
The Role of Cooperative on the Socio-economic Growth and Stability

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Abstract

This study examines the role of cooperatives in fostering socio-economic growth and stability by addressing the collective economic and social needs of communities. Cooperatives serve as democratic and inclusive business models, contributing to community development, financial inclusion, and grassroots empowerment. Despite their substantial impact on rural development through resource mobilization and diverse financial support, cooperatives face challenges such as operational inefficiencies, limited technological integration, and governance issues. A set of structured questionnaires have been designed to obtain the information relating to various aspects of cooperative participation, economic benefits, and socio-economic impacts. Both closed-ended and open-ended types of questionnaires were formed to ensure depth and breadth of information. All the data were collected through 50 respondents using random sampling method and analyzed with descriptive statistical techniques. The study evaluates the current challenges and opportunities for cooperatives. The findings underscore their significant contributions to rural development and propose technology-driven strategies to enhance operational efficiency, governance, and adaptability to evolving member needs, ensuring their sustainable role in economic transformation.

Keywords: cooperatives, rural development, socio-economic growth, governance, operational efficiency

Introduction

Cooperative societies have emerged as a powerful tool for socio-economic development by fostering community collaboration and economic empowerment. They provide access to essential services, financial resources, and markets, enabling

marginalized populations to improve their living standards. Cooperatives have been an effective way for people to exert control over their economic livelihoods (Agarwal & Gort, 1996). By promoting equitable wealth distribution, cooperatives contribute to poverty alleviation, job creation, and the strengthening of local economies. Rooted in the principles of social accountability, collective assistance, and democratic governance, cooperatives enhance social unity while empowering members to take charge of their economic futures. However, in the context of Nepal, cooperatives face significant challenges, including limited technological adoption, inadequate governance structures, and evolving member expectations. These issues are particularly evident in regions like Kanchanpur, where cooperatives have seen growth due to factors such as foreign remittances, political awareness, and rising land prices but remain constrained by systemic inefficiencies. Cooperatives are community-based, rooted in democracy, flexible, and have participatory involvement, which makes them well-suited for economic development (Ajakaiye, 1989).

The problem addressed in this study stems from the need to understand why cooperatives, despite their recognized potential, often struggle to sustain their impact on rural socio-economic development. At the outset of the 19th century, the visibility of cooperative Society was seen in this subcontinent (Najamudden, 2012). During this period Cooperative Society passed its golden age and massively contributed to the social-economical aspect of life. Earlier three decades in Bangladesh, Cooperative Societies played a marvelous role in poverty reduction, employment generation, and extension of small and cottage industries but in the last decades, the cooperatives have lost their previous status and tradition for a few causes. Cooperatives are business enterprises that aim at the complete identity of the component factors of ownership, control, and use of service, three distinct features that differentiate cooperatives from other businesses (Mohammed, 1983). Challenges such as inconsistent policy support, lack of technological innovation, and limited financial resources hinder their growth and relevance.

Based on the discussions, this study seeks to address key research questions, including: What are the primary challenges faced by cooperatives in Kanchanpur? What contributions do cooperatives make to the socio-economic development of rural areas? How can these challenges be mitigated to enhance their performance and sustainability? These questions guide the research objective of this study is to explore the problems and

prospects of cooperatives in Kanchanpur, focusing on their role in driving economic growth and stability in rural areas of Nepal. Specifically, the research seeks to identify operational and structural challenges, evaluate their contributions to poverty alleviation and employment generation, and recommend strategies for improving their efficiency and impact. This study is significant as it provides insights into the functioning of cooperatives in rural contexts, offering actionable recommendations for policymakers, practitioners, and cooperative leaders to harness their potential for sustainable development.

Despite its relevance, the study is limited in scope, focusing solely on a sample of 50 cooperative members within the Kanchanpur district, which may not capture the diversity of cooperative operations across Nepal. Nonetheless, it provides a foundational understanding of the dynamics and challenges facing cooperatives, contributing to broader discourse on their role in socio-economic development.

Literature Review

Kimberly (2002) argued cooperative societies as registered voluntary associations established by a minimum of ten members to achieve shared economic and social objectives at minimal cost. These societies emphasize democratic governance, where members collectively contribute capital and elect representatives to manage operations. Cooperatives prioritize mutual benefits, focusing on fair resource distribution and active member participation. This unique structure fosters accountability, inclusivity, and community empowerment, distinguishing them from traditional profit-driven enterprises while addressing both the economic and social needs of their members.

Khalekkuzzaman and Mohammed (2005) discussed the objectives, types, revenue sources, government support, challenges, and solutions related to cooperatives, focusing primarily on their operational aspects. However, the study did not provide an in-depth analysis of the social and economic impacts of cooperatives, such as fostering community development, reducing inequality, and driving local economies. These aspects are crucial to understanding the broader significance of cooperatives.

Hussi and Murphy (1993) examined the distinctions between cooperatives and other businesses, emphasizing three key stakeholder groups: owners, controllers, and users. In cooperatives, these roles often overlap, fostering direct participation and

alignment of interests. Unlike traditional businesses, where profit motives dominate, cooperatives prioritize shared benefits, democratic decision-making, and user-centric operations, creating a unique model of ownership and governance.

Bottomley (1989) highlighted cooperatives as powerful mechanisms for generating employment and mobilizing resources to enhance income opportunities. By promoting collective effort, shared ownership, and equitable benefits, cooperatives play a vital role in fostering economic empowerment, reducing poverty, and supporting sustainable community development, particularly in underserved and resource-constrained areas.

Agbo (2000) noted that cooperatives combat exploitation, reduce disparities, improve social conditions, promote gender sensitivity, and contribute to a more just society with a focus on environmental protection and sustainable development, making them a preferred and socially desirable form of organization.

Scenario of Cooperative Society in Nepal

The cooperative movement in Nepal has a long and storied history, deeply rooted in the country's socio-economic fabric. It has evolved into a significant force for economic development and social change, particularly in rural areas. The cooperative sector in Nepal plays a crucial role in addressing issues such as poverty, unemployment, and social inequality. This movement began formally in the 1950s with the establishment of the first cooperative societies aimed at addressing the agricultural needs of the rural populace. Over the decades, the scope of cooperatives has expanded to include various sectors such as agriculture, finance, housing, and consumer goods.

Agricultural cooperatives are perhaps the most prevalent and impactful in Nepal. These cooperatives support farmers by providing access to credit, seeds, fertilizers, and modern farming techniques. They facilitate the marketing of agricultural products, ensuring that farmers get fair prices and reducing their dependence on middlemen. Through collective bargaining and resource pooling, agricultural cooperatives help small-scale farmers increase their productivity and income, contributing significantly to rural development and food security (Muto, 2015).

Financial cooperatives, including savings and credit cooperatives (SACCOs), have also become vital to Nepal's economy. These institutions provide financial services to their members, particularly in areas where traditional banking services are scarce or non-existent. SACCOs offer savings accounts, loans, and insurance products tailored to

the needs of low-income individuals and small businesses. By promoting financial inclusion, these cooperatives empower members economically, enabling them to invest in education, healthcare, and entrepreneurial activities. This, in turn, stimulates local economies and reduces poverty.

Consumer cooperatives in Nepal operate retail stores that provide goods and services to members at fair prices. These cooperatives help stabilize prices, especially for essential commodities and protect consumers from market fluctuations and exploitative practices (Helms, 2005). By buying in bulk and negotiating directly with suppliers, consumer cooperatives can offer high-quality products at lower prices, benefiting both urban and rural communities (Sharma, 2004).

The cooperative sector in Nepal is supported by a robust legal and institutional framework. The Cooperative Act of 1992 and subsequent amendments have provided a solid foundation for the growth and regulation of cooperatives. The Department of Cooperatives under the Ministry of Land Management, Cooperatives, and Poverty Alleviation oversees the sector, ensuring compliance with legal standards and promoting best practices. Additionally, various national and international organizations, including the National Cooperative Federation of Nepal (NCFN) and the International Cooperative Alliance (ICA), provide technical and financial support to strengthen cooperative institutions.

Despite these positive developments, the cooperative sector in Nepal faces several challenges. Governance issues, such as weak leadership, lack of transparency, and mismanagement, have undermined the effectiveness of some cooperatives. Additionally, limited access to capital and markets, inadequate infrastructure, and insufficient technical expertise hinder the growth of cooperatives. Addressing these challenges requires concerted efforts from the government, cooperative leaders, and development partners to build the capacity of cooperatives, enhance regulatory mechanisms, and foster a culture of accountability and transparency.

Methodology

Descriptive and analytical research designs are utilized to comprehensively examine the socio-economic impacts of cooperative societies in Nepal, focusing on their roles, challenges, and opportunities in rural development. By integrating qualitative and

quantitative methods, the study aims to provide a holistic understanding of cooperatives' contributions and the issues they face. Data were collected using a structured questionnaire designed to capture information on cooperative participation, economic benefits, and socio-economic impacts. Both closed-ended and open-ended questionnaires were included to ensure the depth and breadth of information. Closed-ended questionnaires enable precise quantification of responses and facilitate statistical analysis, while open-ended questions allow respondents to elaborate on their experiences and provide richer insights. The survey was conducted from February to June 2024.

A multi-stage sampling technique was employed to ensure a representative sample of cooperative societies and their members, with individual members randomly selected within the chosen areas. All the data were collected from the respondents of Kanchanpur district as the objective of the study is to explore the problems and prospects of cooperatives in Kanchanpur district. The study targeted a sample size of 50 cooperative members, balancing the need for statistical significance and the practical constraints of time and resources. This sample size was deemed sufficient to capture diverse perspectives while ensuring reliable and general results. Data were analyzed using descriptive statistical techniques, including frequencies and percentages, to summarize key findings effectively.

Results

This section of the study presents the results obtained from the data analysis.

Respondents of the study

Table 1 shows the demographic characteristics of the respondents including age range and gender.

Table 1

Demographic Profile of Respondents

Parameter	Frequency	Percentage
Age		
20-25	07	12
26-30	23	38
31-35	16	27
36 above	14	23

Sex		
Male	38	76
Female	12	24
Total	50	100
Total	50	100

(Sources: Field Survey 2024)

Table 1 shows the demographic analysis of the study sample reveals that among the 50 respondents, the majority (38%) fall within the age group of 26-30 years, followed by 31-35 years (27%) and those aged 36 and above (23%), with the smallest representation being the 20-25 age group (12%). Regarding gender, males constitute a significant majority at 76%, while females account for 24%. This data highlights a predominantly young and male-dominated sample population within the surveyed cooperatives.

Nature of Savings Behaviors of Beneficiaries

The nature of savings among beneficiaries reflects diverse patterns and preferences shaped by their financial circumstances and goals. Understanding the nature of savings among beneficiaries provides valuable insights into their financial habits and the effectiveness of cooperative savings initiatives. The saving behaviors of the respondents are summarized in Table 2.

Table 2

Saving Behaviors of the Respondents

Savings	Frequency	Percentage
Daily basis saving	20	40
Weekly saving	10	20
Fortnight saving	03	06
Quarterly saving	03	06
Fixed Saving	04	08
Monthly saving	10	20
Total	50	100

(Sources: Field Survey, 2024)

Table 2 illustrates the savings patterns among members of cooperative societies in

Nepal, detailing the frequency and percentage distribution across six different saving intervals. Daily basis saving emerges as the most prevalent pattern, with 40% of members opting to save on a daily basis. This high frequency suggests a strong inclination towards regular and frequent savings practices, possibly reflecting consistent income streams or a cultural preference for daily financial management. Weekly saving follows, chosen by 20% of members, indicating another common method likely suited to those receiving weekly incomes or preferring weekly budgeting cycles. Fortnightly and quarterly savings are less common, each selected by 6% of members, indicating less frequent income intervals or preferences for longer-term savings strategies. Monthly saving also stands at 20%, reflecting a pattern aligned with monthly income cycles such as salaries or pensions. Fixed saving, chosen by 8% of members, indicates a focus on stable and long-term financial planning. Overall, the table highlights varied saving behaviors within the cooperative context, suggesting the importance of understanding and accommodating diverse member preferences in financial service offerings.

Monthly Income of Beneficiaries

The monthly income of beneficiaries varies widely, reflecting a spectrum of economic circumstances and livelihoods. For some, incomes fall within lower brackets, necessitating careful budgeting and reliance on cooperative support for financial stability. Understanding these income disparities informs cooperative strategies aimed at addressing diverse financial needs and fostering inclusive economic growth.

Table 3

Respondents of Income

Income	Respondent	Percentage
0-5000	12	24
5000-10000	20	40
10000-15000	09	18
15000-20000	04	08
Above 20000	05	10
Total	50	100

(Sources: Field Survey 2024)

Table 3 provides a breakdown of income distribution among respondents,

categorized into different income brackets, each represented as a percentage of the total respondents. The largest group falls within the 5000-10000 range, comprising 40% of respondents, indicating a significant portion of individuals earning within this mid-range income level. The next substantial group earns between 0-5000, making up 24% of respondents, highlighting a considerable number earning lower incomes. Moving up, 18% fall within the 10000-15000 bracket, followed by 10% earning above 20000, suggesting a smaller but notable segment with higher incomes. The smallest groups are those earning between 15000-20000, accounting for 8% of respondents. This distribution provides insights into the income diversity among the surveyed population, crucial for understanding economic dynamics and potential financial needs within this context.

The largest group, comprising 40% of respondents, earns between 5000-10000. This indicates that a substantial portion of cooperative society members fall within a mid-range income level, which influences their financial capabilities and needs. Cooperative societies can tailor their services to support this demographic in enhancing their economic stability and growth.

Loan of Beneficiaries Received From Cooperative Societies

Beneficiaries receive loans from cooperative societies to meet various financial needs, ranging from agricultural investments to small business expansions. These loans often provide crucial support where conventional banking services may be inaccessible or less accommodating. Cooperative societies play a vital role by offering loans with favorable terms, fostering local economic development, and empowering members to improve their livelihoods through sustainable financial assistance.

Table 4

Respondents of Loan

Loan	Respondent	percent
0-10000	15	30
10000-20000	10	20
20000-30000	09	18
30000-50000	08	16
50000-100000	06	12
Above 100000	02	04
Total	50	100

(Sources: Field Survey 2024)

Table 4 outlines the loan distribution of respondents across various brackets, each expressed as a percentage of the total respondents surveyed. The largest group falls within the 0-10000 range, comprising 30% of respondents, indicating a significant portion of individuals earning lower incomes. The next notable group earns between 10000-20000, representing 20% of respondents, highlighting a sizeable segment with moderate incomes. The 20000-30000 bracket includes 18% of respondents, followed closely by 16% earning between 30000-50000, indicating a gradual increase in income levels within these ranges. The higher income brackets show progressively smaller percentages: 12% of respondents earn between 50000-100000, while only 4% earn above 100000. This distribution offers insights into the varied income levels within the surveyed population, illustrating the economic diversity and providing a foundation for understanding financial behaviors and needs across different income segments.

The Investment Sectors of Cooperative Societies

Cooperative societies invest in diverse sectors to promote economic growth and meet the needs of their members. These investments not only generate returns for the cooperative but also contribute significantly to local development and socio-economic empowerment.

Table 5

Respondents of Occupations

Investment sectors	Respondent	percentage
Small Business	13	26
Auto rickshaw	06	12
Domestic industry	07	14
Goat farming	05	10
Goods carrying	02	04
Vegetable farming	02	04
Poultry farming	05	10
Hotel business	10	20
Total	50	100

(Sources: Field Survey 2024)

Table 5 provides a breakdown of respondents' occupations or business types, each presented as a percentage of the total respondents surveyed. The most common occupation among respondents is small business, comprising 26% of the surveyed

population. This category likely includes a variety of small enterprises and entrepreneurial ventures. Hotel business follows closely, representing 20% of respondents, indicating a significant presence in the hospitality sector. Domestic industry and poultry farming each account for 14% and 10% respectively, reflecting diverse economic activities within the surveyed population. Auto rickshaw and goat farming each represent 12% and 10% respectively, highlighting contributions from transportation services and livestock farming sectors. Goods carrying and vegetable farming constitute smaller segments, each accounting for 4% of respondents. Overall, the table illustrates the occupational diversity and economic activities among respondents, providing insights into the varied livelihoods and business ventures within the surveyed community.

Causes of Popularity of Cooperative Societies

The popularity of cooperative societies stems from their democratic governance structure, which empowers members to collectively manage and benefit from shared resources and services. Cooperative societies are often seen as a viable alternative to traditional business models, offering members greater control over their economic activities while promoting sustainability and mutual support within communities.

Table 6

Causes of Popularity of Cooperative Societies

Parameters	Frequency	Percentage
Easy formation	14	28
Public trust to cooperative	11	22
To provide required loan	17	34
Less complexity in transaction	08	16
Total	50	100

(Sources: Field Survey 2024)

Table 6 presents data on the perceived benefits or reasons for the establishment and operation of cooperatives, detailing both frequency and percentage distributions. "To provide required loan" emerges as the most cited reason, with 34% of respondents indicating this as a primary motivation. This suggests that access to credit and financial support is a significant driver for individuals and communities engaging with cooperatives. Following closely, "Easy formation" is cited by 28% of respondents, highlighting the appeal of cooperatives due to simplified establishment processes, which likely lowers barriers to entry for cooperative ventures. "Public trust in cooperatives"

ranks next with 22%, underscoring the importance of cooperative integrity and community confidence in their operations. Lastly, "Less complexity in transaction" is noted by 16% of respondents, indicating a preference for the cooperative models' straightforward and transparent transaction processes compared to other forms of financial or business arrangements. Overall, the table provides insights into the perceived advantages that cooperatives offer, reflecting their appeal based on ease of establishment, public trust, loan facilitation, and transactional simplicity within the surveyed population.

Analysis of Open-Ended Questions Regarding Problems and Prospects of Cooperative

This section of analysis summarizes the major findings obtained from the open-ended questions relating to problems and prospects of cooperatives in the context of Nepal.

Problems of Cooperatives

1. The varied saving patterns (daily, weekly, fortnightly, monthly, etc.) indicate that cooperative societies must cater to different financial behaviors and preferences. This can complicate the design of saving products and services to meet all members' needs effectively.
2. The wide range of income levels among members, with 24% earning 0-5000 and 40% earning 5000-10000, suggests significant financial inequality. This disparity can challenge cooperatives to provide equitable financial services and support to all members, particularly those in lower income brackets who may require more assistance.
3. The largest group of loan beneficiaries (30%) received loans in the 0-10000 range, indicating a high demand for small loans. However, the smaller percentages for higher loan amounts suggest limited access to larger financial resources, potentially hindering significant investments in business expansions or other large-scale economic activities.
4. The range of investment sectors (small business, auto-rickshaw, domestic industry, goat farming, etc.) shows a diverse set of economic activities supported by cooperatives. This diversity requires cooperatives to have specialized knowledge and tailored support mechanisms for each sector, which can be resource-intensive.
5. While public trust in cooperatives and less complexity in transactions are seen as advantages, maintaining this trust and ensuring simplicity in operations can be challenging, especially as cooperatives grow and their operations become more complex.

Prospects of Cooperatives

1. The high percentage of daily and weekly savers (40% and 20% respectively) reflects a robust savings culture within the cooperatives. This indicates a strong foundation for financial growth and stability among members, which cooperatives can leverage to promote further financial education and savings initiatives.
2. The significant portion of members with mid-range incomes (5000-10000) suggests that cooperatives have an opportunity to tailor services that support economic stability and growth for this demographic. This includes providing accessible loans, savings plans, and financial advice tailored to their needs.
3. The popularity of cooperatives for providing required loans (34%) underscores their critical role in offering financial resources to members. This highlights the potential for cooperatives to expand their loan offerings and support more significant economic activities and investments within the community.
4. The diverse range of investment sectors (small businesses, hotels, domestic industry, etc.) indicates that cooperatives are well-positioned to support various economic activities. By continuing to provide tailored financial products and services, cooperatives can foster economic growth and diversification within their communities.
5. The ease of forming cooperatives (28%) and less complexity in transactions (16%) make them an attractive option for community-driven economic initiatives. This simplicity can encourage more individuals to participate in and benefit from cooperative activities, promoting inclusive economic development.
6. The strong public trust in cooperatives (22%) provides a solid foundation for their continued growth and influence. By maintaining transparency and ethical operations, cooperatives can strengthen this trust and attract more members, enhancing their overall impact.

Overview of Literature and Results Integration

The literature review examines previous studies, identifying key themes, gaps, and theoretical underpinnings relevant to the research topic, while the synthesis of the results integrates findings from diverse sources to provide a coherent understanding of patterns, relationships, and insights derived from the data.

Kimberly (2002) describes cooperatives as voluntary associations formed to achieve collective economic and social objectives, emphasizing democratic governance. This aligns with the findings from this study, where a significant percentage (34%) of

respondents cited access to required loans as a primary motivation for participating in cooperatives. This supports Kimberly's assertion that cooperatives being member-centric entities focused on shared benefits and accountability. Qualitative feedback from respondents reinforces that cooperatives' loan provision acts as a lifeline for members, particularly in the mid-income bracket (40%, earning NPR 5000–10000), who rely heavily on affordable credit.

Khalekkuzzaman and Mohammed (2005) outlined cooperatives' operational challenges but failed to emphasize their role in fostering inclusivity and addressing economic disparities. This study's demographic data highlight a male-dominated sample (76%), indicating potential gaps in gender inclusivity despite cooperatives' claims of broad representation. Nevertheless, the diverse savings patterns, ranging from daily (40%) to fixed (8%), underscore cooperatives' adaptability to members' varying financial capacities, supporting (Hussi & Murphy, 1993) argument that cooperatives align ownership and user interests.

Bottomley (1989) emphasized cooperatives' potential in generating employment and mobilizing resources. This study confirms these benefits through investments in diverse sectors such as small businesses (26%), hotel enterprises (20%), and domestic industries (14%). Respondents frequently highlighted cooperatives as vehicles for fostering economic stability, especially in rural and underserved areas. The predominance of low loan brackets (30% for 0–10,000 NPR) indicates cooperatives' focus on micro-level empowerment rather than large-scale ventures, resonating with (Agbo, 2000), emphasis on combating exploitation and reducing disparities.

While (Agbo, 2000) praised cooperatives for promoting gender sensitivity, this study's findings reveal gaps in gender inclusivity, with women constituting only 24% of respondents. Additionally, while most loans fall in the lower ranges, only 4% accessed loans above NPR 100,000, suggesting limitations in cooperatives' capacity to support larger financial ventures. Qualitative insights indicate that members desire more robust credit mechanisms, potentially transforming cooperatives into engines of greater entrepreneurial growth.

The literature highlights cooperatives' simplicity and transparency as key advantages (Kimberly, 2002). This is mirrored in respondents' feedback, where 28% attributed cooperatives' popularity to ease of formation, while 16% appreciated the low complexity in transactions. Trust was another factor, with 22% citing public trust as a

driving force. These insights align with qualitative data where members expressed confidence in cooperatives' local roots and member-centric governance.

Discussion

This study highlights the pivotal role of cooperatives in promoting economic empowerment by providing customized financial services as emphasized by Kimberly,(2002) and Bottomley (1989). While cooperatives effectively address members' immediate financial needs, the limited availability of high-value loans reveals a significant gap in supporting entrepreneurial ventures and scaling growing businesses, which could unlock their potential for driving large-scale economic innovation. Gender disparity, with only 24% of respondents being women, highlights the urgent need for inclusivity measures, contrasting with Agbo's (2000) emphasis on equity in cooperative participation. Targeted interventions, such as women-specific training programs, capacity-building initiatives, and gender-sensitive policies, are crucial to bridging this gap and ensuring equitable opportunities.

Furthermore, as noted by Hussi & Murphy (1993), cooperatives have adapted to varied financial behaviors, yet the predominance of daily savings (40%) among members reflects reliance on short-term, low-value habits, limiting long-term wealth accumulation. Developing fixed and high-value savings schemes, along with financial literacy programs, could empower members to achieve sustainable financial resilience.

Governance also emerges as a key area of focus; while Khalekkuzzaman & Mohammed, (2005) highlight the operational strengths of cooperatives, the findings suggest a need for greater transparency and modernization of transaction processes. Digital tools and participatory governance practices could enhance trust and operational efficiency.

Lastly, cooperative investments in small businesses (26%) and hotels (20%), as aligned with Bottomley's (1989) principles, demonstrate resource mobilization. However, diversification into transformative sectors such as technology, renewable energy, and green enterprises is essential for adapting to evolving market dynamics and reinforcing cooperatives' role as drivers of sustainable economic growth.

Conclusion

The study reaffirms the transformative potential of cooperatives in fostering economic empowerment, addressing financial disparities, and promoting inclusive governance. Therefore, cooperatives provide crucial support to members, particularly those in mid-income and rural segments, through accessible loans and investments in diverse economic sectors. However, gender disparity, with women comprising only 24% of respondents, reveals gaps in inclusivity that require targeted interventions. While cooperatives excel in meeting the immediate financial needs of members, as evidenced by the popularity of daily savings and low-value loans, their limited capacity to support larger ventures highlights a developmental gap. To sustain their impact and expand their reach, cooperatives must modernize governance, enhance transparency, and diversify investment into emerging sectors like technology and sustainable enterprises. These measures, alongside gender-sensitive policies, could amplify their role as engines of equitable economic growth and community empowerment.

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