



Co-Operative Society as a Tool for Economic Empowerment in Rural Nigerian Communities

Benjamin Kayode Ogundeji and Felix Olajide Talabi

*Department of Mass Communication, Rufus Giwa Polytechnic,
Owo, Ondo State, Nigeria*

E-mail= talabifelix@yahoo.com

Tel.: +2348036971001

ABSTRACT

The incessant and current crisis in the Nigeria nation has become worrisome to the extent that both the poor and the rich hardly go to bed with both eyes closed. In the course of research it has been discovered that the increasing rate of unemployment is the major cause of alarming crime rate in the country therefore this paper tries to explore other ways in which Nigeria society can create jobs for themselves and rid the country of unemployment. One of those ways is through the institution of co-operative society, how it can be established, managed and sustained by ensure highest efficiency while providing services to members; improve management capabilities and competencies through effective organizational designs and structure; increasingly focus on directly enhancing socio-economic conditions of their members by undertaking value-added operations; encouraging members' participation through improved, diversified services; and strictly adhere to the values of honesty, openness, caring and concern for community and environments.

INTRODUCTION

We are in the era when people feel they cannot achieve anything in life or that they are paralyse to change their lives due to increasing rate of unemployment on the daily basis which has made so many vibrant young resulted to criminal acts. Notwithstanding in the midst of this does this work identify co-operative society as a way out. Co-operative is a very strong vibrant and viable economic alternative that people who are serious minded can rely upon for economic empowerment. Co-operatives are formed to meet peoples mutual needs because a group of people can achieve goals that none of them could achieve alone.

Co-Operative Society as a Tool for Economic Empowerment in Nigeria

For over 170 years now, co-operatives have been an effective way for people extending control over their economic livelihood. It is a unique tool for achieving economic goals in an increasingly co-operative global economy. As nations around the world are experiencing economic meltdown and the world cut serious and withdraw from regaling markets, co-operatives are being considered useful mechanisms to manage risk for members in Agricultural or other similar co-operatives where salary earners save for the future through a soft-felt monthly contribution that is deducted from source, artisans, business men and women contribute daily, weekly or monthly and through co-operatives, what might be difficult for individuals to own by their efforts strengthen the communities in which they operate through job provision and payment of local taxes. Co-operatives generally provide an economic boost to the community where it is well operated.

Co-operatives despite its old age is not very popular in Nigeria, except of recent when government started to create ministries of commerce and Industry or community development in which co-operative units are also included as part of the ministry. Only recently workers co-operatives started gaining ground among working class citizens, most of who find it difficult to save part of their salaries / wages for the rainy day. In years back, co-operatives were thought to be associations meant only for farmers, small traders and other very – low income earners and that is why most of the co-operatives in years back are majorly co-operative farmers especially in southern Nigeria. The issue is that majority of people do not know much about co-operative and its role in economic empowerment in the world. Today co-operative has become a backbone for the entrepreneurship of both small and medium scale business in Nigeria and the world over.

This paper examines the role of co-operative societies in economic development in other to throwing more light on the nature, characteristics, the benefit and formulation and management of co-operative society and how co-operatives can act as agents of economic empowerment.

Meaning of Co-operative Society

A co-operative is a legal entity owned and democratically controlled by its members. Members often have a close association with the enterprise as producers or consumers of its products or services, as employees. The International Co-operative Alchemic (ICA) in its statement on the corporate identity, in (1995), defines a co-operative as “an autonomous association of persons united voluntarily to meet their common economic, social, and cultural; needs and aspirations through a jointly owned and democratically-controlled enterprise”.

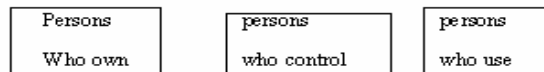
According to (UWCC,2002) it is a business voluntarily owned and controlled by its members patrons and operated for them by them on a non profit or cost basis. But (Laidlawn 1974) sees it as a business enterprise that aims at complete identity of component factors of ownership, control and life

of service, emphasising the three distinct features that differentiate co-operatives from other businesses.

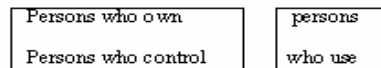
Regardless of the type, size, geographical location or purpose, co-operatives is a unique instrument for achieving one or more economic goals in the world of man increasingly competitive global economy. These goals include achieving economy of size, improving bargaining power when dealing with other businesses, purchasing in bulk to achieve lower prices, obtaining products or services otherwise if available, obtaining market access or broadening market opportunities, improving product or service quality, securing credit from financial institutions and increasing (RBCDS 1995). Co-operatives operate very much like other businesses. They must serve a market efficiently and effectively. They must be well managed, and they must survive financially. However, there are important distinctions that make co-operatives unique.

Laidlaw (1974) examines the differences between co-operatives and other businesses in relation to three main groups of people responsible for bringing them into existence and keeping them in operation. The three groups are: - the persons who own them (the shareholders, the investors), the persons who control them (the effective decision-makers) and the persons who use them (the customers). According to him, in typical capitalist business, especially large enterprise and Multinational Corporation, these three are separate and distinct groups. In small private business the situation is generally much better because of the close connection between shareholders (investors) and control. In a small retail business, for example, the first two components are often identical. But still the users, the customers, are a separate group. In a co-operative, all the three come together to form unity of purpose; those who own, those who control and those who use are all one. The diagrams below give a picture of the uniqueness of co-operative societies.

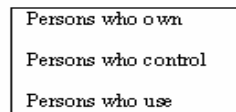
1. **Large Business/ Multinationals**



2. **Small Private Business**



3. **Co-operatives**



Co-Operative Society as a Tool for Economic Empowerment in Nigeria

The point comparison applies also to public enterprise and co-operatives, though in a different way. In public enterprise, the components of ownership, control and use are separate and disjointed, in contrast to co-operatives, where they are unified. In co-operatives, responsibility and accountability are direct, in public enterprise they are indirect and frequently difficult to trace. According to Taimni (1997), combating exploitation, reducing disparities, improving social conditions and gender sensitivity, and helping to create a more just society with pronounced concern for environmental protection and sustainable processes of development; all tend to make a co-operative a preferred and more socially desirable form of organization.

HISTORY OF CO-OPERATIVE SOCIETIES

There is no consistency to the exact origin of the co-operative movement. Many in the academics argue the origins from the European context (Shaffa, 1999, Holy dake 1908). The first recorded co-operative dated back to 1750 in France, where local cheese makers in the community of France-comte established a producer cheese co-operative; within the decade, co-operatives had developed in France, United Kingdom, United States and Greece. In 1844 the Equitable Pioneers of Rochdale Society (EPRS) was formed. With the goal of social movement, twenty eight unemployed community members saw the opportunity to pool their limited resources and attempts cooperation for the good of the group. Even though co-operatives appeared in the previous century, Rochdale is seen as the first modern” co-operatives since it was the one in which co-operative principles were developed Wikipedia, 2006; Gibgon 2005; and Abell 2004).

The successful example of co-operative business provided by the Rochdale society, which also established between 1850 and 1855 a flourmill, a shoe factory and a textile plant, was quickly developed throughout the country. By 1863 more than 406 British co-operative associations, modelled after Rochdale society, were in operation, thereafter, the model for similar movements worldwide. Notable among the European countries in which consumer operation recurred early population support were France, Germany, Belgium, Australia, Italy, Denmark, Finland, Norway and Sweden (Abell, 2004).

In 1895, International Alliance (ICA), a nongovernmental organization was established as umbrella organization to promote friendly and economic relations between co-operatives organization, of all types, nationally and internationally. The major objective of the ICA is to promote and strengthen autonomous co-operative organization throughout the world. In order to achieve its aims, the ICA organizes international, regional, and sectoral meetings. The ICA also aims to promote exchange of information such as news and statistics between co-operatives through research and reports,

directories, international conferences and two quarterly publications: it represents the co-operative movement generally, for instance through its membership of the UN.

Since its creation, the ICA has been accepted by corporations throughout the world as the final authority for defining co-operatives and for determining the underlying principles, which give motivation to co-operative enterprise. World membership in ICA gives some idea of the size of the co-operative movement today. In 1895, the founding congress had 194 members, in the mid-1980s. the ICA recorded a membership of about 355 million individual; in 1999, the ICA'S organization represented 750million people; and since 2002 it was estimated that more than 800 million people are members of worker, agriculture, banking, credit and savings energy, industry, insurance, fisheries, tourism, consumer co-operatives societies (Levin, 2002, Lencanta, 2005; and Wikipedia, 2006).

Co-operative principles are guidelines which rest on a distinct philosophy that helps members judge their accomplishment and make decisions (Hoyt 1996). Before 1995, the ICA has made two formal statements of the co-operative principles, in 1973 and 1966 while in 1995 the ICA redefines, restates and expands the co-operative principles from six to seven in order to guide co-operatives organizations at the beginning of the 21st century. The principles are: Voluntary and open membership; Democratic member control, Member economic participation, Autonomy and Independent, Education, Training and Information, Cooperation among co-operatives, and concern for community. The importance of the above principles is that co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept responsibilities of membership without gender, social, racial, political or religious discrimination.

They are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women saving as elected representatives are accountable to the membership. Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible, benefiting members in proportion to their transactions with the co-operative and supporting other activities approved by the membership. Also, co-operatives are autonomous, self help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that are democratically controled by their members and maintain their co-operative autonomy. They provide education and training for their members, elected representations, managers and employees so they can contribute effectively to the development of their co-operatives. They inform the general public particularly young people and opinion leaders

Co-Operative Society as a Tool for Economic Empowerment in Nigeria

about the nature and benefits of cooperation. They also serve their members effectively and strengthen the co-operative movement by working together through local, national, regional, and international machineries. Co-operatives work for the sustainable development of their communities through policies approved by their members.

The Role of Co-operatives in Economic Development

Co-operatives are community-based rooted in democracy, flexible, and have participatory involvement, which makes them well suited for economic development (Gertler, 2001). The process of development and sustaining a co-operative involves the processes of developing and promoting community spirit, identity and social organization as co-operatives play an increasingly important role worldwide in poverty reduction, facilitating job creation, economic growth and social development (Gibson 2005). Co-operatives are viewed as important tools for improving the living and working conditions of both women and men. Since the users of the services they provide owned them, co-operatives make decisions that balance the need for profitability with the welfare of their members and the community, which they serve. As co-operatives foster economies of scope and sale, they increase the bargaining power of their members providing them, among others benefits, higher income and social protection. Hence, co-operatives accord members opportunity, protection and empowerment-essential elements in uplifting them from degradation and poverty (Somavia, 2002). As governments around the world cut services and withdraw from regulating markets, co-operatives are being considered useful mechanisms to manage risk for members and keep markets efficient (Henehan, 1997).

In a number of ways, co-operatives play important role in global and national economic and social development. With regard to economic and social development, co-operatives promote the “fullest participation of all people” and facilitate a more equitable distribution of the benefits of globalization. They contribute to sustainable human development and have an important role to play in combating social exclusion. Thus, the promotion of co-operatives should be considered as one of the pillars of national and international economic and social development (Levin, 2002). In addition to the direct benefits they provide to members, co-operatives strengthen the communities in which they operate. According to Somavia (2002) co-operatives are specifically seen as significant tools for the creation of decent jobs and for the mobilization of resources for income generation. Many co-operatives provide jobs and pay local taxes because they operate in specific geographical regions. According to Wikipedia (2006) and Levin (2002) it is estimated that co-operatives employ more than 100million men and women worldwide. Asides, since those concerned hold meeting from time to time therefore, they also discuss unity of purpose and proper integration of the society as well as conversing for peaceful co-existence: this can reduce the case of criminality, poverty and terrorism in the third world countries.

In Nigeria, co-operatives can provide locally needed services employment, circulate money locally and contribute to a sense of community or social cohesion. They can provide their employees with the opportunities to upgrade their skills through workshops and courses and offer youth in their base communities short and long-term employment positions. Student could also be employed on casual-appointment basis during long vacations and enhance economic development.

Starting a Co-operative

Like other businesses, co-operatives start with the recognition of a need or an opportunity. In fact, the economic motivation for starting a co-operative is very much the same as for starting other businesses. Starting new co-operative takes energy and resources. By following a planned step-by-step procedure, the process can be completed in an efficient and timely manner. Because co-operatives are people-driven organizations, the first key to their success is to identify individual with like needs who want to explore the feasibility of forming a co-operative business. Without this important first step, the chance for a successful co-operative business is slight.

The original group of individuals are usually potential users of the co-operatives. They often have leadership and organizational skills. They organize informational meetings for other potential users and discuss topics such as: how the proposed co-operative could meet identified needs, co-operative operational practices, advantages and disadvantages of the co-operative business structure, member investment and financial requirements, and member commitment needed, legal, tax, and finance issues, and product experts may save the group from making expensive mistakes and losing valuable time. Criteria used for selecting advisors should include: level of co-operative experience, ability to work as a team, understanding of issue related to start-up organizations, and objectivity.

There seems to be absence of consensus as to the steps involved in starting a co-operative society. Various authors, co-operators and co-operative consultants view the steps differently. In this paper, we borrow from RBCDS (1995) and UWCC (2002). In an attempt to ensure conciseness, precision and comprehensiveness, we synthesise the various steps developed by these sources.

How to Start Co-operative Society

1. Hold an organizing meeting; establish steering committee

A core group of interested individuals should hold an informational meeting of potential co-operative members and others in the community. The primary purpose of the meeting is to explain the identified need and how a co-operative would address it. It is important that the group come to general agreement on the nature and importance of the problem and the potential for

Co-Operative Society as a Tool for Economic Empowerment in Nigeria

a co-operative to address it. Such an agreement will become the group's vision, so it is worth spending as much time as necessary to achieve it. If sufficient interest is generated, a steering committee is selected from the group. The steering committee meets regularly and reports its activities and findings to the larger group. Leadership skills, sound business judgement, and a desire to reach decisions are valuable qualities for committee members. Critical questions this step poses include: is there general agreement on the nature of the problem? Does the co-operative form of business meet the group's needs? Is there sufficient interest among potential co-operative members to proceed with a feasibility study? Are there individuals willing to serve in a leadership capacity? Sub-committees on business plan, by-laws and policies, purchasing and construction, and personnel could be formed.

2. Survey on potential members

Under the guidance of the steering committee and resource persons, potential co-operative members are surveyed. Topics include: need for services, volumes to be purchased or marketed, willingness to join, finance, and use of and familiarity with co-operatives.

3. Feasibility study of the business; then report on the results

The steering committee can either conduct a feasibility study (using the guidelines provided), or hire a consultant to carry out the study. The purpose of a feasibility study is to examine critical opportunities and obstacles that might make a break in the proposed co-operative business. The feasibility study should give the group a good idea of whether the co-operative is likely to be successful as a business. The critical issues that a feasibility study analyzes include the number and interest level of potential members; market issues (can the co-operative get better prices, better quality or better services than potential members currently get through other means?); operating costs; start-up costs; and availability of financing. The quality of the feasibility study is critical because it will influence all future decisions on the development of the co-operative. Contributions by potential co-operative members are often used to help cover the cost of a feasibility study. These members will be the primary beneficiaries of the co-operative, so naturally they should assume some responsibility for the financial costs of assessing its feasibility.

A summary of the feasibility report should be distributed to participants, and the full report made available to anyone who wishes to see it. The preliminary financial projections should tell the group how much equity will be required from each member of the co-operative, and whether or not the co-operative is projected to return any patronage refunds (shares of the profits) to members during the first few years of operation. These are key pieces of information that will influence each person's decision about whether to join the co-operative. This should be a major decision point. If the feasibility study indicates that the co-operative is not a viable business, or if

sufficient commitment does not exist among the group, the steering committee should not proceed with forming the co-operative.

4. **Develop a business plan**

If the feasibility study results are favourable, the steering committee carries out hires a consultant firm to develop a detailed business plan. The business plan serves two primary purposes: to provide a blueprint for the development and initial operation of the co-operative and to provide supporting documentation for potential members, financial institutions and other investors. A typical outline of a business plan includes a description of the company, a market analysis, research and development related to the co-operative's product or service, a marketing and sales plan, capitalization supplied by members and loans, description of facilities and equipment, and financial business injections such as fixed and variable operating costs, sources of income, and pro formal statements.

5. **Develop legal documents**

Under the guidance of professional advisors, the steering committee should draft legal documents for approval by prospective members. These documents are: article of incorporation; bylaws and other legal documents. The articles of incorporation declare the co-operative's purpose, kind and scope. The bylaws provide instruction on how the co-operative will conduct its clear purpose and must be approved by the membership. Other legal documents, such as membership applications and marketing agreements, are necessary to meet a co-operative's special needs. The next thing would be to incorporate the association. In Nigeria, incorporation takes place when a co-operative files its articles with the Corporate Affairs Commission. As soon as the co-operative is incorporated and thus exists as a legal entity, two or three members of the steering committee should open a bank account in the co-operative's name to deposit equity contributions from new members.

6. **Secure financing for the co-operative**

Co-operative businesses vary greatly in the amount of capital they need to get up and running. The business plan should include the amount and type of financing needed by the co-operative and a strategy for obtaining it. Virtually all co-operatives requires some level of member financing, usually in the form of stock purchases or membership fees. Member financing not only provides equity for the co-operative, it also provides a financial base that helps other investors, particularly banks, feel more secure in investing in the co-operative. The steering committee should prepare a membership application for new members to fill out and sign. It should identify the member's name, address, and phone number; the number of shares of stock being purchased (or the amount of the membership fee if it is a non-stock co-operative); and a stated agreement that the new member agrees to belong to and abide by the bylaws and contracts of the co-operative.

7. Recruit members for the co-operative

During their organizational phase, many co-operatives hold meetings for potential members, conduct surveys and mail organizing update to them, and collect initial down payments on membership fees. All of these activities provide a good indication of the level of interest in, and commitment to the co-operative. Thus, when the time comes to actually “ante-up” and join, potential members are more primed to act. Even so, the steering committee may need to recruit new members in addition to those who have attended one or more of the organization meetings. This should be a major decision point. If the co-operative is unable to obtain the necessary debt financing, or if sufficient commitment does not exist among potential members to provide sufficient equity capital, the steering committee should not proceed with developing the co-operative at this time.

8. Hold co-operative’s first membership meeting, hire management and staff

After financing has been secured and sufficient members have signed up, the first general membership meeting is convened. There are two major pieces of business that must be conducted at this meeting: the members adopt the co-operative’s bylaws; and the members elect a board of directors for the co-operative. This meeting marks the transition from a steering committee and interim leadership group to a formally elected board and legally approved bylaws. In their capacity as owners, members elect the board of directors to function as their representatives in overseeing the administration of the co-operative. As the members’ representatives, the board’s primary responsibilities are to develop policies, conduct long-range planning, hire and supervise the co-operative manager, and guide the co-operative in pursuing its mission and goals.

Some new co-operatives identify management personnel early in their organizing process, especially if members of the steering committee already know one or more key individuals. However, recruiting staff personnel is listed as a later step in the co-operative formation process because the co-operative is not a definite “go” until the necessary financing has been secured. One or more of the key individuals can be hired as consultants at an early stage with the mutual intent that they will work for the co-operative once it is formally established. This approach also has the effect of making investors feel more comfortable about financing the co-operative because proposed management staff has been identified.

9. Start co-operatives

The directors must acquire the necessary facilities for business operations. Actual operations may begin after all facility transactions are completed and the manager has hired the needed complement of employees. It is important to note, however, that forming a co-operative is not a guarantee for success. Co-operatives are subject to the same marketplace demands and planning requirements as any business, including careful market analysis; sound

business planning; competent management; and adequate capital to start-up and grow. A good co-operative is the one, which is viable, efficient, self-reliant and project-oriented. A co-operative must not only meet its members' needs, but also survive in the marketplace while doing so.

Challenges of Co-operative Societies

Co-operatives the world over are in a state of flux. In almost all parts of the world, co-operatives face one or more of the following crises of ideology, crisis of capital, crisis of credibility and crisis of management (Taimni, 1997). Cheney (1995) identified five challenges facing co-operatives. These are: cultural transformation, competition and expansion, wage solidarity, centralization and reorganization, and programme to increase productivity and participation. Groves (1985) on the other hand, posits that one of the major problems of co-operatives is how to keep balance in the two parts of co-operative business, efficiency and democracy since those who are charged with the operation of a co-operative chiefly the board and manager must serve two masters: the imperatives of good business practice and the social purpose of a community of people. Hence, to maintain their special character, co-operatives must be two things in one: a business organization and a social movement. This is what makes a co-operative a business enterprise with a human face and so, very difficult to manage. In striving for efficiency, co-operatives often tend to initiate other business, but in pursuing a social purpose they bring out the features, which make them different (Laidlaw, 1974).

Educating, training and retraining of members in general and officers in particular are always a challenge to co-operatives especially in development countries. A co-operative without a strong component of education is in danger of losing its essential character, that is, the human and personal characteristics which distinguish it as a co-operative.

Assuming the validity of the sector concept (the "mixed economy", as it is often called), co-operators face such questions as what type of business activity is most suitable for each of the three sectors, public, private and co-operative? Are there certain kinds of businesses that rightfully belong to the public sector? Are there others, which are best left to private enterprise? What kinds, ideally, are most suitable for the co-operative way of business? Are there some fields in which all three may engage and compete? Hence, one other challenge that co-operative societies face is the choice of business most suitable for the enterprise.

Another challenge facing co-operatives is adaptation. No business in a national economic system is completely independent and self-sufficient but operates in conditions of dependence and interdependence. Both capitalist business and co-operatives depend to some extent on the state and services provided by the state (highways, water supply, the postal system, etc.). Similarly the state and public enterprises depend greatly on private enterprise, or on co-operatives. Sometimes private-profit business depends on co-

Co-Operative Society as a Tool for Economic Empowerment in Nigeria

operatives. And of course, the reverse, co-operatives depending on private business in some way or other, is quite common. Thus, co-operatives cannot be thought of as an exclusive economic system but rather as one section of the total economy. They constantly operate in co-existence with other forms of business and sometimes in conjunction with them. Co-operatives therefore, have to adapt themselves by struggle in one place, by agreement in another to the elements of a complex environment, partly free and partly organized. It must now decide what place it means to claim for itself in the new economy, either organized or in process of organization.

In addition, the co-operative sector suffers from an internal handicap of its own making: the frequent failure of various types of co-operatives to work closely together as a sector. Because of their voluntary and democratic nature, co-operatives have been reluctant to impose strict disciplines on themselves—they much prefer to act by common consent and persuasion. Often, management of co-operatives relies on relationship or is moved by sympathy to act against even the societies' bylaws. This indeed has a lot of repercussion particularly in the developing economics and is against the 6th principles of co-operatives: cooperation among co-operatives.

Business earnings of the co-operative must be great enough to systematically rotate the investment of members, pay patronage, and offer goods and services at reasonable prices or pay fair market value for customer's products. This unique business structure dictates that the manager, board of directors and members understand the business and co-operative structure. To better tackle the above problems, Taimi (1997) suggests, in addition to force mentioned, that co-operatives should make optimum use of all resources and strive continuously to enhance productivity of resources; ensure highest efficiency while providing services to members; improve management capabilities and competencies through effective organizational designs and structures; mobilize capital and lay greater stress on internal capital formation and accumulation; develop and retain human resources—members, leaders staff and managers; forge strategic alliance with key institutional actors in the environments; evolve and sustain integrated, vertical structures; increasingly focus on directly enhancing socio-economic conditions of their members by undertaking value-added operations; encourage members' participation through improved, diversified services; and strictly adhere to the values of honesty, openness, caring and concern for community and environments.

Once this is done, it is hoped that co-operatives would be able to overcome the problems and challenges facing them, it however, calls for maintaining balance between economic and social purposes, emphasizing differences, relating with other co-operative both at national and international levels, and maintaining a favourable public image.

CONCLUSION

A co-operative is a unique form of business used by people for their mutual benefit. Regardless of its purpose or membership, starting a co-operative requires considerable time, energy, commitment, and technical resources. Recognition of a common need is fundamental to the formation and successful operation of a co-operative. Potential members must devote much time and energy to developing their new business. A co-operative requires member commitment to finance and use the business and select knowledgeable directors who hire a competent manager. A strategic business plan is important to harmonize all of the elements for the co-operative's success. In order to achieve their maximum strength and effectiveness, co-operatives of various kinds must regard themselves and, as far as possible, act as a distinct sector within the national economy of any country. As business organization, co-operatives are partly private, partly public, but essentially different from both private enterprise and public enterprise. They are a "middle way", an economic sector in their own right. Co-operatives must play the role of a *Third Force*, an alternatives and countervailing power to both Big Business and Big Government.

An economy based on one form of business organization alone is neither desirable nor possible in modern times. The best economic order is achieved through a mixed economy. To justify their existence and fulfil their purpose, co-operatives must make a significant and unique contribution to solving some of the massive problems facing mankind today. Government are expected to provide a supportive policy, legal and institutional framework, provide support measures based on activities, provide oversight on terms equivalent to other forms of enterprise and social organization, adopt measures to improve access to finance for disadvantaged groups, and topically, to promote the formalization of the informal economy. Government can contribute significantly to improving co-operative performance by facilitating access of co-operatives to support services, particularly in the area of human resource development.

REFERENCES

- Abell, P. (2004). *Co-operative Movement. Co-operative Movement*. Microsoft® Encarta® 2005 [DVD]. Redmond, WA: Microsoft Corporation
- Birchall, J. (1994). *Co-operatives: The People's Business*. Manchester UK: Manchester University Press
- Carroll, R., G. Etienne, X. Flores and J. VonMuralt (1969). A Review of Rural Cooperation in Development Areas. Geneva SUI: UNRISD
- Cheney, G. (1995). Democracy in the Workplace. *Journal of Applied Communication*, Vol. 23

Co-Operative Society as a Tool for Economic Empowerment in Nigeria

- Cote, D. (2000). Mobilizing the Co-operative Advantage: Canadian Agricultural Co-operatives in the 21st century. In Cote, D., Fultion, M., & Giblings, J. (Eds). Canadian Centre for the Study of Co-operatives
- Craig, J. (1980). *Philosophy, Principles and Ideologies of Co-operatives: What are their Implications for a vision of the Future?* Saskatoon SK: The Co-operative College of Canada
- Craig, J. (1993). *The Nature of Cooperation*. Montreal QC: Black Rose Books
- Cropp, R. (1996). *New Generation Co-operatives*. Madison: University of Wisconsin
- Encyclopedia Encarta, (2005). *Co-operative Movement*. Microsoft® Encarta® 2005 [DVD]. Redmond, WA: Microsoft Corporation
- Gertler, M. (2001). *Rural Co-operatives and Sustainable Development*. Saskatoon SK: University of Saskatchewan.
- Gibson, R. (2005). *The Role Co-operatives in Community Economic Development*. RDI Working Paper # 2005-3
- Grove, F. (1985). *What is Cooperation? The Philosophy of Cooperation and it's Relationship to Co-operative Structure and Operations*. Madison: UWCC Occasional Paper.
- Hansmann, H. (1996). *The Ownership of Enterprise*. Cambridge: Harvard University Press
- Henehan, B (1997). *Cooperating for Sustainability*. USA: Cornell University
- Holyoake, G.J. (1908). *The History of Cooperation*. London UK: T. Fisher Unwin
- Hoyt, A. (1997). *And Then There Were Seven: Co-operative Principle Updated*. Retrieved January 20, 2011 from <http://www.Uwcc.com>
- International Co-operative Alliance (2003). *Welcome to the International Co-operative Alliance*. Retrieved January 20, 2011 from <http://www.Coop.org>
- James, P. (1941). *Problems of Co-operatives*. Retrieved January 20, 2011 from <http://www.en.Wikipedia.Org>
- Laidlaw, A.F (1974). *The Co-operative Sector*. Columbia: University of Missouri
- Levi, Y. (2005). *How Non-profit and Economy can co-exist: A co-operative Perspective*. Ireland: International Co-operative Research Institute
- Levin, M. (2002). *The Promotion of Co-operatives*. ILO co-operatives Branch. Retrieved January 20, 2011 from <http://www.ica.coop/europe/ra2002/speech>.
- RBCDS (1995). *What Are Co-operatives?* Washington: Co-operative Information Report .
- Schaars, M.A (1978). *Co-operatives: Principles and Practice*. Madison: University of Wisconsin
- Shjaffer, J. (1999). *Historical Dictionary of the Co-operative Movement*. London: The Scarecrow Press.

Benjamin Kayode Ogundeji and Felix Olajide Talabi

- Somovia, J. (2002). ILO Recommendations No 193 on Co-operatives. Retrieved January 27, 2011 from <http://www.ica.coop/europe/ra2002/speech>
- Taimni, K.K (1997). Co-operatives in the New Environments: A study of the Role of the Registrar of Co-operative *Societies in Selected Countries in Asia*. Rome: FAOUN
- Uwcc (2002). Co-operatives. University of Wisconsin Centre for Co-operative. Retrieved January 20, 2011 from <http://www.Uwcc.com>
- Wikipedia (2006): Co-operative. Retrieved January 20, 2011 from <http://www.en.wikipedia.org/wiki/co-operative>