



RURAL COMMUNITIES AND COOPERATIVE SOCIETIES: A COMMUNITY-BASED ALTERNATIVE FOR SUSTAINABLE SOCIO ECONOMIC DEVELOPMENT IN NIGERIA

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ABSTRACT: *The worsening socioeconomic situation of the country has threatened the socioeconomic development of rural communities, necessitating a socioeconomic alternative that will be responsive to rural needs and stimulate sustainable socioeconomic growth. Cooperative societies are alternative strategies that can foster socioeconomic growth at rural levels, thus building on the spirit of cooperation that is domiciled in the rural areas. Cooperative society is a voluntary association of individuals who come together to meet their common economic, social and cultural needs and aspirations. These societies are based on the principles of self-help, democracy, self-responsibility, equality, equity and solidarity. If effectively utilized, cooperatives are vehicles that can bring about sustainable socio-economic development in rural communities especially in times of worsening economic situations. This paper explores cooperative societies as a vehicle that can bring about the needed socioeconomic development in rural areas through, creation of jobs, raising capital for business and alleviation of poverty. The paper adopts the sustainable development theory as its theoretical underpinning. The study found that cooperatives are instrumental in the sustainability of livelihood in rural communities through the provision of credit facilities, assisting small businesses to stay profitable, creation of employment etc. The paper recommends rural dwellers should be adequately sensitized on the importance of cooperatives and should be encouraged to associate with cooperatives so as to derive benefits of cooperatives which can in turn bring about sustainable development.*

KEYWORDS: Cooperative, Self-help, Democracy, Community, Development, Solidarity, Poverty, Rural.



INTRODUCTION

Cooperation is the coming together of people to achieve a common goal. Cooperatives societies are formed when people come together either formally or informally, temporarily or permanently in order to undertake an activity for the common good (Aroh 2002). They are societies/organizations that are formed by the coming together of like minds are cooperative societies. These societies play a major self-help role in rural communities, particularly in communities where private businesses hesitate to go and public authorities do not provide basic services to the populace (International Labour Office (ILO), 2011). Cooperatives are instrumental in providing opportunities for productive employment, as well as offering health care, education, potable water, improved sanitation, roads, and market access, while giving a stronger “voice” to rural groups (International Labour Office (ILO), 2011).

There is cooperation among families, villages, and towns in Africa, particular Nigeria. Cooperative societies exist in different forms such as the traditional saving system (popularly known as, *Etibe* among the Annangs, *Akawo* among the Yorubas, and *Isusu* among the Igbos, *Adashe* among the Hausas), social club, age grade union, and rotatory farm work, among others. Cooperatives may be classified as worker, consumer, and producer, purchasing or housing cooperatives (Mboho & Ibok, 2009).

All over the world, cooperatives play a significant role in improving the livelihoods of rural communities (Mhembwe & Dube, 2017), and with the worsening economy condition in many less developed countries of the world, rural economy needs faster and more sustainable development to cater to the needs of its population. Cooperative societies have a responsibility to play a constructive role in any locality of its existence.

Although people have been working together for their mutual benefit throughout human history, in today’s world, cooperatives can be found in nearly all countries, operating in almost every sector of the economy, including agriculture, childcare, financial services, health care, housing, employment services, food retailing, and utilities (Deller, Hoyt, Hueth & Sundaram-Skutel, 2009). Cooperatives are formed to meet peoples’ mutual needs. They are based on the powerful idea that together; a group of people can achieve goals that none of them could achieve alone. For many years, cooperatives have been an effective way for people to exert control over their economic livelihoods (Agarwal & Gort, 1996). Cooperatives are dedicated to the values of openness, social responsibility and caring for others. Such legal entities have a range of social characteristics. Membership is open, meaning that anyone who satisfies certain non-discriminatory conditions may join. Economic benefits are distributed proportionally to each member's level of participation in the cooperative, for instance, by a dividend on sales or purchases, rather than according to capital invested (Amin & Uddin, 2014).

Mboho and Aniebiet (2009) observed that a cooperative society is an organization formed to provide financial assistance to its members. The members are responsible for raising capital to help those in need. It mainly protects the weaker sections within rural communities from exploitation by wealthy individuals and companies. Co-operative-societies are organizations voluntarily owned and self-controlled (non-governmental) aimed at solving the felt need of its members. They provide a unique tool for achieving one or more socio-economic goals in an increasingly competitive global economy (Tofael, 2012; Amin & Uddin, 2014).

Cooperatives exist for different purposes in human societies; however, the main purpose of a cooperative is to allow individuals to come together and pool their resources in order to reach



a common goal, which would be difficult for them to achieve as individuals (Tchami, 2007; Mhembwe & Dube, 2017), especially in rural areas where empowerment status is generally low (Akpan & Ayinmoro, 2024). As such, they can sustain the livelihoods of rural communities in many different ways. Cooperation in most cases occurs when external factors threaten a certain number of individuals; hence, cooperatives are the best possible means of defense against the worsening social and economic conditions affecting a section of the population (rural communities). In this way, cooperatives are enterprises which help their members to cooperate in solving social problems they share (Mboho & Ibok, 2009).

Cooperatives play a pivotal role in rural areas especially where private owned businesses are scarce and government agencies and authorities do not provide essential services to meet the needs of the people. The history of cooperatives is a long and fruitful one, and they continue to provide benefits to members today. Extremely varied and flexible, cooperatives have membership rolls that range from millions to only a handful. Co-operatives could be a significant force in empowering rural communities, farmers, women and micro entrepreneurs throughout Nigeria (Okwara & Uhuegbulem, 2017).

Schwettmann (2004) notes that at least 40% of the households in Africa are members of cooperative societies. Thus, when taken as a whole, the cooperative movement is taken to be Africa's biggest non-governmental organization (NGO). The cooperatives play a significant role in many national economies and have created a great number of self-employment opportunities in Africa (Mhembwe & Dube, 2017).

Cooperatives bring people together to meet a shared need through operation of a democratically controlled business. They train and educate their members (Fairbairn et al., 1995; Hoyt, 2004; Majee & Hoyt, 2009) and promote group effort to address individual and community needs. They create employment opportunities (Birchall, 2004; Casadesus-Masanell & Khanna, 2003) and build capital in communities where they are located. Today, many cooperatives throughout the world own extensive assets (Majee & Hoyt, 2011).

The social and economic condition of Nigeria as a nation has worsened over the years, due to inappropriate policies, bad leadership, climate change, political instability and the devastating impact of the Covid-19 pandemic. All these have limited the ability of the rural populace to rise from the poverty trap that has held them down for decades (Liverpool-Tasie, Kuku & Ajibola, 2011). As a result of such prevailing conditions in Nigeria, rural cooperatives have become a force to reckon with as they have a potential to boost food security, increase employment opportunities and improve household's incomes.

Successive governments have made rural development one of their cardinal programs, as they are committed to alleviating poverty and bettering lives of rural people (Adewuyi, 2002; Fasoranti, 2006; Okafor, 2004; Ogbeide, 2015). There are a lot of negative developmental indices such as early marriage, and poverty, among others in rural areas (Akpan, 2023), poor participation of women in political decisions (Asuquo & Ekanem, 2023). Cooperative societies are therefore a socioeconomic tool and a mechanism that can positively enhance the growth of rural communities' social capital and stimulate residents to develop the type of thinking focusing on sustainable development. This paper presents an effective alternative to the socioeconomic development of rural communities.

Expectations are high in terms of workable solutions that would empower people socially as well as economically. The rural dwellers and women are most vulnerable to the incidence of



poverty evident in the rural landscape and worsened by the fact that the federal government assistance for rural development continues to decline (Okwara & Uhuegbulem, 2017). It becomes imperative for an economic alternative that will be both responsive to rural needs as well as stimulate economic growth. Rural development experts are increasingly interested in alternative models that will foster economic growth at rural levels, thus building on the spirit of cooperation that is domiciled in the rural areas.

This paper is therefore based on the assumption that cooperatives are an effective mechanism for enhancing sustainable socio economic development in rural communities, and as such should be well utilized by rural sociologists and community development experts in their quest to bring development to development in rural communities. As such, this paper seeks to identify and explain the role of cooperatives in sustaining the livelihoods of rural communities in Nigeria.

CLARIFICATION OF CONCEPTS

Community: This is a diverse group of people who live in a commonly understood location or place. Community refers to a group of individuals who share common interest, values, goals or characteristics and are connected by geographical proximity or identity. A community can be a neighborhood, a town/city, a larger social group or a county. Communities often involve social interaction, mutual support and collective action towards the betterment of the members. (Atairet, Mboho & Aborh, 2021).

Community development: It is a process that helps a community to sustain itself socially, economically, and environmentally. Cooperative is an attempt by local people to control the socio-economic destiny of a community (Cabaj, 2004). It as a process by which community members strive towards priorities or self-established goals, usually based on common geography, common experiences, or common values (Chaland & Downing, 2003). However, although perspectives differ, there appears to be general agreement that community development within a community should actively involve community members and meet their needs. Generally, community development aims to empower and strengthen communities by fostering collaboration, participation and self-determination through various projects and programs aimed at improving infrastructure, education, healthcare, employment opportunities and the general quality of life.

Cooperative society: This is 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. It focuses on collaboration, mutual support and shared benefit among its members rather than prioritizing profit maximization. They are an important vehicle for community development because they mobilize local resources for their development. The organization is owned and controlled by members, it is established with the goal of meeting the needs of their members and contributing to community development (Mboho & Ibok, 2009).

According to The International Cooperative Alliance (ICA) (2005) cooperative is an autonomous association of persons united voluntarily to meet their common social, economic and cultural needs as well as their aspirations through a jointly owned and democratically controlled enterprise. In light of the above values, cooperatives can then be described as a



distinct, mutual-based association or group with varied capital and membership base which is democratically managed. A cooperative is distinct from a socio-professional body and its mission is to defend the interests of its members or a community development association whose activities are similar to those of a pressure group.

Development: It is a multidimensional process involving change in structure, attitude, institution as well as the acceleration of economic growth, reduction in inequality and eradication (Tonado, 1979; Aroh, 2002). It entails the improvement in the lives of people and society. It typically involves efforts to increase income and wealth, improve education and health care promote peace and stability.

FEATURES/ PRINCIPLES OF COOPERATIVE SOCIETY

Cooperative principles are guidelines by which cooperatives put their values into practice. The principles rest on a distinct philosophy and view of society that helps members judge their accomplishments and make decisions (Hoyt, 1997). There are basic principles upon which the establishment of co-operative societies is pinned and these principles are what makes cooperative societies a viable tool for community development. This principle includes: Voluntary and open membership, democratic member control, member economic participation, autonomy and independence, education, training and information, cooperation among cooperatives, and concern for community, among others.

1. **Voluntary and open membership:** Cooperatives are accessible to every member of the rural society. They can join or leave the organization at will. However, if a member wants to exit the cooperative, they have to give notice before leaving. It does not discriminate against anyone based on religion, caste, gender, creed or language. The principle of voluntary and open membership also indicates that cooperatives are open to all persons that are able to use their service and willing to accept the responsibilities of membership without gender, social, racial, political or religious discrimination (Mhembwe & Dube, 2017). Tchami (2007) asserts this view and states that cooperatives have to accept only a predetermined number of members, depending on the capacity of those cooperatives.
2. **Principle of member economic participation:** Concerned members in a cooperative society contribute equitably to the society and democratically control the capital of their cooperative societies (Galor, 1995; Mhembwe & Dube, 2017). Chitsike (1988) notes that a necessary feature of a cooperative is the mutual commitment of each member involved. Every member is responsible for the preservation of its autonomous identity, as an association of people formally engaged in private enterprise with a strict beneficial economic purpose (Mhembwe & Dube, 2017).
3. **Democratic principles:** The democratic member control principle indicates that cooperative societies are democratic organizations, controlled by their members who actively participate in the formulation of policies and in making decisions (Mhembwe & Dube, 2017). Cooperative society has to ensure voting rights for its members. The members elect a managing committee that makes important decisions related to running the organization. As such, cooperatives should be run by men and women, who serve as elected representatives and should be accountable to the general membership (Mboho, 2021). Laidlaw (1980) asserts that in primary cooperatives, the principle of democratic



control is noticed when members of the cooperative exercise equal voting rights by virtue of the 'one member one vote' rule. What this shows is that cooperatives should be democratically managed.

4. **Principle of autonomy and independence:** Cooperatives are autonomous and self-help organizations are controlled by their members. Thus, in the event that cooperatives are to enter into agreements with other organizations, for instance, to raise capital from external sources, they are to do so on terms that ensure democratic control by their members so as to maintain the autonomy of the cooperative. Cooperation among members plays a significant role in the success of cooperatives. Thus, the principle of cooperation among cooperatives is emphasized. The ICA (2005) notes that cooperatives serve their members most effectively, whilst at the same time strengthening the cooperative movement to work together through local, national, regional and international structures. Therefore, teamwork among members of cooperatives should be the order of the day. Cooperation among members makes it possible for individuals to come together to contribute for an individual on rotatory bases and this money is used to pay children fees, establish businesses and alleviate poverty.
5. **The principle of concern for community:** One major principle guiding the operations and activities of cooperatives. This principle holds that cooperatives should work for the sustainable development of their communities through enabling policies which are approved by their members. If properly followed and implemented, these principles would guide cooperatives towards the achievement of their objectives in order to sustain livelihoods of rural communities.
6. **The principle on education, training and information:** As noted by Tchami (2007), this principle clearly highlights that cooperatives should provide education and training to their members. That is, elected representatives, managers and their employees need to be educated and trained often in order for them to contribute effectively to the development of the cooperative. According to Ortmann and King (2007) members of the cooperative should learn how to work together so as to relinquish their personal interests in favor of the interests of the group, whilst the management have to learn how to use their powers wisely in running a democratic commercial enterprise.

COOPERATIVE SOCIETY AND THEIR SOCIO-ECONOMIC CONTRIBUTIONS TO THE RURAL DEVELOPMENT

This section highlights the purpose of cooperatives and how they can sustain the livelihoods of rural communities.

For many decades, cooperatives have been an effective way for people to extend control over their economic livelihood, with the aim of improving the socio-economic wellbeing of the people (Asuquo & Ekanem, 2023). It is a unique tool for achieving social and economic goals in an increasingly co-operative global economy (Bogundeji & Talabi, 2012). As nations around the world are experiencing economic meltdown, cooperatives are being considered useful mechanisms to manage risk for members in agricultural or other similar cooperatives where salary earners save for the future through a soft-felt monthly contribution that is deducted from source. Artisans, businessmen and women contribute daily, weekly or monthly and through



cooperatives, 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 (Mboho, 2021).

Cooperatives generally provide an economic boost to the community where it is well operated (Bogundeji & Talabi, 2012). Cooperatives present an opportunity for people of like minds to come together in cooperation to improve their socio-economic wellbeing. In rural communities, capital gain through cooperatives like Etibe, Isusu system, Adashe and Akawo are what parents use to pay the school fee of their ward, acquire shelter, dig borehole, establish business which all in the long run contribute to betterment of rural life and enhance socioeconomic development.

According to Schwettmann (2004), rural cooperatives are successful in economic development because they are viewed as commercial organizations that operate by a broader set of values, than those associated with the narrow pursuit of profit alone. Thus, cooperatives have been taken as business enterprises, whilst they practice economic fairness by ensuring equal access to markets and services among open and voluntary membership bases (Mhembwe & Dube, 2017).

Consequently, cooperatives can enhance the social and economic status of the rural dwellers by increasing the income generated in their locality, helping them pay their taxes thus increasing the internally generated revenue of their local government and state and enabling them produce more food, employment, and infrastructure as well as increased aggregate income (Okwara & Uhuegbulem, 2017). The social and economic importance of cooperatives extends to payment of school fees for wards, and building of houses, among others. The process of developing and sustaining a cooperative involves the processes of developing and promoting community spirit, identity and social organization as cooperatives play an increasingly important role worldwide in poverty reduction, facilitating job creation, economic growth and social development (Gibson, 2005).

Literature has found that cooperative structure and features allows them to be more society-oriented (Fairbairn et al., 1995; Wilkinson & Quarter, 1996; Majee & Hoyt, 2011). They promote development that is not only society-centered (Pieterse, 2001), but also democratic and people-centered (Burkey, 1993; Carmen, 1996; Ife, 2002). Cooperatives expand the ability of groups to participate in, negotiate with, influence, control, and hold accountable the institutions that affect their lives. This empowerment is achieved when community members work together and learn that they can rely on themselves and on their ability to act collectively to improve their personal circumstances and the well-being of their community (Hoyt, 2004).

Cooperatives are important tools for improving the livelihood of both women and men. Since the users of the services are the owners, cooperatives make decisions that balance the need for profitability with the welfare of their members and the community, which they serve. As cooperatives foster economies of scope and scale, they increase the bargaining power of their members providing them, among others benefits, higher income and social protection. Hence, cooperatives accord members opportunity, protection and empowerment- essential elements in alleviation of poverty (Somavia, 2002).

However, once the cooperative is operational and successfully- providing goods and services, both the members and the community will benefit since cooperative provides an opportunity for all members to get ahead to the extent that they participate in the cooperative, cooperatives



are open to all who can take advantage of their benefits, no individuals need be trapped in getting by. Also, because of open membership, cooperatives build economic activities that reach beyond familial and close social networks. Because they need critical mass to be successful, they essentially create bonds among numerous small social networks that share a similar product or service need. It's the bonding of small networks into a coherent unit that creates an opportunity for group members to gain access to bridging social capital that is not available to them as individuals or as small isolated networks (Udoh & Mboho 2020).

One of the geniuses of cooperatives is their ability to create businesses based on a common bond (for a need or service) that can negotiate for resources and build connections to groups outside the community. That is, they are an organizing vehicle that creates both bonding and bridging social capital (Majee & Hoyt, 2011).

Cooperative society combats social exclusion and contributes to sustainable human development. Thus the promotion of cooperatives should be considered as one of the pillars of national and international economic and social development (Levin, 2002). Cooperatives in Nigeria 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 (Dogarawa, 2013).

According to Ogbeide (2015), cooperatives can generate and increase community-based assets. By virtue of being locally developed, owned and controlled, cooperatives built on the community's human, social and financial capital through access to education, training, skills and experience. Cooperatives can provide members education, training and leadership opportunities at the board of directors' level and are often extended to employees and members, who do not serve on the board, and are provided in areas beyond the core business (Ogbeide, 2015).

Cooperatives are not merely a tool for livelihood, but many cooperatives are engaged in social activities, in the field of education, health, public distribution system, social reform and charity in normal and abnormal times, during natural or man-made calamities (Junare 1999; Sapovadia; 2004). Cooperative approach to human capital development helps to impart leadership skills relevant for community communication and governance (Ogbeide, 2015).

Cooperatives are community-based societies, rooted in democracy, flexible, and have participatory involvement, which makes them well suited for social and economic development of rural communities (Gertler, 2001). In a study conducted by Ogbeide (2015), the results showed the ability of a cooperative society strategy to contribute to rural development, the study results showed a very high positive correlation of the variables used to assess the contribution of cooperatives to rural development. Cooperative societies serve as a self-help rural development approach that uses members to develop members; human, social and financial capital are owned and controlled by members. When members pool their resources together, they are able to increase business size, achieve socio-economic development and better the lives of rural dwellers.

Co-operatives societies, if well utilized, can improve the quality of life for the rural people through internal capacity building, employment generation and management skills. Occasion with effective and democratic leadership can create development (Essien & Ekoriko, 2020). Similarly, research by Zeuli, Freshwater, Markley and Barkley (2005) showed that cooperative



movements have the capacity for creating viable enterprises, securing productive employment and self-employment, and generating.

As people work together in a cooperative, they build up community identity, establish community norms, learn to trust each other, and commit to providing benefits for each other. Previously, we have found that cooperative development enhances community trust and networks, through which community residents can pool community economic, social, and political resources and access those from outside the community (Majee & Hoyt, 2009).

However, the role of cooperatives in rural development can be very significant and beneficial for the rural economy. We will summarize their role in the below paragraphs:

1. **Provision of credit facilities:** Cooperative societies can help their members – individuals or small businesses – in rural areas with financial assistance. Credit cooperative societies are involved in disbursing loans at low rates of interest and flexible repayment terms. The role of cooperatives in rural development is crucial as they protect their members from private money lenders who give loans at very high-interest rates. Credit cooperatives rarely raise large amounts of capital due to the limited financial resources of their members. However, they play a vital role in sustaining the viability of both agrarian and non-agrarian occupations in a rural economy. It is through this credit facility that many families can access low interest loans to pay for children's school fees, build houses, establish business etc. all of which contributes to socio economic development of rural dwellers (Mboho and Aniebiet, 2009).
2. **Housing facilities for lower-income groups:** Housing cooperative societies in rural areas assist their members in getting a place to live (shelter). They are primarily involved in helping individuals and families from lower-income groups get housing facilities at affordable rates. It helps address the issue of homelessness and high cost of housing thereby contributing to socio-economic wellbeing of the people in rural communities. It's worthy to note that without cooperatives many families would not have been able to acquire housing or shelter especially in a time of worsening economic situation.
3. **Assist small businesses to stay profitable:** Cooperative societies help small scale entrepreneurs in rural communities to procure raw materials at cheaper rates to reduce their cost of production. They also provide producers with a platform to sell their products directly to consumers. Removing intermediaries helps to cut down the selling price and ensure higher sales and profits for producers (Mboho & Ibok, 2009).
4. **Share profits among members:** Cooperatives are primarily established to serve the economically weaker sections of rural communities. They distribute profits from the operations among their members as a dividend. These earnings are vital for the sustenance of rural households and the socioeconomic wellbeing of rural dwellers.
5. **Creation of employment:** Through creation of employment, cooperatives help in eliminating rural underdevelopment and bring about social and economic development in rural communities. They do so through creation of employment for their members, educational support for members, facilitating financial services, mutual aid and labor exchange, training members in skills acquisition and marketing services for small members (Iheanacho, Ojo & Bila, 2012). According to Iheanacho et al. (2012), cooperative societies create employment in three ways. They give direct wage employment to people



who work in primary and secondary cooperatives as well as in governmental cooperative support institutions; they offer self-employment to members through participation in economic activities that their cooperatives make possible, thereby guaranteeing decent income. They also indirectly employ nonmembers through the spillover effects of their activities, whose income generating activities are only viable through the transactions (Okwara & Uhuegbulem, 2017).

- 6. Cooperatives provide education and training for their members:** Elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives and their locality at large. They work for the sustainable development of their communities through policies approved by their members. Like what is obtainable in cooperatives worldwide. Some authors are of the opinion that acting through their cooperative organizations, small scale producers, workers and the poor, especially in rural areas, access goods, markets and government services more efficiently aimed at improving their livelihoods and undertake other self-help action to improve their communities (Sumelius *et al.*, 2008; Okwara & Uhuegbulem, 2017).

THEORETICAL FRAMEWORK

Sustainable Development Theory

Sustainable development theory is an approach to social, economic, and environmental planning that aims to balance the needs of the present and future generations while preserving the natural environment. Sustainable development theory recognizes the importance of economic, social, and environmental factors in rural development (Pieterse, 2001). It emphasizes the need to promote economic growth while also ensuring social equity.

From an economic perspective, sustainable development theory recognizes that rural areas often have limited access to resources and markets. It suggests that rural development should focus on promoting economic diversification, enhancing local entrepreneurship, and creating employment opportunities. This could involve supporting the development of value-added agricultural products, promoting tourism, or attracting investments in renewable energy projects through cooperation. In terms of social development, sustainable development theory emphasizes the importance of improving access to basic services such as education, healthcare, and clean water in rural areas. It encourages the empowerment of rural communities and the involvement of local stakeholders in decision-making processes. (Pieterse, 2001). Sustainable development theory focuses on the long-term well-being of society by balancing economic growth, social development, and environmental protection.

When applied to cooperative society and rural development, the theory suggests a comprehensive approach that promotes self-reliance, community empowerment, and environmental sustainability. The focus is on achieving a balanced approach that enhances social well-being, economic prosperity, and environmental sustainability in rural communities. Sustainable development theory considers cooperative societies as important actors in promoting rural development.

The theory promotes the creation of cooperative enterprises that prioritize equitable distribution of resources, engagement of all members, and democratic decision-making processes. This



cooperation can take various forms such as agricultural cooperatives, credit unions, or community-based organizations or even the traditional saving thrift, such as *Etibe*, *Isusu*, *Adashe*, and *Akawo* (as popular among the different ethnic groups in Nigeria). As they provide an opportunity for rural communities to come together and pool their resources, skills, and knowledge. According to the theory, by working collectively, rural communities can enhance their socio-economic well-being and have a stronger voice in decision-making processes that affect their development.

Sustainable development theory holds that cooperative societies can help stimulate local economic growth in rural areas. They provide a platform for small-scale producers and entrepreneurs to access markets, finance, and technical expertise that they might not be able to obtain individually. This, in turn, contributes to increased employment, income generation, and poverty reduction in rural communities. The theory holds that cooperative societies foster social cohesion, trust, and solidarity among community members. They promote a sense of ownership, collective decision-making, and shared benefits. These aspects of cooperation are crucial for addressing social inequalities, fostering inclusivity, and reducing marginalization in rural areas.

Additionally, sustainable development theory advocates for social inclusion in rural communities. It emphasizes the importance of enhancing education, healthcare, and infrastructure in rural areas to ensure equal access to opportunities and services.

In summary, sustainable development theory recognizes the cooperative society's role in promoting rural development by empowering individuals and communities, promoting sustainable resource management, fostering local economic growth, enhancing social cohesion, and supporting knowledge sharing and capacity building.

CONCLUSION

Cooperation among rural dweller is a best possible means to curb the worsening economic situation in rural communities; it is necessary to use the mechanisms that have been successfully tested in the past and have proven to be effective, and also to retain a rich potential in the new socio-economic situation. If developmental planning for rural communities is to be successful, such plan should start from the grassroots levels. More so, development efforts should be concentrated on human resources and people at grass root levels should be mobilized to work together voluntarily to pool scarce resources at their disposal to better their social and economic situation. Cooperatives have unique processes through which they foster the creation of social capital which can better the lot of rural dwellers. For rural communities to sustainably develop, they need to leverage the rich potentials provided by cooperative societies. Rural communities in Nigeria can achieve significant social and economic benefits from participation in cooperative business; cooperatives need to be adequately capitalized and functionally successful as businesses. Cooperatives promote the interests of less powerful members of society; as they gather local people and pool their resources to gain power to participate in and influence market forces and community development.



RECOMMENDATIONS

Cooperatives have the potential to bootstrap far more people in low-income communities into the socio-economic mainstream than other business structures operating in rural communities. The development of cooperatives should be taken as a measure to counter the worsening socioeconomic conditions in many rural communities. Cooperatives are a means through which empowerment of disadvantaged people is possible in rural communities.

Rural dwellers should be adequately sensitized on the importance of cooperatives and should be encouraged to form/ associate with cooperatives so as to derive benefits of cooperatives.

Governments, development agencies and financial institutions such as banks should encourage, partner and render financial support to cooperatives in rural communities to allow them to expand and diversify their business operations.

Government, through the appropriate bodies, ministries and NGOs, should educate rural dwellers on the importance and benefits of a cooperative society, highlighting its importance as a driver of socioeconomic development in rural communities, emphasizing the need for synergy and the socioeconomic gains to be derived from cooperative membership.

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