Integrated Co-operative Models in a Practical Model in Tanzania

Chambo, S., Towo, E., Machimu, G., Mchopa, A., and Bwabo, M.

Proceedings of the Joint Workshop on Innovation and Entrepreneurship in Co-

operatives, the Private Sector and Public Services

Lessons from Sweden and Tanzania

(2016)

Abstract

Co-operative movements are seen by proponents to have contributed to the reduction of income

in developing countries. Critics, however, see co-operatives to help their members are still less

cemented. Subsequently, cooperative efforts to alleviate poverty among farmers arc sometimes

perceived to be not effective. There is also a concern that co-operatives to help their members

should work towards vertical and horizontal integration to be more effective. This study

examined if integrated co-cooperative is a practical model in Tanzania. The study also assessed

how the integrated cooperative operates in Tanzania. Accordingly, the study identified

perceived benefits and challenges experienced by cooperative members in the study area. The

study was conducted in Mbinga District and Moshi Rural Districts. A total of 228 respondents

were interviewed (single cooperative members 113, multiple cooperative members 53, and non

cooperative members 62). Data were analysed descriptively using IBM Statistical Package for

Social Sciences (SPSS). In the study it was found that small scale farmers in Tanzania have

opted for horizontal integration in the form of multiple memberships that is being a member

of an Agricultural Marketing Co-operative Society and a Savings and Credit Cooperative

Society as a strategy for improving livelihood. This form of integration therefore generates

future implications for the growing co-operative movement in Tanzania. Members

involved in the integrated model were found to have relatively generated more wealth and had

the comparative advantage of accessing various services provided in their communities. This

reflects the importance of the existing integrated model, which has been formed by members

themselves. This study therefore recommends integrated co-operative model to be sensitized

and formally implemented in Tanzania so that cooperative members may end up experiencing

unity of effort

Key words: Integrated co-operative, Tanzania