Sustainable Cooperative Societies: An Engine for Economic Development beyond Oil in Delta State, Nigeria

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ABSTRACT
This paper presents and discusses sustainable cooperative societies an engine for economic development beyond oil societies in Delta State, Nigeria. Oil revenue has brought more pain to the State than gain. It makes people to be lazy and led to fictions life of white collar job seeking that is none existence. This creates restiveness throughout the nation couple with fallen price of crude oil that makes life unbearable to most family. The only solution to this pragmatic situation is through alliance with the principle of cooperative societies. Though problems of lack of fund is common with the societies, government both state and national are advise to use the cooperative tools in sustaining the economy.

Keywords: Oil, Agriculture, Cooperative Societies, Sustainability, Economic.

INTRODUCTION
The word sustained mean ability to live or exist. A sustainable cooperative society therefore is any society with the potential for continuous existence. Amadi and Frankic-Dolor (2009) sees the concept as an association that meet the need of its present members without compromising the ability of future members to meet their own needs. To realize this objective, cooperative societies manage their resources through collaborative effort of members for all to benefit from their sweat. As they believe in dignity of labour, members are encouraged to invest their resources to make provision for raining day (Adu, 2014).

It is a known fact that Nigeria as a nation and Delta State in particular is gaping for economic air due to dwindling oil burst. This has resulted into delayed or inability to pay salaries and promotion of arrears by government, devaluation of the nation’s currency because of exchange rate, government failure to fulfill pension scheme obligation, increment in the prices of goods and services to mention but few. Since government is undergoing hard time, formation of cooperative societies would not be a bad idea. This is because according to Oroka (2016), cooperatives are strong, vibrant and viable economic alternative. They are established to fulfill individual mutual needs. It is predicated on a strong idea of together, a group of people and realizes their goal which left alone could not be met. Though cooperative is as old as creation, its relevance today cannot be over emphasized (Muhammed 2014).

The rationale behind the establishment of cooperative organization is voluntary membership with sole support and assistance from members to meet economic needs and interest. The aim is to pull members economic forces together to lessen their source for fund and other socio-economic resources. The bedrock for formation of cooperative enterprises among others are common business interest, need for social interaction on common interest, exploitation of common resources through group strategy and financial stability (Deji 2005).

As over dependence on returns from Oil is putting the state and the nation in a gloomy situation a rethink is necessary to evaluate other options. Cooperatives stand out as an alternative for bailing the state and the
nation out of its pragmatic economic situation. It is on this assumption that this paper addresses sustainable cooperative a panacea for economic development beyond oil in Delta State, Nigeria.

**Concept of Cooperative(S)**

The term cooperative is gotten from cooperation which derive its origin from the Latin word, co – operari. The first part “CO” means “with” and “Operari” mean to “work”. Hence, cooperation means working together. According to Umoru (2016), cooperative society is a voluntary association of persons who work together to promote their economic interest of supporting each other financially.

Adesina in Oroka (2016) opined cooperative society as enterprise where people voluntarily conglomerate together on the ground of equality having participation in management to promote common economic interests, using equal voice, making approximately equal or proportional contributions to capital and drawing equal service and benefit from it and run for those who use its services. Cooperatives are established by like minded people for the aim of improving their standard of living while reaping from the social service provided. The basic philosophy of cooperative movement hint on service and the well-being of members and guided by seven cooperative principles that have been globally accepted and adopted by the International Cooperative (ICA 2014).

The international cooperative Alliance (ICA 2014) opines cooperative as an autonomous association of persons united voluntarily to realize their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled organization. The cooperative is guided by principles that has international recognition. It is also pertinent to note that the structure of cooperatives got its root from the concept of self reliance and cooperation that empower members to possess equal rights, duties and responsibilities and agree to manage it together.

More also, Kassailil, Adejobi and Okparaoha (2013) Stressed cooperative as a business entity which seeks to maximize profit to ensure growth of the social enterprise, grow members’ business and alleviate poverty of members, shareholders. According to the above authors, cooperative society draw its capital base from the contribution of members or through credit from banks.

**PRINCIPLES OF COOPERATIVE SOCIETIES**

Any formed cooperative society has a base on which it is rooted. Baulda (2006) stated the following as the principles.

**Voluntary and Open Membership**

To be a member of a cooperative society, there are no hard and fast rules. Anyone can become a member in as much as they all have a common interest. Hence it is open to all. There is no coercion for members to join the society. Membership is by choice. This is why members are at liberty to join and leave at will.

**Democratic Members Control**

Control and management of cooperative societies are democratically carried out. Members have single voting rights. Irrespective of number of shares held in the society. Members cast their vote to elect their representatives to form the board of Directors that see to the daily administration of the business.

**Member Economic Participation**

The sources of fund for cooperative societies are capital contributed by all the members. They can also raise loans and secure grants from government after its registration.

**Autonomy and Independence**

Though cooperative organizations possess independence in control of their daily business, they are monitored by state government after registration. During this period of registration, the society is expected to submit detail report about the members and the nature of business they concerned themselves with. Books of account are maintained and subjected to audit by government auditors.

**Education, Training and Information**

Cooperative societies keep members abreast with happenings in the industry. Members are trained on the workings in the society for them to have sense of belonging. Since they are not operated in a vacuum they impact the environment of their operation and benefits accruable from its existence are taught to the public for them to aspire to form their own if necessary.
Co-Operation among Cooperative
Cooperation exists among cooperatives. They work together by attending common seminar where they share ideas within themselves on how they can improve on their common interest. This they do through local, state, national and at international level. Through this, employment opportunities are created (Tibi and Atoma 2015).

Service to Members and Community
The rationale behind the formation of cooperative societies lies in service of members. They as well extend a hand of fellowship to the community in which they are sited. Profit making is never the reason for their establishment. They are meant to provide better and quality service at affordable prices to its members and the general public.

ROLES OF COOPERATIVE SOCIETIES
Cooperative societies perform so many roles in the development of the cooperators and in the community of its existence. Tretcher in Muhammed (2014) stresses that cooperative enterprises help to reduce cost and improve the quality of local government services while helping communities to maintain local autonomy. It also assists in aiding purchasing and marketing functions in their linkage with local cooperative.

Employment opportunities are opened for the teeming population in areas cooperative societies are sited. People are employed in any concern open by cooperative society. Those in agro allied industry buy and sell their product thereby creating marketing activities Mande & Lawal (2014).

Similarly, economic life of the cooperatives is affected through cooperative activities. Quick return on investment makes the cooperative to have surplus money to lend or loan to members. Members and the communities can buy goods which were hitherto not available and at cheaper prices. Marketing information that were not available are exposed to the public for all to benefit (Majurin, 2012).

Nevertheless, cooperative societies act as a means for getting loan for investment purpose from government. This type of opportunity is hard to come by if left alone to an individual. Hence, Sapran (2010) opined that most cooperators in the society stay due to the benefit of access to government loan available to them. Sapran (2010) also stressed that most poor cooperators are skeptical to invest their lean resources on cooperative matters.

Still, cooperative activities stimulate capital accumulation by members. Yebisi (2014) & Tewari (2014) investigation of financial behaviour of fish farmers in Ondo State Nigeria & Indians in South African discovered that there is high propensity to save among groups for them to increase their income than be left alone to grow their fund. This is why cooperative societies encourage the culture of saving among members (Testamariam, 2012). The idea of coming together by cooperators, build up ego among themselves as they see their capital grow in the society.

Cooperatives have a role to play in reducing various shocks and proffers solution that are socially and economically sound and sustainable. By and large, cooperatives can create a safe environment where people can increase their self confidence, identify their own short comings, make decisions and manage risks. Thus, beneficiaries from cooperative activities can become strong agent of change, entrepreneurs and promoters of social transformation for self and the community in general.

Since cooperatives offers members opportunities, protection and empowerment-salient features for upliftment from degradation and poverty. As governments around the world cut services and withdraw from regulating markets, cooperatives are being considered useful instrument of change to manage risk for members and keep markets efficiently to sustain the economy.

TYPES OF COOPERATIVE SOCIETY
The following are its types;

Consumer Cooperative Society
This type of cooperative purchases the goods that the cooperators need on daily basis from either the seller or the producer directly. For the fact that middleman are cut from the distribution channel, the
goods are cheap for the members. These societies are mostly found in departmental stores and retail cooperative. Sometimes the society make profit, part of the profit is distributed among the members while the rest is used for the expansion and development of the business. This business is conducted by elected managers. If the business is becoming too big for one person to run, an administrative committee is organized to manage the business. However, its major aim is to supply the day to day needs of the members at a low price. This society is very common in the advance nations.

Producers Cooperative Society
As the name denote, it is formed by producers. The main reason for its formation is to eliminate the incidence of middlemen and capitalist between them and the consumers. It enhances direct link between the producers and the consumers. It thus, enable them to produce goods which the consumers demand thereby eliminating waste. However, surplus productions are taken to the market for sales at a profit. Members of the society pool their resources together to produce their needs. They also manage the business themselves. They also share the profit according to their capital. All the production process like the purchase of raw material and distribution of goods is carried out under the supervision of members at low prices. This types of society establishes small industrial units which are labour intensive. They sometimes own their retail shops to provide their product to the consumers directly.

Credit Cooperative Society
This is the coming together of financially weak people. The main aim is to provide short term and medium term loans to its members. The society protects the members from money lenders who charge arbitrary high interest on their capital. In the rural areas it provide loan to poor people on low interest. Credit cooperative society collects the fund from its members and also take loan from the government. It has two kinds namely agricultural and non-agricultural credit society. The liability of the members is unlimited.

House Building Cooperative Society
This society is mostly formed in the urban areas. It protects and provides house facility to its members. It receives deposit from its members and obtains land for the construction of houses. It purchases the raw materials for construction on low rates and provide to the members on no credit basis. It also provides the facility of gas, electricity, water and transportation.

Agricultural Cooperative Society or Cooperative Farming Society
This society makes small farmers to employ improved methods of cultivation. Small farmers cannot use tractors, improved tubers and fertilizers due to their small size. These societies provide improved seeds, irrigation facility and machines to the farmers to increase their per acre yield. It also takes interest to dispose off the product of the farmers. It collects the funds from the members and also borrows the money from various financial institutions. The liability of the members is unlimited.

Cooperative insurance society
This society is established to provide group insurance to its members. It liaise with insurance companies collectively. In this way the premium rate of insurance is reduce. Mostly, the society takes group insurance policy for its members. The society can be organized for issuing policies of small amount. Two types of insurance cooperative society exist. They are the mutual office and self-concern. For the mutual office holder, they own the company and so share the profit among themselves. The self-concern cooperative society is established to provide insurance facilities like the private insurance company. Due to many problems this cooperative insurance has not been so successful.

Marketing Cooperative Society
This society is mainly organized by small farmers and agriculturist. Small producers organize this type of society to sell off their products collectively. The society pools the product of all the members and arrange them to supply at a higher price. It strengthen the bargaining power of the members. It eliminates middlemen profit. The society also provide financial assistance to its members in need. The society provide storage facility for their product. It keep the members abreast with relevant information that can enable them to improve on their product.
FEATURES OF COOPERATIVE
The Cooperative is Autonomous: It is an independent of government and private firmly as possible. In their daily dealings they make sure that everything is done within themselves rather than waiting for other people to assist them.
It is an Association of Persons: Cooperatives are free to define “persons” in any legal way they choose – individual and or legal persons.
The Persons are United “Voluntarily” Membership should not be compulsory. Members should be free to join or to leave.
Members of a cooperative ‘meet their common economic, social and cultural needs’. Indeed in the future helping to provide a better way of life-cultural, intellectual and spiritual – may become one of the most important ways in which the cooperatives can benefit their members and contribute to their communities.

The Cooperatives is a jointly-owned and democratically-controlled enterprise within the cooperative control is distributed among members on a democratic basis. The dual characteristic of ownership and democratic control are particularly important in differentiating cooperatives from other kinds of organization.

COOPERATIVE AS A STRATEGY FOR SURVIVAL BEYOND OIL
Sometimes ago, Oil boom makes Nigeria to focus all attention toward Oil revenue neglecting Agricultural sector which sustained the nation then. Today the same oil activities is now termed differently from oil blood, oil bath or oil burst due to fall in the price of the product (Boris, 2015). The resultant effect is the springing of a group called Niger Delta Avengers (NDA) destroying oil pipelines through bombing and killing of innocent people in the process.
Cooperative societies’ activities can be used to deemphasize over dependence on oil by embracing agriculture sectors (Tibi & Atoma, 2015). This will enhance unity among the people, create employment, make find available to the members, encourage innovation and create market for agricultural products. By virtue of the types of cooperatives, members can generate money through savings and loan to do business rather than waiting and searching for Whitecolar job that are none existence in the state.
The citizens of the state can take advantage of types of the cooperatives to identify with any area of their interest to join.

Alternative Opportunities Beyond Oil
With the dwindling economy due to over reliance on oil, states in the nation can look inward to discover other resources available to them. According to Boris (2015), Nigeria as a nation is endowed with thirty four (34) different resources spread all over the thirty six (36) states. In time like this all that is required is to investigate and comb the environment to discover them. Delta state can do the same.
The following are area where one can venture into either as an individual or as a state to generate revenue and sustain the state beyond oil.

Agro-based industries
Fruit juices; baking; biscuit; rice milling; toilet soap; toilet paper; craft, Bag; Yellow Board; Automobile Tyres and tube; working clothes; Oil milling; Coconut processing; Candy; Simplest Reworked Fiber; Medical use Textile; and Non-Fabric System; Starch; Rice Oil; Farm Implements; Cotton Towel; Bicycle Tyres and Tubes; Cor Fiber Processing; Mosquito Net; Baker’s Yeast; Brushes (Fiber and Bristles); Carbohydrate and Proteins Extracts from Groundnut cake; Cashew Apple Juice; Cashew Shell Oil; Cattle and Poultry feed; Cocoa Nut Shell Powder; Condiment and Spice Powders; Cotton Seed Oil; Preservation of Whole Fruits among Others (Oroka, 2016).

Livestock-Based Industries
Big tanned sole leather; belting leathers; Bone Crushing; Bone Meal; Brush Making; Cycle Leather Saddle Tops; Diary and Milk Products; Glue from Animal Fleshting; Hold-Alls and Travelling Kits; Industrial Leather; Leather Foot Wear; Leather Glove; Leather goods and Sport goods; Leather Tanning;
Sports Foot Wears; Textile Leather (for manufacturing pickers, picking bands etc); Upholstery Leather; Washers and Dust Shield Leather among others.

**Forest-Based Industries**
Sawing Milling; Plywood; Bamboo Board; Briquette of Saw Dust; Cane Umbrella Handles; Cane and Bamboo Products, Country Crafts and Mechanical Fishing Boats; Chip Board and Particle Board.

**Marine-Based Industries**
Tiles; ceramics tableware’s; Concrete blocks; Polyethylene Bag; Cellophane Tape; Pencils and Slates; Sign Pen; Foundry; Bolts, Agricultural use PVC film; Rigid PVC Pipe; Plastic Container; Polyester Button; Corrugated Board Box; Canning; Can; Aluminum household goods; stretched tape woven sack; Sanitary Ware; Asbestos Cement; Red Bricks; Pipefitting; Sewing Needle, Concrete Poles and Pile; Automatic water treatment.

**Other Industries**
 Grinding Wheel; Pump Assembling; Wire and Wire Product; PVC insulated wire; Electroplasting; Ice Making and Refrigeration; Shoe; Mosquito Coil; Men/Women Dresses; Printing; Fishing Net Making; Air Separation; Pharmaceuticals; Real Estate and Landed Properties.

**PROBLEMS OF COOPERATIVE SOCIETIES IN NIGERIA**
The fact that cooperative societies contribute toward the raising of capital and provision of employment opportunities for the cooperators does not free the organization from its own setback prominent among them are the following;

**Lack of Capital**
All cooperators need loan from the organization but the subscription cannot satisfy everybody. Thus, assistance of government is sought to make fund available to the organization. Most bureaucracy involved in assessing government discourages cooperators from utilizing this option. Banks also require much conditions to be met before loan can be granted to cooperative societies.

**Inadequate Support from Government**
Government most times show lackadaisical attitude toward activities of the society by holding back their cheque thereby delaying projects cooperators need the fund to accomplish.

**Members’ Lack of Commitment**
Members of the association pay lip service toward the affairs of the society. They are only seen in meetings only when they have needs to be met. After meeting such needs they disappear into the thin air thereby falling to contribute their quota toward the growth of the association.

** Politization of Cooperative Activities**
Authorities in most cases attach sentiment into cooperative matters. When they discover that members pitch tent with opposition party other than the ruling party they are starve of fund making it difficult for them to fulfill their basic function of giving loan to members.

**Corruption**
Since corruption cannot be removed from the blood of the third world nation, it affects efficiency of the society. Incidence of man knows man negate the principle of first come first serve basis in loan allocation and management decision taking. This makes some members to develop cold feet toward issues affecting the society.

**Lack of Coordination of the Programme**
Role over-lap due to conflict of interest reduces effectiveness of the society. Board of directors in most cases does not give a clear job description to members making some to overwork while others remain idle. This results from not coordinating the programme very well.

**Misception of the Programme**
Management in most cases deviate from the goal and objectives of forming the society which is poverty reduction and self-reliance. Most administrators used the forum as a political avenue to canvas for membership of their party.
CONCLUSION
From the above discussion, it is clear that for the nation and Delta State in particular to free herself from the economic problem at hand, a visit to reawakening of cooperative activities is a welcome development. This is because government will rather deemphasize dependence on crude oil derivatives and embrace other resources with the potential of yielding revenue to the state and the nation in general. By this the writer opined that agricultural resources which before now used to be our source(s) of revenue should be revisited. These are contained in the write-up.

RECOMMENDATION
The writer suggests the following as tools for sustainable cooperative society as an engine for economic development beyond oil in Delta State.
1. Government should make fund available for cooperative societies with which they can lent to cooperators.
2. Government should assist cooperative societies with loan to facilitate their activities and sustain their existent.
3. Members should show enthusiasm for the society by getting committed in its activities. Management of cooperative societies should stop politicizing their activities by following the objectives and goals which is the base on which the society is rooted.
4. All incidence of corruption should be stop by the organizers for there to be transparency and accountability in their operations.
5. Government should stop using cooperators cheque for their own benefits.

REFERENCES


