Government intervention in Cooperative Autonomy, selected districts of Oromia Regional state, Ethiopia

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Abstract: Modern cooperatives were established in 1960 in Ethiopia when Ethiopia transplanted many laws to modernize the country. Since the establishment of modern cooperatives in Ethiopia, government uses cooperatives as instrument of development agenda and assist cooperatives to flourish in the country. The objective of this study was to know that whether government intervenes in cooperative autonomy. Convergent parallel mixed methods study was used to enhance our understanding of how government intervenes in cooperative autonomy. Quantitative and qualitative data were collected concurrently via survey and follow-up interview procedures. Multi-stage sampling techniques were used to determine the sample unit and sample size of the study. Totally, 432 respondents were participated under this study. Data were analyzed separately and then mixed in the interpretation phase to provide a comprehensive understanding of government intervention in cooperative autonomy and make recommendations for practicing cooperative autonomy. The findings of this study reveal that, government intervenes in cooperative autonomy while promoting cooperative, registering cooperatives, auditing cooperative, inspecting and governing cooperative society. The study recommends that intervening in cooperative autonomy is unnecessary for cooperative institutional sustainability and cooperative identity. The government and government organs such as cooperative promotion agency at different levels should retain from intervening in cooperative autonomy. To practice cooperative autonomy, making awareness on cooperative knowledge by giving training for community, cooperatives members and making professional cooperative management is recommended to see genuine cooperative society in Ethiopia.

Key words: Government Intervention, Cooperative Autonomy, primary cooperatives, mixed method, Oromia

Introduction
Cooperative is an autonomous association of persons united voluntarily to meet their economic, social and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise (ICA, 1995). Autonomy of an organization means the organization has the liberty to govern itself according to its own principles and established procedures. A cooperative organization is autonomous when it is free to make decision and implement that decision according to organizational objects. Cooperative autonomy is the right of the members to determine for what purpose and how their Cooperative society should be organized under prevailing socio-economic conditions, in accordance with the cooperative law in force and with the government policy concerning cooperative development (Munkner, 2014). Therefore, Cooperative autonomy is the autonomy of the members to set the goal of their joint effort that means to define the objects of their society, which in this case would correspond to the need to all members of the cooperative
group, the members to make and to amend by-laws under the cooperative societies act and regulation that means to determine the conditions for admission to the society and thereby to decide whom to admit (open membership), to fix the amount of share capital and eventual liability to be contributed by every member, and to decide in which way the economic result of the joint operations should be used. It is an organization that runs an enterprise in which cooperatives and their member pursues their aims. It also provides services to its members by aiming to satisfy their common economic, social and cultural needs (Develtere, 2008; Fici, 2012).

A cooperative autonomy is essential for cooperative long term viability (Guidance Note, 2015). Long term viability is the connotation of sustainability of cooperatives. Autonomy is the extent of decision making authority that the members of the co-operatives are free and at liberty to make democratic decisions based on what is in the best interests of their members and the wider communities’ co-operatives serve (Guidance Note, 2015). This principle underscores the importance of self government and self - determination in the existence and operations of cooperatives. The definition forbids government from interfering in the overall affairs of the Cooperative Society. The implication of this is that cooperatives should be self financed and self sustained. The overall goal is to develop member initiated, member planned, and member formed and member managed Cooperatives.

The relationship of Government to Cooperative may be helpful or harmful for cooperatives (Develtere, 2008; Kaleshu, 2018; Munkner, 2014). Cooperative development is often pursued by government agencies, cooperatives, and individual cooperative developers (Adeler, 2014). In post-colonialism the government intervenes in cooperative movement to use cooperative as development agent. In Africa like in most developing economies, especially in Ethiopia, co-operatives were and are still recognized as vehicles of socio-economic development. The number of co-operatives in Ethiopia has grown mainly as a result of the development agenda and the need for pulling resources for a common goal (Etefa, 2022; Karthikeya & Nakkiran, 2011). Cooperative which is initiated and based on governments for funds, governance, marketing, and training might fail on failure of state institutions often had a direct bearing on the failure of cooperatives since they were intrinsically linked to state bureaucracies most of which were plagued by inefficiencies and maladministration (Wanyama et al. 2009).

Guinto et al (1999) shows cooperative in developing countries are suffering from an image problem. Image problem is that cooperatives are managed by government. Because of this the members are confused as to who is the real owner of the cooperatives. The study analysis that in the Philippines, the government utilizes cooperatives as implementing agencies of their special programs (p.99). He concludes that cooperatives are considered as government sectors. The study by Woldie (2015) found that there are identity crises of cooperatives in Ethiopia. The study indicates that cooperatives and investor-owned firms are the same in Ethiopia. Because cooperatives lost their objective which is not for profit are established to get profit as primary aims. Because of government has been manipulating cooperatives to fulfill national economic development agenda which can be possible through investor-owned firms. This study shows that because of government intervention in cooperative matters there is no cooperative autonomy in Ethiopia and cooperatives lost their primary objectives and run to fulfill Government national agenda. The study by Yehdego (2020) also founds that when government provided services to cooperatives in Ethiopia there is violation of cooperative principles and lack of awareness about cooperatives.

As Macpherson (2007) found co-operatives were best off if they had the least possible to do with governments. Because co-operatives are involved in so many kinds of activities, they relate to a variety of government departments and are affected by numerous government policies. But if we look to the developing countries where the cooperatives are on the average still weak, and they are unable to carry out their affairs by their own; i.e. they are not sufficiently self-reliant (Soedjono, 2002). This suggests that for the cooperatives of developing countries, including Ethiopia, to run their operation soundly in the market, among others, they are in need of positive-intervention from outsiders. With this end in view, Ethiopian government established government agent at federal, regional, zonal or woreda levels (Lema, 2008) to regulate and to promote cooperatives. In Ethiopia, government has supported the formation of many cooperatives (Bernard et al. 2010).
In Ethiopia the audit practices services on the hand of the government. The justification for giving ultimate responsibility for audit lies in the fact that the cooperative movement has usually been introduced and is still in many ways supported by the government, which must be regularly informed of its progress and shortcomings (Karthikeya & Nakkiran, 2011). With the state control and supervision of the entire movement with state interferences, the cooperatives society movement passed into the hands state department and all developments in the movements were subject to the state interventions (Proc. No.985/2016, art 50(1); Proc. No.218/2019, art 51; Proc. No.274/2002). Government agent may take an inspection of any cooperative society’s organizational status, operations, documents and financial conditions (Cooperative proclamation No.95; 2016; Cooperative proclamation No.218, 2019; Proc. No.274/2002).

The power of registering cooperative is given to government special agents. Registration is equivalent to birth. Registration is the beginning of legal personality for cooperatives. In registration process, the economic feasibility study should be carried out by a cooperative apex organization or another recognized structure. Where there are no such structures yet, government may temporarily carry out this task. The task must not be given to the registration authority in order to avoid it being party and judge at the same time. The establishment of a speedy and impartial registration procedure is a first step by the state towards facilitating the development of a genuine cooperative system (Henery, 2012). The registrar system has resulted in government intervention in cooperative business activities under the rationale that ill-informed and illiterate members must be protected from abuses and mismanagement. Before registering cooperatives, the commission or Cooperative agency that registers cooperative has to ensure that substantive components are fulfilled (Proclamation No, 985, 2016; Proclamation No.218, 2019).

In Ethiopia government officials interfere in the management of the cooperatives. Political interferences are the government strategies that designed to take apart and exert pressures on issue of decision making in cooperatives development (Tefsay & Tadele, 2013). Interference is happen especially when cooperatives establish structures, election of committee and management takes places, when government provides the social services like supplying improved seeds, fertilizers, pesticides are used to influence on deciding the issues of cooperatives (Derese, 2014).

Cooperative autonomy is crucial for the development of the cooperative movement (Cox & Le, 2014; Kaleshu, 2018) and its sustainability. This study tries to know whether government intervenes in cooperative autonomy in study area. In Ethiopia, different study shows (Derese, 2014) that government intervenes in Cooperative autonomy starting from its formation to its winding up.

The problem is that whether or not government intervenes in cooperative autonomy is not compressively researched in study area. The object of this study is to find the existence of government intervention in cooperative autonomy in study area. Specifically, it is to know that whether government intervenes in cooperative autonomy while promoting, auditing, and inspecting, governance and registration process of cooperative societies.

**Methodology**

**Research Design**

This study employs mixed Methods research approach. Mixed methods research is the type of research in which a researcher combines elements of qualitative and quantitative research approaches (Creswell & Plano, 2018; Johnson et al. 2007). The rational for the choice of mixed methods as an approach for this study is that it is chosen because of its strength of drawing on both qualitative and quantitative research and minimizing the limitations of both approaches. It provides more evidence for studying a research problem than either quantitative or qualitative research alone (Creswell & Plano, 2018). A researcher is able to collect the two types of data simultaneously, during a single data collection phase. In addition, by using the two different methods in this fashion, a researcher can gain perspectives from the different types of data or from different levels within the same study (Creswell, 2009). Because of this, mixed method approach will be employed to assess different aspects of a single research question.

This study employs convergent design. The convergent design occurs when the researcher intends to bring together the results of the quantitative and the qualitative data analysis so they can be compared or combined. The basic idea is to compare the two results with the intent of obtaining a more complete understanding of a problem, to validate one set of
findings with the other. The two databases are essentially combined (Creswell & Plano, 2018). This allowed the researcher to mix the data during the analysis stage in order to facilitate the comparison, interrelation, and further analysis of the two sets of data. The research process of this study was put as the following figure.

![Figure1. The research process in this study using the convergent mixed methods design](Source: Adopted from Creswell & Plano Clark (2018))

**Sample Size and Sampling Technique**

**Quantitative group**

Multistage random and purposive sampling procedure was used for this study. 1st stage, six districts such as Burayu, Holota, Walmara, Ejere, Ambo town and Ambo District was selected purposively. 2nd stage, sample cooperatives were selected by stratified random sampling based on types of primary cooperatives. Among 294 different types of primary cooperatives 31 of primary cooperatives were selected based on Cochran formula. They are randomly selected mainly based on some practical reasons like access to transport, seniority and size of membership and availability of data. 3rd stage, as to sampling of member respondents was concerned, proportionate simple random sampling technique is employed using each selected primary cooperative’s registry as sampling frame. 4th stage, the sample respondents was determined based on Yamane formula

\[ n = \frac{N}{1+N(e)^2} \cdot \]

Where in: \( N = \)population which is 8900; \( n = \)sample; \( e = 0.05(\)sampling error\); \( 1 = \)constant

Based on this formula the sample size of the study is: \( n = \frac{8900}{1+8900(0.05)^2} = 382.79 \approx 383 \)

**Qualitative group**

To determine the sample size, 31 manager/ member of management committee from each selected primary cooperatives were purposively selected. In addition, key informant interview (KII) was done with 18 participants from cooperative promotion office at different level. Data was collected by

The intent of the triangulation design was to gather both quantitative and qualitative data at the same time and to integrate the two forms of data in order to have a better understanding of the research questions being asked. This design typically gives equal priority to quantitative and qualitative data and analysis, involves concurrent or simultaneous collection of data, and integrates both quantitative and qualitative data in the results, interpretation, and conclusion phase (Creswell & Plano Clark, 2018).

**Data analysis**

**Qualitative data analysis**

The interviews were face-to-face and notes were kept frequently. Data were coded by giving codes to participants (as p1,p2,p3….p31). The data were thematically analyzed and compared and triangulated with quantitative data.

**Quantitative data analysis**

In the quantitative stage, descriptive statistics such as frequency and percentage were performed on the data. The descriptive findings from the qualitative data were compared with those from the quantitative data.

**Results**

**Socio-Economic Profile of Sample Respondents**
The effective survey responses rate was 100%. Therefore, the responses were adequate for further analysis. Upon the rates of the responses demographic characteristics are presented as; majority of the respondents (72.8%) were male and (27.2%) were females. Regarding the respondents age group about (41.3%) were between 37- 55 age groups and (27.2%) of them were between 28- 36 years followed by (19.3%) of them were between 18- 27 years. Regarding educational status of the respondents, majority of them (45.2%) were grade 9 to 12th while (28.2%) were grade 1 to 8th level of education. The others (18%) of the respondents were diploma level and (8.6%) were degree and above. Regarding duration of membership, 7.8% of them were between 1 -5 years and 21.9% were between 6-13 years. And also majority 44.9% of them were 14 -30 years and 25.3% were more than thirty years membership (cooperative experiences).

**Government intervention in Cooperative Autonomy**

Table 1: ways of government intervention in Cooperative autonomy

<table>
<thead>
<tr>
<th>Does government intervene in cooperative autonomy while:</th>
<th>Yes/No</th>
<th>Numbers</th>
<th>percent</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Promoting</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>350</td>
<td>91.4</td>
<td>3rd</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>33</td>
<td>8.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>383</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>registration process</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>345</td>
<td>90.1</td>
<td>4th</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>38</td>
<td>9.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>383</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Auditing</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>360</td>
<td>94</td>
<td>2nd</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>23</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>383</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Inspection</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>341</td>
<td>89</td>
<td>5th</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>42</td>
<td>11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>383</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Governance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>365</td>
<td>95.3</td>
<td>1st</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>18</td>
<td>4.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>383</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1 show that 91.4% of the respondent said that there is government intervention in cooperative autonomy while government promotes cooperatives. The others 8.6 % said that there is no government intervention while promoting cooperatives. The result shows that there was government intervention in cooperative autonomy while registering cooperative society. The same table also reveals that, while cooperatives registration process the government also intervenes in cooperative autonomy. Almost all 90.1 %( 345) respondents said that there is government intervention in cooperative autonomy in cooperative registration process. The others 9.9 %( 38) said that there is no government intervention in the process of cooperative registration while registration of cooperative. The result shows that there was government intervention in cooperative autonomy while registering cooperative society.

In addition, the table also shows that the government intervenes in cooperative autonomy while auditing cooperative society. Almost all 94 %( 360) respondents said that there is government intervention in cooperative autonomy while auditing cooperatives society. The others 6 %( 23) said that there is no government intervention in their cooperative society. The result shows that there was government intervention in cooperative autonomy while auditing cooperative society. Furthermore, the table shows that there is intervention in cooperative autonomy while inspecting cooperative society. Most of the respondent 89 %( 341) said that the government intervene in cooperative autonomy while cooperative inspections and 11 %( 42) respondent said that there is no government intervention.
in cooperative autonomy while inspecting cooperative society. The result indicates that there is government intervention in while inspecting cooperative society in study area.

Lastly, the table shows that there is government intervention in cooperative governance under study area. Most of the respondents 95.3 %( 365) said that the government intervene in cooperative governance. The others 4.7%( 18) respondents said that there is no government intervention in cooperative governance. The result reveals that there is government intervention in cooperative governance under study area.

Table 1 also summarizes the comparison of government intervention in study area. It shows that the government intervenes in cooperative autonomy manly in cooperative governance. At the second stage, the government intervenes in cooperative autonomy while auditing cooperative societies and also government intervene in cooperative autonomy in the name of promoting cooperative societies respectively. The government also intervenes in Cooperative autonomy while cooperative is under formation at registration process and finally while inspecting cooperative societies.

Cooperative freedom from government intervention

Table 2: Coop freedom from government

<table>
<thead>
<tr>
<th>Can your cooperative constrain working with government?</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>369</td>
<td>96.3</td>
<td>96.3</td>
<td>96.3</td>
</tr>
<tr>
<td>Yes</td>
<td>14</td>
<td>3.7</td>
<td>3.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>383</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey 2022

Table 2 shows that almost all respondent 369(96.3%) think that their cooperative can’t constrain working with government, even if they would comply with the rules and regulations of cooperative society. The others 14(3.7%) perceives that there cooperative can stop the relation with government and stand by itself. The result shows that in study area, cooperative cannot stand by itself without government assistance. This again confirms the cooperatives’ dependence on government as a main source of support. On the other hand, it could mean the cooperatives don’t have the freedom of choice in what to do, who to work with and not. This finding was similar with study by Derese (2014). Even at the union’s level, most of the cooperative lack the capacity to make independent decisions (Emana, 2009). This illustrate that the government intervenes in cooperative internal matters and that erodes Cooperative autonomy. In this case, the cooperatives are not being given the freedom to decide on their own fates even cooperatives are considered as autonomous private organization by cooperative law.

Qualitative data analysis

Government promote cooperative by initiating members to form cooperatives, but while promoting he intervene in cooperative autonomy by dismantling cooperative identity (P6, P7, P18). The key informants from cooperative promotion agency at worada level said that government intervenes in cooperative society to protect and save cooperatives. And also government uses cooperative to reach the society especially to stabilize the market and fight inflation in the country. On the other hand, cooperatives leaders said that(P1,P2,P10,P12,P13,P15,P16,P21,P23,P24 and p30) the government has less commitment to promote cooperatives although resource is sufficiently available to make promotion. The cooperative promotions organs of the government are weakly organized. The cooperative movement has a hidden agenda of dismantling and substituting the lowest level of political administration (P14, P19, and P22). There is some groups what the government calls (raayyaa jiijiramaa) that related to ‘the transformation agent in cooperative society’ which follows the implementation of government political agenda in cooperative society. They said that even if government promote cooperative society, intervening in cooperative organization is not important. It brings lose of confidences to implement the cooperative objectives (p7,p8, p29).
The key informants said that government assists cooperatives by searching better market for their products. The ultimate objectives of the government mutual development, saving, market stabilization, creating culture of honesty, transparency and accountability. Especially cooperatives are more preferable in market stabilization since the private sector is untrustworthy. The government supports the cooperatives by controlling the management through audit, inspection and training.

Cooperative society is no audited as per the proclamation. Even when cooperative has been audited, the auditor intervenes in cooperative organizational autonomy(P1,P2,P3,P4,P5,P6, P7, P9, P10, P11,P13, P14, P15, P16, P17,P18,P19,P20,P22,P23,P24,P27, P26,P29,P28,P29,P30,P21,P31). While Inspection also they intervene in cooperative autonomy. They always warn the society when government political agenda was not implemented as they want. The participants(P1,P3,P4,P5,P6, P7, P9, P10, P11,P13, P14, P15, P16, P17,P18,P20,P22,P23,P27, P26,P29,P28,P29,P30,P21) perceives that government does not respect the autonomy of the cooperative. The government controls cooperatives through inspection. While inspecting cooperative organizational status inspected and different warrant was given for cooperative management committees to implement the government scheme through cooperatives society.

Inspection includes checking the management structure that is the existence of necessary management organs as indicated by the Cooperative Law. Inspection also includes checking the existence of necessary office organizations such as work manuals, by-laws and articles, and auditing and inspection manuals. The Inspectors also check the existence of managers and necessary staff members and infrastructures. The inspector would also check whether or not the cooperative is keeping proper records such as accounting and minutes, working in accordance of the Cooperative Law and the number of meetings held in the inspection period. On the basis of his finding the inspector gives comment to the management committee or the general manager. He also reports his finds to the government (P25, p27, p28 and p30)

Auditors do the same thing with the inspector but the auditor emphasis the financial accounting. In addition to giving comments to the management of the cooperative they report any fraud or mismanagement to the government. On the basis of the report of the auditor the government may institute a court action against those responsible for the fraud or mismanagement. There has been annual inspection and audit, which go beyond financial accounting (p1, p3, p5, p29).

The cooperative leaders illustrate that the intervention of government in cooperative autonomy by intervening in cooperative governance(P1,P2,P3,P4,P5,P6, P7, P9, P10, P11,P13, P14, P15, P16, P17,P18,P19,P20,P22,P23,P24,P27, P26,P29,P28,P29,P30,P21) Some said that Government intervenes into daily affairs of cooperative. Government decision to use cooperatives as a channel to distribute basic goods/service to the public. This has not enabled cooperatives to function according to the principle of mutuality. This finding was similar with the study by Derese(2014) which shows the intervention of government in cooperative governance.

Discussion and Conclusion

Table 3: Comparisons of qualitative and quantitative results

<table>
<thead>
<tr>
<th>Qualitative</th>
<th>Quantitative</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Participants</strong></td>
<td>N1</td>
</tr>
<tr>
<td>Those who think that government intervene in cooperative autonomy while promoting</td>
<td>27</td>
</tr>
<tr>
<td>Those who think that government intervene in cooperative autonomy</td>
<td>29</td>
</tr>
</tbody>
</table>
while in cooperative registration process

<table>
<thead>
<tr>
<th>Those who think that government intervene in cooperative autonomy while auditing services</th>
<th>29</th>
<th>93.5</th>
<th>360</th>
<th>94</th>
</tr>
</thead>
<tbody>
<tr>
<td>Those who think that government intervene in cooperative autonomy while Inspection</td>
<td>25</td>
<td>80.6</td>
<td>341</td>
<td>89</td>
</tr>
<tr>
<td>Those who think that government intervene in cooperative governance</td>
<td>28</td>
<td>90.3</td>
<td>365</td>
<td>95.3</td>
</tr>
</tbody>
</table>

In qualitative finding almost all participants (27) agreed that the government intervene in cooperatives autonomy and also in quantitative finding 91.4% respondents respond that government intervene in cooperative autonomy while promoting cooperatives. Regarding registration process 29 participants agree that government intervene in cooperative formation especially at initial or registration stage.

The quantitative study also found that there is government intervention in cooperative autonomy. Almost all respondents, i.e. while promoting (91.4%), in registration process (90.1%), while auditing (94%), while inspection (89%) and in governance (95.3%) were agreed that the intervention of government in cooperative autonomy. The qualitative and quantitative findings are clearly seen to be mostly compatible.

This is because government uses cooperatives as vehicles of development agenda. It uses as an instrument to bring socio-economic changes. The study concludes that government intervention erodes cooperative autonomy and brought stagnation of genuine cooperatives. The study also found that cooperatives cannot separate from government and stand by themselves which erodes the principle of self-leading. This finding is also similar with woldie(2015) which he found that Ethiopian Cooperatives have already gone out of the truck of true cooperatives. This is because the government has appealed to cooperatives to get assistance to control inflation. As a result they are not autonomous. They are rather government instruments and are strictly controlled and supervised by the government. In addition through inspection and audit process the government intervenes in cooperative autonomy. To start with the cooperatives depend on the model bylaw prepared by the government. From the beginning especially in producer and consumer coops it is the governments that originates the business idea and then invite individuals to buy the idea. The government advocates its business idea through its employees. Once the advocacy succeeds the government itself prepares the by-laws and makes the volunteers to sign the by-laws. The founders of the coops are not entitled to make even a slightest change to the by-laws presented by the government.

Political interference in daily affairs of cooperatives was also found to be a major problem of cooperative autonomy. The main reasons for failures were that cooperatives were promoted by governments and other development agencies instead of the idea originating from the people. The cooperative idea was more successful when it originated from the people (Pathak and kumar, 2005). Therefore; cooperatives are under the feet of the government from moment of inception to dissolution. Although assistance from government may be useful, cooperative autonomy is a must for a long lasting survival of the cooperative societies. State assistance should be limited to extending special privileges and delegating some of its sovereign power to the Cooperative societies. The recommendation is that the government should stop intervening in cooperative autonomy rather encourage cooperatives to stand by themselves in making favourable environment for them.

This study has several limitations. First of all, it only discusses primary cooperatives perspectives and experiences. Another important limitation is that the participants in the qualitative stage might not have wanted to express their ideas...
accurately or could have wanted to be seen to have ideas closer to political power because their ideas reflections are sensitive issues concerning practice of cooperative autonomy.

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