

Challenges and Opportunities of agricultural cooperative on economic sustainability of rural dwellers in Ekiti State, Nigeria

Abstract

The study ascertained the influence of agricultural cooperative society on economic sustainability of rural dwellers in Ekiti State, Nigeria while the specific objectives are examining socio-economic factors affecting participation of rural dwellers in agricultural cooperative society and determine the challenges of agricultural cooperatives towards the achievement economic sustainability of rural dwellers in Ekiti state, Nigeria. The population of the study comprise of 331 selected agricultural cooperative societies in four selected local governments in Ekiti State namely Ado Ekiti, Ikole Ekiti, Irepodun/Ifelodun and Oye Ekiti Local Government Area while the sample was 175 derived from Taro model using random sampling techniques. Data for the research was analysed using descriptive and inferential statistics. Descriptive statistics employed are specifically percentages and frequency tables and the inferential statistics used was multiple regression analysis. The result showed that socio-economic factors: funds for production (0.000), loan (0.000), infrastructures/storages (0.015) and challenges of agricultural cooperatives: subsidize (0.002), loans repayment (0.000). There is significant effect of agricultural cooperative society on economic sustainability of rural dwellers in Ekiti State, Nigeria. The study concluded that cooperative members lack sufficient funds for production due to the enormous sums of money involved, loans from government and private institutions as a result of the nation's current economic crisis, lack of opportunities for rural residents to sell their farm products.

Keywords: agricultural cooperative society, economic sustainability, rural dwellers, Nigeria

1.0 Introduction

Predominantly, farming is the main occupation of Nigeria and in recent years, the business of farming has been relegated to those within the rural communities. Frederick, Elizabeth and Obimbua (2021) maintained that over 80% of farmers in Nigeria are small scale farmers. These small scale farmers mostly are rural dwellers with low incomes because they produce on subsistence basis with little surplus to sell and raise money to satisfy those things they cannot produce by themselves. This therefore ensure there is a continuous advocacy for achieving economic sustainability through agriculture within the rural communities by policy makers and scholars who at different times have ensured that efforts have been directed at finding appropriate structure for organizing millions of small scale farmers towards achieving food security and increase rural dwellers standard of living. Agricultural cooperative society has been touted as the appropriate vehicle for harnessing and polling the resources of millions of small holder farmer producers together to enjoy the benefit of large scale production (Onugu & Abdulahi, 2012). Cooperative societies are as an important drive to improving the living conditions of rural dwellers in terms of job creation and mobilization of resources for income generation. According to Taiwo, Agbasi, Udunze, and Okafor (2014) the promotion of livelihood within the rural communities should be concentrated on human resources that allows rural dwellers to mobilized resources together voluntarily. Specifically, agricultural

cooperatives play a vital role in enhancing rural dwellers economic sustainability that leads to promoting their livelihood. Many development organizations, agribusinesses, governments and international development organizations encouraged farmers to form agricultural cooperatives as a policy initiative due to its role in empowering the rural dwellers' economically, socially and enabling sustainable rural development (Asemokhai, Akangbe, Asemokhai, Eniayekan & Etta-Oyong, 2022).

According to Sofoluwe and Yinusa (2021) rural cooperatives in the Nigerian settings is grouped into agricultural and non-agricultural cooperatives. While the existence of agricultural cooperatives is in various forms such as farmers' multi-purpose cooperatives, producers' cooperatives, marketing and processing cooperatives and agricultural credit, the non-agricultural form of cooperative groups include thrift and credit cooperatives, investment and credit cooperatives, consumers' cooperatives, artisans and handicraft cooperatives. Nnadozie, Oyediran, Njouku, and Okoli (2015) views Agricultural cooperative to be those whose members are agricultural producers or are involved in related activities. They can be single or multiple purpose cooperatives, agricultural input supply cooperatives, marketing cooperatives or agricultural credit cooperatives while Nlebem and Gibson (2019) opines that agricultural cooperative society is a business enterprise which is jointly formed, owned, capitalized, patronized and democratically controlled by farmers, fishermen or other operators in the agricultural sector to meet their pressing needs. In whatever form the business of agricultural cooperatives is being established, it plays a role in the improvement of economic sustainability through close relationships with farmers to achieve food security and uplift socio-economic lives of the rural dwellers. Economic sustainability of rural dwellers implies constant improvement in agriculture and non-agriculture produce so as to sustain the livelihood of the present generation and that of the future generation. This involves the effective management of resources at hand in order to bring about a lasting improvement in the quality of life of the rural dwellers both at present and the future (Ruphina, Chinasa, & Michael, 2017). The focal point of Sustainable agricultural development that is peculiar to rural dwellers is to achieve economic liberty in order to improve their living standards and that of their families. Beside the Public and Private sectors, Cooperative is seen to be the third most important player in the country as it plays the responsibility role of improving livelihoods in the rural and urban communities. The impact of the major role is in improving the agriculture sector of the economy where vast majority of the population depends on it for livelihood most importantly the rural dwellers (Kumar, Wankhede & Gena, 2015). The involvement of rural dwellers in agricultural cooperative societies is to ensure improvement in livelihood as poverty has remained a noticeable national issue caused by the challenge of short and long term deprivation of good living condition and an extreme lack of basic human needs (Ajayi, Adegoke, Akosile, & Olajide, 2020).

Akosile, Olajide, Ogiamien, and Dawodu (2023) claims that there have been many programs initiated by the government both at federal, state and local government level in the past that includes National Agricultural Land Development Authority, Directorate of Food, Road, and Rural Infrastructures, National Directorate of Employment, Family Support Programme, Family Economic Advancement Programme (FEAP), Better Life Programme (BLP), and the Poverty Alleviation Programme (PAP). The study of Budi, Fonteh, and Manu (2021) argues that while successive government have vested so much resources into the business of

agriculture for economic sustainability of the economy, the impact of agricultural sector is however not felt as a result of poor quality and inadequacy of rural infrastructure, constraints relating to agricultural financing on production, lack of access to market information, improved technologies and the remoteness of the production areas in relation to the consumption centres. Frederick *et al.*, (2021) opines that rural dwellers cultivate most of the food crops produced in Nigeria but the impact has not been noted and that the level of rural poverty in Nigeria is disheartening and very alarming and therefore, viewed cooperative societies as essential instruments for raising economic sustainability of rural dwellers. Nlebem and Gibson (2019) argues that despite the numerous benefits associated with the involvement in agricultural co-operatives societies, many rural dwellers do not participate in agricultural co-operative society's activities. This automatically serves as a hindrance to economic sustainability of the people as a result of inexperience working with others and not sufficiently developed the acceptance and trust of self and others necessary to work together. Rural dwellers in Ekiti state are believed to be living below the poverty line and as such has a negative implication on their standard of living. Ajayi and Chilokwu (2021) opines that a very sizable number of Nigerians lived below its poverty line of N17,430 (\$381.75) a year which has a negative implication on their standard of living. The people of Ekiti State are known for Agriculture and it therefore becomes imperative to examine how agricultural cooperative societies can influence the economic sustainability of rural dwellers in the State.

1.1 Research Objectives

The broad objective of the study is to ascertain the influence of agricultural cooperative society on economic sustainability of rural dwellers in Ekiti State, Nigeria. The specific objectives are;

- i. examine socio-economic factors affecting participation of rural dwellers in agricultural cooperative society in Ekiti State, Nigeria;
- ii. determine the challenges of agricultural cooperatives towards the achievement economic sustainability of rural dwellers in Ekiti state, Nigeria.

1.2 Research Questions

In line with the identified problem statement, the research provides answers to the following questions:

- i. To what extent does socio-economic factors affect participation of rural dwellers in agricultural cooperative society in Ekiti State, Nigeria?
- ii. How the challenges of agricultural cooperatives do affects the achievement economic sustainability of rural dwellers in Ekiti state, Nigeria?

2.0 Literature Review

2.1 Cooperative Concept

Cooperatives are considered useful mechanism to manage risks for members in Cooperative Society. Through cooperatives, farmers could pool their limited resources together to improve agricultural output and this will enhance socioeconomic activities in the rural areas. International Cooperative Alliance (ICA) defines a cooperative society as an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise (ICA, 2013). Cooperative societies globally have saved individuals, groups and businesses from financial and non-financial challenges and difficulties. This explains the reason why it has

experienced transformation over the last decades. The establishment of various cooperatives societies globally is to serve the interests of members, including agriculture, consumer, producer, worker, and service cooperatives (Robert & Gerald, 2007). Cooperatives are structured by members in such a way that individuals contribute funds into a joint account with the aim of raising investment, finance and distribute same as easy loans to members. The primary purpose is to encourage savings among members and also offer credit facilities to members to enable them engage in economic activities (Akanni, Olumide-Ojo, Oyetoki, Asunlegan, Salako, & Jatto, 2020). Kumar et al., (2015) believes that the strength of Cooperatives is opined to be advantageous in curbing the problems of poverty alleviation, food security and employment generation as it I seen to have enormous prospective to deliver goods and services in areas where both the public and private sector have failed. Irrespective of those involved, cooperative societies are believed to be local as participating members are individuals from the same workplace, region, environment or tribe. The locality of the society allows it to address the local needs of members, employ local talents, and led by local leaders. The formation of cooperative societies is with set goals and objectives that makes it local and personalised as against any other form of cooperative societies.

According to Levi (2005) cited in Lawal, Taiwo and Katagum (2017) they revealed that the actuality of cooperatives has a positive influence in the generality of rural dwellers in respect to availability and access to amenities that improve the basic conditions of life for the rural people. These include; creating an avenue for employment generation, ensuring development in the rural markets, building income level of rural dwellers and improvement in access to basic social facilities.

2.2 Agricultural Cooperative Society

Agricultural cooperative societies are considered as one of the important economic and social organization within the rural communities as they provide farmers with the necessary knowledge, skills and the ability to increase rural participation in the realisation of economic sustainability. Budi et al., (2021) argues that agricultural cooperatives around the world have been promoting a new agenda for rural development and the development of farmer-owned organizations and enterprises. Developments in recent happenings have also indicated that, although agricultural cooperatives have been affected by lack of adequate concentration on the part of investors and governments, they are still the most relevant organs that propels agricultural activities in the rural areas.

Ruphina et al., (2017) opines that the formation of agricultural cooperative is voluntarily formed by group of farmers who share the same aim of pooling their resources together to achieve their common economic, social and cultural goals and objective. The process of agricultural cooperative society allows rural dwellers enhance sustainable agricultural development through their ability to influence agricultural policies and actions of the government which affects them. Nlebem and Raji (2019) ascertain that Agricultural cooperatives societies are considered as one of the major economic and social organizations which is highly instrumental in the transformation of rural communities and that it does not only assist farmers to acquire modern skills to tap from the accessible environmental assets but assist them to have access to production inputs such as fertilizers, seed, chemical substances, etc. which increases their production strength.

The study of Akpomedaye, (2017) outline the benefits of Agricultural Cooperative Societies to include;

- i. Cooperative societies counter the exploitative tendencies of middlemen in agricultural marketing operation
- ii. Acquisition of production and consumption loans and mobilization of funds
- iii. Education in modern agricultural practice
- iv. Provision of agricultural inputs and machinery
- v. Provision of essential manufactured commodities to farmers and
- vi. Economics of scale:

The operations of agricultural cooperative societies have been deeply involved in activities that have impacted positively on the economic sustainability of members and rural dwellers. Cooperatives often reinvest funds in terms of dividend on share capital and distributed proportionally to members as patronage refunds. Okafor, Okafor and Uzundu (2018) buttresses on the involvement of rural farmers in Agricultural cooperative to offer such a possibility of sustainability by means of organizing and empowering individual small producers through provision of farm input and credit. Though, obstacles related with evolving consumer demands, international standardization **procedures, market requirements and price variability require different roles and capacities from agricultural cooperative operating in agro-food value chains worldwide.** Agricultural Cooperatives in the rural communities are now tasked to take on a more pro-active role in marketing, updating their organizational structure and engaging in value chain integration that will increase their economic sustainability.

2.3 Challenges of Agricultural Cooperative Societies

Majorly, agricultural cooperative societies are incapacitated to expand the business of agriculture for sustainability either for commercial purpose or household use as a result of financial and non-financial challenges beyond their geographic area is their primary flaw. What this means is that people in such locations can only access money via the means at their disposal.

3.0 Methodology

3.1 Area of the Study

The focus of the study was carried out in Ekiti State. The state is one of the six states in South-west geopolitical zone. The primary occupation in the state is known to be predominantly agriculture. The state was carved out from the Old Ondo State in 1996 with 16 Local Governments Areas.

3.2 Population of the Study

The population of the study is made up of the entire Agricultural cooperative societies/organisations and their members in Ekiti State sum up the aggregate population to be adopted in the study. Akosile et al., (2023) in their study opines that there are 15,673 registered cooperative societies with active members of about 804,525 in the entire local government of Ekiti State. However, the study randomly selects an agricultural cooperative society in 4 Local Governments Areas of the state.

Table 1: Population of the Study

| S/N | Local Government | Cooperative Name | Member Strength |
|-----|------------------|------------------|-----------------|
|-----|------------------|------------------|-----------------|

| | | | |
|---|-------------------|--|-----|
| 1 | Ado Ekiti | Ekiti Central Cooperative Multipurpose | 203 |
| 2 | Ikole | Egbe Oba Cooperative Multipurpose | 80 |
| 3 | Irepodun/Ifelodun | Ilerioluwa Cooperative Multipurpose | 28 |
| 4 | Oye | Ifeyinwa Cooperative Multipurpose | 20 |
| 5 | TOTAL | | 331 |

Source: Ministry of Cooperative, Ekiti State (2023)

3.3 Sample Size Determination and Sampling Techniques

To determine the sample size from the estimated population

$$\frac{N}{1+N(e)^2}$$

The total sample size is calculated as $\frac{311}{1+311(0.05)^2} = 175$

For effective coverage, stratified sampling technique was used to select participant in agricultural cooperative societies in the selected four local government area. $n = \frac{N_i n_i}{N}$

Table 2: Sample for the Study

| S/N | LGA | Cooperative Name | Participants | Number Selected |
|-----|--------------------|--|--------------|--------------------------------|
| 1 | Ado Ekiti | Ekiti Central Cooperative Multipurpose | 203 | $\frac{(203)(175)}{331} = 107$ |
| 2 | Ikole | Egbe Oba Cooperative Multipurpose | 80 | $\frac{(80)(175)}{331} = 42$ |
| 3 | Irepodun /Ifelodun | Ilerioluwa Cooperative Multipurpose | 28 | $\frac{(28)(175)}{331} = 15$ |
| 4 | Oye | Ifeyinwa Cooperative Multipurpose | 20 | $\frac{(20)(175)}{331} = 11$ |
| | | Total | | 175 |

Source: Author's Computation (2023)

3.4 Method of Data Analysis

Data for the research was analysed using descriptive and inferential statistics. Descriptive statistics employed are specifically percentages and frequency tables and the inferential statistics used was regression analysis to test the two hypotheses investigated in the study.

3.5 Model Specification

The model specification adopted by the researcher is a simple linear regression analysis that was tailored to be:

Dependent variable = Agricultural Cooperative Society (ACS)

Independent variable = Economic Sustainability (ES)

$$ACS = f(ES) \dots \dots \dots (3.1)$$

$$ACS = f(SEF, CAC) \dots \dots \dots (3.2)$$

Where:

SEF is the Socio-Economic Factor and

CAC is the challenges of Agricultural Cooperative Societies

4.0 Results and Discussion

The Demographic distribution of respondents in Table 3 revealed that seventy-eight (54.2%) of the respondents are male while sixty-six (45.2%) of the respondents are female which implies that male farmers are more than the female farmers in Ekiti State, Nigeria. Age

distribution of respondents revealed that sixteen (11.1%) of the respondents are between 21-30years, forty-five (31.3%) of the respondents are between 41-50years, and thirty (20.8%) of the respondents are 51years and above.

Educational qualification of the respondents revealed that one (0.7%) of the respondents are NCE/ND graduate, six (4.2%) of the respondents are HND degree holder, ninety-four (65.3%) of the respondents are first degree holder, eleven (7.6%) of the respondents are master degree holder and thirty-two (22.2%) of the respondents are Ph.D. degree holder. Marital status of the respondents showed that sixty-nine (47.9%) of the respondents are single, fifty-two (36.1%) of the respondents are married, nine (6.3%) of the respondents are divorce while fourteen (9.7%) of the respondents are widow that uses the farming to sustain themselves. The salary of the respondent indicated that seventeen (11.8%) of the respondents of the respondents claimed that they received between N50,000-N100,000 while one hundred and twenty-seven (88.2%) of the respondents claimed they received between N100,000 to N200,000 inform of salary from their agricultural produced.

Occupation of the respondents showed that one hundred and eight (75%) of the respondents are farmers while thirty-six (25%) of the respondents are civil servants who combined the farming with their official work. Member of the cooperative societies as revealed indicated that seventy-six (52.8%) of the respondents signified as member of the cooperative societies while sixty-eight (47.2%) of them declined as a member of cooperative societies in Ekiti State and they are farmers.

Table 3: Demographic Distribution of Respondents

| | Frequency | Percent |
|----------------------------------|-----------|---------|
| Gender Distribution | | |
| Male | 78 | 54.2 |
| Female | 66 | 45.8 |
| Total | 144 | 100.0 |
| Age Distribution | | |
| 21-30Years | 16 | 11.1 |
| 31-40Years | 45 | 31.3 |
| 41-50Years | 53 | 36.8 |
| Above 51Years | 30 | 20.8 |
| Total | 144 | 100.0 |
| Educational Qualification | | |
| NCE/ND | 1 | .7 |
| HND | 6 | 4.2 |
| First Degree | 94 | 65.3 |
| Master Degree | 11 | 7.6 |
| Ph.D | 32 | 22.2 |
| Total | 144 | 100.0 |
| Marital Status | | |
| Single | 69 | 47.9 |
| Married | 52 | 36.1 |
| Divorce | 9 | 6.3 |
| Widow | 14 | 9.7 |
| Total | 144 | 100.0 |
| Salary | | |

| | | |
|-----------------------|-----|-------|
| N50,000 to N100,000 | 17 | 11.8 |
| N100,000 to N200,000 | 127 | 88.2 |
| Total | 144 | 100.0 |
| Occupation | | |
| Farmer | 108 | 75.0 |
| Civil Servant | 36 | 25.0 |
| Total | 144 | 100.0 |
| Member of Cooperative | | |
| Yes | 76 | 52.8 |
| No | 68 | 47.2 |
| Total | 144 | 100.0 |

Source: Author's Computation (2023)

Socio-economic factors and participation of rural dwellers in agricultural cooperative society

To test this hypothesis, the respondents' scores on two variables of socio-economic factors and rural dwellers in Agricultural cooperative society were computed and subjected to multiple regression analysis. From Table 4, the R (correlation Coefficient) gives a positive value of 0.979; this indicates that there is a strong and positive relationship between socio-economic factors and rural dwellers in Agricultural cooperative society. The R^2 is a portion of the total variation in the dependent variable that is explained by the variation in the independent variables. From the results obtained, R^2 is equal to 0.958, this implies that socio-economic factors brought about 95.8% variance in rural dwellers in Agricultural cooperative society, this is further proven by the adjusted R^2 that shows the goodness of fit of the model which gives a value of 0.956, implying that when all errors are corrected and adjustments are made, the model can only account for 95.6% by socio-economic factors; while the remaining 4.4% are explained by the error term in the model as shown in Table 4..

The unstandardized beta co-efficient of fund for production is 0.537 with $t= 5.139$ and ($p= 0.000 < 0.05$). These results showed that fund for production has a positive relationship with rural dwellers in Agricultural cooperative society. This implies that members of the cooperative lack adequate funds for production because of the huge amount of money involved. The study corroborate with the work of Kumar, Wankhede, and Gena (2015) operative in India may instrumental for other developing countries for wider replication. Hence, a successful cooperative movement in India will not only ensure livelihood security in rural India but will also help to enhance rural livelihoods of the other similar countries.

The unstandardized beta co-efficient of loan is 0.691 with $t= 9.882$ and ($p= 0.000 < 0.05$). These results showed that loan has a positive relationship with rural dwellers in Agricultural cooperative society. This implies that members are not guaranteed access to loans from government and private institutions due to the present economy ravaging the nation. The research is in line with the work of Okafor, Okafor and Uzundu, (2018) examined agricultural cooperative and empowerment of rural dweller with special reference to Awka North Local Government Area of Anambra State.

The unstandardized beta co-efficient of market opportunities is 0.034 with $t= 0.801$ and ($p= 0.425 > 0.05$). These results showed that market opportunities have a positive relationship

with rural dwellers in Agricultural cooperative society. This suggests that lack of market opportunities for rural dwellers for the sales of farm produce. The work supports the work of Asemokhai, Akangbe, Asemokhai, Eniayekan, and Etta-Oyong (2022) agricultural cooperative societies should partner relevant governmental and non-governmental agencies for continuous training and education of her members. There should be continuous sensitization of farmers on the benefits of agricultural cooperative society irrespective of their years in farming.

The unstandardized beta co-efficient of infrastructural/storages is -0.230 with $t = -2.459$ and ($p = 0.015 < 0.05$). These results showed that infrastructural/storages has a positive relationship with rural dwellers in Agricultural cooperative society. This implies the negativity of the result also affirmed that lack of basic infrastructures/storage facilities of farm produce by agricultural cooperative societies. The study agreed with the work of Akanni, Olumide-Ojo, Oyetoki, Asunlegan, Salako, and Jatto, (2020) result showed that, source of credit, amount borrowed, and usage of loan obtained have positive impact on agricultural production, while constraints encountered by farmers have negative impact on agricultural production. Few of the respondents sourced for loans from commercial banks, Majority of the respondent used the loan obtained for farming.

From Table 4 and by F-Stat. 785.640, p -value $0.000 < .05$, it is shown that the null hypothesis, socio-economic factors does not significantly affect rural dwellers in Agricultural cooperative society is not true therefore, the null hypothesis is rejected. Based on this, we accepted the alternative hypothesis that socio-economic factors have effect on rural dwellers in Agricultural cooperative society.

Table 4: Socio-economic factors and participation of rural dwellers in agricultural cooperative society

| Variables | Co-eff. | Std. Error | t-value | Sig. |
|--------------------------|----------------|------------|---------|-------|
| Constant | -0.077 | 0.101 | -0.760 | 0.448 |
| Funds for Production | 0.537 | 0.105 | 5.139 | 0.000 |
| Loan | 0.691 | 0.070 | 9.882 | 0.000 |
| Market opportunities | 0.034 | 0.043 | 0.801 | 0.425 |
| Infrastructures/Storages | -0.230 | 0.094 | -2.459 | 0.015 |
| R | 0.979 | | | |
| R Square | 0.958 | | | |
| Adj. R Square | 0.956 | | | |
| F Stat. | 785.640(0.000) | | | |

Dependent variable: Economic Stainability

Challenges of agricultural cooperatives and economic sustainability of rural dwellers

To test this hypothesis, the respondents' scores on two variables of challenges of agricultural cooperatives and rural dwellers in Agricultural cooperative society were computed and subjected to simple regression analysis. From Table 5, the R (correlation Coefficient) gives a positive value of 0.973; this indicates that there is a very strong and positive relationship between challenges of agricultural cooperatives and rural dwellers in Agricultural cooperative society. The R^2 is a portion of the total variation in the dependent variable that is explained by the variation in the independent variables. From the results obtained, R^2 is equal to 0.973,

this implies that challenges of agricultural cooperatives brought about 97.3% variance in rural dwellers in Agricultural cooperative society, this is further proven by the adjusted R^2 that shows the goodness of fit of the model which gives a value of 0.947, implying that when all errors are corrected and adjustments are made, the model can only account for 94.7% by rural dwellers in Agricultural cooperative society; while the remaining 5.3% are explained by the error term in the model as shown in Table 5.

The unstandardized beta co-efficient of insincerity and dishonesty is 0.146 with $t= 1.118$ and ($p= 0.265 > 0.05$). These results showed that insincerity and dishonesty has a positive relationship with rural dwellers in Agricultural cooperative society. This suggests that insincerity and dishonesty among members of agricultural cooperative societies.

The unstandardized beta co-efficient of bureaucracy is 0.095 with $t= 1.434$ and ($p= 0.153 > 0.05$). These results showed that bureaucracy has a positive relationship with rural dwellers in Agricultural cooperative society. This implies that unnecessary bureaucracy for obtaining loans by members of agricultural cooperative societies. The work is inversely related to Adefila and Madaki (2014) who found to have a weak correlation.

The unstandardized beta co-efficient of subsidize is 0.372 with $t= 3.108$ and ($p= 0.002 < 0.05$). These results showed that challenges of subsidize has a positive relationship with rural dwellers in Agricultural cooperative society. This suggests that inability of government to subsidize farm inputs. Nda and Obande (2021) concluded that cooperative societies have impacted crop farmers in Benue State positively, although much is desired to be done. The unstandardized beta co-efficient of loan repayment is 0.449 with $t= 5.903$ and ($p= 0.000 < 0.05$). These results showed that challenges of subsidize has a positive relationship with rural dwellers in Agricultural cooperative society. This suggest that inability of the members to repay loans as at when due. Tumenta, Amungwa, and Nformi (2021) findings from the field show that 80% of the respondents agreed that agricultural cooperatives play a role in rural development especially in the areas of trainings, increased output production, the provision of inputs and marketing of farmers produce.

From the Table 5 discussed, and by F-Stat. 618.480, p -value $0.000 < .05$, it showed that the null hypothesis, challenges of agricultural cooperatives does not significantly affect rural dwellers in Agricultural cooperative society is not true therefore, the null hypothesis is rejected. Based on this, we accepted the alternative hypothesis that challenges of agricultural cooperatives have effect on rural dwellers in Agricultural cooperative society.

Table 5: Challenges of agricultural cooperatives and economic sustainability of rural dwellers

| Variables | Co-eff. | Std. Error | t-value | Sig. |
|----------------------------|---------|------------|---------|-------|
| Constant | 0.279 | 0.111 | -2.505 | 0.013 |
| Insincerity and Dishonesty | 0.146 | 0.130 | 1.118 | 0.265 |
| Bureaucracy | 0.095 | 0.066 | 1.434 | 0.153 |
| Subsidize | 0.372 | 0.120 | 3.108 | 0.002 |
| Loans repayment | 0.449 | 0.076 | 5.903 | 0.000 |
| R | 0.973 | | | |

| | |
|---------------|----------------|
| R Square | 0.947 |
| Adj. R Square | 0.945 |
| F Stat. | 618.480(0.000) |

Dependent variable: Economic Stainability

5.0 Conclusion and Recommendations

5.1 Conclusion

Based on the findings, the study came to the conclusion that cooperative members lack sufficient funds for production due to the enormous sums of money involved, loans from government and private institutions as a result of the nation's current economic crisis, lack of opportunities for rural residents to sell their farm products, and basic infrastructures/storage facilities by agricultural cooperative societies, and members' insincerity and dishonesty.

5.2 Recommendations

According to the study's findings, the following advice was put forth:

- i. Cooperative societies ought to offer its members more services. They should prioritize training their members in addition to providing financing, production inputs, and marketing produce.
- ii. Community-level micro-processing training centres should be established, preferably by cooperative societies, with a view to providing skills to rural dweller farmers.
- iii. Local government councils should ensure that farmers are fairly represented in microcredit schemes like the poverty alleviation program loan disbursement.

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