The Promotion of Cooperative Sector as a Mitigating Driver Against Poverty and Unemployment to Enhance Southern Africa’s Economic Growth and Development

MK Maoto
University of Limpopo, South Africa

Abstract: The issue of cooperatives has fascinated a lot of consideration in academic world and industry circle both countrywide and across the globe including Southern Africa as a continent. Africa has been going through difficult times where it faces the challenge of poverty and unemployment. The challenges have had an enormous consequence on the quality of social, cultural and political wellbeing of the nation. This has caused development to run at a very sluggish pace in the past years. This article endeavours to review the literature on the promotion of cooperative sector as a driver towards poverty and unemployment mitigation in Southern Africa. Again, this article aimed at assessing the contribution made by the cooperative sector towards Southern Africa’s economic growth and development. The cooperative sector is acknowledged to be a foremost role player in contributing towards poverty and unemployment reduction and also contribute towards the improvement of economic growth and development. The promotion of cooperative sector is predominantly concentrated on the European and American continent while Southern African continent is given less attention. This issue still needs more investigation, particularly in Southern Africa. The review is based on books, peer reviewed articles, conference papers and chapters in books between the year 2000 and 2016. This paper initiates debate on ways to improve cooperatives sector, their survival rate and escalate their level of competitiveness in Southern African and global market. Despite the contribution which cooperative sector made towards economic growth and development, it still faces several challenges that inhibit them to prosper. Among others, constraints include the following: shortage of critical skills among cooperative members, inadequate access to finance as well as markets, nonexistence of intensive care and appraisal for cooperative improvement. These challenges cause cooperatives to remain vulnerable and weak. The promotion of cooperative sector across Southern African countries could be good start to mitigate poverty and unemployment which will lead to economic growth and development. This article will add value and contribute to cooperative sector literature from an African perspective and also the fact that the cooperative skills form an integral part of SMMEs and large businesses. The article concludes by supporting the notion that cooperative skills are more crucial and should be developed on a wider basis of Africa.

Keywords: Cooperative sector, Poverty reduction, Unemployment, Economic growth, Economic development

1. Introduction

After liberation, and until the commencement of the structural adjustment era (roughly the period 1960 to 1985) the newly independent governments of numerous African nations, irrespective of their colonial antiquity, discovered that cooperatives could serve as crucial tools that can be utilised to execute the ideal of “African socialism”, as a “third way” amongst capitalism and communism (International Labour Office, 2014:3). The Southern African development community (SADC) was established in 1992 by integrating 15 countries which are South Africa, Zimbabwe, Lesotho, Botswana, Mozambique, Zambia, Namibia, Tanzania, Angola, democratic republic of Congo, Malawi, Swaziland, Mauritius, Madagascar and Seychelles (Chingono & Nakana, 2009: 396 & 398). This regional integration was designed with the intention of promoting economic growth and social development because majority of these countries are depending on Agriculture for their economic growth and development. Cooperatives have been acknowledged to play imperative roles in these nations for the advancement of their living conditions of their population, more predominantly the low-income receiving group of the inhabitants, as well as the public as whole. Presently, there is view that cooperatives improvement in Southern Africa were rooted in colonial-oriented models, which impact on the incorporation and structure of the cooperative on the continent (Wanyama, Develtere &
Cooperative societies are seen as essential vehicles for community development and as the reason to assemble local resources into a precarious mass and their structures permit them to be more community-oriented (Ezekiel, 2014:132). Cooperatives are therefore becoming the number one instrument or tool for authorising people to make use of most important resources frequently and also enable them to participate in other activities through which they could make a living (Ezekiel, 2014:138). A cooperative is well-defined as an independent relationship of individuals who are joint together freely to meet their mutual economic desires and ambitions through a mutually owned and legitimately controlled business (ICA, 2013; Khumalo, 2014:62).

It can be argued that the escalation of global markets and reasonable trade response, democratisation and the renaissance of civil society, and the demise of socialism have all led to a cooperative renaissance in developing and transitional economies. The Southern Africa continent has seen a revival of cooperatives in the post-liberalisation era after a period of decline brought by structural adjustment programs (Khumalo, 2014:64). Furthermore, there is a need for poverty alleviation and unemployment reduction in the SADC region through encouragement and promotion of cooperatives because they have been acknowledged as a vehicle to attain economic growth and development by various authors such as (Wanyama, 2012:18; Chingono & Nakana, 2009:398).

An appropriate literature was brush up to demonstrate the significance of cooperative sector as a mitigating driver against poverty and unemployment and also as a mechanism for augmenting economic growth and development in Southern Africa. In various countries which were previously disadvantaged more especially in Southern Africa, cooperatives have eloquently contributed towards mobilisation and dissemination of financial capital, created employment and constituted platform for education and training, social welfare as well as solving other socio-economic problems associated with poverty and unemployment (Ezekiel, 2014:134).

This paper attempts to narrow this gap by providing deeper understanding of the importance of cooperative sector as a mitigating driver towards alleviation of poverty and unemployment as well as its contribution in respect of economic growth as well as development in the Southern Africa continent. The paper provides input towards the body of knowledge in respect of cooperative sector in Southern Africa, poverty alleviation and the issue of unemployment as the influential factors affecting the enhancement of economic growth and development. The cooperative principles, contributions made by cooperatives both internationally and nationally are outlined, challenges faced by cooperative sector in the Southern African region, cooperatives and unemployment as well as cooperatives and poverty reduction in Southern Africa, lastly the other contributions such as income security, social inclusion and provision of jobs to rural communities whose majority of them are illiterate are also highlighted.

2. Cooperative Principles

Since Southern African Development Community (SADC) region is forming part of International cooperative alliance (ICA), it has to be regulated and guided by the principles of ICA. For the effective execution of ICA, SADC has to implement this by introducing Electronic government (E-governance) amongst its countries. There is an emerging consensus that cooperatives are self-governing associations of individuals unified of their own free will to meet their communal economic, social as well as cultural desires and ambitions by way of jointly-owned and democratically-controlled initiatives (ILO, 2002). Like any other organisation, cooperatives also have their own value and principles. Cooperatives as a business ideal are based on the principles of "self-help, self-responsibility, democracy, equality, equity and solidarity". The members of these associations have faith in respect of ethical standards such as trustworthiness, straightforwardness, social accountability as well as compassionate for others.

These principles and ethical standards have led to the invention and reconsideration of the values upon which cooperatives manoeuvres such as "voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; cooperation among cooperatives; concern for community". These seven universal doctrines of cooperatives were approved by International Co-operative Alliance (ICA). Hence it has been approved by this international body, it could be of great importance for the cooperatives
in the Southern Africa to implement them for their success.

There are several kinds of cooperatives that are mostly applicable in Southern Africa. The most common type of cooperative is called Agricultural cooperative, second form of cooperatives is financial cooperative which fall under user- cooperative category such as stockvels, burial society, savings and credit unions, village banks and mutual banks. Third type is savings and credit cooperatives (Khumalo, 2014:70). The cooperatives play a vital role towards the economic development of Southern African continent. These cooperatives have to apply these doctrines in order for them to succeed and be competitive. To follow this doctrine, it will reduce the level of conflict among cooperative bodies and it will also enhance the mutual way of running them effectively and efficiently.

3. Contributions Made by Cooperative Sector Internationally with Regards to Economic Growth and Development

Quite a lot of studies have been conducted within and outside the Southern African countries to spell out the correlation amid cooperative sector, poverty and unemployment reduction as well as economic development. Most researchers have strong self-assurance that cooperative sectors are serves as chief catalysts for poverty and unemployment alleviation (Allahdadi, 2011; Otto & Ukpere, 2011; Ezekiel, 2014). Wanyama, Develtere, and Pollet (2008:18) affirmed that cooperative sector is also acknowledged for job formation, support in respect of financial services, edifying nourishment, labour exchange as well as communal benefits and it also serves as the ultimate poverty and unemployment mitigation mechanisms as well as sustainable economic development strategies. For that reasons, we vouch for the development of cooperatives enthusiastically, as a catalyst for poverty and unemployment as well as economic growth and development. Allahdadi (2011), in his study, acknowledged that cooperative sectors offer work opportunity for the destitute individuals with the intention to accelerate their income earnings and also add value intensely towards poverty and unemployment mitigation in Marvdasht Iran. Cooperative, like any form of business, tends to play enormous role towards the world’s economic growth and development as compared to other types of business (Department of Trade and Industry (DTI), 2012).

According to DTI (2012), in Canada, Canadians are members out of ten are the members of cooperative. Again, in the United States, forty percent of its population belong to cooperative. In Japan, almost one out of every three households’ forms part of cooperative member. In Germany, more than 20 million people are being recognised as the members of cooperatives. Furthermore, almost 45% of the Bangladesh citizens access their electricity power supply via cooperatives. This is serves as the indication that most of the European continent relies on cooperatives to boost their economic growth but in most of Southern African countries, cooperatives are still given less attention as compared to European and American continents. In contrary, Kenya has to be the mirror of majority of Southern African countries because it performs well when it comes to cooperative sector development. For example, 45% of its GDP derived from cooperatives, 31% of its total national savings and deposits were also contributed by cooperatives. Furthermore, almost seventy percent of their coffee bazaar, dairy products amounted to seventy-six percent and also ninety-five percent of cotton bazaar is controlled by cooperatives.

In South Africa, government has established Cooperative Development Policy of 2004 and also the Cooperative Act, no 14 of 2005 with the intention to create a conducive environment for cooperative. The policy and the act are aimed at promoting robust, feasible, self-sufficient, as well as self-governing cooperative society within the country (DTI, 2012: 7). Despite the effort which the South African government makes to enhance the cooperatives, most of them do not survive for long periods before the issue of training and the mentoring of the emerging cooperative has to be strengthened. According to Wanyama, et al. (2008:1-2), the cooperative sectors have the ability to pinpoint the pecuniary opportunities for the underprivileged people, empower them to look after their interest, and also offering them an asylum by letting them to transfigure their personal risks into communal risks.

4. The Contribution Made by the Cooperative Sector in Southern Africa

The importance of cooperatives in Southern African economy are as follows: cooperatives can help to create more equitable growth; it can also aid in tackling rural poverty; cooperative could expand by allowing poor people to access financial services;
they make available a variety of services, for instance “health care, housing, and utilities such as water and electricity”; they could also make available an opportunity for self-government and empowerment of underprivileged societies; financial cooperatives can offer small price services compared to other forms of industries; agricultural cooperatives can aid agriculturalists acquire a better pledge at several phases of production as well as dissemination; they serve as the principal channel through which smallholder farmer have access to fair-trade certificate; they could also assist with skirmish or tricky resolutions, harmony building together with social unity; utility cooperatives have been predominantly fruitful in making certain that there is prudent imbursement for services from both families and societies; utility cooperatives are also capable to answer back to the challenges of “omitted market”; housing cooperatives could make available access for underprivileged people to reasonably priced housing within the conurbations; cooperatives could also aid in addressing the issues of market catastrophe.

The majority of countries have created conducive environment for promoting cooperatives, by developing legislative framework, supportive programmes as well as delivery institutions, because they discovered that cooperatives grow more rapidly and contribute unequivocally towards economic improvement, job formation, pecuniary possession by local societies as well as human resource improvement as compared to those countries which have strict rules and regulations in respect of cooperatives (DTI, 2012:20). Accordingly, for the Southern African continent to prosper and be able to achieve better economic growth and development, it must mirror from the countries like India, Spain and Canada in respect of promoting cooperatives. For example, In Indian, the co-operatives undertaking, as yet, has turn out to be one of the predominant across the globe. Almost, sixty-seven percent of families and ninety-nine percent of previously disadvantaged inhabitants are involved in a different way, within the co-operative division.

Apart from above mentioned countries, the South African Government also is dedicated towards the stimulation of co-operatives as a way to “create and develop income-generating activities and decent, sustainable employment; reduce poverty, develop human resource capacities and knowledge; strengthen competitiveness and sustainability; increase savings and investment; improve social and economic well-being; and contribute to sustainable human development” (the DTI, 2012:7; Godfrey, Muswena, Strydom, Mamafa & Mapako, 2015:ii). Godfrey, et al. (2015) regard cooperatives as a progressive vehicle intended to lighten the contemporary levels of joblessness as well as poverty and also promote economic tumor in South Africa.

5. Challenges Faced by the Cooperative Sector in Southern Africa

Unluckily, the quality of life expectancy of many Southern African inhabitants had remained undesirable and shockingly short, in spite of the massive financial apportionments and counter measures that most of Southern African nations put in place...
to stimulate cooperatives as an impetus towards poverty and unemployment reduction. Most of the Southern African countries government initiatives have failed to yield the anticipated domino effect in respect of poverty and unemployment alleviation, now it is deemed necessary to diverge from relying on SMMEs and big businesses as a vehicle towards the preferment of economic development and growth. But to empower cooperative sector as another institution that could mitigate against poverty and unemployment. This sector has the ability to provide conservative monetary as well as resource materials to its associates which are predominantly encompasses of individuals who are previously disadvantaged, more specifically to old women and people who are having low level education or illiterate individuals.

Despite the contributions that cooperatives make to the Southern African countries, and striving to look after human development, they are still confronted with numerous challenges, comprising of "low human resource capacity, a weak economic base, extensive external financial dependency, lack of internal capacity and occasionally bad governance" (International Cooperative Alliance, 2013:5). The study conducted by Gala in Limpopo Province of South Africa about the challenges that faces LED agricultural cooperative identify the following factors that hampers cooperative sectors to proper: lack of access to land to conduct cooperative activities, shortage of machinery and equipment, lack of access to finance and information (Gala,2013:2). Gala (2013:3-4) in her findings reveals that poor infrastructure, the cooperatives that are operated by old age people who are less innovative, shortage of marketing skills as well as poor transportation systems are factors that need serious attention for these cooperatives to flourish. According to DTI (2012:52-56), South Africa if facing several cooperative development challenges wherein they divided them into categories. Firstly, there are challenges that are related to government in respect of execution of cooperative initiatives. The following challenges are outlined: "inadequate economic and social impact statistics on cooperatives; the lack of co-ordination; limitation of current support from existing enterprise development agencies; recognition of cooperative as a unique form of entity and diversity in both public and private market remains very low; accessibility of cooperative registration to local communities; limited promotion and awareness by government to cooperatives; avoidance of formalisation by informal self-help groups, limited access to finance and technology as well as limited access to critical business infrastructure".

Secondly, there is a challenge regarding cooperative management. This category embraces the following challenges: "poor management and technical skills; limited trust and social cohesion; lack of democratic decision-making skills among cooperatives; limited cooperation among cooperatives; appreciation of collective interest above individual interest still remains a challenge; embracing self-reliance as a principle within cooperatives also remains a major challenge; and lack of compliance with the cooperative legislation among new cooperatives". The formal courses on key cooperatives skills need to be incorporated in existing business management programme in both high schools and tertiary institutions.

The third one is market challenge. This category looked at the following as challenges, embryonic networks as well as economic value-chains; inadequate access to market and lastly, cooperative organisational structures. In this regard, the focus was on the shortage of resilient and feasible relations as the only challenge facing cooperatives.

6. Cooperatives and Poverty Reduction in Southern Africa

Turner, Cilliers, and Hyghes (2014) Supporting notion Sizya (2001:4), that "Poverty has various manifestations including lack of income and productive resources sufficient to ensure sustainable livelihoods; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; and social discrimination and exclusion. This is also characterised by a lack of participation in decision-making and in civil, social and cultural life" (Sizya, 2001; Turner, Cilliers & Hyghes, 2014).

The main challenge that confronts various Southern African countries is how to keep the level of poverty to minimal while still maintaining level of economic growth (Omilola & Van Lerven, 2014:3). Roughly sixty-two percent of Southern African inhabitants still living underneath the poverty line and is approximately twice the usual one for all under-privileged national state as compared to privileged one (African Development Bank (AFDB), United
Nations Economic Commission for Africa (UNECA), African Union (AU) and United Nation Development Programme (UNDP), 2011). Apart from Ethiopia and the Central African Republic, it appears that there are wide gender disparities in the rates of poverty (Omilola & Van Lerven, 2014:3). Some of the reasons why poverty persist in Southern Africa vary from huge amount of population, unmeasurable levels of inequality, political unrest and conflict, institutional imperfections, erratic economic tumor, governance feebleness, destitute infrastructure, nonexistence of economic divergence as well as catastrophic weather conditions (Omilola & Van Lerven, 2014:4).

In South Africa, government has worked hard to alleviate poverty by offering grant to pensioners and children. According to Ezekiel (2014:132) supporting the notion of Sweetman (2002), poverty is defined as "...lack of income and productive resources sufficient to ensure a sustainable livelihood without hunger and malnutrition, ill-health, homelessness and inadequate housing, unsafe environment and social discrimination and exclusion".

Poverty reduction is denoting all hard work made by government, corporate individuals, organisations that endeavour to position themselves and set momentum to get rid of the underprivileged inhabitants out from the acquaintances of poverty or place them outside poverty line (Ezekiel, 2014:133). Oseni, Ogunniyi & Sanni (2012) assert that, even though participants might become a member of cooperative for numerous motives, but on the other hand their foremost aspiration is to acquire inexpensive loans as well as capital that could be devoted for the acquisition of fixed assets as part of the investments for the difficult times. Wanyama, Develtere, and Pollet (2008:19) disclose that employment establishment, acceleration of monetary amenities, educational sustenance, labour conversation together with reciprocated helps are regarded as the necessary poverty alleviation mechanisms and viable economic growth tactic of many citizens in almost Southern African republics. As a result, the strategy raises the spirits of promoting the cooperative undertakings enthusiastically. Otto and Ukpere (2011) pointed out that in Nigeria, cooperative citizens normally motivated their members to take part in respect of capital improvement as part of investment and poverty alleviation mechanisms. Allahadadi (2011) also postulated that cooperatives offer a great chance to the underprivileged people towards intensification of their income earnings and also made a noteworthy impact towards poverty alleviation. Apart from the contributions which cooperative sector made, a portion of researchers ascertain that cooperative sectors cannot aid towards reduction of poverty. This perception is revealed by Ezekiel (2014) supporting the notion by Shekari (2012) who indicated that majority of households who are part of cooperatives earned little income and are still living beneath poverty line.

7. Cooperatives and Unemployment in Southern Africa

Due to the fact that economic growth in Southern Africa is poor and that it has scarce capital intensive reserves, enormous numbers of people do not accumulate any reimbursements from such economic tumor. For the growth to be comprehensive, great amounts of work must be sustained for a long period across broad-based economic areas. Co-operatives could play a crucial role in this regard. The unemployed individuals are those people who are vigorously in search of work and instantly ready for work, again; are those who are in anticipation of being called from a provisional dismissal from their former employer, and are also regarded as unemployed (Nizeimana & Nhema, 2016; Mago, Mazise & Hofisi, 2013). According to Statistics South Africa (2015:xxv), unemployed individuals are those "aged 15-64 years who were not employed in the reference week; and actively looked for work or tried to start a business in the four weeks preceding the survey interview; and were available for work, i.e. would have been able to start work or a business in the reference week; or had not actively looked for work in the past four weeks but had a job or business to start at a definite date in the future and were available". Employment is regarded as a foremost source of household income, and as a result, employment formation as well as a value-added labour throughput are the essential tools whereby economic growth could be echoed in poverty reduction and growth could be converted into improved incomes earnings (Seleteng & Motelle 2015:37).

Employment is defined as a way through which all left 15-64 years who were not employed in the reference week; and actively looked for work or tried to start a business in the four weeks preceding the survey interview; and were available for work, i.e. would have been able to start work or a business in the reference week; or had not actively looked for work in the past four weeks but had a job or business to start at a definite date in the future and were available". Employment is regarded as a foremost source of household income, and as a result, employment formation as well as a value-added labour throughput are the essential tools whereby economic growth could be echoed in poverty reduction and growth could be converted into improved incomes earnings (Seleteng & Motelle 2015:37).

Employment is defined as a way through which all left 15-64 years who were not employed in the reference week; and actively looked for work or tried to start a business in the four weeks preceding the survey interview; and were available for work, i.e. would have been able to start work or a business in the reference week; or had not actively looked for work in the past four weeks but had a job or business to start at a definite date in the future and were available". Employment is regarded as a foremost source of household income, and as a result, employment formation as well as a value-added labour throughput are the essential tools whereby economic growth could be echoed in poverty reduction and growth could be converted into improved incomes earnings (Seleteng & Motelle 2015:37).

Employment is defined as a way through which all left 15-64 years who were not employed in the reference week; and actively looked for work or tried to start a business in the four weeks preceding the survey interview; and were available for work, i.e. would have been able to start work or a business in the reference week; or had not actively looked for work in the past four weeks but had a job or business to start at a definite date in the future and were available". Employment is regarded as a foremost source of household income, and as a result, employment formation as well as a value-added labour throughput are the essential tools whereby economic growth could be echoed in poverty reduction and growth could be converted into improved incomes earnings (Seleteng & Motelle 2015:37).
Financial cooperatives offer people an opportunity to have a secure institution in which they could deposit money and have access to credit. This raises up the spirits of establishment in respect of new business ventures and, as a result, generates new employment opportunities. In Europe only, cooperatives provide employment opportunities for over and above 5 million people (Cooperatives Europe, 2013). The promotion of cooperative sector could serve as an imperative factor because it is able to offer employment opportunity to old people, disable people, youth, those who have less education. This could serve as a mitigating mechanism towards unemployment if it could be well implemented among both southern African countries and Africa as whole to boost their economic growth.

8. Other Contributions Made by Cooperatives

Other contributions as means of support and reasonable growth acknowledged for cooperatives take into account the following: “income security, jobs for rural communities, strengthening farmers’ position in the value-chain, employment in diverse sectors of the economy, spillover effects on employment, provision of infrastructure and other services, and social inclusion” (Wanyama et al., 2008; Godfrey et al., 2015; DTI, 2012).

8.1 Income Security

Cooperatives have made contribution in stimulating decent employment and also offering income earning security, particularly amongst people who were previously disadvantaged. For example, research pertaining to the dairy industry in India signposts that cooperative associates delight in greater and additional secure earnings as compared to non-cooperative associates in the industry. Similarly, in Ethiopia, agricultural sector validates how agricultural producers who are the members of cooperatives obtain improved salaries, greater savings as well as abridged input expenses, compared to non-cooperative members (Tesfay & Tadele, 2013).

8.2 Provision of Jobs for Rural Communities

Correspondingly, agricultural sector serves as the most important source of earnings and also the greater employer amongst people who are dwelling in rural areas and again, in the developing countries. At this juncture, the most of cooperatives are initiated within the agricultural sector. The cooperatives within the agricultural sector make available permanent, seasonal as well as causal employment to their associates. The cooperatives have power and in offering income earning as well as job creation to people who were previously disadvantaged as well as rural inhabitants as a whole. The cooperatives serve as an enabler for other rural business ventures to grow and also enhances the provision of local employment (ILC, 2007).

8.3 Social Inclusion

Cooperatives are also offering great eminence employment opportunities for both youth, females, previously disadvantaged individuals, such as those with physical or mental impairment/disabilities as well as those who were previously sidelined, e.g. African/Black groups. The capability of cooperatives to assimilate females together with youth as well as disable people into the labour force is of utmost important, because these sets of individual's experience discrimination one way or another and also offered poor employment opportunities. There is evidence that properly premeditated cooperative initiatives are predominantly ready to lend a hand for females; the females not only reap greatly from the additional security gave by such group determinations but this also form part of social organisation that stimulates the preservation of economic improvements accumulating from their own inventiveness as well as innovation (Majurin, 2012). Cooperative determinations have allowed more proficient exploitation as well as adaptation of home-grown resources together with the production techniques, while firming up the abilities of previously disadvantaged people in negotiating for nondiscriminatory market environments. As such, cooperatives are often regarded as intrinsically viable business ideal, with their tripartite bottom line of social, economic as well as environmental sustainability. The advancement and development of cooperatives may possibly become an imperative mechanism for accomplishing the improved economic growth and development in Southern African countries.

9. Conclusion

The cooperative sectors play a crucial role in mitigating against poverty and unemployment and are
also considered to be the principal driving force of both economic growth and development of both developed and developing countries. Due to several constraints which cooperatives are facing, the majority of cooperatives still encounter difficulties to prosper and survive for the longer period. This article provided literature that discusses the importance of cooperative sectors in relation to poverty reduction and unemployment and the contribution they made towards Southern Africa’s economic growth and development. The researcher considered the promotion of cooperatives as an important factor that could mitigate against poverty and unemployment in the Southern African continent. The concept of economic growth, poverty reduction, unemployment is intertwined, and to the best of researcher’s knowledge, there is no way in which you can talk about one variable without stating the other. This study is conceptual in nature and the data was collected from books, peer reviewed articles, papers presented in conferences and chapters in book. The literature consulted provides thorough basis for argumentation offered in this article. The promotion of cooperatives could be a good start to mitigate against poverty and unemployment and also accelerate survival rate as well as increasing cooperatives’ level of competitiveness in the market locally, and in this context referring to Southern Africa and globally.

10. Recommendations

- The promotion and encouragement of the use of E-governance or Electronic governance across Southern African countries for the execution of the policies and procedures regulating cooperatives. E-governance could serve as medium of communication amid Southern African countries. It will enable these countries to have standard policies and procedures which have to be practiced across Southern African. This body will help to regulate all cooperatives falling under Southern African region. The utilisation of e-governance could promote networking among cooperatives and it will also enable other cooperatives to mirror from their fellow counterparts.

- The development of Southern African Cooperative bank (SACB) which would step in case of the financial assistance and offer mentorship programme for both existing and novice cooperatives sectors including: survivalist, micro, small and medium cooperatives in Southern Africa. This bank will focus specifically for cooperatives which are situated in the Southern region of Africa to enhance their development.

- To encourage diversification among cooperative businesses in Southern Africa to move from unifunctional to multifunctional activities. Most of cooperatives in Southern Africa region are focusing on agricultural cooperative and are giving other forms of cooperatives less attention. As such, the issue of diversification is required in this matter.

- The establishment of Southern African cooperative colleges whereby the key or formal courses relating to cooperatives skills could be imparted and also incorporated in existing business management related fields in order to solve the problem of cooperative skills shortage among the existing cooperatives and also plant the skills amid the novice cooperatives. This has to be applicable in each country in Southern Africa with the intention to boost its economic growth and development and has to be regulated and governed through the implementation of e-governance among countries.

References


The Promotion of Cooperative Sector as a Mitigating Driver Against Poverty and Unemployment ...


