



FACTORS HINDERING AGRICULTURAL COOPERATIVE SOCIETIES IN CONTRIBUTING ADEQUATELY TO POVERTY AND HUNGER ERADICATION AMONG THE RURAL COMMUNITY DWELLERS IN IDO-OSI LOCAL GOVERNMENT AREA IN EKITI STATE

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ABSTRACT: *The study examined the factors hindering Agricultural Cooperative Societies from contributing adequately to poverty and hunger eradication among the rural community dwellers in Ido-Osi Local Government Area in Ekiti State. It also determined how the government and other agencies can assist Agricultural Cooperative Societies to sustain inclusive agricultural development and eradicate poverty and hunger among Ido-Osi Local Government Area rural households. The project employed primary data sources; the primary sources were one hundred and twenty self-administered questionnaires, of which ninety were retrieved and analysed using the linear regression model. The result indicated factors hindering agricultural cooperative societies have a negative and significant contribution to poverty and hunger eradication among the rural community dwellers in Ido-Osi Local Government Area, and ways in which agricultural cooperative societies can be assisted by government and other agencies have a positive and significant effect to sustaining inclusive agricultural development and eradication of poverty and hunger among rural households in Ido-Osi Local Government Area, Ekiti State. The study recommends that awareness should be made and emphasising patronising agricultural cooperative societies, which can serve as one way to reduce poverty in the state. Also, microfinance banks and other financial institutions supporting agricultural cooperative societies should increase the volume base of funds allotted to cooperatives with minimal and bearable interest rates.*

KEYWORDS: Agricultural Cooperative Societies; Ido-Osi Local Government Area; Ekiti State; Hunger Eradication; Poverty Reduction.



INTRODUCTION

Historically, agriculture has played a crucial role in meeting the needs of the world's poor and hungry in rural areas, where a disproportionate number of these people now live. Before the country's oil discovery in 1958 and subsequent expansion in the 1970s, agriculture in Nigeria contributed considerably to GDP (roughly 80%) but was later abandoned (Nlebem & Raji, 2019). Several development projects were established and executed to rectify the problem, including agricultural cooperative banks, agricultural banks, and others (Toluwase & Apata, 2013).

Due to agricultural cooperatives' aid, small-scale farmers could develop their businesses, bring their goods to market, and boost local economies (Woldu, Tadesse & Waller, 2013). Cooperative organisations "offer the greatest vehicle for reaching the bulk of the small-scale farmers at the grassroots" in Nigeria, as noted by Taiwo, Agbasi, Lawal, and Okafor (2015). Furthermore, it was reported that the majority of cooperative organisations in Nigeria at the time served the agricultural community. Despite not working in agriculture itself, the remaining 4% of cooperatives are big consumers of food and other agricultural products.

The International Labor Organization (ILO) acknowledged in 2001 that cooperatives play a significant role in economic, social, and political development. A key economic role of the organisation is to provide members with opportunities to increase their income and decrease their poverty levels. These advancements aid in the areas of credit availability, inventory management, material logistics, and product marketing. Agricultural cooperative societies can have a positive social impact by, for example: enhancing farmers' living and working conditions; providing production, health, funeral, and life insurance and safeguarding consumers against commodity adulteration; taking other social actions like caring for the elderly, children, and the disabled; and providing employment opportunities for the socially disadvantaged. Politically, agricultural cooperatives represent the interests of their members and the general public. Farmers need to form groups and improve their ability to work together horizontally if this impressive agricultural success is to continue. This paves the way for several advantages, such as the realisation of economies of scale essential to participation in value chains, the implementation of quality management practices, the addition of processing steps requiring minimal technological investment, the acquisition of product certification through group certification schemes, and the marketing of products (World Bank, 2008).

Being a member of an agricultural cooperative society has several advantages, as stated by Oladeji and Oyesola (2000). Historically, farmers in industrialised countries have been urged to organise into cooperatives to streamline government assistance programs and better serve their rural communities. According to Chambo (2009), cooperative groups boost production in the agricultural sector by ensuring the timely supply of agricultural goods. Cooperative societies are distinguished because they allow their members access to these inputs and assist in offsetting the expenses, which may be prohibitive for farmers operating on a tight budget. Additionally, Mohammed and Lee (2014) suggest that agricultural cooperative societies are a key tool in assuring much-needed assistance for peasant farmers and disadvantaged communities by producing long-term rural employment. Cooperatives of farmers provide a consistent supply of food and other agricultural products, providing rural communities with regular, year-round options for self-employment. When a new cooperative organisation forms, its members will need to elect representatives to serve as its voice in lower levels of



administration. This might help rural farmers learn more about agriculture policy at the national and state levels.

Chambo (2011) notes that producer cooperatives give smallholder farmers several advantages, including better access to information, technology, innovations, extension services, and enhanced training in natural resource management. When compared to the initial investment made, the returns delivered by cooperative organisations to their members are high. The majority of the world's impoverished and hungry people live in rural areas, where agriculture has unquestionably been their main source of livelihood for a large portion of human history. Agricultural cooperatives help poor farmers and other communities in various ways, which include providing stable work in rural areas (Mohammed & Lee, 2014). Farmers' cooperatives are frequently hailed as driving forces behind rural development and modernisation.

The agricultural cooperative plays a crucial role in the local economy and community life in rural regions. Major contributions include the distribution of production inputs like fertilisers, seeds, and other chemical compounds to farmers. They also provide training in valuable skills for farmers. The purpose of these cutting-edge methods in agriculture is to increase crop yields and, by extension, the prosperity of rural areas. The role that cooperatives play in rural areas is crucial. Many Nigerian villages depend on them, playing an important role in the agricultural food economy in many fields and towns. Despite these positives, rural areas are seeing a decline in agricultural productivity for several reasons. Inadequate electricity and medical services are two examples. Another is a lack of a dependable road system. High input costs, outdated techniques, inferior crop types, inadequate infrastructure, and restricted access to credit and insurance are just some of the other difficulties rural farmers confront. Without intervention, this precarious situation may continue, fueling farmers' frustration and contributing to increased poverty. A major emphasis of Nigeria's agricultural groups recently has been encouraging farmers to band together to tackle the country's mounting agricultural challenges, and so alleviate poverty. To what extent is it true that agricultural cooperatives have contributed to reducing poverty?

Research into the effect of cooperatives on farmers' productivity has been conducted by several empirical studies, including those by Apata, Apata, Igbalajobi, and Awoniyi (2010); Gomina (2013); Nlerum and Ogu (2014); Nnadozie, Oyediran, Njouku, and Okoli (2015); Nlebem and Raji (2019); and Olojede, Rasaki, Adeoye, Amoo, and Olayanju (2020).

LITERATURE REVIEW

Poverty Reduction

Poverty reduction refers to the collective actions governments and NGOs take to alleviate poverty and its repercussions. The word "humanitarian response" describes the coordinated actions taken by local, national, and international groups to help those in need in a certain area at a given moment. This concept holds that fundamental social amenities like schools, clinics, clean water, and toilets are just as important as providing economical services like loans, skill education, and agricultural inputs in the fight against poverty (Abbas, 2016).

Several poverty alleviation projects have been devised, implemented, and extended throughout the years in Nigeria in an attempt to improve the quality of life for the country's population.



There have been many programs in the past, such as the National Agricultural Land Development Authority (NALDA), the Directorate of Food, Road, and Rural Infrastructures (DFRRI), the National Directorate of Employment (NDE), the Family Support Programme (FSP), the Family Economic Advancement Programme (FEAP), the Better Life Programme (BLP), and the Poverty Alleviation Programme (PAP) (Abbas, 2013).

Several governments have attempted to tackle Nigeria's worsening poverty with impressive initiatives and policies, but the results have been lacklustre thus far. Prominent scholars trying to alleviate poverty in the country agree that successive administrations' incapacity to enact anti-poverty programs is a direct result of the failures of their predecessors (Oshewolo, 2010; Abbas, 2016). They claim that most anti-poverty efforts have actually benefited politicians (and especially elites) rather than the people they were designed to aid (the poor).

As a result, it has become increasingly difficult for successive governments in Nigeria to address the country's poverty problem in a way that puts the common good ahead of partisan gain (Abbas, 2016). Those already struggling economically and seeing no relief from this are very unfortunate. All too frequently, individuals whose job is to identify the central policy problem that must be solved put their personal agendas ahead of that of the public, weakening the cause of alleviating poverty. Government efforts to reduce poverty have obviously failed in this country. This is because the majority of decisions were not founded on something other than sound reasoning. Nigerians have learned from their previous mistakes and now recognise the need for non-governmental groups like cooperative societies in the battle against poverty (Abbas, 2016).

Cooperative Societies

Cooperatives are groups of individuals who have joined forces to address social and economic problems by pooling their resources and labour (Otto & Ukpere, 2011). Cooperative groups, as we know them now, may trace their roots back to 1844, when the Rochdale Society of Equitable Pioneers was established in England. Rochdale Pioneers initially intended to use member contributions to support a for-profit business for the members' mutual benefit (ICA, 2015). In contrast, thrift cooperatives may trace their roots back to 1851, when Herman Schulge-Delitzsch founded a credit organisation to help financially strapped German peasant farmers (Taylor, 1974). As the first cooperative in Nigeria, the Gbedun Cooperative Produce Marketing Society Ltd. was formally established in 1935 under the Cooperative Societies Ordinance No. 6, which was patterned after the Indian Cooperative Societies Act of 1912. (Yebisi, 2014).

To help its members meet their production and consumption needs, cooperatives serve various purposes in a market economy. They help the state achieve its welfare aims of decreasing poverty and raising the poor's economic autonomy in a market economy (Parthasarthy, 1991). However, cooperatives are considered potential transitional vehicles toward a socialist form of governance under a socialist system to decrease inequality and exploitation (Khyostov, 1975, cited in Shylendra, 2011). Therefore, cooperatives are seen as a means to an end, especially for the poor and the most vulnerable sections of society, to achieve greater development goals. As a result, cooperatives' impact on the lowest income groups in society is a reliable measure of their performance. Micro, small, and medium-sized businesses (MSMEs) have the finest funding option available across all economic sectors and programs, as stated by Oladejo (2011) states via cooperatives. The emergence of cooperative groups is often associated with the



realisation that individuals cannot meet their material demands alone (Kareem, Arigbabu, Akintaro & Badmuset, 2012). For instance, they facilitate the launching of new companies, the amassing of riches, the distribution of vital social services and welfare, and the segmentation of productive units into specific groups (Aribisala, 2012). So, because cooperative organisations may be powerful agents of change, they should be widely supported. Regarding financing for small enterprises, cooperatives are a crucial component. Adapting to the ever-changing dynamics of financial development, especially regarding financial inclusion in developing countries, necessitates fresh approaches and unconventional sources of funding for microenterprises, which dominate the economy's informal sector.

Challenges of Cooperative Societies

The inability of cooperative organisations to expand beyond their geographic area is their primary flaw. What this means is that people in such locations can only access money via the means at their disposal. Adding insult to injury, microfinance institutions cannot fulfil their intended purpose of providing financial assistance to legally established cooperatives. Nonetheless, this was prevented by the Bank Act of 1969, which mandated that all banks doing business in Nigeria register in the same way. Cooperative banks were required to function like commercial banks and were not exempted from the Act's stringent requirements. The cooperative society in Nigeria has taken a huge step backwards as a result. Corruption allegations against officers of such groups are likewise quite rare. The scheme's validity is so diminished, except for cooperative societies, which use what is called "Skeletal accounting procedures." None of the other schemes keep comprehensive records of financial transactions or inventory levels, undergo regular audits, or take many, if any legal actions against members who commit fraud (Anifowose, 2016).

Growth of the Nigerian Cooperative Movement

The Third National Development Plan had a specific component for cooperative efforts, while cooperatives had operated in different forms across the country for decades prior to that (1975-1980). Cooperatives can potentially be an important vehicle of social change, especially in rural areas, but the movement in Nigeria has been gradual and has not gotten much attention from the federal government. Less than one percent of the Nigerian population participated in the Cooperative Movement before 1980. The government of Nigeria adopted a strategy in 1980 as part of its "Green Revolution Programme" to encourage the development of a strong rural cooperative system that might be a potent weapon for improving the country's social and economic circumstances, especially at the grassroots level.

Greater efforts should be made in all areas of cooperative education training and public enlightenment to inspire more farmers and rural people to join the cooperative movement and equip them with the knowledge to make economically and socially responsible decisions, develop rural cooperatives to boost domestic output of high-quality industrial raw materials and guarantee equitable agricultural inputs and other commodities distribution. There will be greater chances for prosperity, joy, and peace in all spheres of life if we all work together to expand the number of people who support democracy at the local level.

In 1980, as part of its commitment to cooperatives, the Federal Government of Nigeria established the Federal Department of Agricultural Cooperative (FDAC). One of the main responsibilities of the Federal Agricultural Development Cooperation Board was to initiate a



set of programs and regulations that would help agricultural cooperatives proliferate throughout the nation. It marked the beginning of formalized government support for agricultural cooperatives to develop national agricultural policy.

To further fulfil its mission, it opened four zonal offices in the towns of Ibadan, Enugu, Jos, and Kaduna in 1981. Subsequently, branches were set up at the state level to be closer to the people they served. A total of five divisions are used to make up the FDAC.

- a. Agricultural Sector Development and Planning
- b. An Educative Structure
- c. Promotional and Outreach Services
- d. Project Planning, Management, and Evaluation
- e. Broader dissemination and advertising.

The agencies above oversee cooperative development programs for rural residents (Onyewaku & Fabiyi, 2001; Aribaba, 2013). Capital cooperative initiatives include feed mills, storage depots, onshore fishing operations, and cooperatives for processing, shipping, and interstate cooperative marketing of food products. The feed mill project takes the raw materials provided by farmers and processes them into animal feed using ingredients like maize, guinea corn, cotton seed, groundnut cake, etc. Harvesting and storing food crops before marketing, and distribution improves food price structures. A measure of price and supply stability is provided to purchasers and farmers as a bonus. Cooperatives were recognised as useful instruments for boosting rural growth and output in the Third National Development Plan (1975-1980) (Aribaba, 2013).

Theoretical Review

Talcott Parsons' Theory of AGIL

Parsons, a previous student of Malinowski's at the London School of Economics in the 1920s, was greatly impacted by his 1944 discovery of a number of unusual biological, cultural, and social situations. Production and distribution, social control and regulation, education and socialization, and political structure and integration were described as the four pillars of a functional society.

These four requirements were so important to Talcott Parsons that he attempted to include them into his own AGIL framework, although with major modifications. According to the renowned AGIL, all civilisations have needs that must be satisfied. A social institution's "function" is hence the good it does for the whole society. Civilizations need to meet a number of fundamental criteria in order to endure and show any kind of discernible continuity through time. Deficits in these purportedly essential aspects of human existence may be related to issues like conflict, collapse, and society's downfall (Trevino, 2005).

According to Parsons, the AGIL should operate as follows: Adapting to changing circumstances, providing for its members' physiological requirements, and cooperating with other social organizations; these are examples of instrumental activities. Expressive activities are necessary for integration and latent pattern maintenance to maintain the social system as a



committed, social human society. Social institutions like cooperative groups respond to this external environmental challenge by pooling and distributing resources, as defined by the 'A' function, adaptation. The "G" function symbolizes an outside element that affects the social system's members' motivation and mobilization to work toward its objectives and the social system's goal-setting. The aim of resolving the integration function, represented by the letter "I," is to build an organisation that can either prevent or resist significant conflictual disruptions to the system since it is an internal organisational problem. Latent pattern-maintenance/tension management, often known as the "L" function, is an internal organisational issue that describes how a social system maintains normative patterns while balancing the stresses and tensions of its members. Parsons established four requirements for an action system to satisfy and maintain dynamic equilibrium (Trevino, 2005).

Parsons uses Bortolini's (2007) AGIL paradigm for the social system, noting that functional demands have different effects on the social system as a whole while bearing considerable functional importance for a subset of subsystems. The adaptive functions have economic weight because of the roles and organizations (cooperative organizations) on which they rely. The chieftdom, government, or private sector's institutional setup and participation in goal-achievement are all included in the concept of "polity." The "integrative subsystem" (later the societal community) of that society is made up of both the overt "integrative function," which encourages unity and cooperation among its members, and the "latent pattern-maintenance/tension-management function," which, through socialisation, serves to preserve the fundamental norms and values of that society (Trevino, 2005). According to Parsons, doing an independent study on these four elements is feasible. These interconnected concepts may serve as frameworks for thinking about how cooperatives and other organisations could assist Nigeria's rural areas in fighting poverty and boosting the nation's economy.

Empirical Review

Zhang, Feng, and Huang (2012) found that the cooperatives' impact on farmers' income could be measured by contrasting wage income with net income and tracking rural labour migration. The authors of this study used a regression analysis to determine that the governance mechanism, equity structure, decision-making mode, and earnings distribution of the membership system significantly influenced the effect of raising members' incomes after controlling for individual and cooperative characteristics. Banaszak (2015) discovered that the most urgent challenges are not output or finding consumers, but collaboration, trust, avoiding free riding, and pursuing individual financial benefit.

Uzonwanne (2015) examined how cooperatives in rural Nigeria helped alleviate poverty. The cooperatives' effectiveness in fostering true development at the grassroots level in Nigeria, especially in the Ideato Local Government Zone of Imo State, is then assessed. In order to analyse both the main and secondary data, descriptive statistics were employed. Most Nigerians live in rural areas and create the majority of the country's wealth, leading researchers to conclude that the federal government of Nigeria should enhance its support for rural cooperatives. So, people might get their hands on the resources they need to achieve their ambitions and realise their aspirations.

In Ethiopia, "smallholders are more likely to be members of cooperatives and to produce more milk," as found by researchers Chagwiza, Muradian, and Ruben (2016). Out of a total sample



size of 2050, 1684 respondents filled out the survey. Using a linear regression analysis, the data showed that dairy farmers' income increased when they joined agricultural cooperatives.

Positive results for smallholder farmers who joined agricultural cooperatives were evaluated by Ahmed and Mesfin (2017) using cross-sectional data from Eastern Ethiopia. Using endogenous switching regression and propensity score matching, we calculated the impact of agricultural cooperative membership on consumption per adult equivalent as a stand-in for well-being. It has been proven using both valuation approaches that smallholder farmers' financial well-being increases when they join agricultural cooperatives. It has also been shown that the advantages of agricultural cooperatives are not shared fairly across all members.

In order to determine whether cooperative societies among Nigerian women rice farmers are effective in alleviating poverty and food insecurity in Nigeria, Elem's (2019) study focuses on these groups. Despite their potential to address food poverty and economic misery, the study demonstrates that farmers' cooperative groups in Nigeria have been devalued. Several recommendations were made to strengthen cooperatives' capacity to alleviate poverty and feed Nigeria's rural populations.

As part of his doctoral research, Sharma (2020) examined how cooperatives affect the lives of farmers living below the poverty line in rural Nepal. The authors of this study reviewed the relevant literature. They concluded that cooperatives have contributed to poverty reduction by enhancing the economic and social conditions of low-income communities through measures such as the creation of new jobs and the increase in wages; they bring the improvement of public services such as healthcare and education, the encouragement of gender equality, the development of physical infrastructure, and the guarantee of adequate food supplies. While cooperatives have had great success, they can always need some tweaking. Changes in how the government and the public see cooperative development are needed to make real, lasting progress. This is because the numerous small farmers at the economy's core are finding great success with the cooperative strategy of obtaining economies of scale.

Researchers Olojede, Rasaki, Adeoye, Amoo, and Olayanju (2020) looked at how farmers' cooperative societies in Oyo State, Nigeria, affected the financial well-being of rural households. Three hundred and fifty-nine (359) farmers were polled; 240 cooperative farmers and 120 non-cooperative farmers were randomly chosen from each municipality (360). The information was analysed using descriptive statistics, a Probit Analysis, and a T-test. The statistics also indicated that the median age of participants was 45 and that 70% of those who did not participate were men. Most respondents (99.33%) considered themselves active farmers, and the study also discovered that farmer-run cooperatives were the most common source of agricultural finance. A Pseudo R² value of 0.37 demonstrates that the numerous parameters considered, such as age, sex, marital status, religion, household size, etc., explained roughly 37% of the variation in the enhancement of the livelihood of rural family cooperators in the study area. Depending on farm size, farmer education level, and length of service in the cooperative, there is a significant increase in cooperators' quality of life at the 1%, 5%, and 10% levels. A test of mean difference revealed that compared to non-cooperators, cooperatives in the examined region had significantly greater earnings, productive assets, and arable land. The statistical data shows a significant difference between these two categories (p 0.01).

Liu, Zhang, Fu, and Zhang (2020) studied 33 cooperatives and 394 members in the Qinling-Bashan Mountainous Regions of Sichuan Province, China, to learn more about cooperatives'



impact on reducing poverty and the elements that contribute to this impact. Most participants have seen an increase in their income, which is encouraging news for anti-poverty initiatives in those areas. Nine other factors contribute significantly to the growth of members' incomes; these include members' health, education, number of workers, percentage of income from agriculture, income satisfaction; county demonstration level cooperatives; certification for "Three Products and One Standard;" profit returned by stock/volume; and members' right to speak out. In general, Bazhong has seen a greater income gain than Guangyuan. While cooperatives have the potential to alleviate poverty, they face challenges such as insufficient income and limited access to markets. To encourage the poverty reduction of cooperatives in the Qinling-Bashan Mountainous Regions of Sichuan Province, this paper proposes policies to cultivate and expand cooperatives, strengthen the capacity of cooperatives to reduce poverty and improve the poverty reduction environment of cooperatives.

A study by Tumenta, Amungwa, and Nformi (2021) found that agricultural cooperatives played a crucial role in the development of Cameroon's North West and South West during the country's time of liberalisation. All the data came straight from the primary source. Three hundred and twenty-nine (329) people responded to the survey, representing 52 agricultural cooperatives from 40 villages. Response rates ranged from 21.3% in the South West Region to 78.7% in the North West. We spoke with local farmers and municipal officials to better understand farming in these regions. Eighty percent of those polled said that agricultural cooperatives helped the economy in rural areas because they increased farmers' access to resources, boosted agricultural production, and facilitated the selling of locally produced commodities. In areas with few resources, such as rural areas, agricultural cooperatives may play a pivotal role in fostering development via two primary means: higher agricultural production and improved institutional frameworks. Agricultural cooperatives were seen as having a favourable effect on rural development by 70% of respondents, despite the region's unstable social and political context. Rural revitalization will benefit immensely from increased support for agriculture and rural infrastructure and the creation of an agricultural bank.

Data from two regions of Ghana allowed Ankrah, Jiang, Addai, Ding, Chandio, Fosu, Asante, Siaw, Danquah, Korankye, Ntim-Amo, Ansah, and Agbenyo (2021) to analyse the connection between cooperative membership and family income from fish farming. An endogenous switching regression (ESR) model is used to control for selection bias in the sample population. It was discovered that a household's decision to join a cooperative was affected by characteristics including income, non-farm work, level of education, and social standing. A 28.54% rise in earnings at home and a 34.75% increase in farm income are both possible outcomes of joining a cooperative. The findings also reveal the many ways in which house cooperatives might affect farm and family income. The findings highlight the importance of shared funds and provide advice for bettering living quarters.



METHODOLOGY

Area of the Study

The study area is the state of Ekiti. The military government headed by General Sani Abacha founded Ekiti State and the other states in the Southwest region of Nigeria on October 1, 1996. Three senatorial districts and sixteen local government areas make up Ekiti State presently. The Ido-Osi LGA is serving as a case study for this investigation.

The Population of the Study

The population of the study is made up of the entire Agricultural cooperative societies/organisations and their members in Ekiti State. As of the year-end of 2019, there are 15,673 registered cooperative societies with active members of about 804,525 in the entire local government of Ekiti State. However, Ido-Osi rural local government accounts for about 113 cooperative societies.

Sampling and Sample Technique

In literature, it has been revealed that an effort to study or cover a large population may result in a rigorous process with a maximum tendency to produce a spurious and likely untenable result. Based on the account of 113 cooperative societies in Ikere, this study's case reference, the researcher employs a random sampling technique to select 120 active members of Agricultural cooperative societies in Ido-Osi across the board. Hence, the selected 120 respondents were the target sample size attached to the study.

Model Specification

To determine the relationship between the dependent and independent variables. Linear regression analysis is employed based on the objectives.

Examine the factors hindering Agricultural Cooperative Societies in contributing adequately to poverty and hunger eradication among the rural community dwellers in Ido-Osi Local Government Area

$$POV = f(FAGS) \text{-----} 1$$

POV = Poverty among rural community/households

FAGS = Factors hindering Agricultural Cooperative Societies

Determine the possible ways in which Agricultural Cooperative Societies can be assisted by government and other agencies to sustain inclusive agricultural development and eradication of poverty and hunger among rural households in Ido-Osi Local Government Area

$$ADEPOV = f(GAACS) \text{-----} 2$$

ADEPOV = Agricultural development and eradication of poverty among rural households

GAACS = Government and other agencies assisting Agricultural Cooperative Societies



Source of data

The data for this study were primarily sourced through structured questionnaire which is supposed to be valid in achieving the objectives of the study.

Method of Data Analysis

To achieve the stated objectives, t-tests and linear regression are adopted to measure the effect of the variations of the independent variable of Agricultural cooperatives on the dependent variable (poverty eradication) in Nigeria.

RESULTS AND DISCUSSION

The data were analysed to test the research hypotheses with the aim of achieving the objectives specified in the study. The research hypotheses were tested at 5% significance level using inferential statistics involving regression analysis. Notably, the ninety returned questionnaires were coded and interpreted in this study.

Table 4.1: Regression analysis showing the effect of factors hindering Agricultural Cooperative Societies in the eradication of poverty and hunger among rural community dwellers in Ido-Osi Local Government Area.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.729	.089		30.613	.000
Factors hindering Agricultural Cooperative Societies	-.778	.064	-.794	-12.244	.000

a. Dependent Variable: Poverty among rural community/household

Source: SPSS 20, 2023

From the Table 4.1, the following regression equation was established

$$POV = 2.729 - 0.778_{FACS}$$

From the regression, the POV (poverty among rural household) is 2.729 when another factor (Agricultural cooperative societies) is held constant. Factors hindering Agricultural cooperative societies have a negative and significant effect on poverty, implying that a percent increase in factors hindering Agricultural cooperative societies will bring about a 77.8% decrease in poverty reduction among households in Ekiti State, Nigeria. Hence, it can be concluded that factors hindering Agricultural Cooperative Societies negatively and significantly contribute adequately to poverty and hunger eradication among the rural community dwellers in Ido-Osi Local Government Area.



Table 4.2: Result of Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate
1	.794 ^a	.630	.626	.282

a. Predictors: (Constant), Factors hindering Agricultural Cooperative Societies

Source: SPSS 20, 2023

As can be seen in Table 4.2, there was a strong linear correlation between the independent variable (number of cooperatives) and the dependent variable (factors preventing agricultural cooperative societies from thriving) (poverty reduction among rural household). To what extent does the independent variable (Household income) explain the variance in the dependent variable (Poverty reduction)? $R^2 = 0.630$ ($P = 0.00$ 0.05). (Factors hindering Agricultural cooperative societies). The updated R^2 value indicates that the factors hindering Agricultural cooperative societies substantially impact the dependent variable (poverty reduction). Accordingly, the explanatory variables accounted for around 62.6% of the total variation in the dependent variable. The F value of 149.927% equal to .000 indicates that the independent variable provides substantial explanatory power. Because of this, we may assume that the model is not affected by specification bias.

Table 4.3: Analysis of Variance (ANOVA)

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.910	1	11.910	149.927	.000 ^b
	Residual	6.990	88	.079		
	Total	18.900	89			

a. Dependent Variable: Poverty among rural community/household

b. Predictors: (Constant), Factors hindering Agricultural Cooperative Societies

Source: SPSS 20, 2023

Results from an analysis of variance (ANOVA) might provide insight into the model's robustness or lack thereof. Table 4.3 shows that the F-test result is 149.927, and at the 0.05 level of significance, this value is not significant. Since the computed p-value of 0.00 was less than 0.05, the F-test is significant, and the regression model was a good match. Therefore, the study concludes: Agricultural variables impeding Cooperative Societies have a substantial influence on reducing poverty and food insecurity among rural families in the Ido-Osi Local Government Area of Ekiti State, Nigeria, and so rejects the null hypothesis.



Table 4.4: Regression analysis showing the effect of Government assistance to Agricultural Cooperative Societies on eradicating poverty and hunger among rural households in Ido-Osi Local Government.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.453	.131		18.781	.000
1 Government and other agencies assisting Agricultural Cooperative Societies	.498	.082	.543	6.070	.000

a. Dependent Variable: Agricultural development and eradication of poverty among rural households

Source: SPSS 20, 2023

From the Table 4.4, the following regression equation was established

$$POV = 2.453 + 0.498GAG$$

From the regression, the POV (Agricultural development and eradication of poverty among rural households) is 2.453 when other factors (Government and other agencies assisting Agricultural Cooperative Societies) are held constant. It is seen that Government and other agencies assisting Agricultural Cooperative Societies (ACS) has a positive and significant effect on Agricultural development and eradication of poverty among rural households which implies that a percent increase in effort of government and other non-governmental group assisting ACS will bring about 49.8% increases in Agricultural development and eradication of poverty among rural households in Nigeria within a year. Hence, based on the result of hypothesis three, it can be concluded that Government and other agencies assisting Agricultural Cooperative Societies (ACS) have a positive and significant effect on Agricultural development and eradication of poverty among rural households in Ido-Osi, Ekiti State, Nigeria.

Table 4.5: Result of Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate
1	.543 ^a	.295	.287	.389

a. Predictors: (Constant), Government and other agencies assisting Agricultural Cooperative Societies

Source: SPSS 20, 2023

According to Table 4.5, there was a reasonable linear association between the independent variable (Government and other agencies aiding Agricultural Cooperative Societies) and the dependent variable (Sales Volume of Agricultural Cooperatives) (Agricultural development and eradication of poverty among rural households). The coefficient of determination (R²) was



0.295 ($P = 0.000$), showing that the independent variable was responsible for 29.5% of the variation in the dependent variable (Agricultural progress and rural poverty reduction) (Government and other agencies assisting Agricultural Cooperative Societies). The adjusted R^2 demonstrated the true effect size of the independent variable (government and non-government organisations that aid agricultural cooperative societies) (Agricultural development and eradication of poverty among rural households). To put it another way, the explanatory factors accounted for around 28.7 percentage points of the total variance in the dependent variable. The good explanatory power of the independent variable is shown by an F value of 36.845, which is statistically significant at the .000 level. That the model is not affected by specification bias was demonstrated here.

Table 4.6: Analysis of Variance (ANOVA)

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.578	1	5.578	36.845	.000 ^b
	Residual	13.322	88	.151		
	Total	18.900	89			

a. Dependent Variable: Agricultural development and eradication of poverty among rural households

b. Predictors: (Constant), Government and other agencies assisting Agricultural Cooperative Societies

Source: SPSS 20, 2023

Results from an analysis of variance (ANOVA) might provide insight into the model's robustness or lack thereof. Table 4.6's results show that at the 0.05 level of significance, the F -test yields a value of 36.845. Since the computed p -value of 0.00 was less than 0.05, the F -test is significant, and the regression model was a good match. Accordingly, the study concludes that the alternative hypothesis states that support from the government and other agencies for Agricultural Cooperative Societies (ACS) positively and significantly affects agricultural development and poverty reduction in rural areas of Ido-Osi Ekiti State, Nigeria, is correct.

DISCUSSION

It was discovered that the Agricultural Cooperative Societies in the Ido-Osi Local Government Area have a number of challenges that make it difficult for them to alleviate rural poverty and food insecurity. Given the number of factors at play, it is easy to see how things may go wrong. However, the evidence suggests that Agricultural Cooperative Societies may contribute to reducing poverty in rural Ekiti State if these barriers could be removed. According to this result, Uzonwanne (2015) found that rural community cooperative groups should be given more credit for helping alleviate poverty in Nigeria.

Results also demonstrate that Agricultural Cooperative Societies (ACS) help rural households in Ido-Osi, Ekiti State, Nigeria and that government and other agencies' participation in ACS's establishment has a major and positive effect on reducing poverty and fostering agricultural growth in the area. From what we can tell, attempts have been made at the federal, state, and



local levels in Nigeria, including in Ekiti State. There has not been radio silence from the government or the business community on the issue of poverty. A major obstacle to economic growth and social progress, poverty persists despite several government programs and efforts to ameliorate it. Tumenta, Amungwa, and Nformi (2021) found that increasing public investment in agricultural and rural infrastructure would allow the greatest number of individuals to escape poverty, and these results are consistent with their findings.

CONCLUSION AND RECOMMENDATION

A Likert-scale survey conducted among residents of rural areas in the Ido-Osi Local Government Area found widespread scepticism that cooperative agricultural groups might help alleviate poverty and food insecurity. Investments by the government and non-profit organisations in Agricultural Cooperative Societies (ACS) in Ido-Osi, Ekiti State, Nigeria, have helped to boost agricultural output and reduce poverty in the area's rural villages. In light of these findings, Agricultural Cooperative Societies should happily accept funding from the state and other organisations. More attention and resources should be directed to Agricultural Cooperative Societies to fulfil their promise of reducing poverty in the State. As a last point, microfinance banks and other financial institutions that help Agricultural Cooperative Societies should enhance the amount of the money grant base to the Cooperative with a minimum and acceptable interest rate.

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