.962
Degree of freedom	193	127	154	126	603
Sig. (2-tailed)	0.000**	0.000**	0.000**	0.000**	0.013**
Household utility					
t-calculated	1.355	0.529	0.377	0.717	1.147
t-critical	1.968	1.98	1.976	1.98	1.962
Degree of freedom	193	127	154	126	603
Sig. (2-tailed)	0.177 ^{NS}	0.598 ^{NS}	0.707 ^{NS}	0.475 ^{NS}	0.252 ^{NS}

t-cal: calculated t-test, t-crit: critical t-test value, df; degree of freedom, sig: significant (p-value)

** Significant at 0.05 level (2 tailed), NS: Not Significant

Source: Field Survey, 2013.

Discussion

The respondents were requested to rate their status with respect to some wellbeing indicators, which includes income and expenditure, education, healthcare, nutrition/feeding, shelter/housing household assets and utilities, before and after joining cooperative society. Thus, their self-determined opinions (subjective) on what their status was, served as data for this section, with the aimed to determine if their being members of cooperatives noticeable impacted on their wellbeing. Table 1 revealed changes in the respondents' income and expenditures status. In overall, the results indicated 32% increments in the category of respondents across the four zones that earn high income status, while those in the categories of moderate income and low income status reduced by 26% and 6% respectively. Likewise, pairwise t-test (Table 2) established significant differences between respondents' income and expenditure level before and after being a member of cooperative society. The overall t-test value of 7.48 which is greater than t-critical value of 1.962 at degree of freedom of 603, suggested that participating in cooperative societies had positively impacted on the level of income of members of cooperatives across the four zones. This finding agreed with the finding of Oladejo (2013) that the main reasons behind cooperative societies was to creating vibrant mobilization and financial support for the members. Marilyn (2008) maintained that among the benefits for the members of cooperatives is the loan facility with which the members of cooperatives invested and boost their respective income.

Likewise, it is notable on Table 1 the educational status of members across the four zones. In overall, there was relative improvement in the status of the respondents' household education from low to high by 34%, an improvement that might not be unconnected with their participation in cooperative activities. The results on Table 2, established further that being a member of cooperatives played significant role on educational improvement of members. The overall calculated t-value (4.859), greater than t-critical (1.962) at degree of freedoms of 603. More so, the impact of cooperative on members' household education status was found positive and this may not be unconnected with the fact that the income generated through cooperative enables the members to pay their children school fees and other educational requirement of the households. this agrees with findings made from different earlier studies that cooperative is one of the avenues to achieve household educational development through availability of loan, dividends and rooms for special saving for household training and development (Oluwatayo, 2009 and Babajide, 2013).

There was also a noticeable improvement in the respondents' housing shelter status, the overall result indicated 38% increment in the category of respondents across the four zones that had improvement in their housing status, while those in the categories of moderate and low housing status reduced by 20% and 18% respectively. The pair t-test as shown in Table 2 also reaffirmed that the difference between respondents' housing status before and after joining a cooperative society is significant with overall t-test

value of 9.57 which is greater than t-critical value 1.962 at degree of freedom of 603. The impacts of cooperative on household assets may not be unconnected with the accessibility to loan from which individual members of a cooperative can make use as a capital for their various trades. This finding corroborate the findings of Babajide (2013) that cooperative benefits individual by making easier for the members the accessibility to loans either in cash or in the form of goods. The report by World Bank (2014) revealed that it is very difficult for the average individual to get loan from the banks and other financial institutions in Nigeria. For low income earners, it is even worse and somewhat complicated, because they do not normally meet up with collateral.

More so, the results from Table 1 revealed an improvement in the respondents' nutrition status across the zones by 35% increment in the category of members that had high household status, while those in the categories of moderate and low housing status reduced by 20% and 15% respectively. The pairwise t-test (Table 2) also revealed a significant difference between respondents' household status before and after being a member of cooperative society (t-test calc. value; 10.16 > t-critical value of 1.962, df 603). Thus, the 35% improvement in the household status of respondents across the zones recorded was as a result of joining the cooperative society. Also, Table 1 shows that respondents with high healthcare status increased by 36% as a result of vertical movement from low and moderate status respectively. The pairwise t-test analysis in Table 2 revealed t-test value of 8.16 was depicted, which shows significant difference compared to t-critical value of 1.962 at degree of freedom of 603. Thus, the effect of being a member of cooperatives is felt on the household healthcare access of the respondents, a fact that may not be unconnected with the accessibility to loan for the members of a cooperative. Furthermore, results on Table 1 shows that across the four zones, there was 33% increment in the number of respondents with high household assets status as a result of vertical movement from low and moderate status respectively. In the overall, the pairwise t-test analysis (Table 2) revealed t-test value of 5.813 which shows significant difference compared to t-critical value of 1.962 at degree of freedom of 603. Thus, the effect of being a member of cooperatives is felt on the household assets of the respondents, a fact that may not be unconnected with the accessibility to loan for the member of a cooperative. Based on the findings from this study the health, shelters, nutrition and household education status could not have accidentally improved without the easy access to loan from the respective cooperative societies. In all, accessibility to loan may in-turn boost members business and eases their accessibility to other well-being indicators such as health care, work life, educational status, personal security and housing.

However, the results on Table 1 revealed poor access of respondents to household utilities across the four zones. The overall result revealed that there is 8% declined in the growth of those that had moderate access to households utilities before and after being members of cooperatives while those having high households' utilities before and after joining the cooperative indicated insignificant improvement. The t-test analysis in Table 2 revealed that in the overall the calculate t-test value of 1.147 is less than t-critical value of 1.965, an indication that of no significant difference in the respondents' household utilities despite been members' of cooperative societies. This result may not be unconnected with the fact that household utilities, such as Pipe borne water, Telephone, and Electricity, are provided at government subsidies and may not necessarily have effects on the affordability of respondents before and after joining cooperatives. Provision of household utilities is function of government as a contribution towards provision of social amenities in the communities. this concurred with the conclusion drawn by Oladejo (2013) that over the years, the government commitments in Nigeria, towards the provision of electricity, telephone services and pipe borne water were noticeable declined. Above all, the findings from this study showed the well-being status of members' recorded significant improvement after in their respective zones. This conformed to the conclusion drawn at the end of the study conducted by Tanko (2015) that cooperative societies improve the overall living standard of the members irrespective of type and location.

Conclusion

The application of the basic principles of cooperative societies is simple and adaptable. People of different gender and occupations, farmers, crafts men, traders, public and private workers were able to organize themselves to pool their resources for

the benefits of their livelihoods through the cooperatives. It is evident from the findings of this study that cooperative societies played significant role in the well-beings status of members of cooperatives, the likes of; household income, health, education, shelter and feeding recorded improve. In a nutshell, cooperative societies if well managed and supported with necessary incentive from both governmental and Non-governmental agencies, the societies stand the chances to turn things around to better for the members of cooperatives.

Recommendations

Based on the findings and the conclusions of this research, the following recommendations are put forward:

- i. The well-being of members of cooperatives improved significantly. The government should therefore make cooperative movements an integral package of Rural Development Programmes, to ensure that the rural poor truly benefit in the poverty reduction.
- ii. The coordinating ministries should ensure that cooperatives at all levels are active and operate within the established laws. This will checkmate cases of misappropriated practices and ensure even assess to the resources among members
- iii. Rather than serving as political tools, cooperatives should be focused more on business activities in order to generate more funds to enhance benefits to members. Focusing more on business may give more credibility to cooperatives and enhanced their accessibility to external assistances.

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