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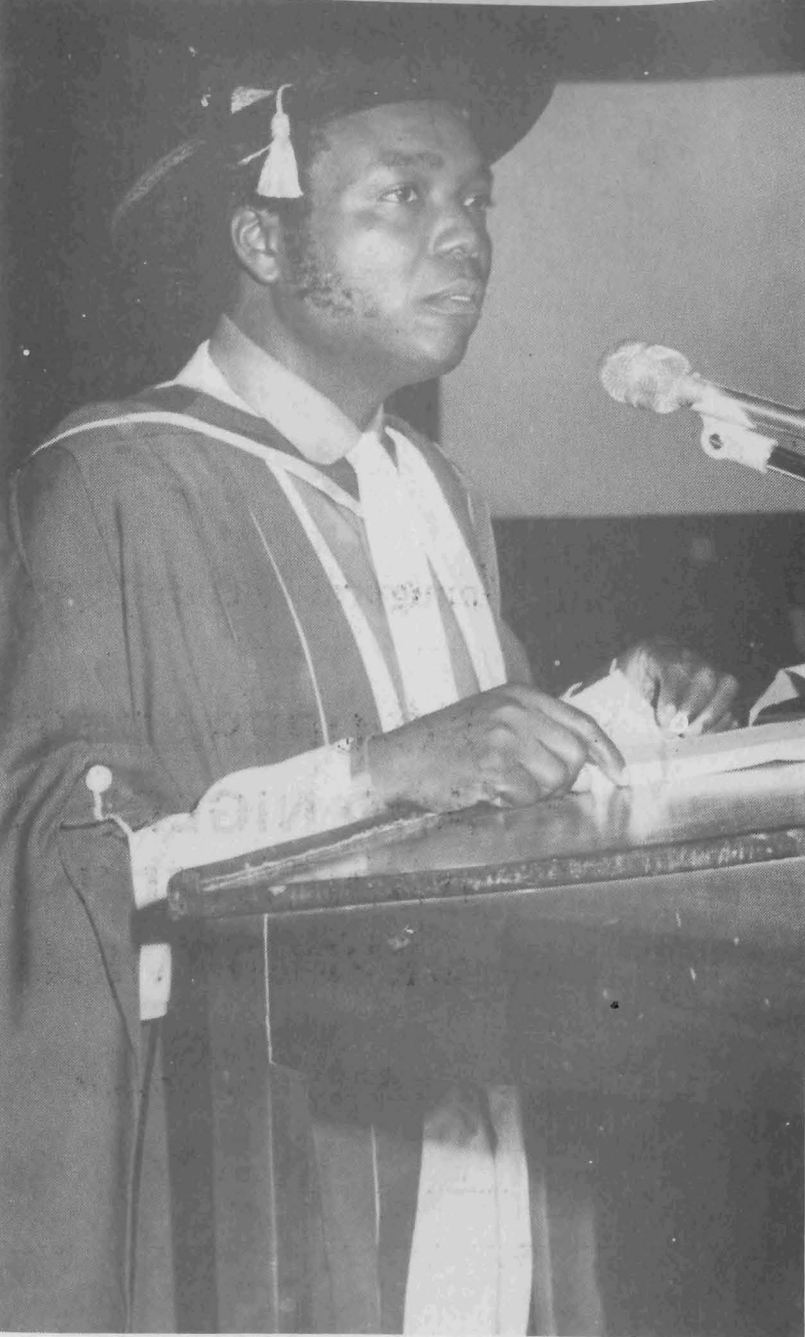
**CO-OPERATIVES  
AND NIGERIA'S  
AGRICULTURAL  
DEVELOPMENT**

*By C. A. OSUNTOGUN*

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**CO-OPERATIVES AND NIGERIA'S AGRICULTURAL  
DEVELOPMENT**

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## I. INTRODUCTION

In a book titled *Foundations for Viable Co-operatives in Nigeria* which I co-edited with Professor M.O. Ijere of the University of Nigeria, Nsukka, I made the point that the present emphasis on self sufficiency in food and fibre production in Nigeria ought to be accompanied with an emphasis on the development of agricultural and rural co-operatives. The basic point of emphasis is that co-operatives are crucial for the involvement of the small holders who presently constitute the bulk of producers in Nigeria.

The Nigerian small farmers, like their counterparts in other developing countries of the world, face a number of problems. These range from the use of out-dated techniques of production to lack of access to markets. Others include problems of fragmentation and small size of holdings, poor tillage, inefficient equipment, low yielding crop varieties and low income.

Co-operatives can serve as useful instruments for solving most of the problems of the small farmers. Through co-operatives, farmers may obtain the benefits of economies of large scale operation in production, marketing, credit and other inputs procurement. Co-operatives could also serve as major instruments of market reform. Members can process and market their products more economically, buy supplies and equipment in larger quantities, and obtain credit at lower cost. In addition to sharing marketing profits, co-operation among farmers may improve their bargaining strength, increase their product prices, or lower

their factor costs. Furthermore, the education programme of a co-operative may teach its members improved farming practices which may result in raising the income of the members.

I wish to seize the opportunity of this inaugural lecture to draw together my thoughts on the role of co-operatives in Nigeria's agricultural development. In discussing the different aspects of this important subject, I will draw heavily on my experience both as a scholar who has been researching into the area of co-operatives for the past 15 years as well as on my experience when I served during the military era as a foundation member and the first honorary secretary of the National Advisory Council for Co-operative Development and as a member of the Board of Directors of Nigeria's first national agricultural financial institution – The Nigerian Agricultural and Co-operative Bank.

After examining the nature of co-operatives (their concepts, essential features and some conventional theories), I shall proceed to discuss the evolution of co-operatives and the state of development of agricultural co-operatives in Nigeria. The concluding part of the lecture will highlight the problems and constraints and some suggestions for improvement.

## II. THE CONCEPT OF CO-OPERATION

The word 'co-operative' ('co-operation') is used in so many different ways that it is impossible to discuss it intelligently without first making it clear what kind of co-operation will form the theme of this lecture. The system by which different people in any economy produce for each other and exchange goods and services with each other through the mechanisms of the market is sometimes called co-operation. In a similar sense, nations are said to

co-operate when they trade with one other, negotiate treaties or form alliances. In general any working together, joint action or concurrence in action meets the dictionary definition of co-operation. Some scholars view co-operation as primarily a sociological concept (C.C. Taylor, 1949) while others hold the view that co-operation is Christianity applied to business.

A philosophy that seeks to explain the nature and purpose of co-operation as a method of conducting business is an economic philosophy of co-operation. The economic philosophies of co-operation can be categorized into two general headings:

1. reformistic and revolutionary philosophies
2. evolutionary philosophies.

Under the former, a co-operative is regarded as a means of redistributing income and wealth, eliminating or harmonizing conflicts of interests between labour and industrial management, conflicts between producers and consumers, and so on.

The second group of philosophies of co-operation regard co-operatives as a type of business organization by means of which small units are enabled to gain some, if not most of the economies and advantages of group action, large-scale operations, horizontal combinations, and vertical integration and at the same time retain a maximum of independence in their individual pursuits. In this sense, it is a type of functional economic adaptation to a given set of economic circumstances made primarily in response to a desire on the part of the participants to maximize their individual economic advantage.

Since the word co-operation is applied to many group activities, for purposes of this lecture we shall use the term to refer to those collective activities of an economic and social character that centre largely around the business of

production, selling, buying, making a living and servicing the needs of its members. Because majority of co-operatives in Nigeria today serve the needs of the rural people, the main emphasis of this lecture will be on farmers' co-operatives.

### III. DISTINGUISHING FEATURES OF CO-OPERATIVES

The principles which underlie the 'co-operative character' of a business rather than those applicable to any type of business organization include the following:

1. Membership should be voluntary and open. This implies that membership should be made available without artificial or religious discrimination to all persons who can make use of its services and are willing to accept the responsibilities of membership. The concept of co-operation is based on voluntariness. Coersion or compulsion is the antithesis of co-operation.
2. Control of the organization is vested in its member-patrons rather than in those who merely supply the capital. This is often referred to as democratic control whereby each member is generally limited to one vote on each issue that is voted upon, regardless of how much share he owns or how much business he transacts with the co-operative.
3. Co-operatives provide services to its members at cost. A non-profit institution is the *sine qua non* of co-operative endeavour. Although the member-patron definitely hopes to gain by his co-operative action, the co-operative society *per se* is not set up to make profit from dealing with its own members. Whether the gain by members is in lower costs (in a purcha-

sing or service organization), in higher prices (in a marketing association), better service, fairer treatment, reliable merchandise (as in a co-operative store) or having a voice in the management, it is nevertheless something tangible or intangible over and above what he obtains from patronizing a non-co-operative place of business. This gain is sought on the business conducted with the association and not on the capital invested in it.

Gain in proportion to use is, therefore, one corollary or this objective. Since co-operatives charge patrons only the actual cost of performing services, if there are overcharges, these are returned to the patrons in proportion to the business they have transacted with the co-operative.

4. The fourth major principle is limited returns on capital. This principle is intended to keep co-operatives operating for the benefit of the patrons and not specifically for the stockholders. Such restriction on dividends discourages control of a co-operative by persons who are more interested in stock dividends than on savings or refunds to patrons.

It should be emphasized however, that nowadays co-operatives have not followed these principles in their entirety as enunciated by the early co-operators – the Rochdale Society of Equitable Pioneers. The main causes, according to Schaars (1971) are the diversity of co-operative associations and the variability in their organizational structure and functioning.

### IV. TYPES OF CO-OPERATIVES

Co-operatives can be broadly classified into agricultural and non-agricultural types. The agricultural co-operatives

include group farming and farmers multi-purpose co-operatives, marketing and processing co-operatives, agricultural credit and rural banking co-operatives, fisheries co-operatives and livestock co-operatives.

The non- agricultural co-operatives include transporting and warehousing co-operatives, housing co-operatives, banking and insurance, thrift and credit co-operatives, consumers' co-operatives, industrial co-operatives and artisan and handicraft co-operatives.

In order to enrich our understanding of the economic nature of co-operative business, let us now consider some of the conventional economic theories of co-operatives.

## V. THEORIES OF CO-OPERATION

As early as the middle of the 19th century, Valenti, Mariani and Liefman (Emelianoff, 1942) did some pioneering work in the area of economics of co-operation. Valenti accepted the hedonistic nature of the economic behaviour of co-operators', and pointed out that 'co-operation is an organic part of the existing system of exchange economy', and that co-operatives are one of several 'natural correctives to overcome the deficiencies of distribution'. Mariani made further contribution by emphasizing that 'the members of a co-operative credit association integrate the functions of the organizers and of the users of credit; in marketing association, the functions of manufacturing are integrated sometimes with the functions of producers of raw materials and of middlemen. (Emelianoff, 1942).

Liefman regards a co-operative association as an arrangement for the establishment of common facilities through which the participants as producers or as consumers seek 'to complete their acquisitive or consuming activities. He also

suggested that co-operative associations should be regarded as something 'essentially different from enterprise (the firm). He pointed out that 'since a co-operative is inherently furthering or completing the economic activities of its members, all the members of co-operative associations necessarily participate in the economic work (patronage) of the association.' Although Liefman does not explain how a co-operative differs 'from an enterprise' or what a co-operative is, his ideas foreshadow subsequent developments in co-operative thinking (Robotka, 1946).

As agricultural economics emerged as a specialized field of applied economics in response to the pioneering work of H.C. Taylor, T.N. Carver, and J.L. Coulter, agricultural economists addressed themselves to the problems of the developing co-operatives in agriculture. Some of the notable pioneers who have contributed to our understanding of the essential economic nature of the co-operative business association are Edwin G. Nourse and J.D. Black.

As to economic structure, J.D. Black (1976) argued that a co-operative is a horizontal combination of co-ordinate units, which may serve many purposes of such units. However, when vertical integration is contemplated, either forward towards consumers or backward towards sources of supply, horizontal combinations are essential among units which are too small to undertake vertical integration individually. Nourse (1929) also recognised that co-operation, as a means of effecting large-scale organization, represents a process of vertical and horizontal integration. Regarding the economic relationship established among members of a co-operative, Black described co-operative as the antithesis of competition, that is, that the members co-operate rather than compete among themselves.

For quite a while now, the idea whether co-operatives are business firms has constituted the subject of debate in

the theory of co-operation. There are three main schools of thought on this. The first school which is distinguished by Professors Emelianoff (1942), Frank Robotka (1947) and Phillips (1953) holds that co-operatives are not firms. The second school which is led by Professors Helmberger (1962), Hoos (1962) and Boulding (1965) holds that co-operatives are firms. The third school, otherwise referred to as the Sosnick School believes that co-operatives at times exhibit tendencies of both conditions (Sosnick, 1960).

Constraints of time and space will not permit us to do a detailed analysis of the issue whether a co-operative is a firm in itself or merely an aggregate of otherwise independent firms. However, based on our observation of the operation of the Nigerian co-operatives, we may classify them as a 'hybrid'. That is, they could be regarded as a legal mating between a partnership and a corporation.

## VI. EVOLUTION OF CO-OPERATIVES

Robert Owen is sometimes credited with being the originator of co-operation because of the reforms that are traceable to his activities and influence during the first half of the nineteenth century in England, and particularly to the communal colonies which he advocated and actively promoted.

Others trace the beginnings of modern co-operation to the co-operative store established in 1844 by the Rochdale Pioneers in England. The famous 'principles' formulated by the Rochdale Pioneers at that time are still regarded by many as the Bible of co-operation. They provided a pattern for a growth that became so widespread and permanent that the Rochdale undertaking is generally regarded as the turning point in the history of co-operative developments, at least as applied to the field of consumer

purchasing.

However, co-operative activities and some of the features and practices that are essential for the successful conduct of co-operative associations antedate Owen, and certainly the Rochdale Pioneers. The origins of co-operation in both England and Scotland date back to the 1760s. The idea of prorating profits on a patronage basis, usually credited to Rochdale, was an established fact in the co-operative society established by the weavers at Lennox town in 1812, and which was still active in 1939 (Robotka, 1947).

Co-operative developments elsewhere antedate even those mentioned above. As Robotka (1947) had remarked, 'Co-operation had existed ever since mankind resorted to associated, self-help activities to meet common needs'. Thus, the historical foundations of modern co-operation can be traced to Ancient Egypt and Babylon, Ancient China, the Roman Empire, the activities of the Aztecs in South America before the Spanish advent as well as to the traditional African notion of working together for mutual benefit.

## VII. HISTORICAL BACKGROUND OF NIGERIAN CO-OPERATIVES

The foundations of an agricultural co-operative organization in Nigeria are generally thought to have been laid in the period between the First and Second World Wars, and more especially in the mid-1930s, with the passing, by the colonial administration, of the Co-operative Societies Ordinance of 1935. However, prior to this, there had been successful attempts, not only by the colonial government, but also by indigenous groups, to form what might be regarded in some cases as 'pre-co-operative societies'.

Prominent among the early indigenous groups were the

Agege Planters' Union (founded in 1907), the Egba Farmers' Association (1910) and the Ibadan Agricultural Society (1904). These organizations were founded, in the major cocoa growing area of Nigeria, wholly independent of government support or initiative.

In 1922, the Department of Agriculture in an effort to improve the quality of Nigerian cocoa, became interested in the establishment of local fermentaries. Farmers' societies were formed to build many of these 'cocoa houses' as they were termed, and 'after joining the farmer was at liberty to bring all his wet cocoa to the house for processing.' If he so desired he could subsequently collect his produce, otherwise, he could leave it in the cocoa house for bulk sale by the Department.

The colonial administration's motives in encouraging such societies were two-fold. First, the societies served as useful links in the marketing chain between the European buyer and the peasant farmer. Secondly, they could be utilized to promote the dissemination of knowledge on agricultural improvements. The first motive was considered particularly important in that it was hoped that the societies would remove the peasant farmer from his reliance on intermediaries whose profit-making activities were viewed with special dis-taste by the colonial administration.

The period 1935 marked a major era in the development of the Nigerian co-operative. In that year, the Co-operative Ordinance was enacted and the movement became formalized and consolidated. The enactment of the first Co-operative Societies law was as a result of the Report on the Introduction of Co-operative Societies into Nigeria submitted in 1934 by C. F. Strickland. The law was fashioned after the Co-operative Societies Law which was operating at that time in India.

The Nigerian Co-operative Ordinance of 1935, and the

Regulations which followed in 1936, have formed the basis for co-operative development in Nigeria until the present time. The Ordinance created a specialised branch of the Secretariat knowledgeable on co-operative matters. The branch is headed by the Registrar of Co-operative Societies who is conferred with considerable executive powers over societies. The Registrar of Co-operative Societies could register, audit, inspect, hold inquiries on, settle disputes among co-operatives. He could also liquidate unsuccessful registered co-operatives (Osuntogun, 1975). In addition, the Ordinance gave the co-operative societies that achieved registration under the Ordinance a legal entity, thus safeguarding their own interests and those of the public business transactions in which the societies were involved.

In February 1936, Major E. F. G. Haig, was appointed the first Registrar of Co-operative Societies for Nigeria. He established the co-operative office at Moor Plantation, Ibadan, with a small number of Nigerian staff and he took over from the Department of Agriculture the supervision of societies. The first task of the new registrar was to re-organise the cocoa farmers' societies and the Ibadan Union. Besides, the two major objectives originally aimed at i.e. the improvement in the quality of cocoa and market reform, other objectives, namely, the establishment of a sound credit system, the encouragement of savings deposits by members and the fostering of co-operative spirit in the societies were later developed. The second task of the Registrar was to bring the societies under the protection of the law. Thus, in August 1937, the Gbedun Co-operative Cocoa Sales Society became the first primary society to be registered, while the Ibadan Co-operative Cocoa Marketing Union became the first secondary society to be registered, in February, 1937 (Osuntogun, 1975).



The other major developments in the evolution of co-operatives in Nigeria were the establishment of three national apex organizations – the Nigerian Co-operative Supply Association, the Co-operative Federation of Nigeria and the Association of the Nigerian Co-operative Exporters. The first was established in 1940 as a wholesale consumers society while the second was established in 1944. The Association of the Nigerian Co-operative Exporters was established in 1945 as a central agency for marketing of co-operative produce.

The constitutional changes of 1951 represented important landmark in the development of co-operatives in Nigeria. Before this period, there was only one Nigerian Co-operative Movement under the surveillance of a Registrar of Co-operative Societies. Following regionalisation, the Nigerian Co-operative Movement was re-organized on a similar basis. Each of the Regions had its own Co-operative Movement with regional co-operative unions. The position of Registrar of Co-operative Societies was also established in each region.

The 1952 Federal Constitution for Nigeria gave wider powers to regional governments, including the power to legislate on co-operative matters. In Western Nigeria, the basic documents for the new era of co-operation were the 1952 Co-operative Department Policy for Western Region and the Western Region Co-operative Societies Law No. 6 of 1953. The policy paper outlined the plan of the government for co-operative development. The government planned to concentrate on some main areas of co-operative development. These were agricultural co-operatives, including group farming and marketing, consumer co-operation, artisanal, productive and labour co-operation and co-operative bank and insurance. As far as the marketing sector was concerned, the government proposed to

encourage the extension of co-operative marketing to other crops in addition to cocoa, citrus, rubber, kola, yams, and rice (Government of Western Nigeria, 1955).

In order to achieve the development envisaged in the policy paper, the government planned to provide some services and facilities including supervision, training and financial assistance. The establishment of the Co-operative Bank of Western Nigeria in 1952 with a Marketing Board Grant of ₦2 million, was regarded by the co-operators as fulfilment of one of the major intentions of government.

Although the Eastern Nigerian Government Co-operative policy was not as detailed as its Western Nigerian counterpart, it unequivocally acknowledged the government's acceptance of co-operation as a very valuable vehicle for national development. According to the policy paper, co-operation is regarded as:

the best method by which the mass of the people can take part in their own economic advancement and gain valuable experience of democratic procedures and business methods.

Government policy also stressed the need to develop the organization into a full fledged, self-supporting movement with the following aims:

1. to develop credit and thrift movements along the existing line and extend them to all parts of the region;
2. to make further efforts to develop agricultural co-operatives, especially in the field of cocoa, coffee, rice and palm produce marketing;
3. to develop secondary institutions, particularly co-operative banks, local supervisory unions and the Co-operative Union of Eastern Nigeria, and

4. to diversify co-operative activities into new fields such as co-operative group farming, where land-owners could be persuaded to pool their farm land.

In pursuance of the declared policy of the government, the Co-operative Bank of Eastern Nigeria was established in 1954.

Although there were no official policy declarations for co-operative development in the Northern Region as were known in the Western and Eastern Regions, the commitment of the Regional Government to co-operative development was not in doubt. The Northern Nigeria Co-operative Law which was enacted in 1956 was a major landmark in the development of the co-operative movement in the Region. Emphasis was placed on the development of multi-purpose co-operatives most of which combine agricultural marketing with credit.

Just as the 1951 political re-organization of Nigeria had implications for the co-operative movement so did the subsequent ones. Thus in 1963, when the then Mid-western Region was created, this automatically led to the creation of two separate co-operative movements out of the Western Regional Co-operative Movement. Similarly, the political re-structuring of the country into twelve states in 1967 led to the establishment of twelve state co-operative movements in the country. Again, following the political re-organization of the country into nineteen states, nine years later, the corresponding number of state co-operative movements emerged.

One unique feature of the period under consideration was the dynamic leadership role that was assumed by the Federal Government in the affairs of the co-operative movement. By Decree No. 5 of 1974 (and its subsequent Amendment No. 28 of 1976), a Co-operative Development Division was set up at the Federal level and was

made responsible for co-ordination of co-operative activities in the country.

What may be regarded as the Golden Age of Co-operatives in Nigeria started in 1976. During this period, Federal Ministry for Co-operative and Supply was created, the Cooperative Division was upgraded to a full departmental status and the post of the Federal Registrar of Co-operative Societies was upgraded to that of the Federal Director of Co-operatives.

Under the dynamic leadership of Alhadji U. A. Mutallab who was then the Federal Commissioner for Co-operatives and Supplies, co-operative development received the type of boost it had never known in the history of the movement. For the first time, the co-operative sector was given special emphasis in the National Development Plan. Apart from making special financial provision to aid co-operative farming and agricultural credit co-operatives during the Third National Development Plan period, the government also earmarked enormous funds for, among others, co-operative education and formation and running of national co-operatives. The period also witnessed the change both in the volume of co-operative lending and in the name of the Nigerian Agricultural Bank to the Nigerian Agricultural and Co-operative Bank.

Apart from the provision of funds, lack of which had seriously hampered the progress of the movement in the past, a lot was done to encourage rapid development of the movement during the period under discussion. For example, co-operative organizations were involved in the implementation of the government's Operation Feed the Nation (OFN) programme. Also some state co-operatives served as channels for distributing scarce commodities that were imported by the Nigerian National Supply Company.

Unfortunately, the support enjoyed by the Co-operatives

from the Federal Government suffered severe set back. For in 1978, the Ministry of Co-operatives and Supply was one of the first to be dissolved as a result of the austerity measure. The Co-operative Department was transferred to the Ministry of Trade and by November, 1979, the Department was again transferred to the Ministry of Employment, Labour and Productivity.

As far as agricultural and rural co-operatives are concerned, a very important development was made in 1979 when the Federal Government established the Federal Department of Agricultural Co-operatives (FDAC) in the Federal Ministry of Agriculture. This action was motivated by the desire of the government to make use of co-operatives for the implementation of the Green Revolution programme. The responsibilities and functions of the new Department include:

1. formulation of national policy on agricultural co-operatives;
2. co-ordination of inter-state and inter-governmental activities in agricultural co-operative matters;
3. promotion, development and supervision of agricultural co-operative organizations all over the Federation.
4. extension services to and interaction with the various national agricultural parastatals such as the River Basin Development Authorities, the Commodity Boards and the Nigerian Agricultural and Co-operative Bank; and
5. the co-ordination of international agricultural co-operative activities between the Federal and State governments on one hand and the foreign governments and organizations like the Food and Agriculture Organization (F. A. O.), and the International

Federation of Agricultural Producers (I. F. A. P.), on the other.

Thus, co-operative matters are now handled by two separate ministries at the Federal level. Agricultural and rural co-operatives are the responsibility of the Federal Ministry of Agriculture while the other co-operatives, including national apexes and the labour unions, are the responsibility of the Federal Department of Employment, Labour and Productivity.

## VIII. THE STATE OF AGRICULTURAL CO-OPERATIVES IN NIGERIA

In discussing the state of development of agricultural co-operatives in Nigeria, I shall draw on my experience, observations and on some of the research findings that I conducted on the structure, conduct, behaviour and performance of agricultural co-operatives in Nigeria.

### Current Scope of Activities

Agricultural co-operatives are the most predominant in the Nigerian co-operative movement. They accounted for about 90 per cent of the total number of co-operatives registered in Nigeria in 1981 (Osuntogun, *et al.* 1981). They include group farming, multi-purposes co-operatives marketing and processing co-operatives, credit, fishery, and livestock societies. The most common co-operative activity varies from state to state. Whereas in Oyo, Ogun, Ondo, Kwara, Sokoto, Niger, Benue, Kaduna, Bauchi, Borno, Gongola, Kano, and Plateau States, marketing and credit co-operatives are the most predominant, in Bendel, Rivers, Cross River, Imo, Anambra and Lagos states, on the other hand, thrift and credit co-operatives are the most common. In Oyo, Ogun and Ondo states, marketing and credit co-operatives accounted for about 85 per cent of the number

and about 86 per cent of the membership of the State Co-operative Movement in 1981. Similarly, in the ten northern states, marketing and credit co-operatives accounted for over 90 per cent of the number and about 95 per cent of the membership of the Co-operative Movement during the same period (Osuntogun, *et al.*, 1981). In Imo, Anambra, Cross River and River states, thrift and credit co-operatives accounted for over 65 per cent of the number and about 70 per cent of the membership of the Co-operative Movement in 1981.

The nature of agricultural production in each state influences the pattern of co-operative activities. For instance, whereas cocoa is the most important export crop handled by the marketing co-operatives in Oyo, Ogun and Ondo states, groundnut and cotton are the most important cash crops handled by the marketing co-operatives in the northern states. In Bendel, Anambra, Imo, Cross River and Rivers states, palm produce is the most important crop marketed by co-operatives. In 1980/81, cocoa accounted for about 90 per cent of the total tonnage of produce marketed by the co-operatives in Oyo, Ogun and Ondo states. During the same period, the share of groundnut in the co-operative trade in Kano state was about 95 per cent. In the Eastern states, palm produce accounted for about 72 per cent of the total co-operative trade while cotton accounted for approximately 52 per cent of the total tonnage of produce handled by the co-operatives in Bauchi, Borno and Gongola states during the 1980/81 Season.

Table 1 gives statistics on the number and membership of agricultural co-operatives in Nigeria in 1981. It shows the relative importance of the various types of societies. Rural Credit Co-operatives accounted for 42.8 per cent of the number and 37.2 per cent of the membership of

agricultural co-operatives in the country in 1981. Marketing Co-operatives had 23.6 per cent of the number and 26.6 per cent of the membership of agricultural co-operatives while Group farming co-operatives and farmers' multi-purpose societies together accounted for 30.9 and 33.7 per cent of the number and the membership respectively of agricultural co-operatives during the period under discussion.

*Table 1*

**Number and Membership of Agricultural Co-operatives in Nigeria, 1981.**

<i>Type</i>	<i>Number</i>	<i>Membership</i>
Marketing	3,005	190,456
Rural Credit	5,459	266,753
Group Farming	1,916	55,374
Multi-purpose	2,030	186,678
Fisheries	71	6,372
Others	259	11,207
	12,740	716,840

*Source:* Records of the Chief Registrars of Co-operative Societies

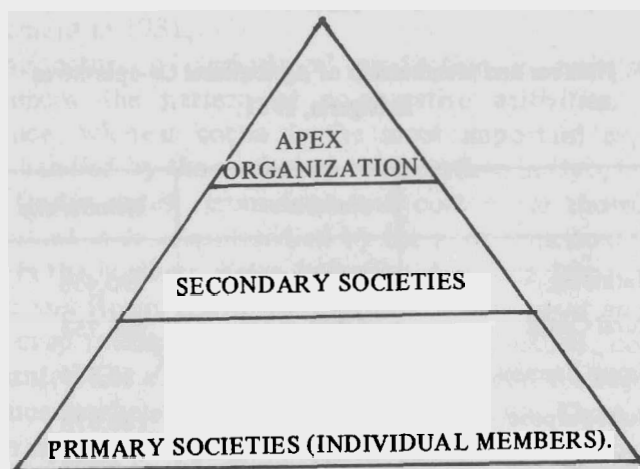
### **Co-operative Structure**

Generally, this takes a three-tier pyramidal shape with a wide base (consisting of primary societies) which tapers through a smaller section (the secondary societies) before

reaching the top (made up of apex organizations) (See Figure 1.) It should be noted however, that the structure varies from one state to another. Some states have a two-tier system, with the secondary societies acting as apex organizations.

FIGURE 1

### ORGANIZATIONAL STRUCTURE OF THE NIGERIAN CO-OPERATIVES



Furthermore, in some states, there are multi-purpose apex organizations while in others there are single purpose apex organizations for different categories of co-operative activities. Examples of multi-purpose apex organizations are the Co-operative Federation in Kwara, Kano, Kaduna, Bauchi, Borno, Niger and Gongola states. Examples of single purpose apex organizations include the Anambra Co operative Wholesale Association, and the Co operative Financing Agency in Rivers, Cross River, Borno, Bauchi, Gongola, Sokoto, Niger, Bendel, Lagos, Benue and Plateau states.

We shall now discuss in more detail group farming/ multi-purpose, marketing and rural credit co-operatives which constitute the bulk of agricultural co-operative activities in Nigeria.

### IX. GROUP FARMING AND MULTI-PURPOSE CO OPERATIVES

Until recently, group farming and other agricultural production co-operatives had not made much impact in Nigeria. The emphasis in public policy on self-sufficiency in food production and the launching of programmes like the National Accelerated Food Production Programme (NAFPP) the Operation Feed the Nation (OFN) and the Green Revolution has contributed greatly to the development of agricultural production co-operatives and farmers multi-purpose societies.

In a recent country-wide survey on group farming co-operatives in Nigeria, we discovered that the most common category of group farming schemes presently in the country is made up of co-operative joint farming societies which organise individual farming on co-operative lines while the members remain basically an independent farmer carrying his own risk and responsibility. In their functions, such societies are more of joint facilities multi-purpose co-operative than a joint productive society. Common services like machinery and other facilities that are necessary for agricultural production are provided by such societies for members. The societies are usually organized for farmers with contiguous farms

The other type of group farming co-operatives where the societies have farms that are owned and operated on communal basis are not common. Most of the group farms concentrate on the production of food crops especially rice, maize, guineacorn, beans and millet.

Our analysis shows that the estimated output of group farming co-operatives during 1979/80 was less than 0.05 per cent of the estimated total output of the major food crops for the entire economy. A detailed study of a random sample of 355 societies selected all over the country indicates that the average farm land was about 162 hectares while the average tonnage per society for major crops were 483, 381, 332 and 305 metric tons for rice, maize, cassava and guineacorn respectively.

In an earlier study, in which I examined resource productivity in co-operative group farming in Imo state of Nigeria, I discovered that although land, labour and capital inputs made significant positive contribution to the output of the societies, nevertheless, the marginal value product of resources showed that land and capital inputs were underutilized while the labour inputs was excessively utilized. In order to attain economic optimum, I recommended that the societies should reduce the use of labour input and increase that of land and capital inputs up to the point where the marginal value products of the resources equal their acquisitive costs.

## X. MARKETING CO-OPERATIVES

Investigation indicates that majority of the existing marketing co-operatives (over 98 per cent) are for the marketing of export crops. Co-operative marketing of food crops is not common. The Federal Department of Agricultural Co-operatives has, however, started to promote the establishment of the Nigerian Agricultural Co-operative Marketing Organization (NACMO) which will be charged with the co-ordination of the intra and inter-state co-operative food marketing in Nigeria as part of the Green Revolution Programme. It is important to add that

one of the major constraints to the development of food marketing co-operatives in Nigeria was lack of assured marketing outlet.

Some of the important highlights that have emerged from our study of the role of marketing co-operatives in Nigeria's agricultural development include the following:

1. That the marketing unions have encouraged the improvement of general farm care and the adoption of innovation through the provision of pesticides, insecticides, fertilizer and spraying equipment. For instance, the annual average value of chemicals and spraying equipment distributed to members by marketing co-operatives in Oyo, Ogun and Ondo states, between 1967/68 and 1978/79 was estimated at about ₦30,000 per union.
2. That co-operatives have contributed to the improvement of the quality of export produce marketed. The co-operatives achieved this by encouraging members to prepare and sell high quality produce. Investigations that we carried out on marketing co-operatives, in Oyo, Ogun, Ondo, Bendel and Kwara states indicate that between 1956/57 and 1979/80, about 90 per cent of cocoa handled by marketing co-operatives was grade 1. Similar findings had been reported by Roger King in his study on marketing co-operatives in the northern states (Roger King, 1974)
3. That the societies have contributed towards the improvement of the degree of commercialization of the rural sector. An indication of this is the magnitude of the marketing turnover which was estimated as over ₦80 million for all marketing co-operatives in the country as of March, 1981. (Osuntogun *et.al.*, 1981).

4. That marketing co-operatives bring about competition. Investigations have shown that prior to the establishment of marketing co-operatives, the private produce buyers used to cheat the producers through such techniques as false weighing, manipulation of scales and prices, and arbitrary deductions for impurities and for imaginary services. The emergence of farmers' marketing co-operatives has curtailed these sharp practices (Osuntogun, 1976, 1980).

## XI. AGRICULTURAL CREDIT AND RURAL BANKING CO-OPERATIVES

The provision of rural credit and banking facilities constitute another important area where co-operatives have made some contribution to agricultural and rural development in Nigeria. My research findings have confirmed that the provision of these essential services has been a major incentive for co-operative membership especially among the small holders (Osuntogun, 1976).

It has been estimated that the volume of production loans made by rural co-operatives to small holders amounted to about ₦9 million in 1979/80 while the value of total savings was put at about ₦7 million during the same period (Osuntogun and Ijere, 1983).

Some of the main features of co-operative credit that emanated from series of case studies that I have conducted include the following:

1. The predominance of small loans. The average size of loans was about ₦200 and below.
2. More than 80% of the loans were of short term duration i.e. 1 year and below.
3. No collateral security was required. Instead, empha-

sis was put on the viability of the project, the past performance of the would-be borrower and the degree of his involvement in society's affairs.

4. The average rate of interest was between 10 – 15 per cent. This was comparatively lower than the predominant rates of interest of about 100 – 300 per cent charges by the informal lenders.

Some of the important findings of my research in the area of co-operative credit centre on the determination of the impact of co-operative credit on farm income of members and on the marketing activities of co-operative unions. In a survey that I conducted in 1977, among cooperative farmers in Oyo, Ogun and Ondo States, I was able to establish that co-operative credit had significant positive effects on gross farm income. Other factors that influenced gross farm income were land and labour resources. The magnitudes of the elasticity coefficients indicated that gross farm income was inelastic to co-operative credit, land and labour resources. They also showed that the farmers that were interviewed operated in stage two which was the rational stage of production.

In an earlier study in which I attempted a quantitative assessment of the effect of credit on the marketing operations of the Western Nigerian co-operative produce marketing unions, I was able to establish the usefulness of linking credit with marketing. The result of my analysis indicated positive relationship between the tonnage of produce handled and the amount of production loans made by the co-operative unions.

My research on co-operative banking indicates that, unlike the structure in India, Germany, France and some other countries with developed co-operative banking systems, our co-operative banks operate like commercial



banks and therefore hardly constitute an operationally identifiable separate subsystem of the banking system. Presently, there are four co-operative banks in Nigeria, linked, like other commercial banks separately to the Central Bank of Nigeria but operationally and organizationally unrelated one to the others. Surprisingly, there is not even an organization link between the apex-like institution — the Nigerian Agricultural and Co-operative Bank (NACB) — and the other co-operative banks operating in Nigeria.

In spite of the above limitations, however, investigations have shown that co-operative banks have served as useful instruments of capital formation for the co-operative movement and mobilisation of funds from the other sectors of the economy.

In a case study of the Co-operative Bank of Western Nigeria, I discovered that although the non-co-operative sector' made a higher amount of deposits, yet its share of the Bank's loans does not increase proportionately to its deposit contribution. Between 1963/64 and 1978/79 for instance, the ratio of loans to deposit of the cooperatives amounted on the average to about 300 per cent while that of the 'non-co-operative' sector was about 100 per cent.

## XII. OVERVIEW OF PERFORMANCE

Although the account that I have given suggests that the Nigerian co-operatives have contributed, to some extent, to agricultural development, nonetheless when judged in terms of potentials, the performance has been far below expectation.

While the co-operative movement has been in existence for about half a century, its membership coverage is still

very low. At present, membership in agricultural and rural co-operatives is less than 10 per cent of the potential members. In no state of the Federation has anything near the 25 per cent membership coverage target fixed by government been attained.

The share of co-operatives in food crop production is very low. As we have already indicated, it was less than 0.05 per cent of the total food production in 1979/80. Similarly, the share of co-operatives in the total tonnage of agricultural produce marketed through the Commodity Boards had been very low. For instance, during the 1979/80 marketing season, the co-operatives handled less than 35 per cent of the cocoa sold to the Cocoa Board in Oyo, Ogun and Ondo states. Similarly in the northern states, co-operative purchases as a percentage of statutory commodity Board's total purchases of all cash crops stood at less than 30 per cent.

In terms of coverage, the impact of the credit programmes of the societies has by no means been very great. It is available only to a small percentage of the farmers in the country. As we had already remarked, the average size of loan is usually small with the result that majority of members supplement co-operative credit with loans from other sources, especially the informal non-institutional sources of credit with the associated adverse effects and implications for repayment of co-operative loans.

An additional feature of the credit programmes of the societies is the large percentage of overdue loans, which in some years, have been more than half of the total loans issued.

Apart from the marketing and credit societies, the others, particularly processing and livestock co-operatives which are supposed to contribute to agricultural and rural development, have not made such impact. Instead they



have suffered a diminution both in membership and in number (Osuntogun, 1972).

### **XIII. PROBLEMS, CONSTRAINTS AND IMPEDIMENTS**

The insight obtained in the course of my study of agricultural co-operatives indicate that the main problems which impede their efficiency and effectiveness can be categorized as managerial, structural, financial and governmental.

#### **Managerial and Administrative Problems**

The single most important reason for co-operative failures in Nigeria, as in most developing countries is the lack of trained managers, committee members and members who understand the co-operative approach and are equipped to cope with modern methods and tools of production. In the Nigerian situation, a peculiar feature which gives cause for alarm is the poor administrative and financial management which has considerably eroded public confidence and has severely hampered membership growth. The rate of mismanagement, embezzlement and fraud in primary and secondary societies in particular has reached an alarming rate. The Membership Drive Committee which was appointed by the Registrar of Co-operative Societies in the former Western Region stated as follows:

Bad management and lack of appreciation of responsibility by societies committees (and members) have led to dishonest practices among employees and injudicious granting of loans and advances and these have resulted in irrecoverable heavy debts on which societies have continuously been paying interests. The societies have thus been ruined financially to the extent of being incapable of fulfilling their stated

objectives. (Western Region, Co-operative Department, 1961).

The Caxton-Idowu Commission appointed to inquire into the affairs of the oldest co-operative union in the country, the Ibadan Co-operative Produce Marketing Union, found that "secretaries (employees) of societies affiliated to the Union have contributed very largely to the ruins of the funds of the Union" (Caxton-Idowu, 1963). The contributory factor to the poor administrative and financial management is the lack of effective supervision of the secondary and primary societies especially at the grassroots level to ensure proper co-operative management.

An additional factor is the poor service conditions for the staff of the co-operative movement as well as those in Government Co-operative Departments. This has caused high staff turnover which often results in poorly executed, half-completed and abandoned agricultural co-operative programmes and projects, leaving little or no room for consistent co-operative policy programme performance.

#### **Structural Problems**

The size of societies is also a constraint to effectiveness. While accepting that the optimum membership of primary societies should depend on local factors, such as size and the ease of proximity of villages, there is no doubt that the size of primary societies in Nigeria are generally small to be economically viable. An investigation that I conducted recently indicated that in 1981, the average membership of agricultural co-operatives by type consisted of 29, 92, 63 and 48 for group farming, multi-purpose, marketing and credit co-operatives respectively. At this juncture, it may be useful to recall the comments once made by Late Bert

Youngjohnns, formerly Adviser on Co-operatives in the Ministry of Overseas Development, London, on this aspect of the Nigerian Co-operative Movement. After comparing the average size of the Nigerian co-operative with those in other Commonwealth countries, he remarked:

It requires very little intuition to see that the primary societies in Nigeria are mostly too small to be really viable. It appears to have been almost an article of faith among those who promoted co-operatives in the past, that every village should have its own society, whose members are well known to one another . . . The concept of the small village co-operative is probably connected with the idea of co-operative as a social, rather than an economic and commercial organization (Youngjohnns, 1970).

### Financial Problems

Slow capital accumulation, inadequate financing, both from within and from without, and unstable funding caused by uncontrollable and unpredictable fluctuations in State and Federal sources of co-operative funding are major impediments to co-operative growth, effectiveness and efficiency. Although both the NACB and the Co-operative banks serve as major sources of lending for agricultural co-operatives, nonetheless the amount of funds that could be made available through the co-operative banks are limited by the provisions of the Banking Decree of 1969. Section 13.1(a) of the Decree states that a licensed bank shall not

grant to any person any advance loan or credit facility or give any financial guarantee or incur any other liability on behalf of such persons so that the total value of the advance, loans, credit facilities,

financial guarantees and other liabilities in respect of such persons is at any time more than thirty-three and one third per centum of the paid up share capital and statutory reserves of the bank.

The provision does not favour co-operative apex organizations in that it does not take account of the special features of the composition of their membership. Instead, each of the apex organizations is treated just like any individual borrower.

The underdevelopment of the Co-operative Division of NACB has been a constraint on the bank's identification of viable agricultural production co-operative projects. Thus, most of the bank's lending to co-operatives are concentrated on agricultural marketing.

### Problems Arising from Government Co-operative Department

Difficulties have arisen by the divorce of the Departments in charge of agricultural co-operatives from the Ministry of Agriculture. It has been observed that in some states, when potentially viable agricultural societies have been formed and registered under the Co-operative Societies Law, they have in many instances foundered through lack of technical advice on agriculture. In most states of the Federation where two or more ministries are in charge of co-operatives, lack of inter-ministerial co-ordination in the formulation, execution and follow-up of agricultural co-operative projects often leads to wasteful use of scarce resources and duplication of effort.

The degree of government intervention and control has been a severe obstacle to the development of a democratically controlled farmers' co-operative movement; a movement which could more readily accommodate peasant farmer's needs and aspirations. Such control has destroyed

self-reliance, the very keystone of the "co-operative idea". Instances of political and official intervention were the 1965 Western Nigeria Co-operative Amendment Bill which was aimed at reducing the status of the Co-operative Movement to that of a public Corporation, thus depriving co-operators of the sole ownership of the movement, the serious misunderstanding between the Co-operative Union of Western State of Nigeria and the State Government in 1975 over the Movement's autonomy and the dramatic dissolution of the committee of the Kano Co-operative Federation in 1980 by the Government without consultation with the Movement.

Bureaucratic control centred on the degree to which the co-operative Department itself controls & regulates often routine decisions of societies.

Apart from political motives, two main reasons may be given as justification for the present degree of official control. First, inadequate membership control over employees has resulted in collapse of many societies through dishonesty and fraud. Committees, often composed largely of illiterates, have failed woefully in checking abuses. The second justification is that "the co-operative movement money" is all too often government money. Thus, since the government pays the piper, it has the right to dictate the tune. Increased financial support by the government, where necessary could be matched with increased supervision by the Government Co-operative Staff, but the supervision should not be allowed to degenerate into total control. As Beer observed:

... when Nigeria received her independence the co-operatives did not even achieve 'self government' rather, they remain subject to the power of civil servants still operating a colonial sometimes repressive, and always regulated, system.

#### XIV. SUGGESTED STRATEGIES

The following strategies are suggested for the development of a virile agricultural co-operative system in Nigeria.

Cooperative manpower development is very crucial to the development of an effective agricultural co-operative movement. This could be effected through a conscious attempt to encourage both secondary and post-secondary training in co-operative management. For this purpose, more co-operative training institutions should be established and the existing ones should be expanded. The establishment of the Agricultural Co-operative Rural Institutes and the National Agricultural Co-operative Management Development Centre which are being proposed by the Federal Department of Agricultural Co-operatives should be accelerated. In addition, specialized co-operative courses need to be introduced into the curricula of secondary schools, polytechnics, colleges of agriculture and universities.

There should be a comprehensive co-operative training programme for both members and employees. This is very crucial especially since most of the faults in the societies, are due to the ignorance of members as well as employees' incorrect attitude to their work. Education for co-operative members and leaders should be more practical than academic. It can take the form of seminars, conferences, symposia and the use of regular extension programmes.

A sustained attempt needs to be made for training of societies' employees, especially those at the lowest cadre, the secretaries of primary societies, cashiers, book-keepers, storekeepers etc. This could be effected for example, through regular workshops, in-service training and other on-the-job training programmes.

It is recommended that the state apex organizations

should develop the means and the professionalism for effective supervision of secondary and primary societies, especially at the grass root level. This will ensure proper co-operative management.

In order to boost staff morale and to reduce high staff turnover, it is strongly recommended that the Co-operative Federation of Nigeria and the State Co-operative apex organizations should jointly establish a national co-operative career service for the staff of the co-operative movement. The system should involve standardized job descriptions and terms, and conditions of service, a promotional ladder with appropriate salary scales and the development of yardsticks for evaluating performance and for recruitment. As far as the conditions of service of the government co-operative staff is concerned, this should be revised from time to time.

It is very crucial that the membership size of primary co-operatives should be large enough to make them economically viable. Nigeria can benefit from the experience of some African Countries such as the Gambia. It has been reported that in Gambia, the average membership of a primary society is in the order of about 1,000 and that the Gambian co-operatives are among the most successful in West Africa (Adeyeye, 1978). The fact that some states have already started to merge societies with a view to making them more viable shows that the idea may have some merits to recommend it.

On finance, I recommended that the government should adopt a long term plan to build a virile movement that can eventually stand on its own. The plan would take a form of a 15-year programme during which government subsidy would steadily taper off by a certain percentage per annum until in the end, government assistance in the form of outright grants, would stop. The subsidy should be for

specific and on approved projects. The long term objective would be that within such a programme period, membership equity would have gradually increased to make the movement financially stable.

In order to enable co-operative banks to finance effectively the activities of agricultural co-operatives especially the apex organizations, I recommend that section 13.1(a) of the Banking Law should be amended to give exceptions and concessions to co-operative banks especially with regards to lending to co-operative organizations.

In addition, I strongly suggest the upliftment of the status of the Co-operative Division of the NACB to full departmental status. The Co-operative department should be responsible for identification, formulation and follow-up of agricultural co-operative projects.

There is need for inter-ministerial co-operation and co-ordination especially in states where the departments of Co-operatives are in ministries other than Agriculture. The long term solution however is to unify agricultural co-operative matters in the Ministry of Agriculture in all the states.

Attention needs to be directed to the chronic lack of agricultural expertise within the co-operative movement. The type of supervision provided by the Co-operative departments, in most of the states, has been narrow in scope and entirely non-agricultural. This emphasis is reflected in the training of co-operative inspectors, who receive very little, if any, instruction in technical agriculture, even though all but a small proportion of the societies that they will supervise are concerned with agriculture.

## XV. CONCLUSION

In conclusion, the theme of this inaugural lecture is predicated on the belief that discussions of the potential

role of co-operative, in Nigeria's agricultural development will amount to no more than mere platitude and exhortations unless there is a definite programme of action. I have tried to spell out such programme of action in this lecture.

The government and, indeed, the Nigerian public will need to bear in mind that the involvement of small scale farmers in the process of agricultural development is very crucial for the attainment of self sustained growth in food and fibre production. The present emphasis on the establishment of large scale farms ought to be accompanied by programmes for the transformation of the small holders who presently constitute the bulk of agricultural producers of this country. Co-operatives are indeed the best mechanism for attaining this objective.

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TABLE 2 CONTINUED

Serial No	Project Title	Project Description	Total Estimated Expenditure	Phasing				
				1975-76	1976-77	1977-78	1978-79	1979-80
		business with particular emphasis in Cash-in-Transit. Motor vehicle Insurance and Life services will be extended to other areas of insurance in later stages.						
3.	Rural Slaughter Houses	The Project envisages the building of 5 small slaughter houses in each state for the handling of cattle, sheep and goat meat. Provision is also made for sanitary inspection to be carried out in these houses	1,485,900	148,590	222,885	297,180	317,475	445,770

## APPENDICES

Table 2  
Federal Government of Nigeria: Commitments to Co-operatives in  
the Third National Development Plan, 1975-80

Serial No.	Project Title	Project Description	Total Estimated Expenditure	Phasing				
				1975-76	1976-77	1977-78	1978-79	1979-80
1.	Co-operatives Education and Enterprise Development Centre	This centre will provide educational, training and research facilities to all co-operative societies in the country	1,000,000	100,000	150,000	200,000	250,000	300,000
2.	National Co-operatives Insurance Company	This project aims at undertaking insurance for co-operatives and their members. The Co-operative will be the share holders. Its services will cover all aspects of insurance	700,000	70,000	105,000	140,000	175,000	210,000

TABLE 2 CONTINUED

Serial No.	Project Title	Project Description	Total Estimated Expenditure	Phasing				
				1975-76	1976-77	1977-78	1978-79	1979-80
5.	Co-operative Financing Organization	Financing Organization e.g. National Co-operative Bank to co-ordinate the activities and finance the state co-operative banks	10,000,000	1,000,000	1,500,000	2,000,000	2,500,000	3,000,000

In addition, ₦150,000,000 is provided for the Nigerian Agricultural and Co-operative Bank principally to aid co-operative farming and agricultural marketing co-operatives during the plan period (as against ₦12,000,000 in the 1970-74 plan period).

Source: Federal Ministry of Economic Development, Third National Development Plan, 1975-80, Lagos 1975.

TABLE 2 CONTINUED

Serial No.	Project Title	Project Description	Total Estimated Expenditure	Phasing				
				1975-76	1976-77	1977-78	1978-79	1979-80
4.	National Co-operatives Wholesale Organization	The Wholesale Organization will make bulk purchase of scarce commodities, agricultural equipment, hardware, building material, chemicals, fertilizers for redistribution to secondary and primary co-operatives societies at state and local levels. It will also handle crops not controlled by the marketing boards	3,000,000	1,000,000	2,000,000	—	—	—



Table 3

**Aggregate Statistics of Cooperatives in Nigeria as  
at March 31st, 1976**

State	No. of Primary Societies	Membership	Average/Society
Anambra	454	33,635	74
Bauchi	161	30,080	187
Bendel	110	33,853	35
Benue	261	17,165	66
Borno	239	24,122	101
Cross River	1,169	50,705	43
Gongola	196	38,242	195
Imo	436	25,242	58
Kaduna	494	23,405	47
Kano	520	60,293	116
Kwara	242	21,900	90
Lagos	464	42,867	92
Niger	NA	NA	NA
Ogun	770	35,632	46
Ondo	1,510	67,950	45
Oyo	2,944	79,402	27
Plateau	94	5,005	53
Rivers	22	690	31
Sokoto	258	20,000	78
<b>TOTAL</b>	<b>10,591</b>	<b>589,775</b>	<b>56</b>

Source: Records of the Chief Registrars of Co-operative Societies

Table 4  
Aggregate Statistics of Co-operatives in Nigeria as at March 31st, 1981

State	No. of Primary Societies	No. of Secondary Societies	No. of Co-operative Societies	No. of Apex Societies	Total Membership	Total Share Capital	Total Savings
Anambra	1,380	29	29	3	90,041	3,205,174.28	646,417.14
Bauchi	307	16	NA	3	27,282	25,054,996.30	607,673.00
Bendel	1,134	34	18	2	43,583	1,563,833.49	1,650,806.80
Benue	567	13	NA	1	34,941	77,984.33	16,738.92
Borno	550	NA	3	3	133,812	600,000.00	526,268.92
Cross River	1,125	47	NA	5	106,969	2,019,823.53	1,581,891.62
Gongola	406	18	19	4	22,375	70,272.30	136,255.55
Imo	1,532	NA	27	4	80,530	3,738,800.00	404,602.00
Kaduna	908	15	NA	2	121,480	224,862.33	404,602.00
Kano	889	20	37	2	59,104	302,983.00	74,537.00
Kwara	529	16	16	1	20,742	141,577.90	80,036.08
Lagos	243	NA	11	NA	30,429	1,138,516.10	NA
Niger	206	9	14	1	12,997	68,722.00	NA
Ogun	1,156	11	NA	NA	6,721	3,730,363.00	249,092.00
Ondo	2,240	64	63	6	713,104	4,699,525.00	411,037.37
Oyo	2,870	48	41	3	175,844	6,741,122.70	108,965.06
Plateau	600	14	NA	1	53,482	155,555.36	NA
Rivers	219	NA	83	NA	10,935	NA	NA
Sokoto	254	8	NA	2	46,991	508,593.50	504,593.00
<b>TOTAL</b>	<b>17,205</b>	<b>362</b>	<b>300</b>	<b>43</b>	<b>1,792,912</b>	<b>54,042,705.00</b>	<b>7,176,720.00</b>

Table 5

**Estimated Production of Main Food Crops by a Sample of Group Farming/Multi Purpose Societies in Nigeria, by State in 1980/81**

CROP PRODUCTION IN METRIC TONS									
State	Socie- ties in Sample	Cassava		Guinea Corn		Maize		Rice	
		Total	Average per Society	Total	Average per Society	Total	Average per Society	Total	Average per Society
Anambra	13	605.8	46.6	—	—	522.6	40.2	1,444.0	110.9
Bauchi	8	—	—	704.8	88.1	71.2	8.9	158.4	19.8
Bendel	23	—	—	—	—	274.4	9.8	501.2	17.9
Borno	24	—	—	600.0	25.0	—	—	105.6	4.4
Cross River	35	1,501.5	42.9	—	—	1,001.0	28.6	990.5	28.3
Gongola	20	—	—	500.0	25.0	—	—	440.0	22.0
Imo	8	512.8	64.1	—	—	470.0	58.8	859.2	107.4
Kwara	30	—	—	681.0	22.7	504.0	16.8	42.0	1.4
Kaduna	1	—	—	57.6	57.6	40.0	40.0	5.3	5.3
Lagos	20	474.0	23.7	—	—	350.0	17.5	248.0	12.4
Niger	17	1,004.7	59.1	120.7	7.1	90.1	5.3	—	—
Ogun	30	687.0	22.9	—	—	945.0	31.5	642.0	21.4
Ondo	8	135.2	16.9	—	—	148.0	18.5	262.4	32.8
Oyo	40	820.0	20.5	—	—	968.0	24.2	1,548.0	38.7
Plateau	2	—	—	124.3	62.1	50.0	25.0	44.0	22.0
Rivers	5	174.5	34.9	—	—	150.0	30.0	187.0	37.4
Sokoto	66	—	—	1,141.8	17.3	1,696.2	25.7	39.6	0.6
TOTAL	355	5,915.5	331.6	3,920.2	304.9	7,280.9	880.9	7,514.9	482.7

Sources: Osumotogun, A., Olufojukan, B.; Mifindadi, N. (1981). Co-operative Marketing and Distribution in Nigeria: A Strategy of Approach for the Green Revolution.

NOTE: Farmers' production co-operatives were just in the process of formation in both Benue and Kano States during the period of this investigation.