

Principles of Cooperation

The basic principles of cooperation based on Rochdale Pioneer ideas, provide the major ways through which Cooperatives maintain their characteristics. The principles include:

- (i) Principle of Open and voluntary membership
- (ii) Principle of Democratic control (One man one Vote)
- (iii) Principle of patronage refunds
- (iv) Principle of limited interest/return on share capital
- (v) Principle of limited number of shares owned by each member
- (vi) Goods sold at regular retail prices must be pure genuine and unadulterated
- (vii) Principle of cash trading only
- (viii) Principle of not taking unusual risk
- (ix) Principle of political and religious neutrality
- (x) Principle of constant education for expansion

From these principles, the major ones that distinguish cooperatives from other forms of business are:

- (a) ownership and control of business by the patrons for the patrons
- (b) equality of voting power (One man , one vote) and
- (c) payment of patronage refunds

Note that emphasis should be placed on the means of achieving success on the cooperatives rather than on the principles. It is also important to note that no matter how closely a cooperative works, it must follow business methods.

History of Agricultural Cooperatives

- Cooperatives that existed before the existence of the Rochdale Pioneers were the
 - Gbedun Cooperative produce and Multipurpose Society
 - Traditional Ajo/Esusu/Aaro/Owe clubs
 - Consumer societies organised by the Europeans in Lagos Colony
 - Organisation of Cocoa farmers into by the Department of Agriculture in the western states.
- Commissioning of C.F Strickland to study cooperatives and recommend possibility of introducing cooperatives to Nigeria in 1933.
- Strickland result submitted in 1934 recommending cooperatives for adoption in Nigeria
- Cooperative Laws and Ordinance No.39 introduced in 1935, regulations came into force in 1936 and Mr. E.F.G Haig was appointed as the first Registrar of cooperative societies Ibadan in 1943.
- Cooperative Training School was established a upgraded in 1976 by the Federal Government.
- Nigeria was divided into 3 regions (West, East and North) in 1951 and cooperative laws was enacted on regional basis, emphasizing on different cooperative organisations.
- Cooperative Bank of Eastern Nigeria was established in 1954.
- Northern Nigerian Cooperative law was enacted in 1956 with emphasis on multipurpose cooperation.

- Western Nigerian Cooperative Laws enacted and establishment of Cooperative Bank for the region in 1953.
- There were efforts to create more states into 12 in 1967, 19 in 1976 21 in 1987 30 in 1991 and presently 36 and the Federal Capital Territory. Each state has its own Cooperative Unions and movements.