

The Role of Extension in Cooperative Management and Administration in Nigeria

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Abstract

Nigeria has not been able to solve her food problem and the rural dwellers that produces almost the entire food the nation consumed has continued to remain in a poorest condition, despite the millions of naira spent by government on rural and agricultural development. People join cooperative movements to better their economic conditions and other benefits it provides. Cooperatives are different from business organizations because unlike business organizations, cooperatives are more services rented rather than profit oriented. Cooperatives is a voluntary association of individuals who come together to ensure goods and services at cost. When farmers decide to form themselves cooperatives they each extend a part of their business. It is against this backdrop that this paper intends to evaluate the roles of extension in cooperative management and administration in Nigeria.

INTRODUCTION

Over the years, strategies for achieving self sufficiency in food production as well as providing improved condition of living for the populace who constitute 85% of Nigeria population has continued to feature prominently in discussions/debates of most agricultural gathering. Up till this moment, Nigeria has not been able to solve her food problem and the rural dwellers who produce almost the entire food the nation consumed has continued to remain in a poorest condition, despite the millions of naira spent by government on rural and agricultural development.

Nigeria has a land area estimated to cover about 91.2 million hectares, 83.7% of which the soils are identified as moderate to above average productivity (Idaehaba, 1980). With only about 17% of the land area utilized for arable crops at planning seasons, available evidence shows that agriculture has declined in her ADP from 67% in 1950 to 8% in 1980 (Ogunnika, 1980). Accounting for 5% of our gross export earnings and 60% of our non – oil exports. Ninety – five per cent of the rural areas derive their income from agriculture and almost the entire food grown in Nigeria comes from the rural areas. Rural farming is peasant oriented and small scale in nature. Existing literature on food production in Nigeria blame the problem on poor agricultural equipment while others blame it on poverty because the farmers cannot afford to buy agricultural machineries or fertilizers which will result to large scale farming. The farmers are illiterate and cannot have collaterals to meet the conditions of the credit institutions like the banks. These are the views of some agricultural technologist who think that the farmers are conservatives for modern technology. This may not be true. The truth is that these farmers need the right orientation and financial assistance.

Such conservation or parochialism usually associated to our farmers is more of imagination, nothing that if such farmers are aided, food would be plentiful (Bamisaye, 1986). The farmers need assistance not only for in form of credit but also on how to profitability manage the credit. One of these institutions that can assist farmers to form themselves into cooperative society is the extension service of ADP, an agent that works with the farmers. Extension means an out of school system of education in which adults and young people learn by doing. It is a partnership or institution by which government provides services and education to meet the needs of the people. This paper deals with the role of extension agents in cooperative administration and management. In the subsequent, an attempt is made to look at how extension officers integrate members into cooperative society. The other section look at the role played by extension in management and administration of cooperative societies among the ADP farmers, who are the central focus of the programme.

What is a Cooperative Movement?

Writers on cooperative movement are of the consensus that the movement is an organization whose boundary is not rigid, thereby encouraging open membership is voluntary and the organizational process democratic. It also been established that the goal of a cooperative as an organization is to provide for minimize economic hardship to its members. Cooperatives are different from business organizations because unlike business organizations, cooperatives are more services rented rather than profit oriented (Ogunika, 1987). People join cooperative movements to better their economic conditions and other benefits it provides. Rudger and Burdge (1978) define cooperatives is a voluntary association of individuals who come together to ensure goods

and services at cost. While Ronco (1974) stress the importance of group polarity and social belongingness as the benefit that accrue to members in a cooperative movement. He further stressed that cooperatives were established not only to provide axial amenities to participating members but it enables people to come together as a family.

The Federal Department of Agricultural Cooperative (FDAC) sees a cooperative as organized voluntary association of persons having mutual ownership interest in viding themselves some needed services on a non profit basis. Membership of the cooperative movements provide a farmer an opportunity of extending his business. His membership is protected, if in any case he is engage in a law suits. Membership would not be less than 18 years of age. At least six adults can form a cooperative society and a minimum of ten for other types of cooperatives. For one to be a member of a thrift society, he/she must be at least a salary earner. (Rudge et al, 1978) explain this when he said:

“When farmers decide to form themselves cooperatives they each extend a part of their business.

For instance, they not only raise lambs but extend their sheep production enterprise into marketing the product”.

Individual wishing to participate in a cooperative organization should be able to surrender their rights to the cooperative movements. By doing so, the organizational harmony and operation amongst members will prevail. Roger and Burdge confirmed this when they said:

“The participating farmers must agree to give up some of their own independence in that part of the business they conduct cooperatively for example the farmers in the lamb pool must decide jointly when to sell their livestock. The purpose of the cooperative is to service as an extended functional part of each farmer’s private business” (Roger et al, 1972:148).

In a cooperative organization, members are not expected to go against the regulations of the organization even when decisions are taken against one’s interest. In a cooperative movement unlike in other business organizations, where voting depend on the number of one’s share, every person is entitle to only one vote regardless of his contribution to the organization. Having defined cooperative organization, we can now highlight the role of extension in re-integrating members into forming a cooperative society.

Extension in Cooperative Formation

This section will look at how extension workers reintegrate farmers into forming a cooperative society. A step – by – step method of forming a cooperative movement will also be enumerated. In Borno, just like in most rural communities in Nigeria, the bulk of the inhabitants are illiterate. To form a cooperative society it becomes the responsibility of the extension agent of the ADP to organize such a people. Even if the people took the initiative of organizing a cooperative society they will need the support and advice of the extension officer, who is seen by the rural communities as a spokesman of the government.

In organizing a cooperative society, it is the duty of the officer to first study the community he/she intends to organize a cooperative society. The following factors immediately come into consideration: a); Historical consideration: b); the socio – economic: c); and socio - cultural: d). Geo–situational analysis must be known by the extension officer.

The extension officer should endeavour to study the history of the people. Some people are seasonal migrants, they might be there temporarily after which they may migrate i.e. war immigrants, etc. the geography of the area such as the population of the people, soil types physical and drainage type, road network, type of farming practice, etc. The culture of the people should also be known. This involves cultural beliefs, formal and informal leaders. Their economic lives: this includes trade, standard of living earnings, etc. A personal discussion or survey is also important, if the communities are literate. Use a survey questionnaire at various ways or methods. This will enable the extension worker get a situational opinion of the people of the area. The essences of this situational analysis are:

- i) To involve the people in the formation of cooperative;
- ii) To identify the prospective or potential interested members when the society finally comes into existence;
- iii) To identify the different cooperatives need and the problems associated to these needs in the community;
- iv) To assess and prioritize the cooperative needs of members of the community.

The extension worker with advice of the village elders should set up a five members organizing committee who will be selected from the society. The committee to be known as a management committee and members should be elder – statesmen, trustworthy, dynamic and democratic local leadership. These selected group members can be divided into three for smooth running of the cooperative set up to include:

Membership Lenders: Who may be initiators of the cooperative society and the element leadership, who will be technically organizing the cooperative society. They include the extension agent of the ADP, the

representative of Ministry of Education or a leader, cooperative officers residing in the community, etc. These group of may conceive the final ideas of establishing a cooperative organization. That is to the final formative stage. The following are some of the requirements for a native society.

It must have a bye-law which will guide the operation of the organization like:

- a) Members should agree on the name of the cooperative society.
- b) Members should have a registered address.
- c) Members should define the aims and objectives of the cooperative society.
- d) Qualifications for membership should be stipulated.
- e) The mode of administration and management should also be laid down e.g president or chairman.
- f) Members should agree on the formation of various communities and functionaries to take care of different responsibilities.
- g) There should be provision of amending bye-laws i.e laws being made with the society.
- h) Application for registration should be routed to the Director of Cooperatives or Chief Cooperative Registrar.
- i) It is duty of the Chief Cooperative Registrar to either the society within two weeks if not, gives reasons.

The extension officer should inform members after the cooperative society has been dully registered, and where members wanted to join, they should:

1. Consult the chairman or secretary of the registered cooperative society. Or apply to the management committee seeking to join the society by filling the membership forms.
2. Accept bye-laws or constitution of the society.
3. Benefits are shared on terms agreed by members, depending on a member's patronage.
4. Propagate information into and outside the society.
5. Membership positions are vied by elections.

The sources of finance of the society should also be known to new members such as:

- a) Membership fees or shares: b). Loans (From Financial Institution) e.g Commercial Banks.
- b) Loans from Agricultural Bank, i.e (NACB) or Insurance Company and its terms of payment disclosed.
- c) Loans from cooperative thrift or credit societies.
- d) Retained surplus Note that Cooperative Societies are not meant to only make profit.
- e) Interest free loan.
- f) Grant from Local, State or Federal governments or any other gift either external or from international organizations.

It should be noted that the extension officer is not a guarantor and should not stand as a guarantor to these farmers, for by so doing he/she may find himself participating in politics. The extension officer should only led, educate and disseminate new information only. Visits are important in promoting mutual relationship but this visits should not be made in such a way that the extension officer losses his respect.

Extension in Cooperative Management and Administration

The traditional function of extension is education. Its operational strategy is to provide link between a source of knowledge, idea and information to the ends users who in most instances are the rural farmers. It is, therefore, the duty of the extension officer to disseminate all information, complex knowledge in its practical forms.

Ideally, the role of extension is not to educate only the rural poor but the urban poor too. But in the context of the Nigerian situation, extension is devoted to the rural poor only and has taken other functions other than that of educating the people. For example, the extension programme of the Borno ADP though in other states of the federal devoted more time and effort to supply and supervisory activities. The question now is where does extension features exist in cooperative administration of ADP? A suggested approach is examined for extension to assume after the formation of a cooperative society. The approach should be that of linkage role and act as a liaison between the client (farmers) and any other credit source. A credit institution like the NACB is one of the institutions that can assist farmers with a financial backing when they form themselves into a cooperative society. While the extension services of the ADP will only play a liaison role and nothing more. The extension department can lead the farmers to the banks and at time introduce to the bankers but as earlier mentioned as a matter of principles avoid being collaterals or guarantors. This section will deal with the role of extension in cooperative administration and management. While the next section looks at the benefit of cooperative societies to small scale farmers.

The Management Thesis

The extension services of the department (ADP) should:

Service as a link and have close collaboration with the personnel with which the farmers are seeking loans or lending institutions.

Should ensure adequate on the spot supervision and continuous monitoring of credit supported projects – the extension along with the credit institution assign staff to do some kind of monitoring role and report to the organizing promptly. Some of the functions of the extension can be:

A. SUPERVISORY AND MONITORING ROLE

Extension should play the role supervisory and monitoring role as earlier mentioned. With the formation of cooperative society and loan secured from credit institutions, extension should advise members to utilize the loans on a more profitable venture with a view to repaying the loans promptly which will enable them secure new loans in future. The role of the extension is that of an informer and adviser which are (at the institutional and) as follows:

- i. Identify genuine (farmers) who are competent.
- ii. Providing information relating to the lending and guide to the clients.
- iii. Agree with lending institutions on appropriate supervision and monitoring strategies for credit sponsored projects.

At the farmers end, it should:

- i. Assist the farmers in identifying prospective and viable projects with respect to prospective and viable projects.
- ii. Assist farmers in identifying their qualifications or otherwise for credit.
- iii. Assist farmers in marketing profitable economic decision.
- iv. Mount awareness campaigns to inform clients about credit source.
- v. Stimulate group action for instance to continue to form themselves into cooperatives as the benefit that may accrue to members will be more than that of an individual members; see (Federal Government Guarantee Scheme) Higher Guarantee to cooperatives and better loans.

B. EDUCATION ROLE

The aim of all agricultural and rural development agencies like the ADP is to better the condition of the rural farmers who are the central focus of ADPs. The Department of extension can achieve these goals through effective education programme when people organized themselves into cooperative societies, educational programmes can be easily arranged, and transmitted and adopted by the members. This is so because people in a cooperative setting have a common objective, goal and interest. Two types of approach are open to cooperative societies.

1. Direct Approach:

This approach is always easy to be recognized by members of a cooperative society because it has a direct benefit which is easily accessed by members.

This involves:

1. Encouraging the adoption of a new and proven crop technique by farmers.
The extension agent can encourage farmers cooperative societies to try this techniques. The extension agent can inform members of the benefit of adopting such a new technique by giving example of similar societies that has participated in such a venture. Such as making profit and paying other loans. It is duty of the extension to assist these farmers to not only appreciate the need for a modern technique but to adopt the modern farming techniques. The extension officer can actually follow up by demonstrating how this can be done, i.e wash bore holes.
- b) Extension can organized and execute relevant from practice demonstration. It is by so doing that the cooperative members can learn to establish their own farms i.e use of fertilizer application and new technology.
- c) Extension in cooperation with the lending institution can organize workshops for credit cooperative societies in which strategies for effective management and its benefits demonstrated.

2. Indirect Approach:

In this approach extension workers are meant to assist various cooperative members without having to call for a collective meeting. It can be one – to

1. Extension agent of the ADP should be involved in educating farmers on the advantages of forming a cooperative society. Farmers should be made to invest on cooperative societies form their own personal savings.

2. Government should provide adequate facilities to extension agents, so as to enable them perform their duties to their clients (farmers) effectively. Allowances and salaries should be paid on regular basis to avoid extension workers from seeking gratitude from these farmers.
3. When small scale farmers form themselves into cooperative, numerous impediments against agricultural production should be overcome.
4. The ADP should compliment farmer's efforts by providing credit facilities at low interest rate and pay the initial registered capital for registration.
5. For extension staff of the ADP to be effective in performing his/her duties they should be provided with mobility for effective monitoring and evaluation – absence of these usually expose the staff to criticism of not dedicated to their job.

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