



RESEARCH ARTICLE ↓

Effect of Co-operative Societies on the Economic Growth in the Federal Capital Territory (FCT), Abuja

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Abstract

This study examined the activities of cooperative societies on economic growth in the country, using the Federal Capital Territory (FCT), Abuja. The objectives of the study are to determine the effect of cooperative activities on economic development in the FCT. The population for the study comprises all the members of three (3) co-operative societies sampled in Abuja Municipal Area Council (AMAC) namely: National Broadcasting Commission Multipurpose Cooperative Society, National Boundary Commission Multipurpose Society, and Police Service Co-operative Society to represent the research population. The instrument used for the collection of data was the survey method through a substantially open-ended questionnaire developed by the researcher. The data was analyzed and presented in a percentage table. The results of the study revealed that the activities of cooperative societies have a significant effect on economic development in the FCT and that the activities of cooperative societies have a significant effect on the Political Development of the FCT as well. It was therefore recommended among other things that; government should provide cooperative societies with an adequate avenue to partake in the governmental activities in the FCT and that cooperatives should make it a point of duty to educate the general public more on their activities and how it can be of importance to the national development as this will enable them to gain more support from the government and the general public.

Keywords: Cooperative Societies, Economic Growth, National Development

1. Introduction

Cooperative organizations exist within any aspect of our economy, so long as there is a felt need and willingness amongst the people to cooperate. There are therefore various types of cooperative organizations in Nigeria. These are Agricultural cooperatives, Consumers cooperatives, Cooperative thrift and loan societies, etc. e.g. Isusu as it is known in the east. Cooperative organizations can also be defined as businesses where various entrepreneur cooperators pool their resources together with a view of making a profit for their sustainability and economic survival such as the cooperative thrift and loan societies. Incidentally, cooperative despite its old age is not very popular in Nigeria. Only recently cooperative workers start gaining ground among working-class citizens, most of who find it difficult to save part of their salaries/wages for the rainy day.

Nigeria as a country has a lot of potential for growth and development. The abundant natural resources of the country remain largely un-exploited. These have to be harnessed to the fullest for the general well-being of Nigeria in the world economy. According to Anyanwu et al, (1996), one important way to the realization of this goal is through the encouragement of cooperative movement. A cooperative as posited by the UN, (2011) is an autonomous association of people united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise. Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity.

Okeke, (2001) identified salient features of co-operative organizations as an association of free and independent persons that is voluntary, joint actions for their mutual benefits on an equitable and democratic basis, the existence of a business enterprise, and the promotion of the economic interest of members and its societies at large. Baarda, (2006) reviewed that Cooperative organizations/societies emerge as self-help entities to combat economic and social inadequacies. Cooperative organizations serve as an effective community development vehicle by their nature they build economic self-reliance and civil society.

Statement of the Problem

Literature indicates that the significance of cooperative societies in national development cannot be overemphasized but, it seems there is low awareness of the prospects or potential of cooperative societies among the populace. The problem is that many people do not know much about the cooperative, its mechanisms and role in economic development, and how it is globally considered as an alternative and substituting power for both big business and big government. It is therefore against this background, that the study sought to determine the effect of cooperative activities on the economic growth in Abuja. The study will focus on 3 selected cooperative societies in AMAC as will be captured in the scope of the study in due course.

Objectives of the Study

The general objective of this study was to assess the contribution of Cooperative societies to the economic growth of Abuja. Specifically, the study sought;

- i. To determine the effect of cooperative activities on the economic growth of the FCT, Abuja.
- ii. To assess how cooperative loans promotes the well-being of the members in FCT, Abuja.
- iii. To examine the impact of cooperative financial incentives on the growth of the members in FCT Abuja

Research Hypotheses

- i. Cooperative's activities have no significant positive effect on the economic growth of the FCT, Abuja.
- ii. Cooperatives loans do not have a significant positive effect on promoting the well-being of the members in FCT, Abuja.
- iii. Cooperative financial incentives do no a significant positive impact on the growth of the members in FCT Abuja.

2. Review of Related Literature

2.1 Conceptual Review

Cooperative Societies

Cooperatives are community-based, rooted in democracy, flexible, and have participatory involvement, which makes them well suited for economic development (Gertler, 2001). The process of developing and sustaining a cooperative involves the processes of developing and promoting community spirit, identity, and social organization as cooperatives play an increasingly important role worldwide in poverty reduction, facilitating job creation, economic growth, and social development (Gibson, 2005). The cooperatives represent a strong, vibrant, and viable economic alternative formed to meet peoples' mutual needs. They are based on the powerful idea that together; a group of people can achieve goals that none of them could achieve alone. In the words of Laidlaw, (1974), cooperatives help salary/wage earners save for the future through a soft-felt monthly contribution that is deducted from the source, enabling individual members to own what might be difficult for individuals to own by their singular efforts and strength. An example is the NBC Co-operative where members have been able to buy land and build their own houses, own cars, etc. they could not have been able to if they were not members. The International Labour Organization (ILO, 2002) defines cooperatives as an association of persons who have voluntarily joined together to achieve a common end through the formation of democratically controlled business organizations, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the participation.

The Role of Cooperatives in Economic Development

Cooperatives play numerous important roles in global, national economic, and social development. In terms of economic and political development, cooperatives promote the full participation of all people and facilitate a more equitable distribution of the benefits. Cooperatives are viewed as important tools for improving the living and working conditions of the people. Since the users of the services they provide owned them, cooperatives make decisions that balance the need for profitability with the welfare of their members and the community. Cooperatives accord members opportunity, protection, and empowerment - essential elements in uplifting them from degradation and poverty (Somavia, 2002).

Co-operatives Loan Processing and Duration

There are varieties of options on how loan applications can be processed and the time an application takes between the application stage to loan approval and the disbursement. For example, bank loans in Ghana take longer to disburse with more administrative details when compared with co-operative societies (Calkins and Ngo, 2005). In a longitudinal study among an employee and a community-based co-operative in Malawi, Eisenhauer (1995) reported on mixed views among the membership about the process of loan approval and disbursement. In addition, the use of executive members to assess loans can be subjected to further discussion and argument, but Wanyama found that emergency loans are given with shorter repayment periods and higher interest rates for health-related matter loans (Wanyama et al, 2008), while, in another study, the loan repayment period was found to be long enough to allow members to pay their loan (Eisenhauer, 1995).

Co-operatives Financial Incentive

Co-operatives are financial organizations that are owned and controlled by the members and they provide savings and credit services to their members in the community (Sharma et al, 2005). They can be viewed as a form of microfinance institutions owned by their members which provide small-scale financial services — typically mainly savings and loans. They differ from the formal microfinance institutions such as the microfinance banks (MFBs) in Nigeria which are meant to serve the general public in that they are voluntary associations that are member-owned, self-managed, and democratically controlled within a specific location (Adedayo and Yusuf, 2004). Other formal microfinance institutions such as the MFBs in Nigeria are also location bound with the microfinance policy delineating their operational locations (Central Bank of Nigeria, 2005) either as a unit MFB or a state-wide MFB. Co-operatives enable low-income earners to access financial and non-financial services that are packaged in a manner that enables those without access to formal financial services to access comparatively small loans, saving schemes, and other services for working capital and income generation (Nathan et al, 2004). "They appear to be the most standardized informal financial institutions with well-organized savings mobilization strategy in the informal market" (Oloyede, 2008).

Cooperative Programme Activities

Cooperative programme activities are entrepreneurial activities that motivate people to collectively join their efforts and resources together and engage in any meaningful and productive ventures that will enhance their status. According to Dogaruwa (2008), cooperatives are democratic, community-based, and resilient association that involves participation. They are essential ingredients for improving the living conditions of people, especially rural women. Similarly, AFCD (2019), stated that a cooperative is an independent association of persons that voluntarily joined together to meet their socio-economic, and cultural needs and aspirations through an enterprise that is democratically controlled. This means that cooperative programme activities offer a sense of belonging, create employment opportunities, increase food production, reduce poverty and illiteracy as well as, and increase the income level of rural women. These cooperative program activities include Agricultural cooperatives, thrift and credit cooperatives, cooperative education programme, as well as leadership training activities. Regrettably, Maleko & Msuya (2015) noted that these cooperative programme activities have not been given the required attention they deserve in the community in reducing the scourge of poverty among poor rural women. Perhaps, it may be due to the fact that these rural women do not seem to appreciate these cooperative opportunities open to them, and that makes them have little or no interest in these cooperative programs (Ikonne & Duru, 2015).

Contribution of Cooperative Societies to the Economic Growth of the FCT

Cooperatives are highly relevant and important in the realization of the proposed sustainable development goals. Cooperatives play an important role in the actualization and realization of the following:

Poverty Reduction

There is a widely held consensus among many actors, including the United Nations (UN), the International Labour Organization (ILO), and the International Co-operative Alliance (ICA), that the cooperative enterprise is the type of organization that is most suited to addressing all dimensions of reducing poverty and exclusion. They identify economic opportunities for their members; empower the disadvantaged to defend their interests; provide security to the poor by allowing them to convert individual risks into collective risks, and mediate member access to assets that they utilize to earn a living.

Food Security and Good Nutrition

Cooperatives contribute to food security by helping small farmers, fisher folk, livestock keepers, forest holders, and other producers solve numerous challenges that confront them in their endeavors to produce food. Farming and agriculture are where the cooperative business model is most widely utilized.

2.2 Theoretical Review

Economic Growth Theory

Pasinetti (1962) propounded an economic growth theory, and Italian economist Luigi Pasinetti further developed Kaldor's model. According to Pasinetti, if savings appear in the economy, their possession is associated with the rate of profit. This means that the savings of employees generate interest, which is their income. In Pasinetti's model, as in the case of Kaldor's model, economic growth depends on the profit reached by the capitalists. However, while Kaldor obtained this by introducing an assumption of zero savings of workers, Pasinetti did not have to make that assumption (Pasinetti 1962). A good summary of the reflections on the models of Kaldor and Pasinetti can be found in Kaldor's statement that 'capitalists earn what they spend, and employees spend what they earn' (Kaldor 1955-1956). In turn, in Kalecki's model the major role in the growth process is played by investments, not the level of realized savings. This is why Kalecki's model is called "investment", because according to him investments decide on economic

growth in the long run (Kalecki, 1956). Analysis of the neoclassical models of economic growth begins with the model of Solow - Swan. Robert Solow proposed a long-term economic growth model in response to the unsatisfactory results derived from the model of the Harrod - Domar (Solow 1956). In the same year, American economist Trevor Swan presented a similar model (Swan 1956), which is why the discussed model is called the Solow – Swan model. Its main aim was to show that in the long run, an economy achieved sustainable growth. Then, the growth rate of income per capita was equal to the rate of population growth. The two problems identified by the Harrod – Domar model - instability of the economy and the impossibility of full use of the labor – were solved in the Solow – Swan model by introducing the assumption of substitution of factors of production, which in turn removed the assumption of a constant ratio of capital/production.

2.3 Empirical Review

According to Onafowokan (2013), the researcher investigated the role of Co-operative Loans in Rural Finance: Evidence from Ogun State, Nigeria. The study makes use of primary data from nine focus group discussions comprising seventy-two members selected randomly from twelve co-operatives in six local government areas. Data were analyzed using tables of numbers and percentages, content analysis, and quotations from participants. The study found that the financial needs of the members were met through loan granting at reduced interest rates without the pledging of fixed and financial assets as collateral. The low-interest rate on loans reduces the likelihood of members patronizing money lenders and of possible loan defaults. The personal guarantor arrangement greatly enhanced the inter-personal relationship among members enabling them to provide support to members in trouble and reducing their individual poverty levels. However, there may be a need for emergency loans that can be repaid over a longer period of time to ease the financial burden of the members and enhance social and financial capital.

Roy; Lufuno and Kola (2018), the researchers examined the contribution of co-operatives to rural economic growth and poverty alleviation in South Africa: lessons from Bangladesh. The study highlights the problem of registration challenges that potential co-operative banks face in meeting requirements for the establishment of a cooperative bank. More importantly, it draws useful lessons from the Grameen Bank in Bangladesh for the purposes of improving and strengthening operations and sustainability of co-operatives in South Africa. Bangladesh is chosen against the backdrop that it has similar socio-economic challenges to South Africa in terms of chronic and extreme poverty, particularly in the rural areas and amongst women.

Ademu *et al* (2018) conducted research on the Contributions of Co-Operative Societies to Economic Development in Kogi State, Nigeria. The paper adopted a descriptive survey design. The study was carried out in Yagba East Local Government Area of Kogi State, Nigeria. The population of the study was 750 respondents. The instrument for the data collection was a structured questionnaire developed by the researchers. Frequency and percentages were used to answer the research questions. The findings of the study revealed that cooperative societies have been faced with the problem of inadequate financing to loan and equipping their members. The result also revealed that the major setbacks in establishing and running cooperative societies are a lack of appropriate leadership and suitable management control.

Elekwa (2020) conducted research on revitalizing cooperative programme activities for active participation of rural women towards enhancing community development. The need for the study arose as a result of less access to education, unemployment, poverty, low-income status, the burden of childbearing, and lack of adequate information on cooperative programs experienced by rural women in Nigeria. However, these cooperative programs which include the Agricultural cooperative, thrift and credit cooperative, cooperative education programme, as well as, leadership training activity, will enhance the rural women's potential, improve their standard of living and equip them to deal with the dynamism of the modern society. The research focused the study on the concept of rural women, participation, cooperative programme activities, and community development respectively. Furthermore, the study strategies for revitalizing rural women's participation in cooperative programs for active participation of rural women towards enhancing community development, factors that hinder rural women from active participation in cooperative programs, and the way forward, were discussed.

3. Methodology

The study adopted a descriptive survey design. This design was considered suitable and appropriate for the study because it allows the collection of data to evaluate the respondent's opinions on the contributions of cooperative societies to the economic growth of Abuja. The population for the study comprises all the members of three (3) co-operative societies sampled in Abuja Municipal Area Council (AMAC) namely: National Broadcasting Commission Multipurpose Cooperative Society, National Boundary Commission Multipurpose Society, and Police Service Co-operative Society to represent the research population. The instrument used for the collection of data was the survey method through a substantially open-ended questionnaire developed by the researcher. The data was analyzed and presented in a percentage table. The statistical tool used to determine the sample size is chi-square. The sample size is 150. The data collection was based on a structured questionnaire. Data collected were analyzed using frequencies and percentages.

4. Data Analysis and Presentation:

Analysis of response rate of the questionnaire:

Gender of Respondents

Out of the respondents administered with questionnaires showed that the majority of them (53%) are male while the minority (47%) are female

Age of Respondents

The distribution of the age of respondents administered with questionnaires are: 18 – 30 years (20%), 31-40years (33.33), 41-50 years (33.33%) and 51-59 years (13.33).

The age distribution of the members of the selected cooperative societies is shown in table 4.1.2. Their average age is found to be 33 years. This implies that they are mostly in their youth age and vibrant.

Educational Background of the Respondents

Forty percent (40%) of the respondents had BSC/HND, (27%) had Masters/Ph.D.; (20%) had Secondary school certificates while a low percentage (13%) of the respondents had Primary school education. This shows that education could be a significant indicator that can effectively mobilize cooperative groups to attract government presence to assist the group. This has been the reason why cooperative societies have existed in isolation from government assistance which is a hindrance to an effective performance by cooperative groups.

Table 1: Distribution of Respondent according to Society’s current capital worth

<i>Current capital worth</i>	<i>Responses</i>	<i>Percentage (%)</i>
<i>Below -1,000,000.00</i>		
<i>1,000,000.00-10,000,000</i>	30	20
<i>10,000,000.00-50,000,000</i>	50	33
<i>50,000,000.00-100,000,000.00</i>	70	47
<i>Total</i>	150	100

Table 1 above shows that cooperative societies have a strong capital base. 47% of the respondents affirmed this fact.

Table 2: Distribution of Respondents by the range of Loan/Credit provided by the cooperative society

<i>Naira range of loan/credit</i>	<i>Responses</i>	<i>Percentage</i>
<i>50,000-100,000</i>	20	13
<i>300,000 – 500,000</i>	40	27
<i>700,000 – 1,000,000</i>	60	40
<i>2,000,00-5,000,0000</i>	20	13
<i>10,000,000 & above</i>	10	7
<i>Total</i>	150	100

Table 2 shows that the highest amount of Loan/Credit provided by the cooperative society is between the range of N700,000 – N1,000,000.00.

Table 3: Does your cooperative society promote the economic interest of its members

<i>Variable</i>	<i>Responses</i>	<i>Percentage</i>
<i>Yes</i>	150	100
<i>No</i>	0	0
<i>Total</i>	150	100

Table 4.1.3 shows that all the Cooperative societies promote the economic interest of their members

Table 4: Does your cooperative operate schemes, ventures, and projects for the benefit of its members

<i>Variable</i>	<i>Responses</i>	<i>Percentage</i>
<i>Yes</i>	150	100
<i>No</i>	0	0
<i>Total</i>	150	100

Table 4 shows that the majority the Cooperative operates schemes, ventures, and projects for the benefit of their members

Table 5: Are you a beneficiary of any of the above range of loan/credit in table 4.1.4

<i>Variable</i>	<i>Responses</i>	<i>Percentage</i>
<i>Yes</i>	130	87
<i>No</i>	20	13
<i>Total</i>	150	100

Table 5 shows that majority of the members of the Cooperative societies are beneficiaries of the loan granted by the societies. 130 members responded positively.

Table 6: In which of the following have you successfully invested the loan

<i>Type of Investment</i>	<i>Responses</i>	<i>Percentage</i>
<i>Establish a business shop/venture</i>	40	27
<i>Set up a fish pond, poultry farm, bakery, agro-processing, etc.</i>	30	20
<i>Acquired landed properties or built a house</i>	50	33
<i>Owned a commercial tricycle, taxi</i>	30	20
<i>Total</i>	150	100

Table 6 shows that 33% of the respondents affirmed that the loans they collected were used to acquire landed properties and built houses.

Table 7: Determination of Effectiveness of Cooperative society

<i>Factors</i>	<i>Responses</i>	<i>Percentage</i>
<i>Enough Capital</i>	50	33
<i>Sound and strong Management</i>	30	20
<i>Large membership</i>	40	27
<i>Generate own fund through self-effort</i>	30	20
<i>Total</i>	150	100

Table 7 shows that 33% of the respondents affirmed that adequate capital is a determinant factor for the effectiveness of cooperative societies in meeting the needs of their members.

Table 8: Does your cooperative organization undertake economic activities: business entrepreneur development for the benefit of members of the community?

<i>Variable</i>	<i>Responses</i>	<i>Percentage</i>
<i>Yes</i>	145	97
<i>No</i>	5	3
<i>Total</i>	150	100

Table 8: shows that the majority of the members affirmed that their Cooperative organizations undertake economic activities

Table 9: Major economic activities engaged by the Cooperative Societies

Activity	Responses	Percentage
Crop production (rice milling, wheat, maize, etc.)	30	20
Cooperative thrift & credit	50	33
Livestock farming	40	27
confectionery	30	20
Total	150	100

Table 9 shows that 33% of the respondents affirmed that the major economic activity engaged by cooperative societies is in the areas of cooperative thrift & credit. This activity generates revenue from interest charged on loans granted to members.

Table 10: Does your cooperative society extend loan/credit facilities to nonmembers in its immediate community?

Variable	Responses	Percentage
Yes	125	83
No	25	17
Total	150	100

Table 10 shows that 83% of the respondents affirmed that their cooperative societies extend loan/credit facilities to nonmembers in their immediate community.

Table 11: Does your cooperative provide a welfare package to you as a member?

Variable	Responses	Percentage
Yes	135	90
No	15	10
Total	150	100

Table 11 shows that 90% of respondents affirmed that their cooperative provide welfare package to them as members of the society.

Table 12: Does your cooperative societies contribute to the economic growth of the FCT?

Options	Responses	Percentage (%)
To a very great extent	60	40
To a great extent	40	27
To a low extent	40	27
To a very low extent	10	6
Total	150	100

Table 12 shows that 40% of the respondents affirmed that activities of cooperative societies contribute to the economic growth of the FCT

Hypotheses Testing and Interpretation

In this section, the chi-square (χ^2) statistical tool will be deployed as stated in section 3.

Decision Rule

As indicated in section 3, the decision rule for the researcher is as noted below:

If the calculated value is lower than the tabulated value, we accept H_0 and reject H_1 If otherwise, we accept H_1 and reject H_0 .

Questions 7, 8, 13, 15, and 16 of the questionnaire were used to test the hypothesis as follows:

Question	Yes	No	Total

7	150	0	150
8	150	0	150
13	145	5	150
15	125	25	150
16	135	15	150
Total	705	45	750

$$F_e = \frac{\text{Row total} \times \text{Column total}}{\text{Grand Total}}$$

Where:

F_e = expected Frequency

RT = Row total

CT = Column total

GT = Grand total

$$F_e (\text{Yes}) = \frac{150 \times 705}{750} = 141$$

$$F_e (\text{No}) = \frac{150 \times 45}{750} = 9$$

Table of Chi-Square(χ^2)

F_o	F_e	$(F_o - F_e)$	$(F_o - F_e)^2$	$\frac{(F_o - F_e)^2}{F_e}$
150	141	9	81	0.58
150	141	9	81	0.58
145	141	4	16	0.11
125	141	-16	256	1.82
135	141	-6	36	0.16
0	9	-9	81	9
0	9	9	16	9
5	9	-4	16	1.78
25	9	16	256	28.44
15	9	6	36	4

$$\chi^2 = 55.47$$

4.2.4 DEGREE OF FREEDOM (DF)

$$\begin{aligned} DF &= (R - 1) (C - 1) \\ &= (5 - 1) (2 - 1) \\ &= (4)(1) \\ &= 4 \times 1 \\ &= 4 \end{aligned}$$

With a significant level of 0.05 and a level of confidence of 95%, the tabulated value of the chi-square is 9.848.

From the above computation:

Calculated value: 55.47

Tabulated value = 9.848

Decision

From the two results (values) stated above, the calculated value of 55.47 is greater than the tabulated value of 9.848. Consequently, based on our decision rules, the Null hypothesis (H_0) is hereby rejected, while the alternative hypothesis (H_1) stated that the activities of cooperative societies have a significant effect on economic growth in the FCT.

Discussion of Findings

The result of the study shows that the activities of cooperative societies have a significant effect on the economic development of the FCT. Cooperatives in this part of the world have over time been seen engaging in different economic agendas for members, such activity included the provision of soft loans for members for the establishment of business and other vital project. The study agrees with Baarda, (2006) who posits that cooperative organizations/societies emerge as self-help entities to combat economic and social inadequacies as such cooperative organizations serve as an effective community development vehicle by their nature. The result further shows that the activities of cooperative societies have a significant effect on the Political Development of the FCT. Over time, cooperatives have served as a mechanism for the peaceful existence of the members of the society by engaging in peace talks, especially during a crisis. Cooperatives support access to quality education and lifelong learning opportunities by providing the means for financing education; supporting teachers and schools; establishing their schools to provide quality education to both youth and adults; and serving as centers for lifelong learning. They also visit hospitals, churches, prisons, Cheshire homes, motherless baby's homes, etc. to make donations as part of social responsibility

Summary of Findings

A cooperative is a unique form of business used by people and businesses for their mutual benefit. Regardless of its purpose or membership, starting a cooperative requires considerable time, energy, commitment, and technical resources. Recognition of a common need is fundamental to the formation and successful operation of a cooperative. Potential members must devote much time and energy to developing their new business. A cooperative requires member commitment to finance and use the business and select knowledgeable directors who hire a competent manager. A strategic business plan is important to harmonize all of the elements for the cooperative's success.

Based on the findings of the study, the following conclusions were drawn; Cooperatives are highly relevant and important in the development and growth of FCT. Cooperatives play important roles in the actualization and realization of important aspects of national development such as poverty reduction, gender equality, quality education, health, food security, good governance, promotion of a stable and peaceful society, and so on.

To achieve their maximum strength and effectiveness, cooperatives of various kinds must regard themselves and, as far as possible, act as a distinct sector within the national economy of any country. As business organizations, cooperatives are partly private, partly public, but essentially different from both private enterprise and public enterprise. They are a "middle way", an economic sector in their own right.

Cooperatives must play the role of a Third Force, an alternative and balancing power to both Big Business and Big Government. A cooperative is a business enterprise in which the elements of ownership, control, and use of service are united in one group of persons. The distinguishing feature of the cooperative business is its dual nature as an economic enterprise and social organization.

An economy based on one form of the business organization alone is neither desirable nor possible in modern times. The best economic order is achieved through a mixed economy. To justify their existence and fulfill their purpose, cooperatives must make a significant and unique contribution to solving some of the massive problems facing mankind today.

Governments are expected to provide a supportive policy, legal and institutional framework, provide support measures based on activities, provide oversight on terms equivalent to other forms of enterprise and social organization, adopt measures to improve access to finance for disadvantaged groups and to promote the formalization of the informal economy. Government can contribute significantly to improving cooperative performance by facilitating access of cooperatives to support services, particularly support to cooperative human resource development.

5. Conclusion

Based on the findings of the study, the following conclusions were drawn; Cooperatives are highly relevant and important in the development and growth of the FCT. Cooperatives play an important role in the actualization and realization of important aspects of national development such as poverty reduction, gender equality, quality education, health, food security, good governance, promotion of a stable and peaceful society, and so on.

This study concludes that the activities of cooperative Societies have a significant effect on the economic development of the FCT and that their activities have a significant effect on the Political Development of the FCT.

6. Recommendation

Based on the findings of the research, the following recommendations have been made:

- a. There is a need for a nationwide cooperative awareness campaign emphasizing the importance of forming Cooperative Societies with appropriate socio-economic characteristics to ensure that such cooperatives benefit from the services of development agencies created to serve them.
- b. Government should provide cooperative Societies with an adequate avenue to partake in the governmental activities of the state.
- c. Cooperatives should make it a point of duty to educate the general public more on their activities and how they can be of importance to the national development as this will enable them to gain more support from the government and general public.

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