

Agricultural Co-operatives as Instruments for Rural and National Development a Survey of Warri-South L.G.A. of Delta State

M.I. Ebue, C.N. Onyeze and N. Edafe Rosemary

Department of Co-operatives and Rural Development,
Enugu State University of Science and Technology, Nigeria

Abstract: This research work is on “Agricultural co-operatives as instrument for rural development: a survey of Warri-South Local Government Area of Delta State. The general objective was to examine agricultural co-operatives as instrument for rural development. Among the specific objectives were to: find out the demographic variables of the respondents. The members motives for forming or joining the co-operatives, identify the activities of the societies and how these have helped to achieve the objectives of the members; to find out the number of times member of the farmer societies receive the services of agricultural extension official; to find out the sources of their finance of the co-operative societies; to find out the impacts of the society on their members’ welfare and rural development; to find the solutions to the problems. One set of questionnaire for the members were administered and the data generated were analysed, using frequencies, percentages and presenting them in tabular forms. The major findings of the study include: the members of the societies did not receive adequate credit and other production inputs from their co-operatives. As a result, the societies’ activities did not increase the members output, incomes and the standard of living of the members. This implies that the co-operatives did not help to promote rural development in the study area and thus did not serve as veritable instrument for rural development, to make co-operatives serve as potent instrument for rural development. In recommendations, the management of agricultural co-operatives should be given management training; the rural farmers should organize themselves into big and viable co-operatives. Government should make policies that will further reduce the high rate of interest on loan; the farmers should process their produce before sales since this will increase their income and all things being equal to enable them save and invest more in their economic activities. The farmers do not receive the adequate service of agricultural extension officers and they do not gain their labours because of the traders who come to their villages to buy at cheap prices only to make so much profit, at the expenses of the small scale farmers, the government should help the co-operatives to make available effective marketing system so as to avoid the exploitation of urban middlemen and women.

Key words: Agriculture • Co-operatives • Rural development and Delta State

INTRODUCTION

Agricultural sector which used to be the mainstay of the nation economy has been in serious difficulties in recent years [1]. This brings about the issue of adverse food storage. This is however notwithstanding the fact that agriculture employs a mammoth percentage of the population more than any other sector of the nation’s economy [2].

According to [3], in the sixties (60’s) for example agricultural sector contributed more than 70% of the

Nigerian Gross Domestic Product (GDP) being the source of the nation food requirement raw-materials to our local industries. The contributions made by agriculture to the nation’s income in Nigeria was very great up to the time petroleum started to contribute heavily.

According to [4], agriculture provide work for 50 to 60% of the labour force in most tropical areas like Bauchi etc.

Agricultural is a sort of employment where some are involved in the packaging of agricultural product while

many are engaged in the transportation/marketing of agricultural product. The agricultural product of Nigeria can be divided into two main groups:

[5], argues that agriculture refer the production of crops, animals, fisheries, forestry and wildlife. He maintained that most of the foods consumed in a country is produced by local farmers.

In Nigeria for instance, the peasant farmers with their small farm holding produce the yams, rice, pepper, plantain, potatoes, vegetable, beans and other food stuffs, consumed by people.

In recent years however the government of Nigeria has embarked on several policies to enhance agricultural productivity such programmes includes: National Economic Employment Development Strategy (NEEDS) and National Food Security Programme (NFSP) comprehensive African Agricultural Development Programme (CAAIPS). These programmes were all aimed at stimulating the contribution of agricultural sector to rural development and all over National Development because it just has to start from the grass root [6-9].

In spite of all these effort of the government in stimulating agricultural sector through its programme the improvement on National Productivity has not been seen and also has not been felt [10, 11]. The reason for lack of improvement of this sector of the economy is that the practitioner's consists of peasant farmers whose activities are at subsistence level and who own scattered farm all over the place with little or no technology know how or innovation of farm adoption [12-15].

All these results in low yield which in turn give birth to low level of living a fall in the foreign exchange earnings.

To minimize some of these challenges may be the establishment of farmers co-operatives in rural areas, government in many countries of the developing nations, socialist and non-socialist nation have turn to some form of co-operatives. Agricultural development movement is more than any other agency that is in a better position to spur food production through extension of credit to the co-operative as well as the financing of a large scale food production scheme in the rural areas [16].

The advantage of agricultural co-operatives are to secure loan, operate on a consolidated farm land, apply new agricultural innovation, use the right input at the right input at the right at the right time that is the use of fertilizer, method of spacing and method of farming.

Statement of the Problem: The need for development of agriculture in rural areas and the nation is based on the following factors:

- Inadequate land
- Lack of basic amenities
- Ignorance
- Wrong attitude to farming
- Lack of processing marketing
- Lack of distribution facilities for most farm produce
- The rapid decline of soil fertility.
- Shortage of skill personnel
- Lack of good accounting and record keeping system
- Inadequate fund or financing
- Excessive government control

Objectives of the Study: The broad objective of the study was to examine agricultural co-operative as an instrument for rural and national development.

The specific objectives of this study were:

- To find out the demographic variable of the member of the farmer agricultural co-operative societies in Warri-South Local Government Area of Delta State.
- To find out the motive of forming or joining the farmer co-operative societies.
- To identify the activities of member of the farmer co-operative society in Warri-South Local Government Area of Delta- State.
- To find out the number of times member of times member of the farmer societies receive the services of agricultural extension officer.
- To find out the sources of their finance of the farmer co-operative societies.
- The find out the impact of the society on their member's welfare and rural development.
- To find the problem facing the farmers agricultural co-operative societies.
- To find the solution facing the farmer agricultural co-operative societies.

Significance of the Study: The study through its finding and recommendation can be of significant importance to several stakeholder and interest group. Among whom are government official and policies maker, co-operative organizations and their members, development partners and non-governmental organization, researchers among whom are students in the area of development, economics, rural development and co-operated related area, will find the recommendations useful for research and studies.

Research Questions:

- What are the demographic variables of the members of the farmer's agricultural co-operative societies in Warri-South Local Government Area of Delta State?
- What are your motives for joining the farmer's agricultural co-operative societies in Warri-South Local Government Area of Delta State?
- What are the activities of the members of the farmer agricultural co-operative society in Warri-South Local Government Area of Delta State?
- What are the number of times member of the farmer agricultural co-operative societies receive the services of agricultural extension officer?
- What are the source of finance of the farmer co-operative societies in Warri-South Local Government Area of Delta State?
- What are the impact of the society on their member's welfare and rural development?
- What are the problems facing the farmer's agricultural co-operative societies?

Scope of the Study: The scope of the research is limited to agricultural co-operative as an instrument for rural and national development in Warri-south local government are of Delta State.

Limitation of the Study: In the course of accomplishing this study the researchers were faced with the following challenges:

Difficulties in Collection of Data: The researchers had limited access to official record and statistical data relevant to this work.

Finance: There were limited funds to facilitate the issue of travelling around for further research to the agricultural co-operative besides there was high cost of transportation.

Time: The researchers found it difficult to combine the research with academic work such as assignments and exams, etc. due to their constraints but in all much have been achieved and the limitation surmounted.

Research Design and Methodology

Research Design: The research design is description survey methods and also information for the study were elicited using questionnaire and oral interview.

Area of the Study: The research was carried out in Warri-South Local Government Area of Delta State. Warri-South Local Government Area is one of the seven hundred and seventy four (774) Local Government Area in Nigeria and also is one of the twenty-three (23) Local Government Area in Delta State. The community is situated at Okere-Urhobor and stretches through the northern and eastern part of the metropolitan city of Asaba. It is made up of 20 villages. The area is not only large and varied but consist of not only numerous occupational groups civil servants but the predominant occupation is fishing and farming. The Local Government Area as a whole is naturally located in a fertile soil where all kinds of both food and cash crops like yam, cassava, maize, guinea, corn, vegetable crops, palm oil, coconut palm and cashew trees and plantain etc. There is a lot of Federal presence within the area pronging social amenities such as Nigeria Port Authority (NPA) Warri Central Hospital, Delta Board-casting Services (DBS), college of education and Banks, etc. Such establishment make life more meaningful to the inhabitants and co-operative spring from these establishments.

There is also good roads, electricity and water resources. Also the people are hospitable and hard working.

Population of the Study: The total number of the agricultural co-operatives are 11 which have 80 members and that is the population of this study. They include Ogun FMCS, Igbudu women FMCS, Ejabah FMCS, Agbasa FMCS, Ajanimogha youth FMCS, Okere FMCS, Ekerode, Urhobo FMCS, Ekerode Itsekiri FMCS, Ubeji FMCS. The total population is (80) eighty co-operators.

Sample Size: The population of the study was 80 since it is manageable, there is no need for sampling.

Sources of Data: Data collection was based on both primary and secondary sources. In the case of primary data, it involved oral interview as well as the use of questionnaire to collect information.

In the case of secondary data it is through the use of textbooks, summer projects and journals etc.

Validity of Instrument: The validity of instrument used for this research was established with the following measures. First, the questions were prepared with clear level of understanding. The questions were therefore very simple, clear and unambiguous. Again most of the

questions have optional answers which make it easier for the respondents to read the question with ease. The researchers made themselves available to most of the respondents and made explanation where the respondents had problem.

Reliability of the Instrument: The instrument used in this research work was questionnaires and its reliability anchored on the fact that the researchers on his own check accuracy and find out that most of the respondents were illiterate.

Administration for Data Collection/instrument: Eight copies of questionnaires were administered to the 11 co-operatives in Warri-South Local Government Area. All questionnaires were administered and returned. The response rate was 100 percent.

Methods of Data Analysis: The method used for the analysis of data include descriptive statistics; frequency table and percentages.

RESULTS

The table show that 36 respondents (45%) of the total respondent are male members of the farmer multi-purpose co-operative societies while 44 or (55%) are female number. This shows that female members participate more than member in FMCS in Warri-South Local Government Area of Delta State.

Table 2 revealed that 20 respondents (25%) of the total respondents have first school leaving certificate, 6 respondents (7%) of the total respondents have vocational certificate, 12 respondents (15%) of the total respondents have secondary certificate, while 4 respondents (5%) of the total respondents have higher certificate then 38 respondents (48%) of the total respondents have no certificate. All of the tables show that majority to the members of the FMCS are illiterates. A high percentage and need adult education which aid their decoding new farm innovation and its application on their farms. This will go a long way to boost their farming techniques and bring rural development.

From Table 3, 10 respondents (15%) of the total respondents reason for joining the co-operative society is to improve farming operation, 40 respondents or (40%) of total respondent reasons is to increase farm income, 10 respondent (15%) goes to obtain land from society while 20 respondent goes t share in government help to the group.

Table 1: Distribution of respondents according to gender

Option	No of respondents	Percentage of total respondent
Male	36	45
Female	44	55
Total	80	100

Source: Field survey 2013.

Table 2: Distribution of the level of education

Option	No of respondents	Percentage of total respondent
First sch. Leaving Certificate	20	25
Vocational certificate	6	7
Seco. Certificate	12	15
Higher Certificate	4	5
No certificate	38	48
Total	80	100

Source: Field Survey 2013

Table 3: Distribution of respondents according to their reasons of joining the co-operative society

Option	No of Respondents	Percentage of total Respondents
Improve farming operation	10	15
Increase farm income	40	40
Obtain land from society	10	15
Share in Govt. promotion	20	30
Total	80	100

Source: Field survey 2013.

Table 4: Distribution of Respondent according to their farm size

Option	No of respondents	Percentage of total respondent
Less than 6	7	9
Between 6 and 10	50	62
Between 11 and 15	15	19
Above 15	8	10
Total	80	100

Source: Field survey 2013.

Table 5: Distribution of respondents according to the types of crops or livestock

Option	No of respondents	Percentage of total respondent
Cassava	10	13
Cassava and maize	50	62
Cassava and pig	5	6
Cassava and yam	15	19
Total	80	100

Source: Field survey 2013.

Table 6: The type of inputs member apply in their farm

Option	No of respondents	Percentage of total respondent
Fertilizer	50	62.5
Herbicide	-	-
Insecticides	30	37.5
Total	80	100

Source: Field survey 2013.

Table 7: Distribution of the number of time members receive the services of agricultural extension before joining

Option	No of respondents	Percentage of total respondent
Once a year	10	13
Twice a year	-	-
More than twice	13	16
None a year	57	71
Total	80	100

Source: Field survey 2013.

Table 8: Distribution of the number of time members receive the services of agricultural extension after joining

Option	No of respondents	Percentage of total respondent
Once a year	36	45
Twice a year	16	20
More than twice	26	33
None a year	2	2
Total	80	100

Source: Field survey 2013.

Table 9: The source of finance to the co-operative was found out from the members and the result is presented in the table below

Option	No of respondents	Percentage of total respondent
Share capital	7	80
Reserve	2	0
Share capital and reserve	2	80
Loan	-	-
Share capital, reserve and loan	-	-
Total	11	100

Source: Field survey 2013.

Table 4 shows that 7 (seven) or (10%) of the respondents have their farm size less than 6, while 50 or (62%) of the respondents have their farm size between 6 and 10 farms, then 15 or (19%) of the respondents have their farm size between 11 and 15, while 8 or (10%) of the respondents have their farm size above 15. This data show that majority of the members of the FMCS have their farm size between 6 and 10 farms.

Table 5 shows that 10 respondents (13%) of the total respondents engage in only cassava cultivation, 50 respondents (62%) of the total respondents engage in cassava and maize cultivation, 5 or (6%) of the total respondents engage in cassava and pig farming while 15 respondents (19%) of the total respondents engage in cassava and yam cultivation.

Table 6: shows that 50 respondents (62.5%) of the total respondents apply fertilizer only on their farm land while none apply herbicide on their farm, but 30 respondents (37.5%) apply insecticide, this shows that the application of fertilizer is prominent among the member of farmer agricultural cooperatives at Warri-South Local Government Area of Delta State and herbicide is not known at all among them. Then 30 respondents (37.5%) applied insecticide on their farm land.

Table 7 shows that 10 respondents or (13%) of the total respondents received the services of agricultural extension officers once a year, none receive it twice a year, but 13 respondents or (16%) of the total respondents receive the services of agricultural extension officers more than twice a year, while 57 of (71%) do not receive the service of agricultural extension officer for the whole year.

It reveals that the service of agricultural extension officers are not really available to the members of the FMCS in Warri South Local Government Area of Delta State before joining the FMCS.

It reveals that 36 respondents or (45%) of the total respondents receive the services of agricultural extension officers once a year, while 16 respondents or (20%) of the total respondents receive the services of agricultural extension officer more than twice a year, 26 or (33%) of the total respondents receive the services of agricultural extension officer more than twice a year, 2 or (2%) of the respondents do not receive the services of agricultural extension officers. This means that majority of the members of the FMCS in Warri-South Local Government received the services of agricultural extension officers.

Table 9: shows that 7 or (80%) of the total FMCS under study have share capital as their major source of finance, no society has reserve loan and share capital as source of their finance.

When asked what impact the activities of their co-operatives had on their welfare vis-à-vis on rural development, the following responses shown in table 10 that seventy of the respondents that is (87.50%) were of the view that their society helped them only a little to increase their farm output. Then 10 or (12.5%) said that the society do not help them to increase their output.

Table 10: Impact of activities of co-operative members welfare on rural development

Options	Very high	High	A little	%	Not at all	%
Increase in output	-	-	70	87.50	10	12.5
Increase in farmers income	-	-	70	87.50	10	12.5
Ability to obtain good health care	-	-	65	81.25	15	18.25
Ability to pay children school fees	-	-	65	81.25	15	18.25
Lowering of poverty level	-	-	05	6.25	75	93.75
Ability to build decent home	-	-	10	12.5	70	87.50
Ability to pay for social amenities	-	-	10	12.5	70	87.50
Total	-	-	295	368.75	265	330.25

Sources: Field survey 2013

Table 11: Challenges facing the agricultural co-operative

Options	Frequency	Percentage of respondent
Shortage of skilled personnel	70	87.5
Excessive control	65	81.25
Lack of good accounting and record keeping system	65	81.25
Lack of educational training	65	81.25
Inadequate land	10	12.5
Lack of processing machinery	70	87.5
Lack of effective market outlet	70	87.5
Total	485	606.25

Source: Field survey, 2013

Table 12: solutions for the problem facing the agricultural co-operative

Options	Frequency	Percentage of respondent
Management of agricultural co-operative should be given adequate training	70	87.50
Less government control	65	81.25
Government should finance co- operative	70	81.25
Provision of infrastructure	70	87.50
Total	275	342.5

Source: Field survey, 2013.

10 or (12.5%) said that the society do not help them to increase their income. Seventy of the respondents that is (87.50%) were of the view that their society helped them only a little to increase their farm income. 10 or (12.5%) said that the society do not help them at all to increase their income. Sixty-five (65) of them or (81.25%) were of the view that the societies activities helped them a little to obtained good healthcare. 15 or (18.5%) of the respondent say that the society do not help them at all to obtain good healthcare. The same 65 or (81.25%) respondents said they were able to pay their children school fees only a little. 15 or (18.25%) said that the society does not help them at all. 75, or (93.75%), said their poverty levels did not reduce at all, while 5 (6.5%) said that the poverty level reduce a little. Seventy (70) of the respondent (87.25%) said they were not able to build homes at all, while 10 (12.5%) said that the society help them to build homes a little and 70 or (87.50%) of the respondent said they were not able to pay for basic amenities as a result of the

activities of their societies, while 10 or (12.5%) said that the society help a little in paying for the basic amenities.

Table 11 shows that 70 or (87.5%) of the total respondents are of the option that the society face the problem of shortage skills personnel to run the effectiveness affair of the society, 70 or (87.5%) are also of the opinion that the society face the problem of inadequate financing for both internal or external source, then 65 or (81.25%) of the respondents opinion that the face the problem of excessive government control, 65 or (81.25%) of the respondents opinion that they face the problem of lack of good accounting and record keeping system, while 65 or (81.25%) of the respondents say they face the problem of lack of education training, 10, or (12.5%), of the total respondent face the problem of lack inadequate land, while 70 or (87.5%) of the respondents opinion that they face the problem of lack of processing machinery, the same 70 or (87.5%) also face the problem of lack of effective market outlet.

Table 12 shows that 70 or (87.50%) of the total respondents said that the management of agricultural co-operative should be given adequate training, while 65 or (81.25%) of the total respondents said that there should be less government control in co-operative while 70 or (87.50%) of the respondents said that government should finance co-operative and 70 or (87.50%) of the respondents said they should be provided with infrastructure.

DISCUSSION

From all the various respondents obtained through questionnaire, oral interviews and general observation on agricultural co-operative as an instrument for rural and national development in Warri South L.G.A of Delta State the following findings were:

Farmers in Warri South L.G. A. do not attract the attentions of the agricultural extension officers.

They operate at subsistence level. Since most of them are illiterate they can hardly decode the most recent agricultural innovations and therefore cannot apply them on their individual farms.

Inadequacies of the rural farmers to agricultural co-operative societies. It was found that the members of agricultural co-operative in Warri South do not receive adequate services of agricultural extension officers per year on their farm.

It was found that agricultural co-operative societies contribution forward rural development, hence an overall national development. It was found that farmers do not engage in any other investment other than farming investment. Insufficient income from the FMCS to the farmers.

CONCLUSION

In line with what has been discussed, the study concludes that the farmers are not properly trained. As a result of this it has led to inadequacies of rural farmers to agriculture and also poor service of agricultural extension officers. The farmers do not receive the adequate service of agricultural extension officers and the farmers do not gain their labours because of the traders who come to their villages to buy at cheap prices only to make so much profit at the expense of the small scale farmer. The government should help the co-operative to produce an effective marketing system so as to avoid the exploitation of urban middlemen and women.

Recommendations: In consideration of the summary of findings state earlier the researchers wish to make the following recommendations to enhance and foster effective agricultural and rural development in Warri-South and Nigeria.

That the management team of agricultural co-operative societies should be given management training to enable them improve the quality of their day decision this will help them to be more productivity.

The rural farmers should organize themselves into big and viable co-operative societies this will help enjoy the economics of small scale and then boost agricultural productivity, output and rural income.

Farmers co-operative societies in Warri South Local Government should engage in area of processing their farm produce before sales. This will help them improve their income and further help also in rural development.

Government should take policies that will further reduce the high rate of interest on loan collected by rural farmers. This should come as a subsidy by the federal government.

The farmers should be provided with machine and adequate management training should be given to the management of the farmers to enable them perform effectively.

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