

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The socio-economic aspect of any society is a subject to change and various factors are responsible for that, like culture, technology, population, environment etc. In addition, modernization, industrialization, urbanization and various development activities are also supportive to the socio-economic change of the society. Likewise, the co-operative is also a component, an identical with the self help program emerged in 1844, that helps to change the overall facets of the social system. It is regarded as the foundation pillar of the economy for the economic growth, member saving deposits mobilization and the medium to address the economic, social and cultural needs of people there be contributing community development and social delivery.

Generally speaking co-operation means living, thinking, and working together. In the technical sense, it denotes a special method of doing business. Co-operation existed even before the existence of human beings. The terminology “co-operation” is derived from the Latin word “co-operari”. Co means together and operari means to work (P.C. Dhal, 1989). Thus, co-operation means working together for a common goal or objective. In broader perspective, it means self help, mutual help and assistance. The motto behind co-operation is “each for all and all for each”. It is a system of people voluntarily associated working together to cope up their socio-economic imbalances.

Historically, the development of cooperative could be traced in England. According to Dubhashi “On 24 October, 1844, they have started a consumer cooperative store at Toad Lane, Rochdale Lan cashier, and North England. It is generally acknowledged that the event marked the birth of co-operative” (Dubhashi, P.R.1970). There was a predominance of agriculture and use of human and animal power before industrial revolution in England. It first became the industrialized country in the world scenario during 1760-1820. After the revolution it was fully dominated by the capitalism which proved an utter misfortune for the poor. So, to search for a way out of the problem, the marginal group conceptualized the cooperative.

As Nepal is an under developing country which has agro-based economic system with poor economic condition, the vulnerable situation of political and economic condition has further deteriorated the situation of the country and its people. In such state the best option to curb the problem could be cooperating themselves for their overall development. The cooperative could make it possible because the collections of scattered funds and uniting principle among the members are strong enough to affect the socio-economic life and even to a bigger socio-economic structure. So, the cooperatives unite the dispersed small peasants, small entrepreneurs, and small businessmen, money and mobilize them towards the huge corpus of investment and strive for the bigger achievements. That's why the cooperatives have been proved as a milestone for the social and economic change in Nepal.

To transform the socio-economic aspect of Nepalese society, from backward to the developed ones, optimistically, the Nepal Government has been implementing the cooperative policies: "As enshrined by the Interim Constitution, the cooperative sector has been recognized as one of the three pillars of development along with the public and private sectors. Various policies and programs mentioned in the approach paper of the Interim Plan have considered cooperative as the medium of economic, social and cultural development through savings mobilizations and increase in investments to restructure and strengthen the cooperative software, aimed at rural development. With this background, this plan, with a long term vision on the cooperative sector, has been formulated" (Three Years Interim Plan 2054-2065-066-067, prepared by NPC). Hence, the numerous establishments of cooperatives in the Nepalese society prove itself its importance for the people.

1.2. Statement of the Problems

Socio-cultural and economic components are closely interrelated and interdependent to each other. The development activities of the country and the socio-economic change of society depend upon its inter-combined parts of the society. The co-operative is a unit of society which is micro financial institution in nature but could contribute or transform the socio-economic aspect of any society, considerably.

Nepal, realizing the significance of the cooperatives, has been practicing them for the socioeconomic change for five decades. Kathmandu the capital city of Nepal has become the career destination for the migrants from every parts of the country. Here, they pursue their future by engaging in various development activities. Hence

the co-operative has been proved as a very helpful option for them to save their hard earned money and to utilize them over education, health, lodging, fooding, ritual performances etc. They not only spend their saved amount upon family standardization but also invest upon feasible business as per their ability and capacity, their by causing change over social and economic status. So the main concern of my thesis is the role of cooperatives for the socio economic change of Chabhil-7, Kathmandu.

This proposed research has explored such and similar issues and questions:

- 1 How the social change is getting through cooperative?
- 2 How the cultural change is getting through cooperative?
3. How the economic change is getting through the cooperative?

1.3 Objective of the Study

The general objective of this study is to find out the nature of cooperative and its functions in the process of social and economic change in Nepalese society especially in Chabhil-7, Kathmandu. The specific objectives of the study are as follows:

- 1 To analyze the social change through co-operative
- 2 To analyze the cultural change through the co-operative
- 3 To analyze the economic change through co-operative

1.4 Conceptual Framework of the Study

The units of society are interrelated and inter-combined to each other and the each units of society affects the overall aspects of society, which helps to maintain dynamism within the social units. The cooperative is a unit of society that adopts saving and credit as the basic principle where the members are the great beneficiary. If the members' lifestyles change that leads any society towards socio-economic change. To obtain the objectives of the study the following conceptual framework has been adopted.

Conceptual Framework of the Study

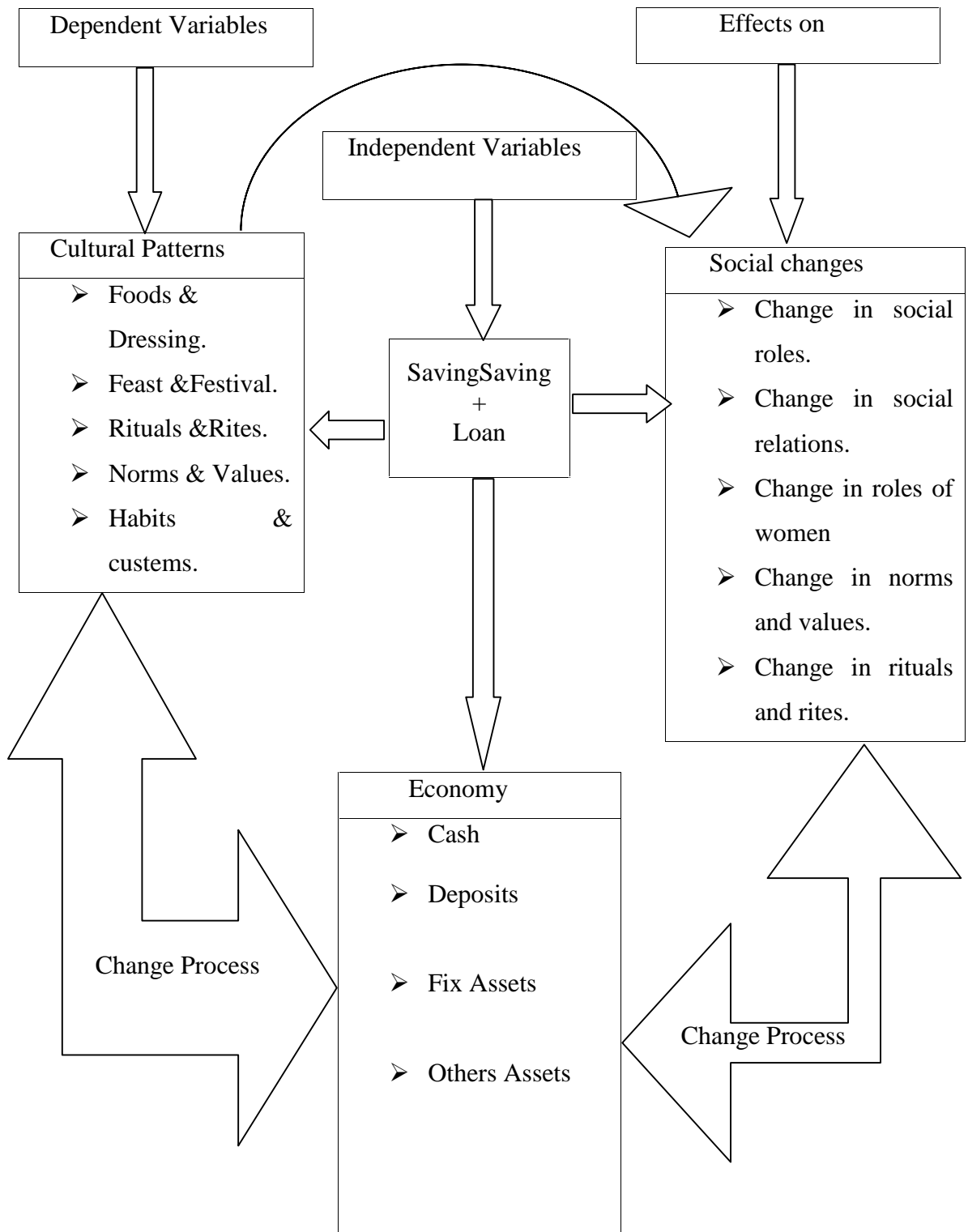


Figure No.1

1.5 Rationale of the Study

The cooperative has been proved as a vital tool and procedure for socio-economic change. Having realized this fact, the government of Nepal has been practicing cooperatives for about six decades. Since then, the cooperative is very popular in the, terai, hills, and the mountain. It has been very effective for the poor, small, big businessmen and entrepreneurs to utilize their hard-earned money in socio-cultural sectors. And, it causes the socio-economic change in their society. My study area --Chabahil, ward no.-7-- cannot go beyond from the influence of cooperative so much so that ample numbers of such financial institutions could be seen around.

The study 'The role of cooperative for Socio-economic change' focuses study on saving and credit cooperatives in Chabahil-7'. The study widely scans the role of cooperative for social economic change. And, it believes that it would be helpful for the workers of cooperatives, for the researchers about this topic, for the member of cooperatives, to the persons who want to achieve the knowledge about cooperative and social economic change, to the planners who want include the cooperative in the development plan, and to the states which accept the importance of cooperative and to many other concerned ones.

1.6 Organization of the Study

The overall research study is divided into five chapters. Chapter one includes introduction of the study, statement of the problems, objective of the study, conceptual framework, rationale of the study and organization of the study. Chapter two deals with review of literature including the theoretical overview, review of previous literature, main principles of cooperative and some historical description about cooperative in Nepal. Likewise, the chapter three deals with the research methods including research design, data collection technique, data analysis and presentation, data analysis and interpretation. The chapter four deals with data presentation and analysis. Finally, the chapter five deals with Summary and Recommendation.

CHAPTER TWO

LITERATURE REVIEW

2.1 Theoretical Overview

Among many theories that define the mechanisms of socio-economic change, this study has reviewed only three theories and their literature. They are mentioned below:

2.1.1 Development Theory

“The meaning of “development” is complex, however the main concern has become as how to achieve it. During the early post Second World War era, development was equated with economic growth, following the idea of the modernization perspective to ‘develop’ the ‘subject’ of backward areas” (Dahal, 2001). However, the notion of development goes back further than 1949. Larrain argues that while there has always been economic and social change through out history, consciousness of ‘progress’ and belief that this should be promoted, arose only within specific historical circumstances in Northern Europe. Such ideas were first generated during what he terms the ‘age of competitive capitalism’ (1700-1860): an era of radical social and political struggle (Larrain, 1969:1). During this era polarities between ‘primitive’ and ‘civilized’ ‘backward’ and ‘advance’ ‘superstitious’ and ‘scientific’ ‘nature’ and ‘culture’ become common place (Bloch and Bloch, 1980:27). Such dichotomies have their contemporary equivalent in notion of underdeveloped and developed ones.

Over the year, development has carried very different meanings. It is a multidimensional notion, which often equate with evolution, progress, positive change and economic growth. The term ‘development’ in its present stage dates from the post war era of modern development thinking. Harri Trueman formulized at first this idea in his presidential inaugural speech in 20th January 1949, when he said “We must embark on the bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdevelopment areas. The old imperialism is dead exploitation for foreign profit has no place in our plans. What we envisage is a program of development based on the concept of democratic fair dealing (cf. Cowen and Shenton, 1996).

Larrain links particular type of development theory with different phase in capitalism. While the period 1700-1860 was characterized by the classical political economy of Smith and Ricardo and the historical materialism Marx and Engels, the age of imperialism (1860-1945) spawned neo-classical theories of imperialism and the crises of 1966- 1980 by neo-Marxist theories of unequal exchange and dependency (Larrain, 1998:4).

Social development has emerged as an approach of development in rural society. One narrow meaning of social development is public welfare, policies of health, education and housing. Medley (1995) defines social development as a process of planned social change designed to promote the well-being of the population as a whole in conjunction with a dynamic process of economic development (cf. Pieterse, 2001: 116).

Hence, Cooperative is also an agent of social and economic change that has a nature of a movement and works through a planned development. Here, the movement refers to a public efforts and the plan refers to the effort of government. Both are essential elements for the development of any country.

2.1.2 Modernization Theory

Modernization is a process of social change. It refers to multidimensional aspects, which brings changes on thinking, beliefs, norms and values, ambitions and life style basically. In the 1950's and 1960's modernization theory began to dominate the field of development by studies. Since the 1950s modernization has been regarded as identical to development by both development planners and most third world learners (Bongartz and Dahal, 1996:4).

According to Talcott Parsons, the society has changed towards modernization after the end of the colonial empires. Denial Lerner termed modernization as the process of social change where by less developed societies acquire characteristics common to modern develop society. Similarly, sociologists like Emile Durkhim through 'The Division of Labor', Max Weber through 'The protestant Ethics and Sprit of Capitalism' analyzed the change in society through modernization (Bongartz and Dahal, 1964:4).

Thus, 'modernization' was often equated with industrialization, economic growth, transformation of 'primitive' values to 'modern' ones and 'traditional societies' to 'modern' societies in the process of social economic change. And

cooperative also somehow plays similar roles for the social and economic change in the society.

2.1.3 Dependency Theory

Dependency theories have emerged as a radical critique of the Modernization Theory. The Third Worlds' failure to understand the real causes of underdevelopment and poverty, led to the emergence of a new perspective in viewing them, namely, Dependency and the World-System theories.

As one of the exponents of Dependency Theory, Andre Gunder Frank (1969) has criticized earlier theories of modernization and stages of development. Underdevelopment is not original or traditional. . . .The new developed countries were never underdeveloped though they may have been undeveloped, he opines. He bitterly criticized; the present underdevelopment of countries could only be understood as the product of reflection solely of its own economic, political, social and cultural characteristics or structure (Frank, 1969:4). He further adds that, an analysis of historical accounts would show that neither the past nor the present situations of the underdeveloped countries are similar in any important aspects of the past of the development countries.

Economic Commission for Latin America (ECLA), a group of radical scholars whose outlook was deeply influenced by Marxism, began to explain world economy and especially that of Latin America in terms of political and historical structures. This become popular as a dependent does not constitute state of backwardness prior to capitalism but is rather a result of a capitalistic development known as dependent capitalism.

The main theme of the dependency theory is that capitalism causes underdevelopment. The normal process of the capitalist world economy widens the gap between developing (underdeveloped) and the developed countries, viz. "Metropolis" and "Satellite" respectively. The metropolis develops at the cost of the satellite, while the satellite is reduced to a state of dependence. So, contemporary manifestations of development and underdevelopment are not different stages in the evolution of mankind but two aspects of the same historical process. In this way, peripheral economics are integrated into capitalism, but on an inherently unequal basis which ultimately leads peripheral regions to become dependent upon core region. Thus, there is dependency as an international relationship where the strong

economy conditions the weak while there is also dependency as a structure distinct from the advanced nations (Frank, 1967).

But, the cooperative breaks the relationship of Metropolis and Satellite through the people empowerment process and focuses upon the self-help program among the people.

2. 2 Review of Previous Study

This study is an attempt to observe the role of cooperative to change people's lifestyles from the Sociological point of view. Then and now of human civilization, human life and society have undergone many changes. Various sociological theories have been developed to explain the changes, however, the present study is an attempt to describe present situation of people's changing lifestyle through the cooperative. I found this concept appropriate to look at the changes that occurred in the urban community, Chabahil Ward no.-7. Metropolitan city of Kathmandu.

As my thesis has opted to observe the socio-economic change of people of Chabhil-7, there has been reviewed many socio-economical and cooperative literatures. Social change is the change in society and it is the web of social relationships. Hence social change is a change in social relationships that include the mutual activities and relations of the various parts of society. As the definition goes: "Social change refers to any modification in the social organization of a society any of its social institution or patterns of social roles. Generally social change refers to significant change in social behavior or change in some large social system rather than to minor change within a small group" (B. Bhushan Dictionary of sociology 1989).

Acharya puts: "Indicators of socio-cultural change are change in social relation, status, role, institutions, structure, customs, economy, education, perspective, attitude, food habit, clothing, physical development, religion, technology, system, justice. Factors of socio-cultural change are biological, technological, cultural, geographical, economical, political psychological and ideological" (Acharya, 2000).

For Malinowaski: "Cultural change is the process by which existing order of a society, that is its social, spiritual and material civilization, is transformed from one type into another cultural change thus covers the more or less rapid processed of modification in the political constitution of a society. It's domestic institution, mode

of territorial settlement and material tools and their use, and consumption of goods on which its social economy is based. In the widest sense of the term, culture change is the permanent factor of human civilization; it goes on everywhere and at all times.”(Malinowaski; 1952).

Bhide believes: “Cooperation represents a happy means between the forces of extreme individualism on the one hand and socialism and communism on the other. It stands for individual rights tempered by considerations of justice, equity and fair dealings as between man and man, and its own great aim is to prevent the exploitation of the weaker by the stronger party” (Bhide, V.S, 1959).

Dr. Khurana traces back the history of cooperatives as: “Cooperatives first emerged as distinct legal institutions in Europe during the 19th century achieving their first permanent success during the different years of the 1840. Cooperatives grew within five distinct traditions; the consumers cooperatives which beginnings have largely been popularly associated with the Rochdale pioneers (U. K.); the workers cooperative which had their greatest early strength in France, the credit cooperatives which largely begin in Germany; the agriculture cooperatives which had their roots in Denmark and Germany and service cooperatives such as housing and health cooperatives which emerged in many parts of industrial Europe, as the century drew to an end. All of these traditions flourished, albeit with different degrees of success the most European countries in the 19th century; all spread through out most of the remainder of the world in the 20th century. The cooperative movement in India owes its origin to agriculture and allied sector. Towards the end of the 19th century, the problem of rural indebtedness and the consequent conditions of farmer’s created an environment for the formations of cooperatives.” (Dr. Khurana M.L., 2006).

N. B. Basnyat states: “It is an established fact that cooperatives are the only institutions that can provide both the economic machinery and the social values required by our age. If there is any hope for the struggling masses of the emerging countries, like Nepal, it is through mutuality, through working together and through cooperation” (Basnyat N.B. 1976).

And cooperative is for Pradip: “The cooperative is a form of organization engaged in economic activities and carries out management functions such as planning organization controlling and evaluating” (Khand Walla, Pradip N., 1977).

The nature of cooperative and advantage of this organization should be very important for the Nepalese society to change the social, cultural and the economic life

and it is in flourishing stage now a days, because when the Cooperative Limited started from Chitwan District “Bakhan Cooperative Limited” that stage had held only 13 in number but, according to Annual Progress Report of Cooperative Department New Bneshwor, Kathmandu the number is increased in 22856 up to 2067 last of Chaitra, and it is gaining the fair popularity in the Nepalese society.

The last four decades have been a period of expansion in the membership of the world-wide cooperative movement, combined with usually large changes in its pattern of development. Cooperatives have governed in every part of the world and entered into every sector and activity of human life. Today, there are some 760 million industrials who are members of cooperatives around the world. There has been a rapid change in the environment, which has prompted cooperatives to undergo different changes in their basic structure and ideas. The cooperative movement believes that democratic procedures applied to economic activities are feasible, desirable and efficient. It believes that democratically elected economic organizations make a contribution to the common good. (Ibid Dr. Khurana M.L)

‘A cooperative is an autonomous association of persons united voluntarily and meets their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.’ (ICA -Statement the Cooperative Identity 1995)

In ILO Report, the word “Cooperative” is said to have been derived from the Latin, word ‘cooprare’ which means working together for some common propose. (Holyake F.C., 1875)

B.P Shrestah believes cooperative: “As an association of the economically weak who voluntarily is associating on the basis of equal rights and equal responsibility. Transfer to an undertaking on a several of their functions. Corresponding to one or more of theirs economic need, which is common to them all. But which each of them is unable fully to satisfy by his, own individual efforts to manage. Use such undertakings in mutual collaboration to their common material and moral advantage. Such associations have been tried in one form or another in production, consumption, and distribution. (Shrestha B.P. 1974).

The cooperative movement in Ceylon started in 1912 as a credit movement. In an atmosphere where economic development was considered to be a prerogative of individual, the cooperative societies treated mainly as associations of individuals working on their own for their own economic uplift, without any assistance or

interference from the state. The movement during this period evoked so little response from the people that the state had to step in and associate itself more actively in order to carry out propaganda for the spread of the movement and thus to increase registration of societies. But still the benefits of cooperative association were confined to a very limited sector of the population and it cannot be said that it contributed in any appreciable manner towards the economic development of the country; very little financial help was rendered to cooperation by the government before the Second World War (H.S. Wanasinghe I.C.A., 1946).

The Second World War provided a new direction to the movement. As the need for a planned supply and distribution of food become vital to the community, the government found that the cooperative organization were the best agency to enable the people to share in an equitable manner the available quantities of scarce consumer commodities. A nationwide drive to organize consumer societies was the result (Ibid H.S. Wanasinghe I.C.A. 1946).

With the emergence of Ceylon as an independent nation, government emphasis as agricultural policy shifted to making the country self-sufficient in food, particularly in the staple diet of rice. The state decided on the introduction of a guaranteed price for paddy as an impetus for intensive and intensive cultivation of paddy. The offer of guaranteed price for a crop which was already cultivated widely necessitated organization of the cultivators to enable them to derive the maximum benefits which would flow from such an offer. Thus emerged cooperative agricultural production and sale societies in 1946 (Ibid H.S. Wanasinghe I.C.A. 1946).

2.3 Main Principles of Cooperative

In 1930, the delegates to the International Cooperative Congress meeting in Vienna authorized a study of cooperative principles. A special committee was named by the ICA for this important assignment and after four years of deliberation, it enumerated seven principles. The Paris congress of 1937 of the ICA considered the report of the committee and finally approved of four principles as essential condition of membership of ICA. Viz.

1. Open membership.
2. Democratic control.
3. Dividend on purchase &
4. Limited interest on capital.

The other three Principles are viz.

5. Political and religious neutrality.
6. Cash trading.
7. Promotions of education were considered not obligatory. (Dubhasi P.R., 1970)

2.4. Historical Description of the Development of Cooperative in Nepal

The traditional form of cooperative in Nepal are found as Parma, Guthi Dhikur, Dharma Bhakari and Mankha Guthi. The Parma is a process of labor exchange in eastern Nepal. Guthi is a symbolic institution of help of Newar community in the birth, death and other ritual ceremonies. The Dhikur is an organization of Thakali community to enable their own clan group. The Dharma Bhakari, which literally means a religious store, is a kind of grain bank in the village put aside certain quantities of grain after the end of the harvest season. At the time of scarcity the quantity of grains thus collected in advance by the farmers. The loans are issued from the grain bank only to those villagers who have contributed to the bank and agree to repay the loan in time with interest average 10 to 25 percent per annum. And the Mankha Guthi is a system of cooperation in farming within the Newar community.

The formal cooperative limited in Nepal is established “Bakhan Cooperative Limited” in Chitwan District in Bikram Sambat, 2013. But the Government has been practicing some cooperatives approach through the government bodies since 2010 B.S., which are as follows: 2010 (1953)

-) Establishment of cooperative department under the ministry of plan development and agriculture. 2013(1956)
-) Issue of Executive order for the validity of cooperative society by the government.
-) At first formation of loan cooperative society in Chitwan District. 2016 (1959)
-) Cooperative Department transferred under the Ministry of FOOD, Agriculture and Forest.
-) Issue of Cooperative Act 2016. 2018 (1962)
-) Issue of Cooperative Regulation 2018.
-) First Amendment in Act.
-) Establishment of Cooperative Department Fund.

- J Establishment of Cooperative Society Limited. 2019 (2062)
- J Establishment of 'Cooperative Training Center'.
- J Establishment of 'Cooperative Evaluation and Loan Association'
- J Issue of Cooperative Bank 2019.
- J Cooperative Department Transferred under the Panchayat. 2020 (1963)
- J Establishment of Cooperative Bank.
- J Cooperative action kept under the District Panchayat. 2020 (1964)
- J Beginning of Agriculture Re-organization Program.
- J Cooperative Department has been transferred under the Ministry of Land Reform Agriculture and Food. 2024 (1967)
- J Formation of Center Investigation Committee for Cooperatives.
- J Cooperative Bank transferred into Agriculture Development Bank. 2026 (1969)
- J Cooperative Department has been transferred under the Ministry of Land Reform.
- J Cooperation of Co-ordinate Agriculture Development.
- J At first Compulsory Saving (Anibarya Bachat) convert into share of Cooperative Society Bhaktapur.
- J Cooperative Exchange and Lone Association change into District Cooperative Association. 2027 (1979)
- J Second amendment in Act 2017.
- J Arrangement of Central and District Cooperative Improvement Committee.
- J The Management of Cooperative Societies transferred to the Agriculture Development Bank. 2028 (1971)
- J First Amendment in Cooperative Regulation 2018 and operation of Regular Cooperative Education Program. 2033 (1976)
- J Beginning of Population Education through Cooperative.
- J Occurrence of Central Cooperative Development Committee.
- J Second Amendment in Regulation 2018.
- J Compulsory Saving converted into Share.
2034 (1977)
- J Fiscal Regulation 2034 Issued for the Cooperative Management. 2035 (1978)
- J Management of Cooperative Again transferred to Operating Committee from Agriculture Development Bank Nepal (ADBN).

- J Issue of Fiscal and Administrative Regulation for Cooperative. 2037 (1980)
- J Revised Issue of Fiscal and Administrative Regulation for Cooperatives. 2041 (1984)
- J Issus of cooperative Society ct 2041. 2043 (1986)
- J National Cooperative Seminar Conducted.
- J Cooperative Regulation 2043 issued. 2044 (1987)
- J 17 members High Level Central Coordination Committee formed for the Effective Development of Cooperatives.
- J Cooperatives Department transferred under the Ministry of Agriculture. 2046 (1990)
- J Formation of Ad-hoc Committee for the formation of Central Cooperative.
- J Seminar on Central Cooperative Development. 2048 (1992)
- J Cooperative Central Office dissolved.
- J Formation of ii member National Cooperative Development Board. 2049 (1992)
- J Cooperative Act 2048 issued.
- J District Coordination Committee and Cooperative Ad-hoc Committee formed.
- J Cooperative Regulation 2049 issued.
- J “Sajha Bikas” converted into “Sahakari” from top Department Regional Office and District also “Sajha Sasthan” into “Sahakari Sastha”. 2050 (1993)
- J Establishment of National Cooperative Federation Limited Nepal. 2054 (1997)
- J National Cooperative Federation of Nepal received a membership of International Cooperative Alliance. 2057 (2000)
- J Establishment of Agriculture and Cooperative Ministry, First time Cooperative Sector could be able to achieve the Ministerial status in the country {first amendment in cooperative act 2048 (1990)}.

In brief, these are the major practices or development activities of cooperative in Nepal. And it is in flourishing stage now a days, because when the cooperative limited started from Chitwan District “Bakhan Cooperative Limited” the stage had hold only 13 in number but, According to Annual Progress Report of Cooperative Department New Baneshowr, Kathmandu, the number is increased in 22856 till 2067 last of Chaitra. And, according to this data the cooperative is a very popular within the Nepalese people and we can say, it is an agent of social and economic change for social life of Nepalese people.

CHAPTER THREE

RESEARCH METHOD

3.1. Rationale of the Selection of the Study Area

This study has been executed in Chabhil, ward no. 7 of Kathmandu Metropolitan city, the capital city of Nepal. The city is heavily influenced by saving and credit cooperatives. The study has selected this area because:

-) Though the selected area is located in the urban area, such type of study hasn't been done before.
-) Though there are many forms of cooperatives, numerically saving and credit cooperatives are high in this area.

3.2. Research Design

Research design is the plan, structure, and strategy of investigation of the conceived topic. A descriptive research design has been followed to deal with the role of cooperatives for socio-economic change. Primary and the secondary sources of data are included and analyzed for the research purpose.

3.3 Nature and source of Data

For the objective of the study, both the qualitative and quantitative data are taken from the study area. Primary data are collected through fieldwork by using different tools and techniques. Such as interview schedule, observation, questionnaire, etc. The secondary data are acquired from various Books, Newspapers, Publications, internet, previous studies, cooperative related ministry, department, division office and federations and ward office of the study area.

3.4 Universe and Sample

The study has purposively taken 40 cooperative members as respondents who are associated with purposively selected four cooperative limited of Chabhil-7, Kathmandu. And, It has selected in equal ratio of 10 members from each cooperative as a sample unit in order to meet the objective of the study. For that it has used purposive sampling method.

3.5 Data Collection Techniques

To collect data for the study the following methods and techniques have been followed:

3.5.1 Interview Schedule

To collect primary data, the structured and unstructured interview schedules have been conducted. The interviews are conducted so as to achieve the detail informations such as: the role of cooperative in social and economic change, its contribution to save the small amount money of people, the mobilization of the small amount to big amount in the market, the economic change through cooperative and social change through economic development etc.

3.5.2 Key Informant Interview

This tool has been used for the cooperative members, cooperative workers and the cooperative limited holders to know real situation of cooperative and its functions.

3.5.3 Observation

Observation is done to check the validity and the reliability of cooperative so to know whether they are working or not according to the spirit of cooperative and their members. And, what is the contribution to socio-economic change in society is the main issue of the observation.

3.6 Data Analysis and Presentation

Data which are collected through various collection procedures are analyzed and conclusions are derived through.

3.7 Operational definition and measurement of selected concepts / variables.

Different variables that are socio-economic indicators have been used for the study. There are different social and economical variables, which are determined by the respondents' status. Thus, it has included some variables in this study using both scales (nominal and ordinal) of measurements are as the following.

Table no. 1: Social and Economic Variables of the Respondents' Status**Social Variables:**

Variables	Operational Definition	Measurement
Age	Age of the respondents households member during the interview period	Ordinal
Sex	Sex of the respondents households member (male & female)	Nominal
Education	Level of education (illiterate, literate, primary, secondary, higher secondary and above).	Ordinal
Family type	The total number of family of respondents and size of family (nuclear, joint and extended)	Nominal
Marital status	Marital status of the respondents house hold members	Nominal

Economic Variables:

Variables	Operational definition	Measurement
Occupation	Connected with the particular job (business, entrepreneurship, service, labor)	Ordinal
Income pattern	Money received by the respondents' overall in a certain period of time (monthly)	Ordinal
Expenditure pattern	Money spent by the respondents overall in a certain period of time (monthly)	Ordinal
Size of land	Total farm-land owned by the respondents specially at their origin place (ropani)	Nominal
Household assets	Total houses owned by respondents in recent period (basis of availability)	Ordinal

3.8. Limitation of the Study

This study has been conducted within the limited period of time, resources and area, that of Kathmandu Metropolitan City, Chabhil, Ward no. 7.

The cooperative is a broad concept which has many branches like Saving and Credit Cooperative, Multipurpose Cooperative, Diary Cooperative, Agro Cooperative, Electricity Cooperative, Vegetable and fruits Cooperative, Consumer Cooperative, Science and Technology Cooperative, Coffee Cooperative, Health Cooperative, Tea Cooperative, Herbal Cooperative, Bee Farming Cooperative, and others. But, the research is conducted by following Purposive sampling method upon the designated topic.

The respondents of this study have been taken from stakeholders like members of cooperative, small businessmen, small entrepreneurs and the scholars of this field. Obviously, there will be variation in answers. But the study has only concentrated upon saving and Credit Cooperative.

This thesis has focused upon primary sources of data of the cooperatives located around Chabhil-7. The primary data are collected with limited tools like, interview schedule, key informant interview etc.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1. Geographical Setting and Location of the Study Area

The study area lies in Kathmandu District which is located in the central part of Nepal. It is situated within four Bhanjyng: East Sana Bhanjyang, West Wad Bhanjyng, North Panchmane Bhanjyang, South Pharping Bhanjyang and surrounded by various Districts With different parts of the territory like; East- Bhaktapur and Kavre, West- Dhading and Nuwakot, North- Nuwakot and sindhupalchok and South- Lalitpur and Makawanpur. This District lies between Latitude- 27*27' to 27*49' North and Longitude- 85*10' to 85*23' east. The Altitude ranges between (4.428ft) 1,2350m - (8,962ft) 2,7322m hills and mountains which is surrounding the valley and 94,500ft) 1,372m the plain surface of valley. (Source- District Profile of Kathmandu, 2062)

For the administrative purpose, the Kathmandu District is divided as: 1 Kathmandu Mahanagar Palika, 1 Kritipur Nagar Palika, 57 Village Development Committee, 7 Parliament Election Area and 15 District Election Area. The city is divided into 35 Ward offices (Source: Ward profile).

The study “The Role of Cooperative for the Socio-Economic Change” is conducted in the Kathmandu Metropolitan City, Chabhil, Ward No.-7. According to the 1991 Census, the populations of this ward about 20,000. In 2001, the population was almost doubled to 39,530. There are 230 km of roads in the ward, 40,400 sq. m. of which are black topped. The ward neighbors the Buddhist pilgrim destination ‘Buddha’ on one side and the holiest Hindu temple ‘Pashupati’ on other side. Ganesh Temple and Charumati Bihar are the identity of the ward. Mitra Park, located in the center of the ward, has added the attraction point for the visitors.

The physical infrastructures like roads, drinking water, sewerage and telephone are available in almost all parts of the ward. They are in need of maintenance at present. Also, street lighting needs to be extended. The ward is bordered by Ward Nos. 6 and 8 in the east, Ward Nos. 4, 5 and 33 in the west, Ward Nos. 4 and 6 and Kapan Village Development Committee in the north and Ward Nos. 8 and 9 in the south. The total area of the ward is 153.5 hectares. (Source: Ward Profile). This available data are according to the ward profile 2056.

There are 144 cooperatives in this area in total that comprises both Multi Purpose Cooperatives and Saving and Credit Cooperatives according to the profile of Kathmandu district, Cooperative Limited 2067 last of Chaitra. The cooperatives of this study area are playing the important role in the process of socio- economic change in two ways. They are: a) Saving b) Loan. The cooperatives are launching the door to door saving programs like khutrukke saving, daily basis saving, monthly basis saving etc. The respondents are encouraged to save even their little amount of money so as to develop saving habit. The second is loan process, in which the cooperative provides loan for the businessmen and entrepreneurs who are in search of fund for the investment in their expertise areas. However, it gives the chance for the respondents to enlarge their business and entrepreneurship. Apart from this type of loan, the cooperatives flow various types of loan like personal loan, home loan, education loan etc. to the respondents and to others, which directly help to the respondents to change their socio-economic status in the society, after they invest the loan in various sectors as per their interest.

4.2 Social Condition of the Respondents

How the cooperatives brought change in the respondents' socio-economic lifestyles who live in The Kathmandu Metropolitan City, Ward no. 7, is the main concern of this chapter. But, 'Other things remaining the same' principle is applied by this study. Many other aspects of human beings, like passion for change, aim, educational background, patience, environment, political stability etc. Moreover, the other theories for the socio-economic change have been ignored.

The study area consists of 9332 households with the population of 39530. Here, total Cooperative Private Limited is 144 in number comprising both the Multi-purpose Cooperatives Private Limited and the Saving and Credit Cooperative Private Limited. Hence, purposively, 4 saving and credit cooperative private limited and 40 cooperative members have been taken as sampling for the study purpose. Thus, this chapter reflects the socio-economic condition and change of the respondents now and then (before and after involvements in Cooperatives) of this area. All the presented data are taken from field survey.

4.2.1 Caste/Ethnic Composition of the Respondents

In any society, caste/ethnic groups play an important social role to bring change in the society. People from different caste and ethnicity can be found in this to be studied area. They have been playing a vital role for the socio-economic and cultural change of the society. Here, as a sampling study, the chart below only displays the caste/ethnic composition of the respondents.

Table No. 2: Caste/Ethnic Composition of the Respondents

Caste/ethnicity Group	Number of respondent	Percentage (%)
Brahmin	5	12.5%
Chettri	5	12.5%
Newar	5	12.5%
Rai	3	7.5%
Limbu	2	5%
Gurung	3	7.5%
Tamang	5	12.5%
Magar	4	10%
Jirel	2	5%
Sherpa	5	12.5%
Shah	1	2.5%
Total	40	100%

(Source: Field Survey 2011)

The above table shows that the respondents belong to multi Caste/ethnic groups and came to settle there from different parts of the country. Since then, they are involved in different business and in other activities by involving with the cooperative private limited. According to this table out of 100%, the Brahmin, Chhetri, Tamang, Sherpa and Newar covers 12.5%, Rai covers 7.5%, Limbu covers 5%, Gurung covers 7.5%, Jirel covers 5% and Shah covers 2% respectively.

4.2.2 Age and Sex Composition of the Respondents

Table No. 3: Age and Sex Composition of the Respondents

Age group	Male	Percentage	Female	Percentage	Total	Percentage
0-14	-	-	-	-	-	-
15-24	6	15%	14	35%	20	50%
25-59	10	25%	5	12.5%	15	37.5%
60above	3	7.5%	2	5%	5	12.5%
Total	19	47.5%	21	52.5%	40	100%

(Source: Field Survey, 2011)

The above table shows that the figure of the active population of the respondents in the economic activities. According to the table, 0-14 age group is nil in economic activities. 15-24 age group respondents comprise 50%. The age group of 25-59 respondents is comparatively higher i.e. 37.5% than the age group of 60 above respondents that is just 12.5. Here, the age group of 25-60 respondents and female respondents are more active in economic activities than the other age groups and male respondents because the male respondents are involved either in the official job or in foreign employment. The 0-14 age group school goers and the age group of 15-25 are less active in the economic activities due to the college life. Similarly, the 60 above age group are least involved in the economic activities due to the retire life.

4.2.3 Family Size of the respondents

The size of family plays an important role in determining socio-economic condition of the family. The members have the different type of role and responsibility within the family. So the institution of family and its size affects the income generation process not only of the family but also of the society. Thus, the family size of the respondents is presented in the table below:

Table No. 4: Family size of the respondents

Type	No. of Respondents	Percentage (%)
Nuclear	39	99%
Joint	1	1%
Extended	0	0%
Total	40	100%

(Source: Field Survey, 2011)

From the above table, the number of nuclear family is significantly high which is 99%, where as joint family comprises just 1%. The extended family % is nil.

4.2.4 Religious status of the Respondents

Religion is one of the most important institutions of the society. It plays an important role for the social change and in socialization process of the different religious groups. Here various types of religious groups are inhabited.

Table No. 5: Religious Condition of the Respondents

The Religious Group	No. of Respondents	Percentage (%)
Hindu	20	50%
Buddhist	5	12.5%
Kirat	4	5%
Islam	1	2.5%
Christian	10	25%
Total	40	100%

(Source: Field Survey, 2011)

The table no. 5 represents respondents of the selected area that belong to various religious groups. Where, 50% Hindu, 12.5% Buddha, 5% Kirat, 2.5% Islam, 25% Christians are inhabited. Among them, comparatively Hindu respondents are higher and the lowest are Islam respondents.

4.2.5 Educational Status of the Respondents

Education is one of the most important factors of socio-economic development. The development of an individual's personality, social development and family better settlement are determined by education. The educated individual, family and society perform their daily activities smoothly and systematically. Only, the educated people of the society can bring the change in life of human in the society. Thus, the educational Status of the study area's respondents is presented below:

Table No. 6: Education Status of the Respondents

Level	Male	Percentage	Female	Percentage	Total	Percentage
Illiterate	1	2.5%	1	2.5%	2	5%
Literate	2	5%	2	5%	4	10%
Primary	2	5%	1	2.5%	3	7.5%
Lower Secondary	4	10%	2	5%	6	15%
Secondary	5	12.5%	4	10%	9	22.5%
Higher Secondary	6	15%	2	5%	8	20%
Above	4	10%	4	10%	8	20%
Total	24	59%	16	41%	40	100%

(Source: Field Survey, 2011)

According to the above table no.6, the illiterate person is 5%, literate person is 10%, primary educated person 7.5%, lower secondary 15%, secondary 22.5%, higher secondary 20% and above 20% respectively. The above table clearly shows that the female respondents have not the access in better education in this study area and the male respondents are highly educated in number.

4.2.6 Marital Status of the Respondents

Marriage is an important social institution, to gain authority from society for love, sexual relationship, reproduction, child bearing, child rearing and socialization. Marriage is a fundamental structure of family and kinship. Marital status plays an important role in determining the socio-economic condition of a family. So the current marital status of the respondents is presented in the table below:

Table No. 7: Marital Status or the Respondents

Age	Married		Unmarried		Widow	Widower	Total & Percentage	
	Male	Female	Male	Female				
15-24	5	9	2	3	-	-	18	45%
25-59	10	9			1	-	20	50%
60 above	1		-	-		1	2	5%
Total	16	18	2	3	1	1	40	100%

(Source: Field Survey, 2011)

The above table no. 23 shows that the age wise marital status of the age group of 15-24, married male and female respondents are 45%, similarly, in the age groups of 25-59, male and female married respondents are 50%,. The widow respondents are only 2.5%. The age groups of 60 above married male respondents are 2.5%.

4.3 Economic Condition of Respondents

4.3.1 Occupational Structure of the Respondents

Occupation is the defined as the value generated by different service or the occupation is the way of living life of a person in his circumstances. However larger number of people of the study area is engaged in business and entrepreneurship, even though their traditional main occupation is agriculture. The occupational structure of the respondents in this study area is presented in the table below:

Table No.8: Occupational Structure of the Respondents

Occupation	Male	Female	Total	Percentage (%)
Business	12	6	18	45%
Service	4	1	5	12.5%
Entrepreneurship	10	0	10	25%
Labor	5	2	7	17.5%
Total	31	9	40	100%

(Source: field Survey, 2011)

According to the above table, 45% respondents are involved in different type of business in this study area. The main target group of cooperative is also towards the

small to medium size of businessmen and entrepreneurs. The high portions of respondents are business men and in this business group of respondents, the female respondents are greater than male respondents. Similarly, service holder male respondents are than female respondents. Entrepreneurs male respondents are 25%, female respondents are 0%. Likewise, labor male respondents and female respondents make the total 17.5%.

4.3.2 Land ownership of the Respondents

The ownership of land is the main indicator of relative economic status of people in the agricultural and feudal social system. The respondents' land ownership data has been given below.

Table No. 9: Land Holding Size of the Respondents

Land in Ropani	No. of Respondents	Percentage %
1-10	9	22.5%
10-20	20	50%
20-30	4	10%
30-40	4	10%
40-50	2	5%
50 above	1	2.5%
Unknown	-	-
Total	40	100%

(Source: Field Survey, 2011)

According to the above table, the land holding size of 1-10 ropani respondents are of 22.5% in total. Similarly, 10-20 ropani land holding sizes of respondents are 50%, 20-30 ropani land holding size of respondents are 10%, 30-40 ropani land holding size of respondents are 10%, 40-50 ropani land holding size of respondents are 5%, Above 50 ropani land holding size of respondents are 2.5% and unknown ropani land holding size of respondents are 0%. Here, this study is conducted in the urban area of Kathmandu district but their lands are situated outside the valley from where they belong to.

4.3.3. Monthly Income Pattern of the Respondents

Level of income of an individual or a household displays their power, capacity and status in the society. Here, the income level of the respondents is measured on the basis of before and after being a member of a cooperative. With the help of loans granted by the cooperatives, they have invested the amount in their expertise area. Hence, the levels of income obviously change.

Table No. 10: Monthly Income Pattern of the Respondents

Monthly Income Category in Thousand	Before Involvement		After Involvement	
	No. of Respondents	Percentage %	No. of Respondents	Percentage %
0-10	4	10%	-	0%
10-15	12	30%	12	30%
15-20	8	20%	10	25%
20-25	5	12.5%	5	12.5%
25-30	3	7.5%	4	10%
30-35	5	12.5%	7	17.5%
35 above	2	5%	2	5%
Total	40	100%	40	100%

(Source: Field Survey, 2011)

According to the above table, the respondents of lower income level or 0-10 thousand income level are 10% before involvement in cooperative. Similarly, 10-15 thousand income level respondents are 30%, 15-20 thousand income level respondents are 20%, 20-25 thousand income level respondents are 13%, 25-30 thousand income level respondents are 12.5%, 30-35 thousand income level respondents are 12.5% and above 35 thousand income level respondents are 5%. But, after involvement in cooperative, there is a significant change in the percentage of the lower income level respondents. They are in ascending order towards the level of higher income level category. This shows the positivity of cooperatives in their lives.

4.3.4. Monthly Expenditure Pattern of the Respondents

Expenditure of any family shows their level of income. Here, the expenditure of the respondents is operationally defined as the total amount of monthly expenditure

in different sectors like food, dressing, education, celebrating festival, health and in others. The calculation expenditure of the respondents is taken in two periods, before and after involvement in cooperative, which is shown in table below:

Table No. 11: Monthly Expenditure Pattern of the respondents

Monthly Expenditure Category in Thousand	Before Involvement		After Involvement	
	No of Respondents	Percentage %	No of Respondents	Percentage %
0-10	5	12.5%	0	0%
10-15	10	25%	10	25%
15-20	12	30%	13	32.5%
20-25	8	20%	9	22.5%
25-30	2	5%	3	7.5%
30-35	2	5%	3	7.5%
35 above	1	2.5%	2	5%
Total	40	100%	40	100%

(Source: Field Survey, 2011)

According to the above table, lower expenditure level or 0-10 thousand expenditure level respondents are just 12.5% which is in decreasing level to nil as their expenditure level increased. The other categories of expenditure level are in the increasing state after their involvement in cooperative as they have more income now. Hence, the role of cooperative is praise worthy in terms of changing their lifestyles and the level of expenditure.

4.4 Descriptions of the Changes in Socio-Economic Status of the Respondents

4.4.1 Change in Land Holding Size of the Respondents

Ownership of the land is the indicator of relative economic status of people. The respondents' land holding size are classified in the 7 categories in accordance with their ownership of land and what type of changes are seen in the process, is presented in the table below:

Table no. 11: Change in Land Holding Size of the Respondents

Size of Land in Ropani	Before Involvement		After Involvement	
	No of Respondents	Percentage %	No of Respondents	Percentage %
0-10	4	10%	2	5%
10-20	10	25%	3	7.5%
20-30	10	25%	12	30%
30-40	11	27.5%	15	37.5%
40-50	4	10%	10	25%
50 above	1	2.5%	3	7.5%
Unknown	-	-	-	-
Total	40	100%	40	100%

(Source: Field Survey, 2011)

According to the above table, the respondents who hold the land 0-10, 10- 20 ropani are in decreasing level, 10 to 5% and 25% to 7.5% respectively. However, the respondents 25% and 27.5%, 10%, 2.5% who hold the land 20-30, 30-40, 40-50 and above 50 ropani are in increasing level. The land holding size of respondents however seems slight changes only. It is because: they are attracted towards investing their amount in other lucrative business, the cost of land is very high now days, and most of the respondents are just at the state of solving their daily expenditures in this complex city life.

Case Study: 1 (One)

Five Years back, when Kishor Basyal came Kathmandu from Gulmi, he first stayed in Kirtipur with his friend later settled in Chabhil later he got a job in a printing press. He joined in Bachelor level in Pashupati college and started attending college in the evening. In the day time he worked in press but later he felt that the salary which he was drawing from his office was insufficient even for his single life. So, he thought of doing something next that would change his life standard. Thinking that, he brought some amount from home by selling some land of his part and opened a Kirana Pasal at Gangahiti. The initial days were really hard for him but he somehow started depositing little amount in Bakreshwor cooperative. His struggle was so hard that he stopped going

college. He never gave up his hope of rising is life standard. After few moths his family forced him to get married and his was married. Then he needed a more fund to enlarge his shop. He got loan from the same cooperative and made his shop a whole seller one. He kept few helpers as well. Within two years, because of his hard work, he bought a motor bike for him and golden jewelry for his wife. Moreover he deposited a reasonable amount in the cooperative and thinking of making department store. For that he is very hopeful to get loan.

Conclusion: The cooperative has played a vital role to change the living standard of Mr. Kishore Basya. For that he and his family are very thankful to the Bakreshwor cooperative.

4.4.2. Change in Income Pattern of the Respondents

The income source and the volume of income determine the status of life style of the people. Among many types of source of income, here, is presented only from the business, entrepreneurship, service and labor. It shows the income pattern changing status before and after involvement in cooperative of the respondents in average, which is shown in the table below:

Table No. 12: Change in income pattern of the respondents

Sources of Income/Month	Before Involvement	After Involvement
	Average Income Level in Thousand	Average Income Level in Thousand
Entrepreneurship	31000	44000
Business	22000	32000
Service	16500	25000
Labor	9000	15000

(Source: field Survey, 2011)

According to the above table, the income pattern of the respondents is 31000 before being the member of cooperative and that increased to 44000 after involvement in cooperative. Similarly, the change in income pattern of the businessmen also could be seen as 22000 to 32000 thousand per month. Similarly, the income level of service

holder and of the labour are increased to 16500 to 25000, 9000 to 15000 respectively before and after the involvement in cooperatives. This significant change of income has become possible only after they got loan from cooperative which they invested in several sectors of their expertise area.

Case Study: 2(Two)

Mr. Karna (40), having 4 members of family, came from Janakpur 10 years ago and settled in Chabhil, Ward No. 7. Hair cutting saloon was his source of income to solve hand to mouth problem. When his children started going school his little income didn't suffice the family. Only a year back he had started to deposit money upon the daily basis at Ratna cooperative. As he was in need of fund to enlarge his saloon, he applied for the loan. Finally, he got the loan from which he opened a large saloon at the busy area of Chabhil at Ganesthan. He kept other four barbers in salary. His labor, effort and courage started paying. He bought few Katthas of land in his home town. His family members are happy as the children go to good school and his wife maintains the household works. He happily thanks to the cooperatives which has become a trustworthy supporter in need.

Conclusion:- This case study seems a romantic story but one could see the success lifestyle of Mr. Karna by them if they come in Chabhil. The role cooperative in his family socio-economic life is praiseworthy.

4.5.3 Change in Expenditure Pattern of the Respondents

The changing expenditure of respondents after involvement in cooperatives is shown in the table below:

Table no. 13: Change in Expenditure pattern of the respondents

Particulars	Before Involvement	After Involvement	Change in Expenditure Pattern in %
	Average Expenditure Level in Thousand	Average Expenditure Level in Thousand	
Foods	9000	11000	122
Clothes	3000	5000	166
Education	3000	5000	166
Medical	1500	2000	133

Feast/festival	2000	4000	200
Fuel	2000	2000	100
Total	20500	29000	141

(Source: Field Survey, 2011)

To mention the above table, the increment of the expenditure after involvement in cooperative is significantly rose in every sector that of foods, clothes, education, medical etc. except in fuel. The increment of the income pattern directly affects to the expenditure pattern. The credit goes to cooperative.

Case Study: 3(Three)

Having migrated from Jhapa to Chabhil, ward no.-7, Mrs. Khila Kumari Katuwal(33) , started a tea shop near by Charumati Stupa. It was too problematic for the family of four members for the sustenance. Fortunately, She started saving Rs.100 on the daily basis in the Chandra Ratna cooperative. One day her small daughter suffered from pneumonia and she spent a lot of money for the treatment of her daughter. She even sold her jewelry and closed her tea shop. She remembered about her saving amount. With a hope, She requested to the cooperative to provide the loan for the business purpose and she was granted. She reopened her tea shop. And now, she has recovered her business and it is going well, so much so that she doubled her saving amount in the Chandra Ratna Cooperative. She with her husband is thinking of upgrading her business of bakery café.

Conclusion: Case three clarifies that the cooperative is playing the positive role in the process of the socio-economic change of the needy people.

4.4.4 Change in House Structure of the Respondents

One of the important basic needs for mankind is house. From the very beginning of the human civilization, people are practicing various types of housing. In the case of urban area, house is the indicator of prestige and property and it is a source of income also from rent. But here, the topic concerns with the respondents, who are migrated from various parts of the country and settled in the study area with the various purpose. Thus the changing status of the house structure of the respondents in this study area is presented table below:

Table No. 14: Change in House Structure of the Respondents

Types of House	Before Involvement		After Involvement	
	No. of Respondents	Percentage %	No of Respondents	Percentage %
Wooden & straw	8	20%	3	7.5%
Stone, mud & straw	17	42.5%	6	15%
Stone mud & Zink	6	15%	12	30%
Brick & Zink	5	12.5%	7	17.5%
Pillar less building	3	7.5%	10	28%
R.C.C	1	2.5%	2	5%
Total	40	100%	40	100%

(Source: Field Survey, 2011)

According to the above table, the Wooden and straw house structure respondents are 20% before involvement in cooperative. Similarly, Stone mud and straw house structure respondents are 42.5%, stone, mud and Zink house structure respondents are 15%, Brick and Zink house structure respondents are 12.5%, pillar less building house structure respondents are 7.5% and R.C.C house structure respondents are 2.5%. But after involvement in the cooperative the Wooden and straw house, stone, mud and straw houses structure of the respondents decreased to 19% and 15% respectively. It increased towards the better houses. Stone, mud and Zink house structure respondents are 30%, Brick and Zink house structure respondents are 17.5%, pillar less building house structure are 28% and the R.C.C. house structure respondents are 5%. Here the wooden and straw, Stone, mud and Zink, brick and Zink house structure are comparatively in decreasing level and the Stone, mud and straw house structure is in the same ratio and the pillar less and the R.C.C. House structures are respectively high. Thus, it can be concluded that there is a positive change in the possession of respondents' houses.

4.4.5. House Holds Assets: before & after, of the Respondents

Property is one of the indicators of prestige and social status. Especially, in the urban area people give more priorities to the house hold assets like T.V., V.C.D., D.V.D., Wooden/still Daraj, shopho, box palang, computer, by cycle, motor cycle,

refrigerator etc. To possess these assets and gadgets, income level must be high. Since the respondents are having satisfactory income level after being associated in the cooperatives, they have possessed almost all necessary items in their houses. The following table shows the possession percentage level of the respondents.

Table No. 15: House Holds Assets: before and after of the respondents

Name of Households Assets	Availability Percent % Before Involvement	Availability Percent % After Involvement
T.V.	95%	100%
V.C.D/D.V.D.	65%	100%
Computer	2%	25%
Shophya	5%	60%
Daraj Still/wooden	23%	100%
Box palang	3%	35%
Refrigerator	50%	100%
Bycycle	11%	9%
Motorcycle	4%	27%

(Source: Field Survey, 2011)

According to the above table, the household assets of the respondents before involvement in cooperative are T.V. 95%, V.C.D/D.V.D 65%, computer 2%, Shophya 5%, Daraj still/wooden 23%, Box palang 3%, Refrigerator 50%, by cycle 11% and Motor cycle 4% available and after involvement in cooperative the household assets of the respondents are significantly high. Where, T.V., V.C.D. /D.V.D., Daraj still/wooden, Refrigerator are rising 100% in 100 as assets. But, the by cycle is least decreasing level 11% to 9%, because it is a less valuable assets for the urban area and the other assets like computer 25%, shophya 60%, Box palang 35% and motor cycle 27% are increment ratio. Thus, the changes of households' assets possession of the respondents are respectively seen in positive ratio. Here, other resources and the effects of the modernization theory and other related theories like development are ignored.

4.4.6. Changing Pattern in saving of the respondents

Saving gives the feeling of security in life and it is the positive marker of the prospective bright future. Before emergence of the cooperative, people used to save the money in their pocket and in the bank. But, after emergence of the cooperative the saving scenario is changed. Because it has a very easy process to save and withdraw the money even to take loans for the business purpose. So, every respondent have saved their money in the cooperative during the period of this research conducted. The saving attitude of the respondents is presented below:

Table no. 16: Changing Pattern in saving of the Respondents

Involved	Before Involvement		After Involvement	
	No. of Respondents	Percentage %	No. of Respondents	Percentage %
Yes	15	37.5%	100	100%
No	25	62.5%	0	0%
Total	40	100%	40	100%

(Source, Field Survey, 2011)

This data shows that the saving attitude of the respondents is clearly seen toward positivity that of 100 upon 100%. Thus, the benefits of cooperative are seen in two ways in the social life. On the one hand, it is a perfect way to get fund for the investment for the entrepreneurs, and on the another side, it creates the saving attitudes within the people, which is very praiseworthy habits of the people. Thanks to cooperatives for bringing such changes.

4.4.7. Changing Pattern in Organizational Involvement of the Respondents

NGOs, INGOs, CBOs CLUBs etc. are some of the organizations are working to aware people. And the involvement of the respondents with these organizations is one of the operational cases because these types of organizations play vital role for the individual capacity development and social welfare in the social system. Thus, the actual involvement status of the respondents is presented in the table below:

Table No. 17: Changing Pattern in Organizational Involvement of the Respondents

Involved	Before involvement		After involvement	
	No of respondents	Percentage %	No of respondents	Percentage %
Yes	11	27.5%	30	75%
No	29	72.5%	10	25%
Total	40	100%	40	100%

(Source: Field Survey, 2011)

The data clearly shows that positive results after involvement in cooperative the respondents' involvements in the social organizations have been importantly increased from 27.5% to 75%.

4.4.8. Change in Social Roles of the Respondents

Every individual perform his or her role as the society has ascribed them. There is significant change in their roles after their involvement in the cooperatives, like from passive to active and small to huge business men or entrepreneurs etc. They have started to look at their lives with positive light and have become more energetic, dynamic and enthusiastic both in their private and social life.

4.4.9. Change in Social Relation of the Respondents

Social relation means, mutual help within the social system. Society is web of social relation, made by various social structures, organization, institutions, members. A social person tries to maintain all those things and become a part of the society. Hence, Social relation of an individual after involvement in cooperative has been changed as active and competitive, responsible towards society and active and tax payer member of the state. Even they are associated with several social organizations, clubs, NGOs etc.

4.4.10. Change in Roles of Women Among the Respondents

The cooperative especially encourages to the female members because they are back in every state four social affairs. Thus, after involvement in cooperative the women roles are increased in and out side of household work. Significant change in

social roles of women as house wife to business women or entrepreneurs, passive and dependent to active are seen, which was very less before involvement in cooperative.

4.4.11 Change in Social Norms and Values of the Respondents

Norms and values means, a kind of rules and regulations for the people given by society to maintain the proper ways of social life and social system. According to the context of Nepalese society, the norms and values are more strictly followed by every individual. But, after the involvement in cooperative this types of norms and values are going to be some how flexible. Like widow remarriages, house holds limitation of women, menstruation avoidance, overall responsibility of households upon the males; women are inferior to men etc. concepts are ignored after involvement in cooperative. As, they have become more aware of these things and practices now.

4.4.12 Change in Observing Social Rituals and Rites of the Respondents

One of the People's identities is the social rituals and the way of life and they are defined as process of life from birth to death ceremony. Birth (janma sutuk), Naming (nwaran), Fooding (pasmī), Clothing (gunue cholo dine), Hair cutting (chewar and bratabandha), Marriage (bibaha), Death (mirtu), and other cultural feasts and festivals celebration etc. are some of the Nepalese social rituals and rites. They perform such rituals as per their capacity. After associating with the cooperatives, their observing styles have been changed because of increment in their level of income.

4.4.13 Change in Use of Measurement Tools of the Respondents

The tools of measurement are most important things for the human life. In the beginning of human civilization, in the process of exchanging goods, the tools of measurement have been used in units like Gota, Bhag, Anjuly, Mana, Pathi etc. But now days the tools of measurement are in advance form, like simple Dhak Taraju, and the electric weight measuring machine. And, the user of these types of measurement tools, after cooperative are increased because of the advancement of economy. The tools user groups are, shown in the table below.

Table No. 17: Change in Use of Measurement Tools of the Respondents

Tools Use	Before Involvement		After Involvement	
	No of Respondents	Percent %	No of Respondents	Percent %
Simple Dhak Taraju	38	95%	21	52.5%
Electric weight machine	2	5%	19	47.5%
Total	40	100%	40	100%

(Source, Field Survey, 2011)

Common Views of the Cooperative Limited Heads

With our encouragement, the new members begin their saving amount from Rs. 50-100. By following the terms and condition of our cooperatives, we grant them certain amount of loan upon the basis of their saving credibility. Moreover we provide them certain training and ways of investments. They, with their effort and guidance, invest in their interested business sectors and get good return which they reinvest, spend in their daily affairs and save the remaining amount. The loan amount increases as per their saving raises. Thus, we could say that the members of the cooperatives have felt the change in their social lifestyles which is definitely ours motto.

The tools of measurement user respondents like simple Dhak Taraju before involvement in cooperative are 95% and the Electric weight Measuring Machine user respondents are 5%. Where as, after involvement in cooperative, the user respondents of electric weight measuring machines have been increased to 52.5%.

Common Views of the Market Representatives

After being the new members of the cooperatives, they start saving their little amount and later they get loan which they invest in different income generating sectors. They continue the same process and they receive greater amount as loan. The grater investment the more income. Hence, their living lifestyles change. Moreover their saving habit helps them to save more and more.

CHAPTER FIVE

SUMMARY CONCLUSION AND RECOMMENDATION

5.1. Summary

As Nepal is an under developing country having agriculture as main economic activities, the cooperatives could play a vital role for the changing of socio-economic aspect of the people. Its principle of materializing communal feeling, goal and activities in practically in the society really is motivating one. Moreover, it encourages participating the members themselves for the economical, managerial and other social activities and leads the society towards development.

Because of the rapid migration of rural population, in search of opportunities and facilities, Kathmandu has become densely populated one. To materialize their dream, they undergo several difficulties and challenges. In their struggle, cooperatives have played a significant role in terms of saving their hard earned money, providing them loan facility, training them, developing communal feeling and many more. The study has selected the urban area, Kathmandu Metropolitan City, Ward no. 7, and researched upon the role of cooperatives for the socio-economic change.

According to the census 2001, the households of the ward no. 7 is 9332, and the total population of this ward is 39530, where males are 18449 and females are 21081. Every types of developmental infrastructures are available(though insufficient)in this ward like, Roads, Sewerage and Solid Waste management, Health Institutions, Industry, Institutional buildings (Office buildings), Security, Entertainment, Non-governmental organizations (NGOs), international non-governmental organizations (INGOs), community-based organizations (CBOs), Clubs, Financial Institutions etc.

At present, Nepal has 9,720 primary co-operatives, 5 central federations, one national cooperative bank and 133 district and sectoral federations. Altogether 1 million and 251 thousand members are associated with those cooperatives and their associations, including 33 percent women members. Annual transaction of the co-operative sector amounts to approximately about Rs. 50 billion. The share capital of co-operative societies amount to Rs. 1,040 million whereas balance of savings and investments amounts to Rs. 20 billion and Rs. 24 billion respectively. According to an estimate, the transaction of these cooperatives has a contribution of approximately 1

percent in the GDP. Some 15 thousand People are directly employed in this sector, according to the record of Three years interim plans, co-operative sector, 2064/065-066/067. We can conclude that the cooperative is an integral part among many for the development of Nepal. And, it is a method for the people empowerment and self-help or dedication process for the development activities in Nepal.

The study has purposively taken the four saving and credit cooperative among 144 cooperatives of Chabhil-7. They are Puspanjali, Sakela, Charumati, Nawaras Saving and Credit Cooperative Limited. 40 members in equal ratio of 25% from the four cooperatives limited are taken as sample for the interview for this research purpose. The respondents comprises both male and female and belong to different regions, caste and ethnic groups, different age groups, having different occupations, different religious faiths, social background, cultures, literacy rate, marital status, norms and values etc.

5.2 Conclusion

The dissertation has been completed on the basis of the theory of modernization and other social change theory like development theory and Dependency theory are taken as the help of the verification and validation of the research.

In Nepal, especially in the capital city of Kathmandu the modern norms and values and the drastic social change are the cause of the economic advancement because that affects in both economic and social aspects. The cooperative is a concept which is popular in the world and it is fit in every social system that of capitalism and socialism, advance and poor, rural and urban, developed or under developing countries.

In the development practices, two distinct branches have seen to be emerged in the global scenario. However, both of them claim that now it is time to focus on specific groups and issues Amartya Sen in his work 'Enlightments' argues that the true purpose of development is to enhance people's quality of life, which is best achieved by giving them access to wider spectrum, of capabilities. The cooperative initiates the local people as like as lateral path of the development process and the focused on the empowerment and primacy of the local people with the economic access and formulated the path of social and economic changes of the social peoples.

For that, the cooperatives have played their best role to promote socio-economic aspect of society.

The respondents of the study area are from Kathmandu, Chabhil-7, capital city of Nepal. The saving and credit cooperative have played the vital role for their socio economic change through the loan and daily saving process. They are helped when they are in the sort of the investment amount, the saving and credit provided them loan for the member to enlarge their business and entrepreneurship. Through the loan and saving process, the members of the cooperatives are benefited so much so that they have invested in the land ghaderi, some are spent in education, in the household assets like T.V., V.C.D., D.V.D., Refrigerator, computer, motorbike, Daraj, shopha, box palang etc. The positive change in the income and expenditure pattern of the respondents indicates a significant change in their social and economic aspects thereby causing change in their social stratification. Thus, the cooperative is an agent of social and economic change of the Nepalese society.

5.3 Recommendation

Even though, the cooperatives have some aforementioned problems its role for socio-economic change couldn't be denied. To achieve maximum benefit, the cooperatives must follow its aim "all for each and each for all" and that of participating the members for their own socio-economic advancement and shouldn't go for maximizing financial profit only. "The self help" and "OURS" feelings should exceed all other attitudes among the members. Finally, the cooperatives have become an integral part of our society and the Government of Nepal must step forward for strengthening and developing cooperative. The concerned authority must follow the following steps for its improvement and development:

-) Proper regulation and promotion of cooperative
-) Develop cooperative as one of the lead sector
-) Proper mobilization of the saved capital
-) Create awareness of the people on cooperative concept
-) Concentrate on contributing in community development and service delivery
-) Address the economic, social and cultural needs of people

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APPENDIX- I
INTERVIEW SCHEDULE CUM QUESTIONAIRES FOR COOPERATIVE
MEMBER SURVEY

I) General Information

PERMANENT ADDRESS:

Zone.....

District.....

VDC/ Municipality.....

Ward no.....

Tole.....

CURRENT ADDRESS:

Zone.....

District.....

VDC/Municipality.....

Ward no.....

Tole.....

II) General Description of Respondents

a) Name..... Age.....

Sex..... Religion.....

Occupation..... Type of Business.....

b) Education Level

Illiterate (), Literate (), Primary (), Lower Secondary ()

Secondary (), Higher Secondary (), &above (),

c) Marital Status

Unmarried (), Married (), Widowed (), Divorced

d) Family member:

Male..... Female...

..... Children..... Total.....

e) Schooling Children:

Male..... Female..... Total.....

f) Income level.

A) Income Status Before Involvement in Cooperative.

S. N.	Occupation	No of person involved	Male	Female	Total income NRS per Month	Places
1.	Entrepreneurship					
2.	Business					
3.	Service					
4.	Labor					
5.	Other (Please specify)					

B) Income Status After Involvement in Cooperative.

S. N.	Occupation	No. of Person Involved	Male	Female	Total Income NRS per Month	Places
1	Entrepreneurship					
2	Business					
3	Service					
4	Labor					
5	Other (please specify)					

C) House Structure Before and After Involvement in Cooperative (Please Tick).

Types of house	Before	After	Remarks
RCC Pillar System			
Non pillar System			
Zink Roof House			
Rented House or Room			
Other			

D) How much land do you have? (In Ropani/Aana)

Type of Land	Own		Remarks
	Before	After	
Ghaderi			
Cultivated and Irrigated			
Cultivated and Non Irrigated			
Other (Please specify)			

III) Questionnaires for Economic Sector

- Do you have association with any Cooperative Limited?
a) Yes () b) No ()
- If yes, which Cooperative Limited, do you have association?
.....
- When did you involve in this cooperative? Please write in months/years?
.....
- Why did you become the member of this cooperative? Please specify.
.....
.....
.....
- How much loan, have you taken from the cooperative so far?
.....
.....
- Income source of your saving amount please.

Way of income	Rupees	Paisa
Wage		
Salary		
Business profit		
Entrepreneurship and out-put		
Others		

7 Your saving amount please.

Amount in Rupees	Per day	Per week	Per month	Per year
1-100				
100-500				
500-1000				
1000-50000				
50000-100000				

8. In which sector, do you spend more money? Please specify.

Expenditure Sector	Annual Expenditure (RS)		Remarks
Food			
Clothes			
Education			
Festivals			
Medical			
Fuel			
Entertainment			
Others			

9. Have you taken loan from other institutions for your Personal Business, Entrepreneurship purpose? a) Yes () b) No ()

10. If yes, Please specify, the lenders.

Lenders	How many rupees.	What Purpose.
Bank		
Finance		
Cooperative (other)		
Person		
Other		

11. Do you have you these assets, in your house? Please tick.

Assets	Respondents	
	Before	After
Bicycles/Motorcycles/Scotty/Cars		
Traditional Oven/Stove/Gas Stove		
Water Filter Normal/Euro Guard		
T.V./VCD/DVD/Digital camera		
Computer Desktop/Laptop		
Box palang/ Sopha/still or wood Daraj		
Telephone/Mobil/Space channel etc.		

IV) Questionnaires for Social Sector:

1) What type of social roles, have you performed in your Society?

Type of roles	Respondents	
	Before	After
Job Less person/ Labor		
Politician/Social Worker		
Small/Large businessman		
Small/Large entrepreneurs		
Prestigious job like Doctor/Lawyer etc.		
Others		

2) What type of social rituals and rites, do you perform, in your family?

Type of social function	Respondents	
	Before	After
a) Like Nwaran, Pasmı ,Birthday etc.		
b)		
c)		
d)		
e)		
f)		
g)		

3) How much money do you spend in this type of social function?

Amount in Rs.	Before Respondents	After Respondents

4) What size of people, do you gather in this type of social function?

Size of scale of people	Before Respondents	After Respondents
Small (Clan group only)		
Medium (Kin &Clan group only)		
Large (all above and others)		

5) What type of guests, do you invite, specially, in this type of social function?

Type of Guest	Before Respondents	After Respondents
Clan group only		
Clan and Kin group only		
All above and Neighbors		
All above and celebrity		
Others		

6) How many invitation cards, do you get from your Kin and Neighbor in one year, for this type of social function?

Numbers of invitation cards	Before Respondents	After Respondents

7) Who invites you, especially in this type of social function?

The Inviter Group	Before Respondents	After Respondents
Clan group only		
Clan and kin group only		
All above and Neighbors		
All above and celebrity		
Others		

8) Which of the Festivals almost do you perform in your family?

Type of festivals	Respondents	
	Before	After
Dashain		
Tihar		
Tij		
Lochhar		
Sakela		
Chhad		
Christmas		
Valentine day		
Others		
a)		
b)		
c)		

9) How, do you celebrate this type of social function? Please specify.

.....

10) How much money generally do you spend in this type of festival?

Volume of amount in Rs	Before Respondents	After Respondents

11) What type of offerings do you offer to the God in this type of festival?

Type of Offering	Before Respondents	After Respondents
Prasad		
Bali		
Others		

12) Which type of dress pattern always do you wear in your Family?

Types of Dresses	Respondents	
	Before	After
Traditional type of dress		
Modern type of dress		
Advance or fashionable type of dress		
Others		

13) What type of food, you consume, in your family?

Type of Food	Before Respondents	After Respondents
Simple Home made food		
Home made food with meet & verity		
Restaurant made food		
Others		

14) In, which type of school, do your children study?

Type of school	Before Respondents	After Respondents
Government School		
Boarding School		
Others		

15) How much amount of money, do you spend, in your dress pattern?

Volume of Amount in Rs	Before Respondents	After Respondents
Low Amount		
Medium Amount		
High Amount		

16) Who holds the property right, in your family?

Owner of Property	Before Respondents	After Respondents
Male (Husband)		
Female (Wife)		
Both (Husband and Wife)		

17) If, you have these assets, who use specially in your family?

Type of assets	User Group		Respondents	
	Male	Female	Before	After
Bicycle/Scotty/Bike/Car				
Digital Camera				
Computer Desktop/Laptop				
Telephone/Mobile				

18) Who interacts daily, with you in your society?

Interact Group	Before Respondents	After Respondents
Normal Neighbor group only		
VIP Neighbor group only		
Both of them and Celebrity		

19) What type of measurement tools, do you use?

Type of Measurement Tools	Respondents	
	Before	After
Mana pathi		
Dhak Taraju		
Electric Electronic Device		
Other		

20) What type of entertainment program, mostly, do you like?

Type of program	Respondents	
	Before	After
Social flock program		
Television program		
Live concert program		
Disco program		

21) Are you involved in any organizations?

Before	Respondents	After	Respondents
Yes		Yes	
No		No	

22) Do you have found some interest difference between the personal money lender and cooperative limited?

a) Yes () b) No ()

23) If yes, how much percent difference do you have found?

Difference of Percentage in Interest	Respondents
5%	
10%	
15%	

24) Which institutions are the cheap, best, and easy for the loan process?

Type of Institutions for the Loan Process	Respondents
Bank Limited	
Finance limited	
Cooperative limited	
Money Lender	
Others	

Thank You..!