Journal of Society and Management Studies (JSMS)
Volume 1| Issue 1 | Jun, 2026
ISSN(online): xxx

RESEARCH ARTICLE

Revitalising Nepal's Cooperative Movement: Lessons from Global Best Practices

Dess Mardan Basnet[1], **Rohit Kumar Shrestha**[2*]

[1] Research Unit, Bachan Savings and Credit Cooperative Society Ltd., Kathmandu, Nepal
[2] Padma Kanya Multiple Campus, Tribhuvan University, Nepal

ABSTRACT

Purpose: The present study explores the role of indigenous cooperative practices - Guthi, Parma, and Dhikuri - in shaping Nepal's cooperative movement and examines how global best practices can revitalise the sector in Nepalese perspective. To examine the contribution of cooperatives to inclusive development in advancing the United Nations Sustainable Development Goals (SDGs).

Design/methodology/approach: The study has adopted a qualitative and conceptual approach, drawing on a review of traditional cooperative systems in Nepal and a comparative analysis of international cooperative practices from India, Indonesia, the United Kingdom, Germany, and the United States. The study has further incorporated thematic analysis of key challenges and policy issues in Nepal's cooperative sector.

Findings: The findings show that while traditional practices have long fostered mutual support, social cohesion, and community-based economic exchange, Nepal's cooperative movement now faces governance weaknesses, financial mismanagement, regulatory gaps, and limited adoption of global best practices. Strengthening regulatory frameworks, professional management, and digital systems can enhance sustainability, while cooperatives can significantly advance the SDGs, particularly poverty reduction, decent work, gender equality, and institutional development.

Implications: The study emphasises the need for strengthened regulation, effective auditing, digital adaptation, and the institutionalisation of cooperative education to restore public trust and ensure long-term resilience.

Originality/value: This study uniquely bridges indigenous cooperative traditions with global best practices while highlighting the critical role of formal cooperative education in strengthening Nepal's social economy.

JEL Classification: L31, O15, O17, P13

ARTICLE HISTORY

Received on - April 9, 2026
Revised on - May 15, 2026
Accepted on - June 21, 2026

Keywords

Brand awareness, content marketing, retargeting, social media marketing, Lifestyle products

Correspondence

Rohit Kumar Shrestha
Email: mridu.stha.ms@gmail.com

How To Citiation APA

Basnet, D. M., & Shrestha, R. K. (2026). Revitalising Nepal's cooperative movement: Lessons from global best practices. *Journal of Society and Management Studies, 1*(1), 83–95.

Introduction

The International Cooperative Alliance (ICA, 1995) and Fici (2013) define a cooperative as an autonomous association established to promote the social economy by addressing the shared economic, social, and cultural needs of its members. It is based on fulfilling local economic, social, cultural, and environmental needs by satisfying its members and the wider community as well. As per the learning of the global context, cooperatives are formed according to individuals, societies, and their communities' needs, desires, and interests for economic and social aspiration.

According to Fici (2013), the primary objective of cooperatives is to foster local social and economic development through collective action and member participation. Beyond meeting the economic and social needs of their members, cooperatives also contribute to employment generation and broader community development. In Nepal, the Cooperative Act (2017) mandates that cooperatives allocate a portion of their surplus to community development funds, enabling them to support a wide range of local development initiatives based on community needs.

International Cooperative Alliance (1995) defined a cooperative as a member-centric, community-based, autonomous organisation. It operates under the principles of self-regulation. Leadership of the cooperatives is always chosen from the members of the respective cooperative. Therefore, cooperatives are operating with a cohesive and self-help philosophy.

The concept of the United Nations (UN) is to help every country in the world achieve equal economic development inclusively. Therefore, UN leaders recognised cooperatives as a powerful application for SDGs worldwide. UN acknowledges that Cooperatives' values, principles, and ethics are closely associated with SDGs. According to the UN (2015) and the International Cooperative Alliance (2016), cooperatives play a pivotal role in advancing sustainable development by contributing to the goals of no poverty, zero hunger, gender equality, decent work and economic growth, sustainable cities and communities, responsible consumption and production, and peace, justice, and strong institutions.

Savings and credit cooperatives (credit unions) are important instruments for achieving SDG 1 (No Poverty) by expanding access to affordable financial services and promoting financial inclusion. Recognising this role, the Government of Nepal has encouraged the establishment of savings and credit cooperatives as a strategy for poverty reduction. According to the National Cooperative Federation of Nepal (2024), 13,769 such cooperatives operate across the country. Likewise, agricultural cooperatives contribute to SDG 2 (Zero Hunger) by strengthening agricultural productivity, supporting farmers, and enhancing food security (ILO, 2014).SDG -5 focuses on gender equality in women's participation. It helps to transform women's skills, commitment, and leadership at cooperatives. Leadership roles can be observed in credit unions in the UK and women's saving groups in Indonesia (FAO & IFAD, 2012; Co-operatives UK, 2023).

ILO (2017) describes SDG 8 as referring to decent work and economic growth. The decent work and stable economic situation establish employment opportunities and mushrooming entrepreneurship within the local communities. The UN SDG 10 contributes a democratic, member-owned structure among the cooperative members. The structure of the cooperatives has always ensured equal ownership of roles, responsibilities, and profit and loss of the members. According to ICA (2016), SDG 11 claims that consumer and housing cooperatives build sustainable and resilient communities worldwide. According to Co-operatives UK (2022), SDG 12 claims that many cooperatives are responsible for building proper consumption and production through ethical tracing and environmentally mindful practices.

Cooperatives are established to address the economic, social, cultural, and environmental needs of their members and communities through collective action. In Nepal, the government has introduced legal and institutional reforms to strengthen the cooperative sector by addressing governance challenges and incorporating national and international best practices. Nevertheless, issues such as weak leadership, inadequate cooperative education, and increasing competition in a rapidly digitalising economy continue to hinder the sector's effectiveness (Dewi, 2016; Sihombing, 2018).

Accordingly, this study seeks to address the following research questions:

RQ1: What contributions do cooperatives make to socio-economic development in Nepal?

RQ2: What roles do cooperatives play in promoting sustainable development across different countries?

RQ3: How do cooperatives contribute to achieving the United Nations SDGs?

RQ4: To what extent does the Government of Nepal's regulatory framework support effective and equitable cooperative governance?

This study aims to examine the role and contribution of cooperatives in promoting socio-economic development and advancing the United Nations SDGs, with particular emphasis on Nepal in comparison with global cooperative practices. This study contributes to the cooperative literature by providing a comprehensive synthesis of the roles and contributions of cooperatives in Nepal and globally, while highlighting their significance in advancing sustainable development and informing policy and governance reforms.

Literature Review

Historical Foundations of Cooperatives in Nepal

The historical literature indicates that cooperative values in Nepal pre-date the establishment of formally registered cooperative organisations. Indigenous institutions were built around reciprocity, collective responsibility, labour exchange, social welfare and the pooling of community resources. Gellner (1992) and Acharya (2009), for example, identify the Newar Guthi as an institutionalised socio-cultural and economic arrangement through which members of the indigenous Newar society (nationality) would organise religious activities, community services and collective welfare. Although the Guthi was not a cooperative in the modern legal sense, its participatory structure and shared-resource practices represent an important indigenous foundation of cooperative organisation in Nepal.

Comparable practices developed in other communities. Parma enabled rural households to exchange labour and services on a rotational, or Alopalo, basis, particularly for agricultural and community activities (Sharma, 2016). Historical accounts also refer to the Rana-era Dharmabhakari as a community-oriented welfare arrangement. Other collective institutions included Rodi Ghar among Gurung communities, Beja arrangements with functions comparable to the Guthi, and the Dhikuri system among the Thakali community. Dhikuri operated as a rotating savings and credit association, generally involving approximately 10 to 30 members who pooled funds and allocated them among participants (Acharya, 2009; Messerschmidt, 1976).

In Nepal, cooperative institutions demonstrate cooperation, shared resource mobilisation, and collaboration among cooperatives. In the evolution of the formal Nepali cooperative movement, communities worked together through community-based decision-making processes to address social, cultural, and economic needs. The evolution of the formal Nepali cooperative movement is about working together for common interests and needs. They are community-based, from small areas for common decision-making processes to address social, cultural, economic, and environmental aspirations. Nepali cooperatives and others Co-ops related institutions exhibit cooperation.

The transition from indigenous collective practices to formal financial and cooperative institutions in Nepal occurred gradually during the twentieth century. Nepal Bank Limited was established in 1937, the first Nepali paper currency was issued in 1945, and an early cooperative-type institution emerged in Banepa in 1944 (Ministry of Land Reform and Management, 2018; Nepal Rastra Bank, n.d.; Pandey, 1943; Sharma, 2005). Although these initiatives promoted community-based savings, credit, and debt relief, they operated outside a comprehensive cooperative legal framework. Consequently, the then Prime Minister Juddha Shumsher Jung Bahadur Rana is best recognised for supporting early state-backed financial and collective-credit initiatives rather than founding Nepal's legally institutionalised cooperative movement.

The formal cooperative movement is generally traced to the registration of the Bakhanpur Cooperative Credit Society in Chitwan on 2 April 1957, recognised as Nepal's first legally registered cooperative (National Cooperative Federation of Nepal, 2019). This marked the institutionalisation of long-standing indigenous practices of trust, reciprocity, and mutual support into legally recognised, member-owned organisations governed by formal rules, reflecting continuity rather than a departure from traditional cooperative practices.

Institutional Expansion and Socio-economic Role

In Nepal, many types of cooperatives registered as per the Cooperative Act and Regulations are mushrooming country-wide. It helps with savings mobilisation, credit access, agricultural development, local enterprise, and social inclusion.

According to the reports of the National Cooperative Federation of Nepal (2024), 31450 primary cooperatives and their affiliates have 7.4 million members, which is 23%of the national population of the country. Likewise, 56% women cover the membership of the cooperative, and likewise, 40%hold positions on the boards of primary cooperatives nationwide.

The cooperative sector plays a significant role in generating both direct and indirect employment opportunities. By linking grassroots communities with the broader national economy, cooperatives promote inclusive socio-economic development through member participation. They also strengthen the use of local resources and support individuals who have limited access to conventional financial services, thereby fostering financial inclusion and community-based economic growth.

According to the Department of Cooperatives (2017), savings and credit cooperatives and agricultural cooperatives account for approximately 71% of Nepal's cooperative sector, reflecting the country's development priorities. Multipurpose cooperatives constitute the third-largest category, with many also providing savings and credit services.

Researchers and practitioners of Nepal's cooperative sector observe that multipurpose, consumer, tourism, housing, energy, and health cooperatives remain relatively underdeveloped despite their significant potential to promote sustainable economic development. International experience from countries such as Canada, India, the United States, and several European nations demonstrates that these cooperative models make substantial contributions to economic and social development.

The movement of savings and credit cooperatives and agricultural cooperatives is not an absolute pillar of the development of the country with regard to household finance, rural production, agricultural marketing, consumerism, and local development.

However, increasing of the numerous cooperatives does not reflect the end of cooperative values, principles, and vision. The cooperative movement should involve active membership, like-mindedness, equal participation, good governance, financial discipline, self-regulation, independent and a focus on financial literacy and cooperative education which are the responsibility of every member and real movement of the cooperatives.

Governance, Regulation and Cooperative Education

The national structure of cooperatives involves a multi-tiered institutional framework which includes the Department of Cooperatives, National Cooperative Federation Nepal, National Cooperative Bank Limited, Nepal Savings and Credit Cooperative Association, Nepal Rastra Bank, Cooperative Training and Research Centre, National Cooperative Regulatory Authority (NCRA), and other federal, provincial, and local bodies. These institutions perform promotional, financial, representative, supervisory, and regulatory functions. The Cooperative Act, 2017 and Cooperative Regulations, 2018 provide the main legal basis for registration, operation, reporting, annual general meetings, auditing and member accountability. The related institutions of cooperatives perform promotional, financial, representative, supervisory, and regulatory functions. The role of the institutions has executed promotional, financial discipline, representative, supervisory, regulatory functions, and to provide supervision, protection of savings, advisory services, action against mismanagement, leadership development, and educational assistance for the cooperatives.

The federal structure of the government of Nepal distributed roles and responsibilities among the three levels- local, federal, and central government for cooperative development. The framework of the government has developed to be coordinated among the three level governments.

Recent economic and institutional challenges, including the 2015 earthquake, the COVID-19 pandemic, and the global economic slowdown, have exposed significant weaknesses in Nepal’s cooperative sector. These challenges have particularly affected savings and credit, multipurpose, and agricultural cooperatives, highlighting deficiencies in governance, lending practices, liquidity management, regulatory oversight, and adherence to cooperative values and principles.

Since very long time, organisations like the National Cooperative Regulatory Authority (NCRA) had been talking to establish second tier regulatory body to inspect the savings and credit cooperatives. As a result, the Government of Nepal introduced legal amendments and finally established NCRA in 2024. Now, the NCRA has been actively regulating the savings and credit cooperatives. The cooperatives that are performing transactions of more than 25%on savings and credit are also brought under the regulation of the NCRA. Examples of cooperatives are multipurpose and agricultural. They are also focusing on savings and credit but not their genuine mission and objectives. The cooperative action reforms forced a movement from a massive self-regulatory approach towards stronger prudential oversight. The true philosophy of the cooperative cannot achieve sustainable development of cooperatives through regular monitoring.

Therefore, cooperatives are operating based on internal controls, transparent auditing (internal and external, responsible boards, an account supervisory committee that independently monitors, other sub-committees, informed members, and timely, effective annual general meetings are the minimum criteria because cooperative institutions are themselves member-owned businesses and democratically controlled.

In cooperatives, education, training and information are the heart of cooperative governance. Therefore, the modern cooperative tradition, associated with Rochdale, places education among the foundations of sustainable cooperative practice. The International Cooperative Alliance (1995) formally recognises education, training and information as one of the seven cooperative principles.

Nepalese cooperative law similarly requires mandatory regular cooperative education and training at the cooperative institutions. Cooperative institutions should provide regular training and education before and after membership. Nepalese Cooperative Act (2017) has a provision for the institution to allocate profits to funds for regular training and cooperative education for members and employees.

The existing literature and practical experience indicate that a significant implementation gap persists between cooperative policies and their actual practice. Although legal provisions for member education and training are in place, they are not always translated into systematic programs and activities. Despite Nepal’s 83-year history of the cooperative movement, significant gaps remain in financial literacy, democratic participation, ethical leadership, and members’ understanding of their rights and responsibilities within cooperatives

The rapid expansion of primary cooperatives, coupled with limited managerial capacity among cooperative leaders, has contributed to the current management challenges in Nepal’s cooperative sector. Therefore, the present situation of the Nepalese cooperatives has negatively affected institutional governance, transparency, accountability, and the protection of members’ interests in the cooperative movement.

Literature Synthesis and Research Gap

According to Bista (1972), ILO (2003), and Toffin (2007), the dimensions of Nepal’s cooperative movement to achieve the personal or group wants and needs in ancient times were the first phase. The group or community established enduring traditions of mutual support, shared labour, and collective financing for accomplishing common goals and aspirations of group members. In the second phase, covering various years, the Department of Cooperatives and the National Cooperative Federation of Nepal (NCF, 2013) documented that, following the 1950s, the Government of Nepal introduced provisions for the formal registration of cooperatives established by local communities. The cooperative movement has registered member-owned cooperatives in accordance with the land laws of the country. In the third phase, cooperatives are growing rapidly these days. In the modern era, people are centric for unethical financial benefits but not thinking about good governance and a regulatory framework. Legal action or reform is not more effective than self-regulation and independence. Cooperative member self-regulation and independence are the soul to lead the visionary cooperatives (Nepal Rastra Bank, various years; Birchall, 2013; Cornforth, 2004).

In the broad review of the literature, numerous historical and extensive studies describe traditional institutions and milestone events (Bista, 1972; Toffin, 2007). The sectoral reports stress membership and institutional statistics (Department of Cooperatives, various years; NCF Nepal, various years). According to ILO (2002) and the Cooperatives Act (2017), legal discussions focus on regulatory provisions or recent crises. Less attention is given to how these historical foundations, cooperative principles, member education, and present governance practices interact in shaping institutional sustainability (Birchall, 2013; Cornforth, 2004). The researchers and practitioners suggest, on the basis of literature gaps, whether Nepalese cooperatives use their traditional values, democratic principles, and cooperative values to ensure good governance, active member participation, and responsible financial management. Thus, leaders and members of the management committees often seek to retain their leadership positions within Nepalese cooperatives, limiting opportunities for democratic renewal and leadership succession. Furthermore, the cooperative movement must remain vigilant in observing and responding to the evolving political, economic, and environmental conditions at both the national and international levels.

Research Method

The study followed a thematic and policy-oriented qualitative research design based exclusively on secondary data. Data were collected from a wide range of national and international sources, including scholarly publications, annual reports, policy documents, cooperative acts and regulations, legislation, directives, cooperative by-laws, peer-reviewed journal articles, institutional publications, reports from apex cooperative organizations and cooperative unions, and publications of the ICA, UN, ILO, NCF, and other relevant cooperative literature. This study examined a comparative analysis among countries like India, Indonesia, the United Kingdom, Germany, and the United States. The focus on the selected countries helps to compare with Nepal's cooperative activities. These cases are followed to identify the best practices, international strengths, and governance mechanisms relevant to Nepali cooperatives.

The study also employs a policy review method, focusing on Nepal's legal frameworks such as the Cooperative Act 2017, Cooperative Regulations 2018, and directives issued by the Department of Cooperatives Nepal and the National Cooperative Regulatory Authority.

A thematic analysis technique is used to synthesise the findings under key themes: governance and regulation, financial inclusion, cooperative education, global best practices, and alignment with the SDGs.

Findings and Discussion

The cooperative movement had the primary aim of supporting rural communities and farmers in the 19th century in India. Therefore, the movement brought accessible and affordable financial activities, community-wise, among the cooperative members. Patel (2007) stated that the Cooperative Societies Act, 1904, stressed a major institutional effort to address rural poverty and the credit needs of the people. The Cooperative Movement of India had focused on savings and credit services for agricultural households in the initial phase.

In the meantime, according to Chand (2014), the Cooperative movement diversified cooperative sectors into agriculture, banking, dairy, housing, and fertilisers. The movement successfully exhibited real success stories of resulting in society and its development. Institutions like Amul and the Indian Farmers Fertiliser (IFFCO) are real examples of cooperative activities. After India's independence, India developed the cooperative as the key instrument for developing the socio-economic development of the country. The government's objective was to transform the rural economy into a modern economy. The Government of India faced severe economic difficulties during the Great Depression that began in 1929. The severe economic conditions significantly affected the areas of agricultural prices, trade, and public finances in British India (Tomlinson, 2013).

A study found that the government of India introduced a structured financial system to ensure financial stability. It has helped to develop primary societies by linking the districts to state-level institutions in the background of cooperative activities. The cooperative movement was offering cooperative banking, credit facilities, capacity building, and cooperative education from local, district, and state-level institutions to ensure the sustainability of the members of the societies. The Government of India established the Tribhuvan Sagkari University in 2025 to strengthen the cooperative sector through quality education, research, and capacity building. The university aims to enhance the role of cooperatives in promoting economic development, inclusive growth, rural empowerment, and decent work.

According to the Ministry of Cooperation (2025), nearly 300 million cooperative members are contributing to the mission of the SDGs, such as poverty reduction, inclusive growth, and decent work. A study by Varman (2016) and Sharma and Singh (2019) finds that Indian cooperatives are facing some challenges, such as weak governance, political interference, limited professional management, unhealthy corporate competition, rapid digitalisation, and a lack of youth involvement. The cooperative movement in Indonesia originated during the Dutch colonial period, with early cooperatives formed to support local farmers and workers. Following independence in 1945, cooperatives were promoted as instruments of economic democracy and national development aimed at reducing inequality.

According to Dewi (2016) and Sihombing (2018), the issues of cooperatives have been compounded by poor leadership and increasing competition due to the rapidly digitalising economy, limiting the effectiveness of recent government reforms and causing many cooperatives to deteriorate. The cooperative movement was begun since 1896 in Indonesia. The country faced a special problem in the sector of savings and loans. The government of Indonesia introduced systematic monitoring of active and inactive cooperatives and implemented corrective measures for the cooperatives. Likewise, the government established a savings insurance body, a stabilisation fund for savings and loan cooperatives, and a cooperative training and financial literacy program to the members of the cooperatives.

On average, 15% of Indonesia's population is affiliated with cooperatives. The significance of the commitment of the Indonesian people to cooperatives exhibits continued social relevance. The United Nations (2015) suggested that the cooperative movement of Indonesia reformed the country’s economic policy. The Indonesian cooperative movement sincerely adopted its cooperative activities in line with the United Nations SDGs, particularly ‘No Poverty’ (SDG 1), Decent Work and Economic Growth (SDG 8), Reduced Inequalities (SDG 10), and Responsible Consumption and Production (SDG 12). Although Nepali Cooperatives are running smoothly, they are still facing challenges, including weak governance, inadequate capital, limited technological capacity, and bureaucratic inefficiencies in the area of Cooperatives.

The United Kingdom cooperative movement originated in the early 19th century with the Rochdale Pioneers. They established the first cooperative store in 1844 based on principles of democratic control, equality, and mutual aid (Birchall, 2003). Cooperative principles shaped the expansion of cooperatives across sectors such as retail, housing, and agriculture. In the 20th century, the U.K. cooperative movement rose significantly. The Co-operative Group became one of the largest retail organisations in the country. Accordingly to Williams (2016), UK cooperatives have faced increasing pressure from multinational retailers, leading to the downsizing and closure of several cooperative stores in recent decades. Borzaga and Defourny (2016) emphasized that challenges associated with digital transformation and the limited engagement of younger members have constrained the sustainable growth and development of cooperatives. Nevertheless, UK cooperatives remain influential in housing, where community-based models provide affordable and sustainable solutions. The expansion of the sharing economy has also created opportunities for digital and platform-based cooperative enterprises (Pestoff, 2018). To address periods of fragility, UK cooperatives have strengthened value-driven practices and aligned their operations with the SDGs. Their contributions include ethical sourcing and responsible consumption (SDG 12), climate action through sustainable supply chains and green retailing (SDG 13), and inclusive employment practices that promote gender equality (SDG 5).

Raiffeisen (1998) described how the cooperative movement of German leader Friedrich Wilhelm Raiffeisen was the pioneer of cooperative activities in the 19th century. He established the first rural cooperative bank in 1864 in Germany. According to Deller et al. (2015), the Friedrich Wilhelm Raiffeisen model became a central pillar of Germany’s post-World War II economy. The model was gradually expanded in banking, agriculture, and housing sectors. Likewise, the Volksbanken and housing cooperatives played a significant role in cooperating in local economic development, financial inclusion, and member welfare of the community in Germany.

Keller et al (2020) and Steiner and Schenk (2017) suggested the need to modernise traditional member-oriented cooperative models. They also suggested changing the environmental, economic, and technological situations to keep the sustainable economy effective. In Germany, the cooperative sector was confronted with severe crises between 1880 and 1920. The causes of the crises were managerial weaknesses. As a result, the deposits of savers raised a problem, and there was uncertainty about returning the depositors’ savings. In Germany, the cooperative sector was confronted with severe crises between 1880 and 1920. The causes of the crises were managerial weaknesses.

The legal framework has been developed under the supervision of the German Cooperative and Raiffeisen Confederation (DGRV) for the cooperatives. The DGRV has directed unmanaged cooperatives to carry out internal and external audits in writing. The DGRV introduced new provisions for newly constituted cooperatives. New cooperatives are required to join regional audit unions and submit their audit reports to the central bank. Similarly, the DGRV urged cooperatives to adopt corrective measures during the financial crisis. As a result, supervised cooperatives have become more transparent, accountable, and institutionally trustworthy, which has integrated the cooperative movement with the framework of SDG 16.

The German cooperative movement suggested that cooperatives that adopted uniform good governance, auditing, and supervisory mechanisms addressed the structural weaknesses and enhanced long-term sustainability. German cooperatives implemented the United Nations 2030 agenda in order to promote democratic governance, inclusive growth, and sustainable community development with reference to SDGs 7, 8, 10, and 13. Thus, the German cooperative movement practiced innovative and socially responsible practices among the cooperatives.

The cooperative movement in the United States dates back to the 19th century, with early worker-owned stores emerging in the 1820s. The modern movement gained momentum with the formation of the Farmers’ Alliance in the1880s, which advanced agricultural cooperatives to improve farmers’ economic conditions (Levin, 2007). The Cooperative Marketing Act of 1926 further institutionalised cooperatives within agricultural marketing and supply chains (Birchall, 2011). Over time, in the USA, was maintaining principles of democratic governance and mutual benefits while expanding in the fields of housing, healthcare, energy, and finance.

The savings and loan crisis in the United States during the 1980s exposed serious governance and management failures, characterised by weak oversight, delayed regulatory intervention, and ineffective enforcement, ultimately leading to the collapse of the Federal Savings and Loan Insurance Corporation (FSLIC). Experiences from states such as Texas highlighted the root causes of institutional failure and informed best practices for cooperative recovery and governance reform.

Nepal's savings and credit cooperatives can draw valuable lessons from these international experiences to address legal inconsistencies, strengthen adherence to cooperative principles, improve leadership, and enhance institutional resilience. Where problems are created by misconduct, legal remedies are essential; where structural or circumstantial factors dominate, policy reform informed by comparative experience becomes essential. The country should take immediate action for sustainable solutions that require coordinated state action, public support, and timely legislative intervention by the government. A notable example is the National Cooperative Regulatory Authority (NCRA) of the Government of Nepal. These regulatory and governance failures have undermined public confidence and resulted in substantial financial losses within Nepal's cooperative sector, particularly among savings and credit cooperatives.

Mancuso (2020) and Parker (2019) found that contemporary U.S. cooperatives face increasing competition with large business enterprises like retail and agricultural businesses. Thus, younger members of the cooperatives were attracted to digital and gig-based work businesses rather than cooperatives. However, U.S. cooperatives have identified new opportunities in sustainable development with reference to past experiences. Spear (2017) found that especially in renewable energy and worker-owned enterprises. The demand is growing for ethical, community-based business models in accordance with cooperative businesses by adopting the SDGs.

US cooperatives contribute to the SDGs by promoting inclusive economic participation, community resilience, and environmental sustainability. US Cooperatives in agriculture, credit services, housing, and rural utilities contribute to the realisation of SDG 8, SDG 10, and SDG 11 by encouraging inclusive economic growth, reducing inequalities, and promoting sustainable communities (United Nations, 2015). Renewable energy and rural electric cooperatives further advance SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action). The U.S. experience highlights a central lesson for Nepal: effective regulation must be timely, as delays significantly increase systemic risk.

The experiences of India, Indonesia, Germany, the United Kingdom, and the United States demonstrate that strong governance, professional management, effective regulation, and member education are essential for building resilient cooperative systems, offering valuable lessons for Nepal.

Cooperative education is a cornerstone of the social economy, strengthening financial literacy, democratic participation, ethical leadership, accountability, and institutional sustainability. By equipping members, leaders, and employees with knowledge of cooperative principles and governance, it promotes self-reliance, collective entrepreneurship, and social inclusion, particularly among women, youth, and rural communities.

Well-trained cooperative leaders and employees are more likely to uphold transparency, ethical management, sound risk management, and regulatory compliance. In Nepal, adherence to the Cooperative Act, 2017, the National Cooperative Regulatory Authority (NCRA), 2025, and the directives of the Department of Cooperatives helps prevent governance failures and financial mismanagement. Continuous cooperative education and professional development therefore remain fundamental to strengthening leadership, ensuring compliance, and sustaining successful cooperative institutions. According to the United Nations SDGs, cooperative education contributes directly to the social economy by integrating economic performance with social justice, decent work, and community development.

SDG 1 is related to Zero Hunger and poverty reduction from local to regional levels. It contributes to food security across the country, which is possible through the activities of the cooperatives. SDG 4 talks about how quality cooperative education builds financial literacy and leadership. SDG 8 explains decent work and economic growth through cooperative activities. Developed countries are generally considered to have made substantial progress toward achieving SDG 8, which promotes sustained, inclusive, and sustainable economic growth, productive employment, and decent work for all. SDG 10 focuses on reducing inequalities within and among societies by promoting social, economic, and political inclusion.

Therefore, cooperatives promote equity across caste, gender, and regions. SDG 16 speaks about strong Institutions. It believes that cooperatives strengthen participatory and transparent governance. Therefore, institutionalisation of cooperative education from different perspectives within a national curriculum and capacity-building frameworks of the country. SDGs are essential for strengthening the Nepali cooperative movement and ensuring sustainable social and economic transformation.

Ending poverty is the fundamental message of the social economy of the country. Therefore, cooperatives are to manage the SDG goals for improving poverty alleviation, good health, quality education, reduced inequalities, and decent work. The government of Nepal emphasises cooperative education and training as the key instruments for strengthening governance, professionalism, and sustainability under the Cooperative Act, 2017.

Under the provisions of the Cooperative Act 2017, cooperatives in Nepal are mandated to establish a Board of Directors, which further constitutes an education sub-committee as an integral governance mechanism. This sub-committee plays a crucial role in institutionalising cooperative education and training at both primary cooperative and union levels. According to the Cooperative Act (2017), the education sub-Committee is responsible for planning, organising, and implementing cooperative education, training, research, and capacity-building programs. The primary aim of cooperative education and training programs is to enhance the competencies of members and employees, thereby improving organizational effectiveness and strengthening cooperative performance.

A total of 31,450 primary cooperatives are reportedly operating across Nepal (NCF Nepal, 2024). According to the Cooperative Act (2017), each cooperative forms an education sub-committee. The sub-committee has one coordinator and two members. There are 94,350 individuals as cooperative educators to operate the education sub-committee. The committees are responsible for managing all the cooperative education and training for the members of the cooperatives. Each education sub- committee has a budget that is approved by its own cooperative in the annual general meeting, after the profit is clearly mentioned in its legislation. The portion of annual surplus or profits is allocated to education and training, enabling sub-committees to enhance cooperative awareness, skill development, and member participation, thereby supporting sustainability and accountability. The sub-committee is responsible for managing the cooperative-related education, financial literacy, and training for their members.

The Cooperative Act (2017), has clearly mentioned including the teaching of cooperatives in school curricula and establishing cooperative-focused educational institutions in partnership with universities or the Ministry of Education, Science and Technology, promoting human capital development and inclusive growth in Nepal by the cooperative movement, educators, and scholars.

The number of primary cooperatives and their cooperative educators constitute the real strength for leading cooperatives and advancing the socio-economic development of the country.

Compliance with the Cooperative Act, 2017 requires allocating a portion of the net profit of the fiscal year for the education sub-committee. The committee mobilises the available resources for the members’ cooperative education and training. Recently, the NCRA recommended allocating 2% of annual salary-related budgets for staff education and training to enhance competence and compliance (NCRA, 2025). Members’ cooperative education and training are the background for the green signal for transparent financial transactions and good governance.

The education sub-committee always promotes cooperative principles, financial literacy, good governance, and leadership of cooperative members. New members are required to complete cooperative education and training before approval of the final membership. However, the implementation of the cooperative education system in Nepal is still informal. Cooperative education needs a uniform pedagogy system from school to university levels, as stated by SDGs and Global Citizenship Education 2030. According to Birchall (2011) and Borzaga and Galera (2016), the curricula of cooperative education nurture ethical leadership and contribute to a resilient social economy in the U.K., whereas audit-based models emphasise the role of strong governance in Germany (Woodin, 2019).

The history of the Nepalese Cooperative of 81 years shows the lack of a cooperative education pedagogy system from school to university level. Nepali cooperative movement and the Government of Nepal, Department of Cooperatives faced numerous types of hurdles in the field of Cooperatives. According to the Special Investigation Report on Misuse of Cooperative Society Savings Funds (Federal Parliament Secretariat, 2024), there were already formed the twelve investigation commissions about Cooperatives since 1967 to 2023. The commissions still have not yielded a solution for the Nepali Cooperative movement.

Countries that prioritise formal cooperative education, such as the UK, Germany, Australia, Canada, India, European countries, and the USA, demonstrated strong cooperative studies in their research papers presented at the ICA, CCR Conference in Belgium in 2023. Good governance and educational structures are most needed in Nepali cooperatives, including the SDGs. Therefore, it is indispensable for transparency, accountability, and long-term sustainable development for the future good work of the cooperative movement.

The Nepalese cooperative movement should align its practices with the United Nations SDGs and strengthen formal cooperative education to ensure the sector’s long-term sustainability. Such an approach would foster institutionalized self-regulation, enhance governance practices, and promote greater accountability within Nepalese cooperatives.

Discussion

This study highlights that cooperatives are not merely economic organizations but also vital social institutions that play a significant role in strengthening the social economy. Cooperatives are operating under the principles of mutual support, democratic participation and community development at the local, national and global level. According to the International Cooperative Alliance and Fici (2013), the results are consistent with theoretical and practical perspectives. The philosophy of the cooperative is always focused on members’ welfare and their local development instead of profit maximisation. It is very interesting in the context of Nepal because the Nepali Cooperative Act, 2017 supports the concept of Cooperatives theories and international practices. The Cooperative Act, 2017 directs that cooperatives should allocate funds from their profit for community development. The legal provision of the Nepalese Cooperative Act proves a formal commitment of cooperatives toward social responsibility and community welfare.

The relationship between cooperatives and the SDGs focuses on a global perspective and its further development. The findings suggest that the concept of savings and credit cooperatives significantly contributed to poverty alleviation, and agricultural cooperatives promote food security in the country. Likewise, the percentage of women's membership participation and their leadership position reflects improvement toward gender equality in Nepali cooperatives. However, the effective implementation of SDGs is inconsistent and irrelevant in Nepali cooperatives due to gaps in governance and partial execution.

The study showed that the ancient time of the Nepali cooperative movement has deep roots in indigenous systems, such as Guthi, Parma, and Dhikuri. The activities of the cooperative emphasise that the concept of cooperation is not externally imposed but also culturally innate. The primitive concept of cooperative provides a strong social foundation for the sustainability of the cooperative movement. However, the changeover from traditional cooperative systems to formal institutional structures has not been fully supported by contemporary governance mechanisms and professional management practices.

The empirical evidence and outreach of Nepali cooperatives demonstrate their vital socio-economic, cultural, and environmental contribution in the field of financial inclusion, employment generation, and community participation. Savings and Credit Cooperative Societies have a significant contribution than other cooperatives in Nepal

Government of Nepal has a good regulatory framework, bylaws, legislation, Cooperative Act, and directives. Some of the cooperatives did not follow good governance, financial management, cooperative principles, and values. These are the challenges for the stakeholders within the cooperatives. Recent government reforms aim to address these issues; their success depends on consistent implementation and institutional accountability without manipulating the essential works of cooperatives framed by the government.

The study highlights the critical role of cooperative education and training management emphasis in improving governance and sustainability in Nepalese cooperatives. The existing number of education sub-committees and cooperative trainers for cooperative education is sufficient. However, a standardised education system with an appropriate cooperative curriculum for school to university level should be developed. Failures of governance arise in Nepalese cooperatives due to inadequate knowledge of cooperative principles, values, and ethics, misuse of self-regulation and regulatory compliance, and financial management in visionary of future disasters.

The study found that comparative insights from India, Germany, the United Kingdom, Indonesia, and the United States of America and other countries exhibit that successful cooperative systems depend on strong governance, professional management, a structured cooperative education system, and regulation. Nepalese cooperatives can adopt systems and framework from the example of a global prospective of advance countries like best practices in auditing, regulatory enforcement, proper cooperative study materials, and digital transformation.

Thus, the findings indicate that cooperative education is a key driver of transparency, accountability, and sustainable development, as evidenced by the effective functioning of cooperatives in several countries. However, the absence of a unified cooperative education system from school to university levels remains a major institutional gap. Addressing this through structured education, effective regulation, and orientation with global standards and the SDGs is essential for ensuring the long-term sustainability of cooperatives in Nepal.

Conclusion and Implications

The present study demonstrates that cooperatives are foundational institutions of the societal economy deeply rooted in Nepalese history. The Nepalese cooperative movement aligns with global cooperative values and the United Nations SDGs. Indigenous community-based institutions such as Guthi, Parma, and Dhikuri have gradually evolved from traditional mutual support systems into modern cooperatives, including savings and credit, consumer, multipurpose, agricultural, and other cooperative enterprises. The Nepalese cooperative movement has made a significant contribution to promoting inclusive economic development, financial inclusion, social cohesion, and community empowerment.

The comparative analysis of the developed countries' cooperatives movement showed a clear picture that strong governance, timely regulation, and professional management, with guidance of the SDGs goal. Their systematic cooperative education is critical for resilience and sustainability. The country, working within the framework of cooperatives' principles, values, and norms is positioned for decent work. They can handle the economic crisis, recession, and depression of their country.

Due to the some of the Nepali cooperatives are facing self-de-regulation, governance gaps, and a lack of implementation of cooperative education among the members by the respective cooperatives. Therefore, cooperative movement and educators strengthening cooperative education, regulatory frameworks, and self-regulation mechanisms are essential for ensuring transparency, restoring public trust, and positioning cooperatives as effective drivers of inclusive and sustainable development in Nepal.

The study has implications across policy, educational, practical, theoretical, and developmental dimensions for strengthening the Nepali cooperative sector. The study emphasises strengthening regulatory frameworks, auditing systems, and ensuring strict compliance with the Cooperative Act, 2017, and the National Cooperative Regulatory Authority, 2025, to enhance transparency and public trust. The study highlights the need to institutionalise cooperative education from school to university levels, along with promoting financial literacy and leadership training to build capable human resources. The maximum utilisation of education sub-committees to educate members of the cooperatives. The committees have funds for expenses for cooperative education.

The study suggests improving professional management and adopting digital technologies to enhance efficiency and service delivery, while encouraging youth engagement and innovation for sustainability. Theoretically, it supports integrating indigenous cooperative practices with global models and strengthening the linkage between cooperatives and the SDGs.

The first amendment of the Cooperative Ordinance, 2026 was promulgated on April 30, 2026, by the President of Nepal upon the recommendation of the Council of Ministers under Article 114(1) of the Constitution of Nepal. The Cooperative Ordinance and government regulatory bodies are regulating the cooperatives on the following issues:

- Mismanagement in savings and credit cooperatives
- Delayed return of depositors' money
- Weak governance and monitoring systems
- Lack of transparency and accountability in some cooperatives
- Restoration of public trust in the cooperative movement

Despite ongoing regulatory reforms, digital governance initiatives, and institutional restructuring, Nepal's cooperative sector continues to face significant governance and financial challenges, particularly among savings and credit cooperatives. To strengthen regulation and accountability, the Government of Nepal established the NCRA, which, in collaboration with the Institute of Chartered Accountants of Nepal (ICAN), monitors governance and financial compliance. Under the Cooperative Ordinance, 2026, primary cooperatives are required to obtain operating licenses, and by 2026, the NCRA had issued approximately 2,700 licenses (NCRA, 2026). Aligning cooperative governance with the SDGs and strengthening regulatory oversight can enhance transparency, accountability, and the long-term sustainability of Nepal's cooperative sector.

This study is conceptual in nature and relies exclusively on secondary data and policy documents; therefore, its findings are not supported by primary empirical evidence from cooperative members, managers, or policymakers. Future studies should employ mixed-method or empirical research designs to assess the effectiveness of specific governance, education, and regulatory reforms in Nepalese cooperatives. Comparative studies across different provinces, cooperative types, or South Asian countries would also provide deeper insights into context-specific strategies for strengthening the cooperative movement and advancing the SDGs.

Acknowledgement

Authors sincerely thank Prof. Dr. Arhan Sthapit, Former Dean, Nepal Open University; Mr. Mukunda Raj Khanal, Chairman of Bachan SACCOS; and Charity Schmidt, President of the Association of Cooperative Educators (ACE), Canada, for their valuable time, guidance, and suggestions, which contributed significantly to the successful completion of this research article.

Conflict of Interest

The authors declare that there is no conflict of interest.

Funding

The authors declare having received no external funding for this research.

Authors Contributions

Dess Mardan Basnet: Conceptualisation, investigation, formal analysis, writing - original draft, and writing - review and editing.

Rohit Kumar Shrestha: Methodology, validation, supervision, and writing - review and editing.

References

Acharya, B. R. (2009). Cooperative movement in Nepal: Historical development and challenges [Unpublished monograph].

Azhari, A., Syechalad, M. N., Hasan, I., & *Majid, M. S. A.* (2017). The role of cooperatives in the Indonesian economy. *International Journal of Humanities and Social Science Invention*, 6(10), 43-46. http://www.ijhssi.org/papers/v6(10)/Version-3/F0610034346.pdf

Birchall, J. (2003). The history of the co-operative movement in the United Kingdom. *Oxford University Press*.

Birchall, J. (2011a). People-centered enterprises: The United States cooperatives and their future. *American Cooperative Press.*

Birchall, J. (2011b). People-centred businesses: Co-operatives, mutuals and the idea of membership. *Palgrave Macmillan*. https://doi.org/10.1057/9780230295292

Birchall, J. (2013). Resilience in a downturn: The power of financial cooperatives. *International Labour Office*.

Bista, D. B. (1972). Peasants and farmers in Nepal. *Ratna Pustak Bhanda*r.

Borzaga, C., & *Defourny, J.* (2016). The emergence of social enterprises. *Routledge*.

Borzaga, C., & *Galera, G.* (2016a). The evolution of cooperative governance: German cooperative audit systems and global trends (Euricse Working Paper Series). *Euricse*.

Borzaga, C., & *Galera, G*. (2016b). The handbook of social cooperatives. *Edward Elgar Publishing*.

Chand, R. (2014). Cooperatives in India: A journey through history. *National Cooperative Union of India*.

Chloupkova, J. (2003). European cooperative movement: Background and common denominators [Working paper]. *Danish Research Institute of Food Economics*.

Co-operatives UK. (2022). Co-operative and mutual economy report.

Co-operatives UK. (2023). Gender and leadership in UK credit unions.

Coops4Dev. (2020). United Kingdom. https://coops4dev.coop/en/4deveurope/united-kingdom#general

Cornforth, C. (2004). The governance of cooperatives and mutual associations: A paradox perspective. Annals of Public and Cooperative Economics, 75(1), 11-32. https://doi.org/10.1111/j.1467-8292.2004.00241.x

Deller, S. M., & *Marcouiller, D. W*. (2015). The cooperative movement in Germany: Past and present. Springer.

Department of Cooperatives. (2019). Directives and guidelines on cooperative fund utilization and education. Government of Nepal.

Department of Cooperatives. (n.d.). Annual reports [Various years]. Government of Nepal.

Dewi, A. T. (2016). The development of Indonesian cooperatives: Historical and present contexts. *Journal of Indonesian Economics*, 15(2), 65-82.

Federal Parliament Secretariat. (2024). Report of the Parliamentary Inquiry Special Committee, 2081 (2024/25 A.D.), regarding misuse of cooperative society savings funds [Special investigation report]. https://na.parliament.gov.np/en/publication/172681475

Food and Agriculture Organization of the United Nations & International Fund for Agricultural Development. (2012). Rural women and cooperatives: Women's empowerment through collective action. Food and *Agriculture Organization of the United Nations*.

Gellner, D. N. (1992). Monk, householder, and tantric priest: Newar Buddhism and its hierarchy of ritual. *Cambridge University Press*.

German Cooperative and Raiffeisen Confederation. (1889). Cooperative auditing law provisions.

Government of Nepal. (2017). Cooperative Act, 2074 (2017 AD). Ministry of Law, Justice and Parliamentary Affairs. https://nepallaws.com

Government of Nepal. (2018). Cooperative Regulations, 2075 (2018 AD). Ministry of Law, Justice and Parliamentary Affairs.

International Cooperative Alliance Asia and Pacific. (2025). *Nepal snapshot* 2025 [PDF]. https://icaap.coop/wp-content/uploads/2025/03/2025-Nepal-Snapshot.pdf

International Cooperative Alliance. (1995a). The cooperative principles.

International Cooperative Alliance. (1995b). Statement on the cooperative identity.

International Cooperative Alliance. (2016). Cooperatives and the Sustainable Development Goals: A contribution to the post-2015 development debate.

International Labour Organization. (1996). Cooperatives: Has their time come?

International Labour Organization. (2002). Recommendation No. 193 concerning the promotion of cooperatives.

International Labour Organization. (2003). Cooperatives in Nepal: Policies and practices.

International Labour Organization. (2014a). Agricultural cooperatives and food security.

International Labour Organization. (2014b). Cooperatives and the Sustainable Development Goals.

International Labour Organization. (2017). Cooperatives and the promotion of decent work.

Joshi, J. R. (2024). Challenges and opportunities in cooperative development in Nepal. *Journal of Durgalaxmi*, 3(1), 140-154. https://doi.org/10.3126/jdl.v3i1.73854

Keller, H. A. P., & *C. R*. (2020). Digital transformation and cooperatives: Adapting to new challenges. *Journal of Cooperative Studies*, 33(2), 45-60.

Levin, M. (2007). The impact of the cooperative movement in American agriculture. *University of Wisconsin Press*.

Mancuso, J. (2020). The challenges facing U.S. cooperatives: Adaptation in a corporate world. *Cooperative Review*, 58(4), 24-30.

Messerschmidt, D. A. (1976). The Thakali of Nepal: Historical continuity and socio-economic change. *Vikas Publishing*.

Ministry of Cooperation, Government of India. (2024). Annual report 2023-24 [PDF]. https://www.scribd.com/document/836453266

Ministry of Cooperation, Government of India. (2025). National cooperative policy 2025. https://www.cooperation.gov.in/sites/default/files/2025-07/NCP%28Eng%29_23Jul2025_v5_Final.pdf

Ministry of Cooperatives and SMEs, Indonesia. (2019). Reform policies for savings and loan cooperatives. *Government of Indonesia*.

Ministry of Land Management, Cooperatives and Poverty Alleviation. (2019). Cooperative Act and policy reforms in Nepal. *Government of Nepal*.

Ministry of Land Management, Cooperatives and Poverty Alleviation. (n.d.). Cooperative sector reports [Various years]. Government of Nepal.

Ministry of Land Reform and Management. (2018). History and development of cooperatives in Nepal. Government of Nepal.

National Cooperative Federation of Nepal. (2019). Annual report.

National Cooperative Federation of Nepal. (2024). Status of cooperatives in Nepal: Socio-economic contribution and key statistics.

National Cooperative Federation of Nepal. (n.d.). Annual reports [Various years].

National Cooperative Regulatory Authority. (2025). Directives on cooperative governance, human resource development, and training standards. Government of Nepal.

National Cooperative Regulatory Authority. (2026). The details of those cooperatives that have …. Retrieved May 23, 2026, from https://ncra.gov.np/content/13361/the-details-of-those-cooperatives-that-have/

Nepal Rastra Bank. (2017). Cooperative auditing provisions and guidelines.

Nepal Rastra Bank. (n.d.-a). Financial stability reports [Various years].

Nepal Rastra Bank. (n.d.-b). History of Nepalese currency and banking system.

Nepal, R., & *Thapa, G. B*. (2009). Determinants of agricultural commercialization and mechanization in the hinterland of a city in Nepal. *Applied Geography*, 29(3), 377-389. https://doi.org/10.1016/j.apgeog.2008.12.002

Office of the Problematic Cooperative Management Committee. (2025). *White paper on problematic cooperatives*, 2082.

Pandey, R. (1943). Economic history of Nepal. *Shaja Prakashan*.

Parker, S. (2019). Youth engagement in American cooperatives: A modern challenge. *Journal of Cooperative Studies*, 46(2), 75-89.

Patel, V. (2007). The cooperative movement in India: Challenges and opportunities. *Journal of Cooperative Development*, 20(1), 45-61.

Pestoff, V. (2018). The role of cooperatives in the digital economy. *Journal of Co-operative Studies*, 51(2), 34-46.

Raiffeisen, F. W. (1998). The origins of cooperative banking in Germany. *Germany Historical Press*.

Sharma, K., & *Singh, P*. (2019). The impact of digitalization on Indian cooperatives. *Journal of Rural Development*, 38(2), 123-136.

Sharma, P. (2016). Traditional social institutions and cooperatives in Nepal. Divya Daurali Prakashan.

Sharma, T. R. (2005). Financial institutions and markets in Nepal. *Pairavi Prakashan*.

Shrestha, M. (2013). History of the cooperative movement in Nepal. *National Cooperative Federation of Nepal*.

Sihombing, A. (2018). Cooperatives in Indonesia: Struggling in a changing economy. *Southeast Asian Studies*, 11(1), 34-46.

Spear, R. (2017). Cooperatives and sustainable development in the U.S. *Journal of Social Economics*, 33(1), 112-126.

Steiner, A., & *Schenk, H*. (2017). Youth participation in cooperatives: The challenge of the new generation. *International Journal of Cooperative Economics*, 27(4), 221-233.

Toffin, G. (2007). The Newars. *Vajra Publications*.

Tomlinson, B. R. (2013). The economy of modern India, 1860-1970. *Cambridge University Press*. https://doi.org/10.1017/CBO9781139108638

United Nations. (2015). Transforming our world: The 2030 Agenda for Sustainable Development. https://sdgs.un.org/2030agenda

V*arman, R*. (2016). Political interference and mismanagement in Indian cooperatives: A critical analysis. *Indian Journal of Cooperative Studies*, 44(3), 92-104.

Williams, C. C. (2016). The resilience of UK cooperatives in times of austerity. *Journal of Cooperative Economics*, 22(3), 123-136.

Woodin, T. (2019). Cooperative education and governance: Lessons from Europe. *Routledge*.

Author's Bio

Dr. Dess Mardan Basnet is a Nepalese cooperative professional, researcher, educator, and peace advocate with a PhD in Management. He has served as Founder and CEO of Bachan Saving and Credit Cooperative Limited since 2008 and founded World Without Anger in 2007. His research focuses on personality traits, self-efficacy, organisational commitment, emotional intelligence, and cooperative management. He has presented papers at international conferences on global peace, emotional intelligence and cooperative management,, earned several awards, and serves on international cooperative and peace organizations.

Dr. Rohit Kumar Shrestha is an Associate Professor of Management at Padma Kanya Multiple Campus, Tribhuvan University. His published research works cover human resource management, employee motivation and performance, flexible employment arrangements, financial analysis, and Nepalese foreign trade. He has also contributed to research on work-life balance, employee retention, and the occupational and wage conditions of workers in Nepal.

Disclosure of AI Use

The author used AI-based tools, including Grammarly for grammar checking and language refinement, and paraphrasing tools such as QuillBot to improve clarity and readability. These tools were used solely for linguistic enhancement. No generative AI tools were used to create original content, develop ideas, or conduct any part of the study. The author retains full responsibility for the accuracy, integrity, and originality of the manuscript.