Cooperative Societies: An Option to Poverty Alleviation in Nigeria (A Study of Benue State)

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Abstract: The study discusses cooperative societies as an option to poverty alleviation in Nigeria (a study of Benue State). Poverty as misery porn has being afflicting the lives of people over years. Government and the civil society have been adopting measures and strategies to get rid of this menace. Several approaches were adopted, but situation seems worsen. The question is if several communities embrace cooperative societies, will it provide remedy to the poverty situation in the country? It is on the basis of this that the study dwell on the following objectives, prominent among them are: to determine whether poverty situation in Nigeria is mitigated by the operations of cooperative societies, to identify the extent to which cooperative societies affect poverty situation in Nigeria. The study made use of the frond analysis to determine the effect of cooperative societies and otherwise on the poverty profile in Benue State, Nigeria. Moreover, probity mode was also used to determine the relationship between the performance of cooperative societies and its impact on poverty incidence on people. Data gathered through questionnaire was regressed. The result of the findings revealed a positive relationship between cooperative societies and poverty profile in the state. Most of the coefficients (if not all), of the variables have positive signs which is an indication that cooperative societies have positive and significant impact on the lives of people essentially those who are members and are benefiting from cooperative societ. The study recommended that the ministry or agency overseeing the affairs of the cooperative societies in the state should constantly maintain close supervision to checkmate the operations of the cooperatives in order to regulate their activities and maintain synergy and provide grant when necessary to support them to remain the better option for the development of small and medium scale enterprises to curb the scourge of unemployment in the State.

Key Words: Poverty, Cooperative societies, Alleviation.

1.0 INTRODUCTION

Poverty and its might is said to be the canker which is viewed as global issue that has no respect to any one. It threatens the survival of mankind and it also debases a person. It is not restricted to a particular race or ethnic group. It can affect anyone regardless of the location, group, culture, tribe, religion amongst others. Poverty is widely accepted as a worldwide social fracas that affects a large number of persons on earth. Most of the people afflicted with poverty are commonly found majorly in continents like Africa, Asia, and Latin America. The available literature unfolds that about 60% of sub-Saharan Africans live below the poverty line. In Nigeria, the World Bank (2015) report shows that about 43% of the population was living below the poverty line of one dollar per day. A recent update of the study by the Federal Bureau of Statistics (BOS) showed that in the year 2016, 74.2 percent of Nigerians were living in poverty (Usman, 2016).

Deep concern about poverty will make one to realize that it has an old history. It can be traced back at least to the codification of poor laws in medieval England, through to the pioneering empirical studies, at the turn of the century by Booth in London and by Rowntree in York.

Rowntree's study, published in 1901, was the first to develop a poverty standard for individual families based on estimates of nutritional and other requirements in the 1960s, the main focus of poverty debates was on the level of income, reflected in macro-economic indicators like Gross National Product per capita. This was associated with emphasis on growth as exemplified in the work of the Pearson Commission Partners in Development (1969). Poverty became rampant essentially around 1970s following Robert McNamara's celebrated speech to the World Bank in 1973, moreover, the publication of Redistribution with Growth (Ajakaiye & Adeyeye, 2001). The emphasis on poverty is based on relative deprivation and more inability to meet up certain basic needs provided socially. Sometime later, poverty was considered not just lack of income, but also as lack of access to health, education and other services.

Poverty kept revolving in line with the society's perception to it. In 1980s several basic innovations came to being: incorporation of non-monetary aspects; New interest in vulnerability and security, associated with better understanding of seasonality and of the impact of shocks (new work on coping strategies); the broadening of the concept of poverty to a wider construct, livelihood; The theoretical work by Amartya Sen which introduced the notion of food entitlement, or access, (he emphasized that income was only valuable in so far as it increased the capabilities of individuals and thereby permitted 'functioning in society); finally, the emphasis was on raid increase in the study of gender. It was during this time that campaign on gender empowerment heightens, UNDP developed the idea of human development: 'the denial of opportunities and choice … to lead a long, healthy, creative life and to enjoy a decent standard of living, freedom, dignity self-esteem and respect of others (UNDP, 2010).

In the light of foregoing, government and civil society been aware of the poverty situation made several efforts in the form of programmes and strategies to alleviate poverty over the years. Some of these approaches of poverty alleviation, adopted by Nigeria government, has a direct bearing to the poor people or community while others don't have such bearing like: Better Life for Rural Electrification Scheme, Rural Banking Scheme, Agricultural Credit Guarantee Scheme, Agricultural Development Programme, Family Support Programme amongst others. The World Bank (2000) spelt out ways which the income of the poor in the society can be raised: increase in the demand for the labour of the poor; increase in the poor's access to physical assets, provision of social services, such as education, health; transfer of current income to the poor in the form of cash or food subsidies.

The World Bank (2000) recommended a number of measures for poverty alleviation, such as: income and wealth redistribution to minimize inequality; simultaneous pursuit of growth and development; adjustment of the pattern of growth to give concern to rural areas, encourage labour intensive methods of agricultural production, rural improvement through better access to education, health, water, electric power amongst others.

In spite all the efforts geared towards poverty reduction in the country, it persists, the problem of poverty appear as if no efforts have been made by the society to fight it. It still remain one viable option which is not properly exploited or utilized, and such option is the cooperative societies, though already in existence over years as a self help entities to combat economic and social inadequacies like poverty (Barda, 2006).

Cooperative organizations as a vehicle of community development build pillars of economic self reliance and civil society development in the areas of job creation, skill acquisition, education, mobilization of resources for income generation, wealth creation, reinvestment, local

management capacity, reduce migration and capital flight. In the name of cooperative societies people come together to pool their resources to meet the needs of the society that could not be resolved by individual limited financial capacity (Birchall, 2004). The cooperative societies' focus is to produce goods and deliver services to satisfy the needs of members and to promote cooperation, relations participation and consequently to promote interpersonal connection which in a way benefits members and the local community. Ibrahim (2004) observes that it is an essential tool for development of less economically developed communities. Naturally, developing sustainable economic cooperation among individuals will continue to fight against poverty and reduce it to an extent.

In spite of the fact that cooperative societies remain relevance to the development of Nigeria economy, much is desired essentially to improve the poverty situation in the country. For the best of our literature review in this area, we discovered that literature on the cooperative societies and poverty alleviation in Nigeria is relatively sparse, there is lacuna in local literature which has been created. Little or no much empirical investigations have been done on this subject matter even the existing ones suffer from methodological problem. Based on the foregoing, this paper attempts to fill the existing vacuum by determining the relevance or the impact of cooperative societies on poverty alleviation in Nigeria.

In the light of the above, the paper hypothesized as follows:

H_{O1}:   The Poverty situation in Nigeria is not mitigated by the operations of cooperative societies.

H_{O2}:   The extent by which cooperative societies affect poverty alleviation in Nigeria is not significant.

H_{O3}: There is no significant relationship between poverty and cooperative societies.

2.0   REVIEW OF RELATED LITERATURE
2.1   Conceptual review
2.1.1   Concept of cooperative societies

Cooperatives are defined as "an autonomous association of persons who unite voluntarily to meet their common economic and social needs and aspirations through a jointly owned and democratically controlled enterprise (IC1A, 1995). The United Nation Research in Social Development (1999) opined that co-operative societies are all organizations legally organized as such, which are subject to organized supervisions which claim to, follow co-operative principles. The International Labour Organization (ILO) has provided what is regarded as an internationally accepted definition of co-operative .The United Nation Research in Social Development (1999) said that co- operative societies are all organizations legally organized as such, which are subject to organized supervisions which claim to follow co-operative principles. The ILO has provided what is regarded as an internationally accepted definition of co-operative. It is an established fact that many household in the country today, live below the poverty line, in fact, investigation has shown that the highest percentage of Nigeria's workforce work in the public sector and earns their monthly salary of below one dollar per day (Godwin, 2011).

Cooperatives are established by like-minded persons to pursue mutually beneficial economic interest. Researchers are of the opinion that under normal circumstance Cooperative play significant role in the provision of services that enhance agricultural development. Regular and optimal performance of these roles will accelerate the transformation of agriculture and rural

economic development. Ijere (1981), in kareem, Arigbabu, Badmus,(2012) further explains that, it is the cooperative that embraces all type of farmers and a well organized and supportive Cooperative is a pillar of strength for agriculture in Nigeria. Barko (1985) views co-operative as a voluntary association of man and woman, organized to solve the socio-economic felt needs of members, called cooperators.

Co-operative is a voluntary organization of persons with common interests formal and operated along democratic lines, for the purpose of supplying goods and services at affordable cost to members who contribute capital, time, and energy to the cooperatives (Olajide, 1992). Lot (1980) in kareem, Arigbabu and Badmus (2012) depicts that co-operatives were created and delivered by the economic in which all cooperative benefits are felt. An organization of this need was given by early classical cooperative theorist Charles as quoted by Alao (1990) in which he observed that the enormity of the disadvantages in the case when there would be In a village a single large granary will tended to instead of large number of granaries exposed to rats, weevils, humidity and fire which economical large tasks managed by unskilled people who either know to improve or conserve year outputs.

2.1.2   Concept of poverty and poverty alleviation

There is no single acceptable definition of poverty because of the nature of poverty and its multi-dimensional effect on the individual/household. According to World Bank (2011), in Ogbeide and Agu,(2015)"poverty is the economic condition in which people lack sufficient income to obtain certain minimal levels of health services, food, housing, clothing and education which are necessities for standard of living". The concept of poverty leads to two perspectives which are "income poverty" and "lack of basic need poverty". Income poverty occurs when an individual does not have enough money to meet up with certain standard of living while lack of basic need poverty occurs when one is unable to meet some of the basic needs such as food, shelter and clothing as identified by United Nations.

2.2.   Theoretical Review

2.2.1. Individual/Cultural Theory of Poverty
The major proponent of this theory is Oscar Lewis in 1966. The theory believes that the individuals are the cause of their poor state. They are poor because poverty is in them (inherited) and their actions such as being lazy, not educated, teen parent, single female headed family and many more which makes them unable to compete for economic opportunities. These attitudes of the individual that made them poor, becomes a way of life/ culture for them which they pass on to their next generation leading to „vicious cycle of poverty" Jordan (2004). This theory is however still controversial among scholars of poverty and policy makers (Ogbeide and Agu, 2015).

2.2.2. Structural/Economic Theory of Poverty
This theory believes that poverty is as a result of the structure of the economy. Among these factors are different employment level and the nature of the distribution of income. Thus an individual is poor not because he is not hard working but does not have the opportunity to work. He is made poor as a result of the economic system that denied him his share of the income and inequitable distribution of income. A major proponent of this theory is Rainwater Lee (Jordan, 2004**).**

2.3   Empirical Review

Akanni, (1986) examined the impact of cooperation credit on capital formation and utilization in Oyo state. The study focused on the impact of cooperative credit to capital formation for expansion of business organization. The research points that saving lead to investment. It is only proper savings through cooperative arrangements that can help one develop capital for business operations. So the study concludes that there exist positive correlation between credit capital and effective utilization of capital.

Dogarawa (2005) discussed the role of cooperative societies in economic development, in Zaria, Kaduna State. The study revealed that cooperatives have been an effective way for people to exert control over their economic livelihoods as they play an increasingly important role in facilitating job creation, economic growth and social development.

Bello (2005) examined the role of cooperative societies in economic development in Zaria, Kaduna state. The aim was to investigate the ways in which cooperatives can act as agents towards sustainable community development. The paper was a descriptive survey, which involves the collection of data for the purpose of describing the role of cooperative societies in economic development. The paper posits that for over 160 years now cooperatives have been an effective way for people to exert control over their economic livelihoods as they play an increasingly important role in facilitating job creation, economic growth and social development. The paper concludes that to be effective and successful, cooperatives must continuously achieve two inter-related goals: enhance viability and improve ability to service its members; and remain an economically viable, innovative and competitive enterprise.

Alufohai (2006) examined the sustainability rates of co-operatives and NGOs in farm credit delivery in Edo and Delta states in Nigeria. The subsidy Dependence Indices (SDI) and the capital formation rates were determined using both primary and secondary data obtained from 80 and 20 purposely selected cooperatives and NGOs respectively, based on their involvement in farm credit delivery. A well structured questionnaire was used to obtain the primary data from the 100 organizations selected from a comprehensive list from the ministry of commerce and industry as well as corporate Affairs Commission. Both descriptive and quantitative statistics as well as financial analysis were employed in analyzing the data. The results showed low capital formation rate of 0.1815 and 0.123 for cooperatives and NGOs respectively. Cooperatives had zero SDI having no subsidies throughout the period while NGOs had an SDI of 0.7642 which is considered too high for them to sustain the credit delivery function on the withdrawal of subsidies.

Adekunle and Henson (2007) studied the effect of cooperative thrift and credit societies on personal agency belief: a study of entrepreneurs in osun state, Nigeria. They found that little or no attention has been paid to the role of entrepreneurship and the capacity of institutions like Cooperative Thrift and Credit societies to promote entrepreneurship. Though with low loan volumes, the study showed cooperatives more likely to sustain the credit delivery function than the NGOs, but they may need to improve their capital formation rate.

Oluwatayo, Sekumande and Adesoji, (2008) investigated on the resource use efficiency of maize farmers in rural Nigeria: Evidence from Ekiti state. The paper focused essentially on how cooperative farmers effectively utilized resources at their disposal for maize cultivation. The study therefore submitted that most of the members of the cooperative effectively and efficiently exploit the available resources in terms of capital acquired, land available, labour amongst others. These

improved accesses to resources enhance capital formation and lead to expansion and development of farm business. This help in reduction of poverty in Ekiti local government.

Okonkwo, (2009) study the socio-economic efforts of cooperative societies on the lives of people of Udi and Oji River local government areas of Enugu state. The results of the findings revealed that the cooperative encourage the members to cultivate saving habit which enable them to invest in productive ventures that promote economic growth and development in the area.

Antai and Anam, (2010) investigated economic impact of cooperative societies on small scale business development and poverty reduction in Cross River state. The outcome of the investigation was that cooperatives have great potentials as mechanism for increased capital investment among members, it also help break the vicious circle of poverty and help develop small scale businesses. Ekong, (2012) examined the role of cooperation societies in promoting economic wellbeing among members in Odukpani L.G.A, Cross River state. The results reveal that cooperative promote the wellbeing of her members if it is properly managed. They reveal an effective credit delivery and its sustainability by cooperatives and NGOs .Awotide, Aihonsu and Adekoya, (2012) researched on the cooperative society's effectiveness in credit delivery for agricultural enterprises in Ogun state, southwest. The paper affirms that cooperative societies in the study area are effective in credit delivery.

Ibitoye, (2012) surveyed the performance of agricultural cooperative societies in Kogi state. The study revealed an effective performance of the agricultural cooperative in areas of economic development, provision of job opportunities to the people amongst others. Kareem, Arigbabu, Akintaro, and Badmus, (2012) studied the impact of cooperative society on capital formation (A study of Temidere cooperative and thrift-society, Ijebu-ode, Ogun state). The paper aimed at identifying the socio-economic characteristics of the members and the impact of the cooperative on their lives. The study adopted a non-parametric method of analysis (chi-square method and correlation analysis) to assess the validity of the data. The result of the study shows that cooperative society increase capital formation to the members by way of granting credit. It is concluded that cooperative societies have positive effect on member's welfare which also reduce poverty profile.

Nditon, Agube and Odok , (2012) examined the sustainability of agricultural cooperative societies in Nigeria: Case of south-south zone. The paper aimed among others the validity of the cooperative societies within the region and its socio-economic impact on the lives of the people within the zone. The study used non-parametric tool of analysis to test the available data. The results of the findings show that cooperative societies contribute its quota to the economic development of the people within the region.

Nweze, (2013) investigated the impact of cooperative society in empowerment of rural women in Chikum local government on Kaduna state. The result of the findings reveals that cooperatives help women essentially in nation building and eliminate poverty and enhance job opportunities. Edoumiekumo, Karimo and Tombofa, (2014) examined the incidence, depth and severity of poverty, and poverty correlates in Bayelsa state. The study used the FGT decomposable class of poverty measures and a logit regression model as analytical tools on the 2009-2010 NLSS data. Results from the FGT model showed that about 25 percent of households are income poor. To escape poverty the averagely poor has to mobilize financial resources to be able to meet 14 percent of N22393.62 household per capita expenditure monthly and the core poor has to mobilize financial resources up to 9 percent more of N22393.62 household per capita expenditure monthly

than that required for the averagely poor. Results from the logit regression showed that agriculture and household size increases the probability that a household will be poor while dwelling in the urban area, being headed by male, a naira increase in households per capita expenditure on education and per capita expenditure on health and a year's increase in the number of years spent schooling by household head reduces the probability that a household will be poor. However the major poverty correlates in Bayelsa state were found to be per capita expenditure on education, per capita expenditure on health, years of schooling and household size. It was therefore recommended that free, compulsory and quality education at least up to the basic level as being practiced in some states of the country, easily accessible and quality healthcare services be provided.

Bearing in mind the above literature reviewed, it is clear that a good number of studies have been carried out in Nigeria on cooperative societies in terms of poverty alleviation but with no specific concern on Benue state. This paper will therefore contribute its quota in respect of cooperative societies as an option to poverty alleviation to fill an existing knowledge gap in the literature by analyzing the impact of cooperative societies on poverty in Benue state.

3.0   METHODOLOGY

3.1   RESEARCH DESIGN

This section discusses the method used in analyzing the data employed for the study in addition to the presentation of data collected. Our data is limited to the performance of cooperative societies operating in Benue State, Nigeria and also the poverty incidence on the people. The study used descriptive statistics to describe the impact of cooperative societies on the lives of people, whether it mitigate the poverty situation of the people within the study area.

The analysis was done using both primary and secondary data, the cooperative societies' average turnover (amount of loan granted) and profitability on one hand. Moreover, the expression of some members feedback on some explainable impact of cooperatives in alleviating poverty condition considering certain variables. The turnover and profitability data were considered from the existing cooperative societies operating in Benue State, Nigeria for the period of eleven years from 2006 to 2016. The members' feedback survey was conducted using questionnaire administered on members of cooperative societies across the three senatorial districts of the state. To ascertain the performance of the cooperative societies and determine its relevance to the socio-economic lives of the people. The data gathered were then tested against the members' feedback on the variables to determine the kind of relationship that exist between cooperative societies on one hand and poverty alleviation on the other.

The secondary data was also employed in this study through the use of journals, textbooks, magazines, published and unpublished materials and other relevant records related to the subject matter.

The population of this study involves only active cooperative societies that are existing in Benue state, Nigeria. At the time of the study 2543 cooperative societies were in operations. The investigation conducted was restricted to 9 viable cooperative societies three each from the three senatorial districts of the state namely:

i.   Credit and thrift cooperative
ii.   Staff multipurpose cooperative

    iii.   Consumer corporative
    iv.   Producer cooperative
    v.   Peace house cooperative
    vi.   Labour club cooperative
    vii.   Contribution clubs cooperative
    viii.   Farmers cooperative
    ix.   Tiv brander cooperative

Further investigation shows that about 275 members borrowed less than N1000, 000.00 annually while 300 members borrowed more than N1000, 000.00. Put the number of members together this amounted to 575 members who borrowed on average from the sampled of the nine cooperative societies.

The selected members of the group to be interviewed constitute the sample, which covers members of nine cooperative societies. The sample size used for the study is determined by the Taro Yamani's formula which is illustrated as follows:

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

Where:
N = population of study,
n = sample size desired to be covered,
e = error estimate/significance level, given as 0.05
i = constant

So to compute sample size 'n' this shall be a representation of all confidence limit or 0.05 significance level by adopting Taro Yamani's formula:

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

$$n = \frac{575}{1+575(0.05)^2}$$

$$n = \frac{575}{1+57 \quad (0.0025)=236}$$

$$n1 = \frac{236}{575} \times \frac{275}{1} = 113, \quad n2 = \frac{236}{575} \times \frac{300}{1} = 123$$

$$n1 + n2 = 113 + 123 = 236$$

In view of the above, questionnaire were distributed in respect of the sets stated in above population i.e. 113 and 123.

3.2   METHOD OF THE ANALYSIS

The study made use of the frond analysis to determine the effect of cooperative societies and otherwise on the poverty situation in Benue Sate, Nigeria. Moreover, we made use of probity mode to assess the relationship between the performance of cooperative societies and its impact on poverty incidence. This model take care of the interposed as tidily of the disturbance as well as restricting the output values to probity model to identify parameters variations which will interplay in order to point out the relationship between the performance of cooperative societies and its

effect on members which in turn contribute to economic development of the nation at large. In the words of Birchall (2003), Baarda (2006), Crooks (2004) and Baarda (2004), the impact of cooperatives performance which in this case will help one to assess its effect on the condition of people. It can also determine their poverty profile during the period of the investigation.

The following table explains the variables used to assess the performance:

Table 1.1 variables used in assessment of performance of cooperative societies

S/N	Variables	Unit or Type	Values
X1	Voluntary and open membership	Binary	If voluntary membership significant = 1. Otherwise = O
X2	Democratic in nature	Binary	I, if democratic is significant in nature, if otherwise O.
X3	Autonomy/independence	Binary	I, if independence is significance if otherwise 0.
X4	Education/training	Binary	I, if training is significant, if otherwise O.
X5	Cooperation among members	Binary	I, if cooperation among members is significant, 0, if otherwise.
X6	Community development	Binary	I, if concern for community development is significant, O if otherwise.
X7	Loan administration/disbursement	Binary	I, if loan administrative is significant, O, if otherwise.
X8	Collateral society for loan	Binary	I, if collateral security for loan is significant, O if otherwise.
X9	Moratorium	Binary	I, if moratorium is significant, O, if otherwise.
X10	Purpose of loan	Binary	I, if purpose of loan is significant, O, of otherwise.
X11.	Increased capital formation	Binary	I, if increased capital formation is significant, o, if otherwise.
X12	Provision of job opportunities	Binary	I, if provision of job opportunity is significant, O, if otherwise.
X13	Access to loan	Binary	I, if access to loan is significant, O, if otherwise.
X14	Quantum of loan	Binary	I, if quantum of loan is significant, O, if otherwise.
X15	Poverty reduction	Binary	I, if poverty reduction is significant, O, if otherwise.
X16	Welfare of members	Binary	I, if welfare of members is significant, O, if otherwise.
X17	Development of rural areas	Binary	I, if development of rural areas is significant, O, if otherwise.
X18	Business expansion	Binary	I, if business expansion is significant, O, if otherwise.
X19	Admission of additional members	Binary	I, if admission of additional members is significant, O, if otherwise.
X20	Improvement of standard of living	Binary	I, if improvement of standard of living is significant, O, if otherwise.

4.0   DATA PRESENATION AND ANALYSIS

The basic data used in this study is made up of simple tables and figures for purpose of expression. The data captures the average performance of the selected cooperative societies under review in the following table:

Table 4.1 An average performance of selected cooperatives in Benue State

Year	Amount of loan granted (million ₦)	Profitability (million ₦)
2006	118.4	11.84
2007	112.5	11.24
2008	111.7	11.17
2009	213.6	21.36
2010	214.5	21.45
2011	214.8	11.48
2012	214.3	24.53
2013	278.6	27.86
2014	299.2	29.96
2015	321.1	32.11
2016	322.3	32.23
2017	332.7	33.27

Source: Author's computation

The table above expresses the performance of selected cooperative societies in terms of amount of loan granted to her members and the profit profile generated for the period under review.

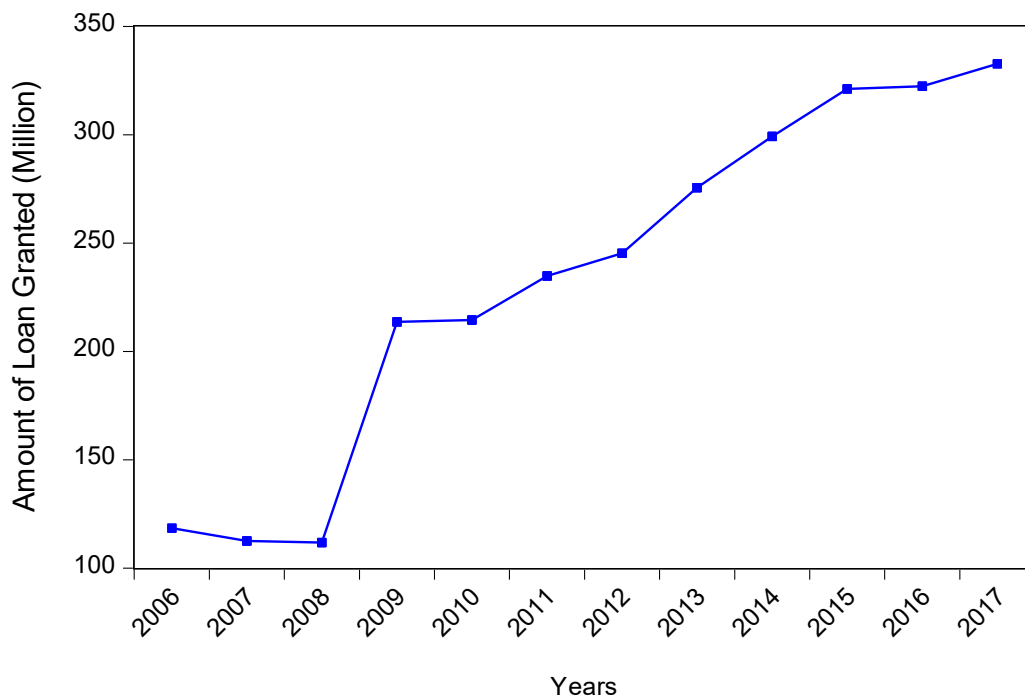These can also be presented in a pictorial form using figures, thus:

Figure 1.1 The average amount of loan trend grant by selected cooperatives from 2006 – 2017.
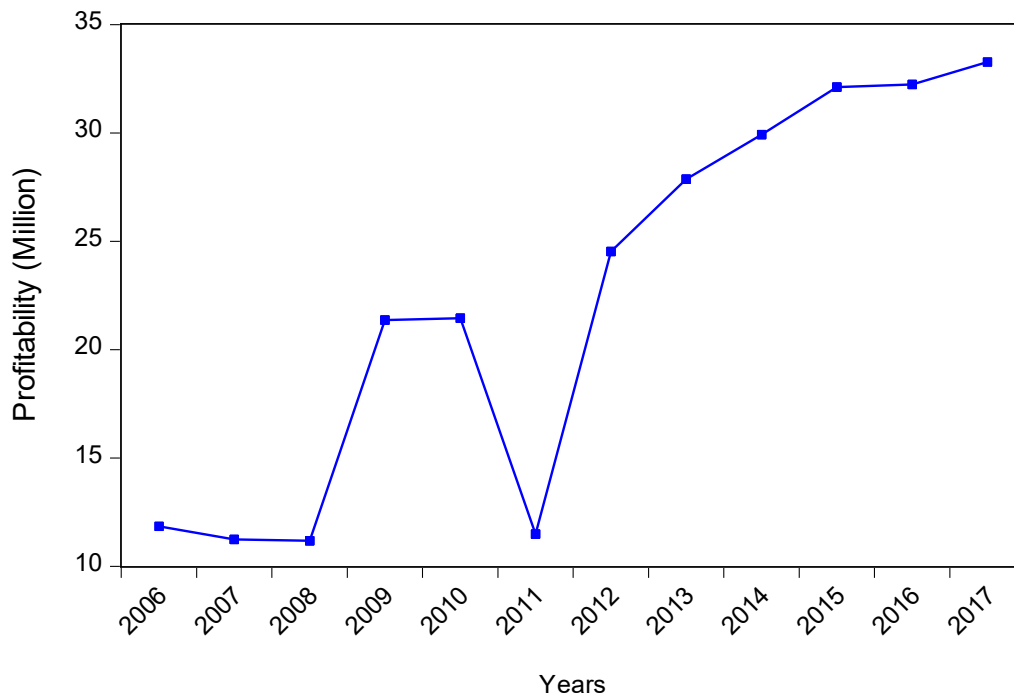
Figure 1.2 the average profit trend generated by the selected cooperatives from 2006 -2017.

4.1   TEST OF HYPOTHESIS

As we presented the average performance of the selected cooperative organizations for the period under review (2006 – 2017), we also need to test the influence of the major variables or the principles on the cooperative performance. The result of the test will explain the performance style principles or variables that have the most significant influence on the performance of the cooperative societies. For the purpose of this analysis two sets of data was generated through the use of questionnaire carefully constructed and administered on the members of data collected was drawn on members that borrowed more than 5 times annually$(6 \geq C \leq 10)$. While the second set of data was drawn on members' cooperative societies that borrowed less than 5 times annually$(1 \geq C \leq 5)$. The following is the results of the performance of selected cooperative societies and their impact on the lives of the people.

Table 4.1.1 the performance of the cooperatives (6 ≥ C ≤ 10).

Variables	Parameter estimate	Asymptotic error(s)	Probability	Ranking of parameters
Voluntary and open membership	0.1816	0.8014	0.1996	16
Democratic in nature	0.1734	0.9756	0.065	20
Autonomy	0.094	0.8521	0.094	18
Education/training	0.0391	0.3483	0.0601	19
Cooperation among members	-0.0541	0.5842	0.6885	4
Community development	0.1366	0.2377	0.4789	9
Loan administration	-0.0244	0.8319	0.5647	6
Collateral security	-0.1544	0.8097	0.1001	17
Moratorium	-0.0021	0.8481	0.3411	14
Purpose of loan	0.1194	0.6233	0.5443	7
Increased capital formation	0.1628	0.5445	0.6961	3
Provision of job opportunity	0.1735	0.2216	0.3728	13
Access to loan	0.0713	0.8694	0.6994	2
Quantum of loan	-0.0890	0.7451	0.4344	12
Poverty reduction	0.1901	0.3526	0.7671	1
Welfare of members	0.1638	0.2498	0.5416	8
Development of rural access	0.1224	0.6364	0.4487	10
Business expansion	0.639	0.4123	0.3342	15
Administration of members	0.1348	0.3458	0.6681	5
Improvement of standard of living	0.1493	0.5663	9.4459	11

Source: Author's Computation

Table 4.1.2 The performance of the cooperatives (1 ≥ C ≤ 5).

Variables	Parameter estimate	Asymptotic error(s)	Probability	Ranking of parameters
Voluntary and open membership	0.1652	0.6982	0.2116	12
Democratic in nature	0.2178	0.7453	0.2149	11
Autonomy	0.0211	0.4563	0.1268	16
Education/training	0.0446	0.8412	0.4174	8
Cooperation among members	-04853	0.7114	0.3626	9
Community development	0.0198	0.4632	0.3428	10
Loan administration	0.1227	0.5421	0.1681	13
Collateral security	-0.4226	0.6784	0.0671	17
Moratorium	-0.0118	0.3469	0.0031	20
Purpose of loan	0.0094	0.5524	0.03211	19
Increased capital formation	0.3181	0.7498	0.7021	13
Provision of job opportunity	0.4165	0.4334	0.5984	15
Access to loan	0.0981	0.6651	0.1341	14
Quantum of loan	0.0633	0.7413	0.0456	18
Poverty reduction	0.4946	0.6779	0.6216	4
Welfare of members	0.6275	0.4484	0.7434	1
Development of rural access	0.5131	0.5643	0.5466	7
Business expansion	0.5467	0.6810	0.5748	6
Administration of members	0.1438	0.0986	0.1327	15
Improvement of standard of living	0.6342	0.8432	0.7126	2

Source: Author's computation

4.2   DISCUSSION OF FINDINGS

In an attempt to investigate the impact of cooperative societies on poverty situation is Benue State an attempt was made to assess the data available using frond analysis to determine the outcome and moreover, we also made use of probity mode to assess the relationship between performances of cooperative societies and its impact on poverty incidence in the state. The above was done with respect to performance variables as presented in table 4.1.1 and 4.1.2 above

The variables used as determinable factors the majority of them have positive coefficient with little exception of: cooperation among members, loan administration, collateral security, moratorium and quantum of loan. The result of the analysis reveals that cooperative societies impact on the lives of its members as exemplified in the above table: poverty reduction: estimate

= 1901, probability = 0.7671. Based on this result, it invalidates the hypothesis H_{o1}. Which clearly denote that poverty situation in Benue State, Nigeria is mitigated by the operations of cooperative societies.

The study revealed the extent to which cooperative societies affect poverty situation in Nigeria is significant. As illustrated using the variables such as: welfare of members: coeff 0.1638, p = 0.5416, increased capital formulation: coeff 0.16218, p = 0.6961 business expansion: coeff 0.639, p = 0.3342, improvement of standard of living: coeff 0.1493, p = 0.4459. The above explained that cooperative societies have a positive, significant relationship on poverty in Benue State, Nigeria.

5.0   CONCLUSION AND RECOMMENDATIONS

5.1   CONCLUSION

In view of the findings stated above one can state that cooperative societies exert a significant influence on the poverty situation in Benue State, Nigeria. This is evident in areas such as community development, increased capital formation, provision of job opportunities, poverty reduction, improvement of standard of living and host of others. This conclusion is in consistent with the opinions of Antai and Anam (2010), Kareem, Arigbabu, Akintaro and Badmus (2012). Adekinle, and Henson (2007) and Dogarawa (2005).

5.2   RECOMMENDATIONS

In an attempt to minimize poverty situation in the state and even in the country at large, the following recommendations should be strictly be adhered.

i.   Government should encourage her citizens to form various cooperatives in their areas of specializations.
ii. The supervisory authorities should monitor the operations of these cooperative societies in order to checkmate their excess
iii. Younger cooperations should be given financial grant at an affordable interest rate less than 10% interest rate.
iv. Create a registration that will minimize the cost of registration of cooperative societies.
v.   Constant seminars, workshops, symposia, public lectures should be held on a regular interval to educate members of the cooperative societies who are enlighten so that in return re-educate other members. This will ginger the operations and the efficiency of cooperative activities in the country.

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