

## Cooperative Societies and Women Empowerment in Rural Development (A Study of Abia State, Nigeria)

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### **Abstract**

*All over the world, one form of cooperative society of the other has been established by women for the purpose of coming together to achieve common goal. These cooperative societies are seen as one of the unique platforms that can help women to discover and harness their god-given potentials. The purpose of this study was to examine cooperative societies and women empowerment in rural development (a study of Isiala Ngwa LGA, Abia State, Nigeria). The study employed the descriptive study design where a structure questionnaire was used to get information from the target respondents (which are women). The sample size of the study was 650 women selected using the convenient sampling technique. The hypotheses were tested through the regression and correlation coefficient models. The findings revealed that cooperative societies have a correlation with and do affect women empowerment in rural development, while lack of sustainable strategies, government insensitivity and lack of financial grant militate against the cooperative societies. It was recommended that government and stakeholders should encourage the formation of cooperative societies, especially among women and importantly in the rural areas for development; and government should be sensitive enough to give financial grants, which is interest free, to cooperative societies, especially those that have to do with women and develop a sustainable strategy for such, which will enable them to be self reliant.*

**Key Words:** *Cooperative societies, women empowerment, financial grants, government insensitivity, sustainable strategy*

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### **1.1 Introduction**

All over the world, one form of cooperative society of the other has been established by women for the purpose of coming together to achieve common goal. These cooperative societies are seen as one of the unique platforms that can help women to discover and harness their god-given potentials. It is important to state that, one of the basic tenets of human development is that development that embraces socio-economic balance (Ufoaroh, 2017). Women empowerment in the context of this discussion is seen as fight against poverty, and not a campaign of charity; it is a mission of economic empowerment (Tonyi, 2009). Cooperative society is seen as association of persons with a common economic and thorough formation of a democratically controlled enterprise. In this case, the associates make equitable contribution to the capital required for the

business and also accept or design the formula for their fair share of benefits and risks that may come as a result of undertaking the business (Tonyi, 2009).

Admittedly, cooperative societies is seen as a panacea through which government can use to harness economic development most especially among women in the rural area, of which Isiala Ngwa South is not an exception (Ihimodu,. 2008). It is equally important to note that financial institutions like banks tend to use mostly rural women cooperatives societies to improve the economy. This can be seen as the form of empowerment to the rural women cooperatives. Manser (2009) postulated that cooperative society is an autonomous association of individuals united voluntarily to meet their common cultural, social and economic needs and expectation of joint ownership and democratically controlled business organization. It is seen as another method of forming a legal entity to conduct business besides forming a company (Ufoaroh, 2017). It is important to note that, cooperative societies have come to gain prominent in economic development, since it allows pools together human resources in the spirit of self and mental aid with purpose of rendering service and support to effective members.

However, there are factors militating against the full realization of women empowerment in rural areas of Isiala Ngwa South Local Government Area of Abia State, Nigeria. These factors seem to include cultural mindset, lack of sustainable strategies, government insensitivity, lack of financial grants etc (Obetta, 2014).

It is important to note that, failure of government and good philanthropist to address some of the stated problems above, the hope of women empowerment in the rural areas through cooperative societies will still be mirage. Therefore for women to realize their dreams of being empowered in the rural areas through cooperative societies, all the stakeholders must be fully integrated, which is the purpose of this study.

## **1.2 Statement of the problem**

The philosophy of forming cooperative society is all for each and each for all. This is to say that the ideology behind the formation is for the provision of service and support to effective members.

However, in the developing societies like Nigeria of which Isiala Ngwa Local Government Area of Abia State is belongs the formation is being seen generally among the power or weaker section of women. This simply suggests the desire of the weaker of poor women to stand on their own feet or own merit. Therefore, there is need to motivate, modify orientate and or sustain these efforts for the enhancement of the contribution of the women folk in the indicial growth and development of the material economics with close reference to cooperative societies, reflected in the ownership and management of micro business organizations. This is because, it is important to emphasize that gender roles are neither natural nor immutable.

Admittedly, women contribute a lot in economic development and empowerment of this nation especially in Isiala Ngwa Local Government Area of Abia State through their economic enterprise. In spite of their contribution to the national economic development of this nation, their cooperative societies are still not being given adequate attention. Also, there is every possibility that lack of

government policies formulation and implementation towards the formation of women. Cooperative societies could account for the reason why the desire result has not been achieved. It could be due to poor attitude or lack of commitment by women towards that formation of cooperative societies. It is based on this premise that the study seeks to investigate cooperative societies and women empowerment in rural development of Abia State, Nigeria in order to bridge the knowledge gap.

### **1.3 Objectives of the study**

The main objective of the study is to examine cooperative societies and women empowerment in rural development of Abia State, Nigeria. The specific objectives are to;

- i. determine the effect of cooperative society on women empowerment in rural development of Isiala Ngwa local government area, Abia State.
- ii. ascertain the relationship between cooperative societies and women empowerment in rural development of Isiala Ngwa local government area, Abia State.
- iii. find out factors militating against women empowerment through cooperative societies in rural development of Isiala Ngwa local government area, Abia State.

### **1.4 Research Questions**

To achieve the above stated objectives, the study has asked the following questions;

- i. what is the effect of cooperative society on women empowerment in rural development of Isiala Ngwa local government area, Abia State?
- ii. What is the relationship between cooperative societies and women empowerment in rural development of Isiala Ngwa local government area, Abia State?
- iii. What are the factors militating against women empowerment through cooperative societies in rural development of Isiala Ngwa local government area, Abia State?

### **1.5 Research Hypotheses**

The following null hypotheses were given for the study;

- H<sub>01</sub>:** Cooperative societies has no significant effect on women empowerment in rural development of Isiala Ngwa local government area, Abia State.
- H<sub>02</sub>:** There is no significant relationship between cooperative societies and women empowerment in rural development of Isiala Ngwa local government area, Abia State.
- H<sub>03</sub>:** Cultural mindset, lack of sustainable strategies, government insensitivity, Lack of financial grant has no significant effect on women empowerment in rural development in Isiala Ngwa local government area, Abia State.

## **2. REVIEW OF RELATED LITERATURE**

### **2.1 Concept of Human Empowerment**

The concept of women empowerment is a multi-dimensional process involving the transformation of the economic, psychological, social, legal and political circumstances of the women folk as well as dismantling the cultural norms and traditional practices that devalue and or militate against their economic viability (Ahmed, 2015). These should include expansion of their access to education opportunities, loans, subsidies grant, tax free business opportunities constitutional reforms to engender the participation and inclusion of women in the socio political activities (Benhabib and Spiegel, 2015). Women empowerment simply suggests that women should be free socially, legally and psychologically to make use of all capacities, including their reproduction capacities to satisfy their individual goals. It is important to state that women empowerment includes the transaction of their relation at four stages. The households/families, markets, the communities and the states. It is equally includes control over material resource, and changing in self perception and self confidence by women (Elsadda and Haper, 2018; Okeke, 2015) .

Women empowerment especially in the economic dimension demands the enthronement of the consideration of the women folk, not only in the ownership of micro businesses (small scale enterprises), but also in their individual contribution to micro economic growth and development (Nweze, 2015). This is because increase to access for education opportunities, training programmes, workshops, symposia, soft or interest free loans, seminar, tax free business opportunities, subsidies, grant etc can accelerate the capacity to start up some business expand their old ones, or even venture into the formation of cooperative societies and entry the socio-economic benefits (Ijere and Ijere, 2009).

However, cooperative can be described in a simple term as working together of people. It is also seen as any form of two or more people working together to realized common goal. This type of working together could be formal or informal basis, permanent or temporary, economic or non-economic in nature (Eboh, 2012).

Furthermore, cooperative society, can be described as institutions where activities of cooperation are demonstrated or practiced. International cooperative alliance (ICA) described it as autonomous association of individuals coming together voluntarily to meet their common aspiration by joint ownership of democratically controlled business organization (Dulloy and Aluwalia, 2014). Cooperative societies can take the form of primary, secondary, or tertiary depending on the objectives, resources and capability of the owners. It is important to note that, cooperative can be describe as the coming together of individuals, usually of limited interest who joint voluntarily together for the purpose of common economic and equally making equitable contribution of the capital required to start-up business and at the same time accept fair share of benefit and risk that may arise as a result of their undertaking (Adebukda, 2015).

It is good to state that, the increase in the expansion of the modern cooperative society movement can be traceable to the far reaching economic, political and social changes that happened in Europe

in the 19<sup>th</sup> century which eventually has effect on capitalism as an economic policy (Moda and Estena, 2007).

In France, it took place 1865, England dated back to 1858. It came to East Africa and later spread to other parts of Africa, including Nigeria and Isiala Ngwa local government area in Abia State as a result of the influenced of British colonial rule (Argawal, 2005).

### **2.1.1 Factors Militating against Women Empowerment through Cooperative Societies in Rural Areas**

Some of the factors militating against women empowerment through cooperative societies in rural areas are as follows;

- i. Cultural mindset- cultural mindset in the women especially in the rural communities does not fully support entrepreneurship. Therefore this mindset, affect the formation of cooperative societies among women especially in the rural area. This call for proper orientation among women in order to change their mindset.
- ii. Lack of sustainable strategies to survive in the competitive business environment where globalized marketing strategies have overtaken the purchase behavior of our local markets.
- iii. Government insensitivity and lack of support to agribusiness entrepreneurs/cooperative societies formation, generally and women in particular; especially in the area of promotional economic policies and regulations that would engender the pro-women protectionism and women ownership and management of micro business/cooperatives.
- iv. Financial grants – investment in the rural areas needs to be recognized and capitalized upon women as key economic factors and social factors, not only as beneficiaries but also as integral part of the society. Women empowerment suffer a setback due to lack of access to financial grants to start-up business. Women empowerment programs should endeavour to incorporate the granting of low interest and, or free loans to women as boosting their morale for business capital ownership. Such lack of capital interventions needs to take into account the socio-economic significance of women, not only in improving on their social wellbeing and reducing risk association with business failure, but also fostering broad based rural growth and enhancing the access and management of natural potentials, financial and assets by women (Worldbank, 2005; Baarjiesand Biswalo, 2013; Akunyili, 2009; Demurger, 2014).

### **2.2 Theoretical Framework**

The study was anchored on the theory of human capital of Schultz, (2007). The theory of human capital has its based from the field of macroeconomic development theory (Schultz, 2007). Beckers' (1993) in his classic book. Human Capital: A theoretical and empirical analysis with special interest to education/empowerment illustrated. Becker postulated that there are types of capitals to include schooling, a computer, business training course, expenditures on medical care etc. Also lectures on the virtues of punctuality and honesty are unique capital in their own ways. To be very candid, they improve the person's health; raise earnings, or add to a person's appreciation of literature over a lifetime in the society of which should be paramount to Isiala Ngwa Women Cooperative societies.

However, looking at the capital concept as traditionally defined to mean expenditures on education, training and medical care, etc are investment in capital. They are not easy costs but investment with valuable returns that can be calculated (Marimuthu *et al.*, 2009). Also viewing from the aspect of classical economic theory, human capital look at a labour as a commodity that can be traded in terms of buy and sale. This classical theory centered on the exploitation of labour by capital. Consequently, unlike the traditional meaning here, human capital means the knowledge, expertise, and skill one acquiring through education and training. This illustrates the social and economic relevance of human capital theory. Becker (1993) observed that, the most valuable of all capital is that investment in human being. Becker went on to differentiate firm specific human capital from general purpose human capital. According to Becker the examples of firm-specific human capital are expertise obtained from education and training in management information systems accounting procedures or other expertise depending on the firm. Meanwhile, the general purpose human capital is knowledge obtained through education and training which will enable one to be empowered in areas of value to a variety of firms to include generic skills in human resource development. In spite of the application, Becker appraise education and training to be the most important investment in human capital because according him it enable one to be self reliance (Marimuthu *et al.*, 2009).

### **2.3 Empirical Review**

Uforah (2017) examined the impact of cooperative society in empowerment of Rural women in Nimo town, Anambra State, Nigeria, according to the researcher, cooperatives have been defined in diverse ways by various people and writers for different purposes. The researcher went on to describe cooperative society as an association of persons who voluntarily pool their resources and carry on the business for their own welfare and not for a profit seeking business. The study cooperative society empowerment was examined to ascertain its impact primary and secondary. A total of 1386 indigenous women of Nimo Community, Anambra State formed the population. But 988 women returned their questionnaire which formed the sample size for the study. The descriptive method was used to analyse the data generated for the research, this was supported by tables, simple percentages. The hypothesis was tested using goodness-of-fit, descriptive statistics and histogram of normal curve. Findings revealed that cooperative societies impacts significantly on the living standard of its beneficiaries in any of their empowerment programmes. This means that cooperative societies help in community development and in alleviation of poverty in rural communities.

Akunyili (2009) investigated the role of cooperative societies in women empowerment in Ughelli South local government area of Delta State. According to the researcher, the negligence of women in economic social and political participation of the country previously made it impossible to know the roles of women empowerment through cooperatives in a developing economy. Women empowerment through cooperatives which is the authority or power given to women to participate in the cooperative business enterprise helps to liberate them. The study examined whether financial support attention from government enhances women empowerment through cooperative, find out those problems that affects women empowerment programmes. The descriptive survey research design was adopted for the study. The sample size of the study was 720 which was derived through judgmental sampling technique. Simple regression model was employed to test the hypothesis. The findings revealed that cooperative societies affects women empowerment

positively and significant at 5%. This suggests that cooperative societies help in rural development of women and employment generation. The researcher recommended that government at all level should endeavour to encouraged the formation of cooperatives societies among women in the rural areas.

## METHODOLOGY

The study adopted a descriptive survey design. The purpose of adopting descriptive surveys was to collect detailed and factual information through structured questionnaire which as aimed at cooperative societies and women empowerment in rural development. The respondents that formed the sample size for the study are women cooperative societies in Isiala Ngwa local government area, Abia State. The sample size for the study was 650 selected through purposive sampling technique. The questionnaire was divided into two sections. Section 'A' collected basic demographic information from respondents such as age, academic qualification, household size, marital status, years of experience: Section 'B' was structured according to the objectives of the study. 5 point likert scale was adopted. The descriptive statistics such as frequencies, simple percentages were used to analysis research questions while the hypotheses testing were done with regression and correlation models. The hypotheses were tested at 0.05 level of significance. At 5% level of significance reject null hypotheses for the tests with probability estimates lower than 5% (0.05) vis-vasa.

### 4 Data Analyses and Presentation of Results/Findings

This section presents the analyses of data collected for the study. Data collection was done through the use of the questionnaire (which served as the major research instrument and was administered randomly to the respondents. The collected and collated data were analyzed using the descriptive statistics, regression and correlation coefficient models.

#### 4.1 Socio-economic Characteristics of the Respondents

To ascertain the background of the respondents, their demographic characteristics were elicited. These include their age, marital status, academic qualification, years of experience and household size. Table 4.1 shows these demographic characteristics.

**Table 4.1 Demographic Characteristics Distribution of Respondents**

Variables	Frequency	Percentage (%)
<b>Age</b>		
25 – 29years	160	24.5
30 – 34years	185	28.5
35 – 39years	150	23.1
40 – 44years	130	20.0
45 years and above	25	3.9
<b>Total</b>	<b>650</b>	<b>100</b>
<b>Marital Status</b>		
Single	130	20.0

Married	520	80.0
<b>Total</b>	<b>650</b>	<b>100</b>
<b>Education Level</b>		
SSCE/NECO	260	40.0
OND/NCE	194	30.0
HND/BSC	162	24.9
MBA/MSC	34	5.1
<b>Total</b>	<b>650</b>	<b>100</b>
<b>Household Size</b>		
1 – 3 persons	260	40.0
4 – 6 persons	312	48.0
7 persons and above	78	12.0
<b>Total</b>	<b>650</b>	<b>100</b>
<b>Years of Experience</b>		
Below 2years	99	15.3
2 – 5years	214	32.9
6 – 9 years	279	42.9
10 years and above	58	8.9
<b>Total</b>	<b>650</b>	<b>100</b>

**Source: Field Survey Data, 2018**

The result from Table 4.1 shows that 24.5% of the respondents are within the age range of 25 – 29 years, 28.5% of the respondents are within 30 – 34years age range, 23.1% of them are within the age range of 35 – 39years, 20% of them are within the age range of 40 – 44years, while the remaining 3.9% of the respondents are within the age range of 45years and above. This implies that majority of the respondents are energetic and active female.

The result revealed that 20% of the respondents are single, while the remaining 80%, which happens to be majority, of them are married. This means that married female in the area join cooperative societies more in the area.

The result also revealed that 40% of the respondents had their education up to WASSCE/NECO level, 30% of them had their education qualification up to the OND/NCE, 24.9% of them had their education up to the HND/B.Sc level, while the remaining 5.1% of the respondents had their education up to the MBA/MSC level. This is an indication that majority of the respondents had their education beyond the secondary level (i.e. up to the tertiary level) which implies that cooperative societies in the area have well learned members.

The socio-economic characteristics result further revealed that 40% of the sampled respondents have household size of 1 – 3persons, 48% of them have household size of 4 – 6persons, while the remaining 12% of the respondents have household size of 7persons and above.



#### 4.2 Effect of Cooperative Societies on Women Empowerment in Rural Development

The effect of cooperative societies on women empowerment in rural development was analyzed with the regression model, and the result presented in Table 4.2 below.

**Table 4.2 Effect of Cooperative Societies on Women Empowerment in Rural Development**

Variables	Coefficient	Std. Error	t-value
Constant	0.187	0.056	3.360***
Cooperative Societies	0.785	0.062	12.765***
R <sup>2</sup>	0.649		
F-ratio	162.944***		

\*\*\* Statistically significant at 1% level

**Source: Field Survey Data, 2018**

The data in Table 4.2 shows the regression estimate of the effect of cooperative societies on women empowerment in rural development in the study area. The result shows that the coefficients of multiple determinations (R<sup>2</sup>) was 0.649. This implies that 64.9% variability of the empowerment of women for rural development was explained by the model, while the remaining 35.1% could be attributed to error and omitted variables. The F-values of 162.944 was significant at 1% level, which implies that the model is adequate for use in further analysis and it indicates a requirement of best fit.

The result shows that cooperative societies do affect the empowerment of women for rural development in the area as it indicates a positive and significant effect at a 1% level.

#### 4.3 Relationship between Cooperative Societies and Women Empowerment in Rural Development

The relationship between cooperative societies and women empowerment in rural development was analyzed with the correlation coefficient model, and the result presented in Table 4.3 below.

**Table 4.3 Relationship between Cooperative Societies and Women Empowerment in Rural Development**

		Cooperative Societies	Women Empowerment
Cooperative Society	Pearson Correlation	1	582**
	Sig. (2-tailed)		0.000
	N	650	650
Women Empowerment	Pearson Correlation	582**	1
	Sig. (2-tailed)	0.000	
	N	650	650

\*\* Correlation is significant at the 0.01 level (2-tailed)

**Source: Field Survey Data, 2018**

The result from Table 4.3 showed the correlation between cooperative societies and women empowerment in rural development at 0.582 and the Probability at 0.000. This implies that there

is a positive and strong relationship between cooperative societies and women empowerment in rural development in the study area.

#### 4.4 Factors Militating against Women Empowerment through Cooperative Societies in Rural Development

The factor militating against women empowerment through cooperative societies in rural development in the study area is presented in Table 4.4

**Table 4.4 Factors Militating against Women Empowerment through Cooperative Societies in Rural Development**

Variables	Frequency	Percentage (%)
Cultural Mindset	180*	27.7
Lack of sustainable strategies	450*	69.2
Government insensitivity	536*	82.5
Lack of financial grants	490*	75.4

**Source: Field Survey Data, 2018**

\* Denotes Multiple Response

The result from Table 4.4 showed the factor militating against women empowerment through cooperative societies in rural development in the study area. From the result, 27.7% of the respondents claimed that cultural mindset does militate against women empowerment through cooperative societies, 69.2% believe that lack of sustainable strategies is a militating factor, 82.5% of the respondents see government insensitivity as a militating factor, while 75.4% of them claimed lack of financial grants to be a militating factor.

#### 5.0 SUMMARY OF FINDINGS AND CONCLUSION

This study examined cooperative societies and women empowerment in rural development (a study of Isiala Ngwa LGA, Abia State, Nigeria). It specifically determined the effect of cooperative societies on women empowerment in rural development; ascertained the relationship between cooperative societies and women empowerment in rural development and highlighted the factors militating against women empowerment through cooperative societies in rural development.

The findings from the results showed that cooperative societies do have an effect on the empowerment of women for rural development, at a 1% significant level. The findings also revealed that there exists a positive relationship between cooperative societies and women empowerment in rural development in the area. The findings further revealed that government insensitivity, lack of financial grant and lack of sustainable strategies are the major factors militating against women empowerment through cooperative societies for rural development..

#### Recommendations

The researcher, based on the findings of the study, made the following recommendations.

1. Government and stakeholders should encourage the formation of cooperative societies, especially among women and importantly in the rural areas for development

2. Government should be sensitive enough to give financial grants, which is interest free, to cooperative societies, especially those that have to do with women and develop a sustainable strategy for such, which will enable them to be self reliant.

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