

Introducing external resources in a way that allows community associations to keep control over their activities is key to their success.

as a multipurpose cooperative registered with the government, had hundreds of members. No less impressively, at a focus group including ten community members, every participant indicated that he or she was a member of at least four associations. When asked how these changes came about, one man noted that “collective hands make the work light” and another said, “If different people each bring a little money then we can make a bigger difference.”

Achievements and Challenges

Some development workers have questioned the sustainability of associations that are heavily supported by government or NGOs on the grounds that they do not always take into account key community dynamics. Two examples from Ilu Aga help shed some light on this issue: a potato cooperative and a dairy cooperative. Both were inspired by community interests, but their engagement with outside actors led to different outcomes.

The potato cooperative was formed in 2008 to take advantage of the revival of traditional irrigation practices as well as the availability of nearby markets (thanks to a newly paved road). These factors encouraged farmers to expand their potato operations and organize for group sales. By complementing traditional water supply systems with foot pumps, they were able to further improve irrigation and boost potato yields. Increased yields allowed cooperative members to pool their resources and thereby reduce the transportation costs required to access larger markets outside of the village. Next, the members decided to construct a storage shed to keep potatoes fresh for longer periods of time. They built the shed walls, and Hundee provided modest funds to purchase corrugated iron sheets for the roof. The results did not take long to get noticed: as early as the second year of the cooperative’s existence, its profits reached 27,000 birr (~2,000 US\$).

The success of this venture had much to do with the fact that it fit well with its members’ resources and required only incremental build-up of their technical and organizational capacity. The way Hundee staff acted was also important: rather than leading the process, they maintained a facilitative role and provided support in a way that was responsive to the community’s interests and capacities.

Whereas the potato cooperative represented a successful community-led initiative based on a realistic vision, the dairy cooperative represented the challenge of scaling up to a higher organizational and economic level. Although this initiative did rely on existing assets such as milk cows, availability of grazing land, and milking and butter making skills, major difficulties have persisted.

First, the newly-formed association received substantial funding from an external donor. Albeit well-intentioned, this donation appeared to overwhelm the group which did not yet have the appropriate expertise to manage large influxes of resources. Second, the members’ experience, extensive as it was in the area of milk production, had little to do with marketing. They often pooled their milk with nowhere to sell. As a consequence, the dairy cooperative went bankrupt for several months. It is now up and running again, and its members are selling milk to the local market—the logical starting place from which the endeavour to reach larger markets can grow as opportunities arise.

This experience has provoked questions about how external organizations can have a more realistic understanding of existing capacities and the pace of change in the communities they work with. It has also highlighted the importance of starting small and introducing external resources in a way that allows community members to keep control over their activities without over-relying on outside expertise. Finally, it has led to the emergence of simplified value chain tools aimed to help Ilu Aga farmers understand markets when evaluating the profitability of income-generating activities.



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