

FARMERS' PERCEPTION OF COOPERATIVE SOCIETIES IN ENUGU STATE, NIGERIA

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ABSTRACT

A study of farmers' perception of cooperative societies was carried out in Enugu State. The objectives included the establishment of the reasons for joining cooperatives, the extent to which cooperatives provided the needs of farmer-members in the state and the identification of problems that hindered the development of farmers' cooperative societies and the suggested solutions. A total of 2000 farmers randomly selected from 10 out of the 17 local government areas in the state were used as respondents for the study. Survey tools used in the study included structured questionnaire, focus group discussions and interview schedules. Simple analytical tools like tables and percentage were used to analyze data. Findings showed that most of the farmers (5.25%) that joined cooperatives did so to attract services from government thereby perceiving cooperatives as government agency rather than an autonomous business outfit. About 75% of respondents who joined cooperatives received assistance from government through their cooperatives. Poor cooperative education and illiteracy were perceived to be the greatest hindrance to growth of cooperatives in the state. Most respondents (63.71%) agreed that the best way to improve their perception of cooperatives was through intensified cooperative education programmes.

Key words: Farmers, Perception, Cooperatives, Enugu State, Nigeria.

INTRODUCTION

The official history of the introduction of modern cooperatives into Nigeria dates back to 1935 following the acceptance of Mr. C.F. Strickland's positive report on prospects of cooperatives in Nigeria (Chukwu, 1996). Early cooperative societies formed in Nigeria were deliberately those of farmers societies for cocoa farmers in the West, palm produce farmers in the East and groundnut farmers in the North (Ijere, 1977). Thus, cooperatives in the form introduced by the colonial administration in Nigeria helped in exploitation of agricultural raw materials in different parts of the country.

After more than seventy years of introduction of this very important socio-economic institution in Nigeria cooperatives remain very misunderstood. This misconception may be traced to the circumstances under which cooperatives were introduced into Nigeria by the colonialists as tools to enhance further exploitation of abundant agricultural raw materials in the colony. Of note is also the content of Mr. C.F. Strickland's Report on the introduction of cooperatives in Nigeria, which confirmed that Nigeria was ripe for the introduction of cooperatives but warned that the indigenous

population would be incapable of running a modern cooperative business. It therefore recommended a heavy dose of government control of cooperative activities in the colony (Arua, 2004; Agbo, 2006).

After political independence, various governments in Nigeria still upheld Strickland Report's recommendation of total government control of cooperative activities in Nigeria (Okonkwo, 1979). For instance, government staff at all levels are still expected to organize, promote, register, supervise, audit and control cooperative activities in Nigeria. This is in spite of ILO Recommendation 193 of 2000 (FMARD, 2002) which specified full autonomy for cooperative societies with government role limited to the provision of appropriate law and policy environment under which cooperative businesses should be carried out (Onuoha, 2002).

Government control of cooperative activities in Nigeria is clearly demonstrated in her insistence that the only way farmers can benefit from most agricultural development programmes promoted is for them to join cooperatives. Past agricultural development programmes including the Operation Feed The Nation (OFN), the Green Revolution (GR), the Directorate For Food Roads And Rural Infrastructure (DFRRI), the

Better Life Programme (BLP), the Family Support Programme (FSP) and the Family Economic Advancement Programme (FEAP) all required farmers to join cooperatives controlled by the government to be able to access services provided by these programmes. The situation gave rise to the establishment of "emergency" cooperative societies which supplanted the existing true cooperative societies giving rise to their premature death (Nweze, 2001; Onuoha, 2001).

The continued control of cooperative activities by various governments in Nigeria has given rise to apathy on the part of the citizenry towards cooperatives and cooperative development programmes. At best these programmes are seen as those government programmes that should not be taken seriously (Onuoha, 2002). It is, however, generally believed that the way out is to start a process of re-orientation and re-education of the citizenry with an objective of emphasizing that cooperatives are business organizations owned and controlled by the owner-members and not the government.

In Enugu State of Nigeria, government has established several institutions devoted to the study of cooperatives. These include the Federal Cooperative College, Oji-River, the Department of Cooperative And Rural Development of the Enugu State University of Science And Technology (ESUT) and the Centre For Rural Development And Cooperatives (CRDC) in the University of Nigeria, Nsukka. The Nigerian Agricultural Cooperative And Rural Development Bank (NACRDB) maintains a strong presence in Enugu State with its Eastern zonal headquarters located in Enugu in addition to four branches of the bank in the state. With this array of cooperative institutions in the state it is important that a study is carried out to ascertain how cooperatives are perceived in the State. Farmers being the major beneficiaries of cooperative activities in the State (Okonkwo, 1979) were expected to provide the actual picture of how cooperatives have been perceived in the State.

Between May and November, 2005 a comprehensive survey was carried out on the impact of the cooperative education and training programmes of cooperative training institutions based in Enugu State on various sectors of the state's economy. The survey covered farmers, artisans, traders and public sector workers with particular attention to their perception of what cooperatives are all about and how cooperative activities have affected them. This paper is centered on farmers'

perception of cooperative activities in Enugu State. The result of the research is expected to assist both the government and the educational institutions on ways and means of reaching out to rural farmers' with correct packages of information to enable them understand the true meaning of cooperatives and how to benefit from cooperative activities.

OBJECTIVES OF THE STUDY

The overall objective of the study was to establish how farmers in Enugu State perceived cooperative societies.

The specific objectives were to:

1. establish reasons why farmers in Enugu State joined/did not join cooperative societies;
2. ascertain to what extent cooperatives had provided the needs of farmers;
3. identify the problems that hindered the growth of farmer's cooperatives; and
4. ascertain from the respondents ways of encouraging farmers' participation in cooperative societies in Enugu State.

MATERIALS AND METHODS

The Study Area

The study was carried out in Enugu State. The state is one of the thirty-six states that make up the Federal Republic of Nigeria. It is located in the southeastern part of the country.

According to NPC (2006), Enugu State has a population of about 2,123,968 people with 85% of them living in the rural areas of the state. Ezike (1998) confirms that 75% of those residing in the rural areas of the state are farmers. The state is located between latitudes 5°56'N – 7°06'N and longitudes 6°53'E – 7°55'E (Ezike, 1998).

Sample size and Sampling techniques

The study covered ten (10) local government areas randomly selected from the seventeen (17) local government areas that make up the state. The local government areas studied included Isi-Uzo, Igbo-Etiti, Igbo-Eze South, Enugu East, Nkanu West, Awgu, Aninri, Oji-River, Ezeagu and Udi.

From the above population figure (NPC, 2006), of about 2,123,968, 85% live in the rural areas with 75% of those that live in rural areas being farmers, it then follows that there are about 1,354,039 farmers in Enugu State. Out of this population a sample of 2000 farmers was drawn. The sample was drawn

step-wise in a multistage approach. First, a town was randomly selected from each of the ten selected local government areas. Second, five villages were randomly selected from each town. Third, forty farmers were selected from each village, giving a total of 2000 farmers for the study.

Data for the study were generated mainly through the use of structured questionnaire, oral interviews and focus group discussions. Ten trained research assistants (who were students of the Federal Cooperative College, Oji-River on practical fieldwork attachment) were detailed to cover the LGAs (one per LGA). Data collection lasted between May and June, 2005.

Analytical Techniques

Information gathered from the survey was analysed using percentage and frequencies. Tables were used for data presentation.

RESULTS AND DISCUSSION

Data collected were analyzed to provide answers to issues raised by the specific objectives of the study. For instance, with respect to farmers' membership of cooperative societies, the survey result indicates that only 6.2% of the 2000 respondents were members of cooperative societies. Females constitute only 1.2% of cooperative membership indicating that cooperative membership was dominated by males. Majority of the cooperative members were less than 50 years old while the literacy levels were found to be low with more than 85% of those with formal education not attaining more than the first three years of secondary education.

Majority of those that joined cooperatives (5.25%) did so as a result of government promptings and other benefits which government attached to membership of cooperative societies. All those that belonged to cooperative societies agreed that they got one benefit or the other from their cooperative. Survey result also indicated that the main hindrance to the growth of cooperative societies in the state was poor cooperative education

Table 1: Socio-economic Characteristics of Respondents

	Attributes	Frequency	Percentage (%)
A.	Membership of Cooperative Societies		
	Members of Cooperative Societies	124	6.2
	Not members but had heard about Cooperative Societies	500	25
	Not members and had not heard about Cooperative societies	1,376	68.8
	Total	2000	100
B.	Sex of Respondents		
	Male members	99	4.95
	Male non-members	1201	60.05
	Female members	25	1.25
	Female non-members	675	33.75
Total	2000	100	
C.	Age of Respondents (Yrs)		
	Less than 30	452	22.60
	30 – 45	548	27.40
	46 – 50	513	5.65
	Above 50	487	24.35
Total	2000	100	
D.	Educational Status of Respondents		
	No formal education	512	25.60
	First School Leaving Certificate	1317	65.85
	First Three Years of Secondary School	102	15.10
	SSCE, GCE, TC II	57	2.85
	NCE/HND/Degree, etc	12	0.60
Total	2000	100	

Source: Field Survey, 2005

Table 1 presents the socio-economic characteristics of respondents as captured by attributes A to D. Out of two thousand (2000) farmers interviewed only 124 (6.2%) were members of cooperative societies. Five hundred (25%) indicated that they had heard about cooperatives but had not made up their minds to join. The rest (68%) of the respondents were neither members of cooperative societies nor had heard about them. In a country where national membership of cooperative societies is approximately between 2% and 3% (Abdallah, 2001) the survey result of 6.2% appears impressive. However, when this result is placed side by side with the array of cooperative educational institutions in Enugu State, it is very obvious that a lot is still to be done to bring cooperatives to the knowledge of citizens of the state.

Section B of Table 1 describes the sex of the respondents. One thousand and three hundred (65%) respondents were males out of whom only 99 (4.95%) were members of cooperative societies. Out of 700 (35%) women interviewed only 25 (1.25%) were members of cooperative societies. This score is also above the national figure for women membership of cooperative societies, which lies between 0.2% and 0.5% (Abdallah, 2001). It is, still the view of this study that the cooperative educational institutions in the state will have to put in place better outreach programmes to influence the level of cooperative awareness in the state.

Section C of Table 1 describes the age result of the survey. More than 75% of the respondents were under 50 years of age. Two conclusions can quickly be drawn from this age result. The first is that young men and women are still involved in farming in Enugu State. The second point agrees perfectly with the findings of Rogers (1958) that age is an important factor in adoption of innovations.

Educational status of respondents is presented in Section D of Table 1. Whereas 512 (25.60%) of the respondents had no formal education, 1317 (65.85%) had the First School Leaving Certificate, 102 (15.10%) had formal education up to the first three years of secondary school, only 12 (0.6%) had education up to the tertiary level. A closer observation of the result showed that more than 96% of the respondents did not have formal education beyond the first three years in the secondary school. This high rate of illiteracy of the respondents may explain their poor membership of cooperative societies or their lack of awareness of them.

Reasons for Joining/Not Joining Cooperatives

On the question of why respondents joined/did not join cooperatives, a variety of responses were given. They range from a response to promptings by government officials who made cooperative membership a condition for obtaining loans and other forms of assistance like marketing of farm produce and procurement of farm inputs. Others did not join cooperatives because they did not know about them or did not believe cooperative could solve any of their problems.

About 5% of the respondents joined cooperatives to get one form of assistance or the other from government. This group accounted for more than 85% of respondents who belonged to cooperatives; 0.3% joined cooperatives to market their farm produce while 0.60% joined to buy farm inputs and other consumables. About 78% of those who knew about cooperatives did not join because they felt that cooperatives could not solve their farming problems while 24.8% did not join because they did not trust government programmes. The last two reasons accounted for 18.8% and 6.2% of the entire respondents. About 69% of the respondents did not join because they did not know about cooperatives.

Table 2: Reasons for joining/not joining cooperatives

Reason	Frequency	% of Total
1. To get assistance from government	105	5.25
2. To market farm produce	7	0.35
3. To procure farm inputs and other consumables	12	0.60
4. Do not believe that cooperatives can solve their problems	376	18.80
5. Do not trust government programmes	124	6.20
6. Do not know about cooperatives	1376	68.8
Total	2000	100%

Source: Field Survey, 2005.

The result here confirms that government is still the greatest promoter of cooperatives in Nigeria because majority of those who joined cooperatives were attracted by government programmes. Items 4, 5 and 6 in the Table 2 call for increased cooperative education by both the government and the cooperative movement.

Extent of Provision of Needs of Cooperative Members

When asked about the benefits those who belong to cooperatives had got from their societies the following responses as summarized in Table 3 were received. About 60.5% of the respondents who belonged to cooperative societies got various sums of money as credit through the cooperatives; 14.52% of them bought farm inputs at subsidized prices while 25% were assisted by the cooperatives to sell their farm produce. Very few of the respondents received two or all three benefits indicated on Table 3.

Members of cooperative societies actually got assistance through their societies. Thus, if more farmers join cooperative societies the above mentioned benefits and others may get to a greater number of them.

Hindrances to Growth of Cooperatives

The major problems cited included poor cooperative education, mismanagement of existing cooperative societies, illiteracy, political instability, overdue loans, lack of patronage of existing cooperative societies, bad projects, diversion of farm inputs meant for all by a few and unfulfilled promises by government.

Poor cooperative education, illiteracy of the general public and overdue loans were the most generally cited hindrances to cooperative growth accounting for 65.32%, 60.48% and 20.16%, respectively (Table 4). Previous authors, Onuoha (1986) and Akinwunmi (1991) also agreed that cooperative education is central to cooperative development.

Table 3: Benefits members received from the cooperatives

	Benefits	Frequency	% of Total
1.	Got loans for their farm operations	75	60.48
2.	Bought fertilizers and other inputs more cheaply	18	14.52
3.	Sold farm produce through their cooperative societies	31	25.00
	Total	124	100%

Source: Field Survey, 2005

Table 4: Hindrance to growth of cooperative in Enugu State

	Factors	Frequency	% of Total*
1.	Poor Cooperative Education	81	65.32
2.	Mismanagement	26	20.97
3.	Illiteracy	75	60.48
4.	Political problem	15	12.10
5.	Overdue loans	25	20.16
6.	Poor patronage	15	12.10
7.	Bad projects	09	7.26
8.	Diversion of Farm inputs	21	16.94
9.	Unfulfilled promises	15	12.10

Source: Field Survey, 2005

*Multiple response.

CONCLUSION AND RECOMMENDATIONS

This study has given an insight into how farmers in Enugu State perceived cooperatives. It was observed that most respondents did not know about cooperatives and that those that knew saw cooperatives as government outfits and not autonomous business organizations.

Recommendations

In spite of the array of institutions dedicated to cooperative development in Enugu State farmers in the state saw cooperatives as an arm of government. To change this wrong perception a process of re-education which should be grassroots oriented should be embarked upon. Cooperative training institutions in the state should establish outreach programmes or college-on-wheels designed to take the correct cooperative training to farmers in their locations. This training should emphasize that cooperatives are essentially business organizations and not tentacles of government.

The overwhelming presence of government in cooperative activities in the state needs to be re-visited. The ILO Recommendation 193 of 2000 on the promotion of cooperatives emphasized that cooperatives should be established as voluntary associations of like minded persons to, among other things, pursue mutually beneficial social and economic interests of members and that government intervention in cooperatives should be limited only to the provision of enabling environment for cooperative businesses to thrive. The cooperative movement in the state needs to be strengthened and repositioned to play these roles which government had played over the years.

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