

Geography and Development  
10<sup>nd</sup> Year- No. 26 – Spring 2012  
Received : 25/4/2011 Accepted : 25/1/2012  
PP : 13 - 16

**Assessment the Performance of Agricultural Cooperatives in Rural Areas  
Case Study: Khoramabad Township**

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**Introduction**

In the recent years, agricultural cooperatives have played an important role in rural development through development of agriculture. Researchers are of the opinion that under normal circumstance agricultural cooperatives in the shape of fishing, animal husbandry, aviculture, forestry, beekeeping, flower and plant, play significant role in the provision of services that enhance agricultural development. They described agricultural cooperatives as a medium through which services like provision of farm input, farm implements, farm mechanization, agricultural loans, agricultural extension, members education, marketing of farm products and other economic activities and services rendered to members. Regular and optimal performance of these roles will accelerate the transformation of agriculture and rural economic development. So it seems that the agricultural cooperatives are considered to be the most important organizations that pay attention and try to support the rural development in general and the agricultural development in special through the activities and services achieved for the sake of farmers. Agricultural cooperatives have contributed greatly to the development of modern national and systematized agricultural production-base, helped enhance self-sufficiency of major staple foods, and strengthened farmers' household economy by facilitating market access and competitiveness, adapting their operations to agricultural technological innovations and encouraging democratic decision-making processes, leadership development and education. In the recent years, Lorestan province, especially Khoramabad has witnessed a remarkable development of agricultural cooperatives in rural areas. Although the development of agricultural cooperatives have been attractive in this township, but there is no comprehensive assessment of creating the agricultural cooperatives for achievement of goals of rural development. So, the overall purpose of the study is to investigate whether cooperatives have contributed to positive change in the economic, social and environmental conditions among the two groups of cooperatives managers and members.

**Research Methodology**

This research is applied-developing in scope and the methodology is descriptive-analytical. The data were collected among the two groups of cooperatives managers (15 managers) and members (123

members) by applying systematic random sampling technique. The scale was developed with 24 items for members and 18 items for cooperatives managers on a 3-point scale. Questions were closed and mainly focused on the economic, social and environmental dimensions, accordingly to the research goals. The selection of these items was based on previous researches and literature review. Reliability based on Cronbach's alpha coefficient for the final scale resulted in a robust value (0.8). Data from questionnaires analyzed by use of One-sample T-test, in SPSS software.

### **Discussion and Results**

Cooperatives are defined as "an autonomous association of persons who unite voluntarily to meet their common economic and social needs and aspiration through a jointly owned and democratically controlled enterprise. Poverty, infrastructural backlog and illiteracy are amongst the most serious factors that inhibit growth of cooperatives in Iran. The present socio-economic challenges facing the poor, particularly in rural areas, encourage people to form cooperatives even if there is no demand for their produce in the marketplace. An agricultural cooperative is considered as one of the important economic and social organizations in rural societies. It plays an important role in the agricultural development and also has a significant role of rural development and poverty reduction as well. Perhaps the most striking finding of this research is the corroboration of one of the major inferences drawn from the qualitative method concerning the importance of agricultural cooperatives in rural development by the statistical results. The results of the one-sample t-test showed that kind of agricultural cooperatives are strongly influenced in rural areas, but the social aspect of agricultural cooperatives had the largest impacts on members. Thus confirming existent literature, and adding new information at the same time, it has been found that social impacts are superior to economic and environmental impacts from view point of members and cooperatives managers. The findings of this study suggest that agricultural cooperatives play a vital role in the socio-economic development of poor rural villages. Agricultural Cooperatives create self-employment and sometimes also temporary employment. In this regards it seems that agricultural cooperatives contribute to members livelihoods by providing some income and food for the families, Also provide space and time for socialization. So, agricultural Cooperatives are depicted as the engines of employment creation, poverty reduction and income generation at rural areas. Although, the study reveals that agricultural cooperatives are a profitable venture in the study area but it appear opportunities still exist for increasing income if the constraints identified by the members and cooperative managers are addressed.

### **Conclusion**

The scope of this study was relatively small (fifteen cooperatives) and local (located in the rural areas in the Khoramabad in Lorestan province) and the results therefore are based on a particular defined study area. The results show that agricultural cooperatives have influenced positively on the socio-economic and environmental conditions in rural communities. These results further show that with government's commitment to working with cooperatives, they can yield greater returns for the people, the government and the nation as a whole. Some of the contributions that different kinds of agricultural cooperatives have created employment creation, income generation, as well as better socio-economic living conditions among members. Agricultural cooperatives are therefore a suitable alternative to eradicate poverty in the rural areas. The results show that from view point of members,

agricultural cooperatives are important organizations for sustaining food security and rural development but they have constraints and limitations in leadership and management. The major constraints identified by the members and managers include; inadequate capital, lack of access to credit facilities and low education. The agricultural cooperatives have failed to attract new members. Majority of cooperatives have 7 or 8 members that are a constraint on the base of cooperative's articles of association. There is significant difference between view point of members and managers about economic, social and environmental impacts of agricultural cooperatives. It seems that the members are satisfied more than cooperatives managers.

**Keywords:** Assessment, Agricultural cooperatives Performance, Rural areas, Khoramabad.

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