

Village Cooperatives as Instruments for the Fulfillment of Economic, Social, and Cultural Rights: A Human Rights-Based Approach

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Article history

Received: 26 April 2026

Revised: 26 May 2026

Accepted: 24 June 2026

Keywords

Village Cooperatives

Human Rights Based Approach

Cultural Rights (ESCR)

Abstract

This study examines the relevance of village cooperatives from a human rights perspective, particularly in fulfilling economic, social, and cultural rights (ESCR) in rural communities. Using a normative legal research method, this study analyzes statutory regulations, legal doctrines, and human rights principles at both national and international levels. The findings indicate that village cooperatives, as community-based economic institutions grounded in the principles of mutual cooperation and economic democracy, have strong potential to function as instruments for the realization of human rights. Village cooperatives contribute to the fulfillment of economic rights by providing access to capital, employment opportunities, and market participation, thereby improving community welfare and reducing poverty. In addition, they support social and cultural rights through the provision of basic services, strengthening social solidarity, and preserving local cultural values. However, the effectiveness of village cooperatives remains constrained by challenges such as limited managerial capacity, restricted access to resources, and the lack of integration of human rights principles into cooperative governance. This study emphasizes the importance of strengthening village cooperatives through a human rights-based approach by enhancing institutional capacity, improving policy support, and promoting active community participation. By doing so, village cooperatives can serve as strategic instruments for achieving inclusive, equitable, and sustainable rural development.

1. Introduction

Human rights are fundamental rights inherent in every individual from birth as a gift from God Almighty, which must be respected, protected, and fulfilled by the state, society, and every individual. In its conceptual development, human rights encompass not only civil and political rights but also economic, social, and cultural rights (ESCR), which hold equal and indivisible status. Economic, social, and cultural rights include the right to work, the right to an adequate standard of living, the right to education, the right to health, and the right to participate in cultural life (International Labour Organization, 2002). The fulfillment of these rights is a crucial indicator in assessing the level of welfare and social justice within a society.

In the context of developing countries such as Indonesia, the fulfillment of human rights particularly economic, social, and cultural rights still faces various structural and cultural challenges. Economic inequality, limited access to resources, and the low level of empowerment among rural communities are key factors hindering the comprehensive realization of human rights (United Nations Development Programme, 2010). Rural communities often occupy vulnerable positions, with limited access to public services, markets, education, and economic opportunities. This condition contributes to the widening gap between urban and rural areas.

To address these challenges, various development approaches have been undertaken by the government, one of which is strengthening community-based economic systems. One instrument with significant potential to support the fulfillment of human rights at the local level is the village cooperative. As an economic institution grounded in the principles of mutual cooperation, solidarity, and economic

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doi: <https://doi.org/10.71131/dj6rqv13>

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democracy, village cooperatives play a strategic role in improving community welfare and expanding access to economic resources.

Normatively, cooperatives in Indonesia have a strong constitutional foundation, as stipulated in Article 33 of the 1945 Constitution of the Republic of Indonesia, which emphasizes that the national economy shall be organized as a collective endeavor based on the principle of familialism (Birchall, J,2004). This principle aligns with human rights values, particularly in ensuring social justice and equitable distribution of resources. Village cooperatives, as part of the national economic system, function not only as economic entities but also as social instruments contributing to the fulfillment of basic rights within society.

From a human rights perspective, village cooperatives can be viewed as a means to realize the right to work and the right to an adequate standard of living. Through collectively managed economic activities, cooperatives provide opportunities for communities to increase their income, access financial services, and develop micro and small enterprises. This directly contributes to poverty reduction and the improvement of community welfare (Birchall, J, 2013). Furthermore, cooperatives strengthen local economic resilience, reducing dependency on external economic systems that may not always align with local interests.

Moreover, village cooperatives are also relevant in fulfilling social rights, particularly in terms of access to basic services. Many village cooperatives develop business units in savings and loans, distribution of essential goods, as well as health and education services (Smith, S. C., & Rothbaum, J, 2013). Thus, cooperatives function not only as economic institutions but also as providers of social services that support the fulfillment of basic community needs. In this context, cooperatives can serve as strategic partners of the government in expanding the reach of public services in rural areas.

From a cultural perspective, village cooperatives also play a role in preserving and promoting local values that form part of community identity (Develtere, P., Pollet, I., & Wanyama, F,2008). The principles of mutual cooperation, deliberation, and solidarity that underpin cooperatives are closely aligned with Indonesian cultural values. Therefore, cooperatives contribute not only to economic and social dimensions but also to the preservation of local culture. This is important within the human rights framework, as cultural rights include the right of individuals and communities to maintain and develop their cultural identity.

Despite their significant potential, the implementation of village cooperatives in supporting human rights fulfillment still faces various challenges. One major issue is the limited managerial capacity and human resources in cooperative management (Wanyama, F. O,2014). Many village cooperatives are not professionally managed, which hinders their optimal development. Additionally, limited access to capital and technology further constrains the competitiveness of cooperatives.

On the other hand, existing regulations and policies have not fully supported the strengthening of village cooperatives as instruments for human rights fulfillment. Although the government has introduced various policies to promote cooperative development, their implementation in practice remains suboptimal. Lack of inter-institutional coordination, insufficient assistance, and low levels of community participation are factors that hinder the effectiveness of these programs.

Furthermore, there are challenges in integrating a human rights perspective into cooperative governance. Many cooperatives still focus primarily on economic aspects without adequately considering human rights dimensions. In order to contribute effectively to human rights fulfillment, cooperatives must adopt human rights principles in all aspects of their operations, including decision-making processes, profit distribution, and the protection of members.

In the global context, the human rights-based approach (HRBA) to development is increasingly recognized as an effective strategy for achieving inclusive and sustainable development. This approach emphasizes participation, accountability, non-discrimination, and empowerment as its core principles. Village cooperatives, with their participatory and community-based characteristics, have strong potential to implement this approach at the local level.

Therefore, the relevance of village cooperatives from a human rights perspective becomes an important issue to be examined in depth. An analysis of the role of village cooperatives in fulfilling economic, social, and cultural rights not only contributes to academic discourse but also has practical implications for policy formulation and development strategies. This study is expected to provide a

comprehensive understanding of how village cooperatives can be optimized as instruments for human rights fulfillment and to identify the factors influencing their effectiveness.

Furthermore, this study is also relevant in the context of achieving the Sustainable Development Goals (SDGs), particularly those related to poverty eradication, decent work, reduced inequalities, and inclusive community development. Village cooperatives can serve as a key pillar in achieving these goals if they are well-managed and supported by appropriate policies (Kementerian Koperasi dan Usaha Kecil dan Menengah Republik Indonesia, 2020).

Accordingly, systematic and integrated efforts are required to strengthen the role of village cooperatives within a human rights framework. These efforts include enhancing institutional capacity, strengthening regulatory frameworks, and integrating human rights principles into cooperative governance. In addition, active community participation is essential to ensure that cooperatives genuinely function as instruments of empowerment rather than merely formal institutional entities.

Based on the above background, this research is highly relevant to be conducted in order to examine more deeply the relevance of village cooperatives from a human rights perspective, particularly in the effort to fulfill economic, social, and cultural rights of communities. This study is expected to contribute both theoretically and practically to the development of human rights-based village cooperative models and to serve as a reference for policymakers, academics, and practitioners in realizing just and sustainable development.

2. Method

This study employs a normative legal research method (juridical normative approach), which focuses on the analysis of legal norms embodied in statutory regulations, legal doctrines, and principles relevant to the issues under examination. This approach is chosen because the research aims to analyze the relevance of village cooperatives from a human rights perspective, particularly in fulfilling economic, social, and cultural rights, which are conceptually and normatively regulated in various national and international legal instruments.

The research utilizes several approaches, namely the statute approach, the conceptual approach, and a limited case approach. The statute approach is conducted by examining various regulations related to cooperatives and human rights at both national and international levels, such as the 1945 Constitution of the Republic of Indonesia, laws and regulations governing cooperatives, and relevant international human rights instruments. The conceptual approach is employed to understand fundamental concepts related to village cooperatives, human rights, and economic, social, and cultural rights, including the principles of the human rights-based approach (HRBA). Meanwhile, the case approach is used in a limited manner to provide an overview of how legal norms are implemented in practice, particularly regarding the role of village cooperatives in fulfilling human rights within society.

The types and sources of legal materials used in this study consist of primary, secondary, and tertiary legal materials. Primary legal materials include statutory regulations, constitutional provisions, and international legal instruments related to human rights and cooperatives. Secondary legal materials comprise scholarly literature such as books, reputable national and international journal articles, previous research findings, and expert opinions relevant to the research topic. Tertiary legal materials include legal dictionaries, encyclopedias, and other supporting sources that aid in understanding the terms and concepts used.

The technique for collecting legal materials is conducted through library research, which involves identifying, gathering, and systematically organizing relevant legal sources. The search process is carried out through academic journal databases, libraries, and official publications from national and international institutions.

The analysis of legal materials is conducted qualitatively using legal interpretation methods and deductive reasoning. Legal interpretation is used to understand the meaning and substance of legal norms governing cooperatives and human rights, while deductive reasoning is applied to draw conclusions from general principles to specific issues examined in this study. Additionally, the analysis is carried out

systematically and comprehensively to identify the relationship between the role of village cooperatives and the fulfillment of economic, social, and cultural rights from a human rights perspective.

By employing this normative legal research method, the study is expected to provide in-depth and argumentative analysis regarding the relevance of village cooperatives from a human rights perspective, as well as to generate constructive recommendations for the development of policies and practices of cooperatives based on human rights principle

3. Result and Discussion

3.1. Conceptualization of Village Cooperatives from a Human Rights Perspective

Village cooperatives are fundamentally community-based economic institutions grounded in the principles of mutual cooperation, economic democracy, and social justice. From a human rights perspective, cooperatives should not be viewed merely as economic entities, but also as social instruments with the potential to support the fulfillment of fundamental rights. This conceptualization is essential as it shifts the paradigm of cooperatives from being purely business-oriented organizations to agents of social transformation aimed at promoting welfare and justice (Rodríguez, M. P. 2025).

Within the framework of human rights, particularly economic, social, and cultural rights (ESCR), village cooperatives demonstrate strong relevance. Cooperative principles such as voluntary membership, democratic governance, member economic participation, and concern for the community align closely with human rights principles, including participation, non-discrimination, accountability, and empowerment. This alignment indicates that village cooperatives can serve as effective vehicles for implementing a human rights-based approach (HRBA) to development (Schlenker, L. R., Moreira, V. R., & Silva, F. F. 2026).



Figure 1. Village cooperatives

Moreover, village cooperatives reflect local values such as mutual assistance and social solidarity, which form an integral part of cultural rights. Therefore, village cooperatives are not only relevant in economic terms but also in social and cultural contexts, reinforcing the argument that cooperatives are multidimensional institutions within the human rights framework.

3.2. The Role of Village Cooperatives in Fulfilling Economic Rights

Economic rights constitute a central pillar of human rights, relating to individuals' ability to secure a decent standard of living. In this regard, village cooperatives play a strategic role as instruments of community economic empowerment, particularly in rural areas where access to economic resources is often limited (Tortia, E. C. 2025).

Through various activities such as savings and loan services, collective production, distribution of goods, and the development of micro and small enterprises, village cooperatives provide communities with access to capital, markets, and business opportunities. Such access is crucial in increasing household income and reducing poverty levels. Consequently, village cooperatives directly contribute to the fulfillment of the right to work and the right to an adequate standard of living.

Furthermore, cooperatives contribute to the creation of a more inclusive and equitable economic system. Unlike capitalist economic systems that tend to concentrate wealth among a few, cooperatives

emphasize a more equitable distribution of benefits among their members. This is consistent with the principle of distributive justice in human rights, which stresses the importance of fair access to economic resources (Utting, P,2015).

However, the effectiveness of village cooperatives in fulfilling economic rights is influenced by several factors, including managerial capacity, access to technology, and government policy support. Therefore, institutional strengthening is necessary to ensure that cooperatives can function optimally as instruments for the fulfillment of economic rights.

3.3. Contribution of Village Cooperatives to the Fulfillment of Social and Cultural Rights

In addition to their economic role, village cooperatives also make significant contributions to the fulfillment of social and cultural rights. Social rights encompass access to basic services such as education, healthcare, and social welfare, while cultural rights relate to the preservation and development of community values and identity (Naibaho, P. A., Suparman, E., & Amirulloh, M,2024).

In practice, many village cooperatives develop services that support the fulfillment of social rights, such as providing essential goods at affordable prices, community-based health services, and support for educational activities. Cooperatives also serve as platforms for mutual assistance among community members in addressing social risks, for instance through savings and loan schemes or social funds. On the cultural dimension, village cooperatives play an important role in preserving and promoting local cultural values. Cooperative principles based on deliberation, mutual cooperation, and solidarity reflect the cultural traditions embedded in society. Thus, cooperatives function not only as economic tools but also as social institutions that strengthen social cohesion and cultural identity (ESCR-Net, 2025).

From a human rights perspective, this contribution highlights the multidimensional role of village cooperatives in supporting the fulfillment of fundamental rights. Therefore, the development of village cooperatives should consider social and cultural aspects alongside economic objectives, rather than focusing solely on economic gains.

3.4. Challenges and Strategies for Strengthening Human Rights-Based Village Cooperatives

Despite their considerable potential in supporting the fulfillment of economic, social, and cultural rights, village cooperatives face several challenges that hinder the optimization of their role. One of the primary challenges is the limited capacity of human resources in cooperative management, which affects professionalism and accountability. Additionally, restricted access to capital, technology, and markets poses significant obstacles to cooperative development.

Another challenge lies in the limited integration of human rights principles into cooperative governance. Many cooperatives remain predominantly profit-oriented, without adequately incorporating principles such as participation, transparency, and non-discrimination. This indicates the need for a paradigm shift in cooperative management towards a more human rights-oriented approach (International Labour Organization,2002).

To address these challenges, strategies for strengthening village cooperatives based on human rights principles are essential. These strategies may include enhancing managerial capacity through training and mentoring, strengthening regulatory frameworks that support cooperatives, and integrating human rights principles into cooperative policies and practices. Furthermore, collaboration among government, communities, and the private sector is crucial in creating a supportive ecosystem for cooperative development.

A human rights-based approach to strengthening village cooperatives emphasizes community empowerment, positioning individuals as active subjects of development rather than passive beneficiaries. In this way, village cooperatives can function optimally as instruments for human rights fulfillment while simultaneously serving as pillars of equitable and sustainable development.

4. Conclusion

Village cooperatives hold significant relevance within a human rights framework, particularly in supporting the fulfillment of economic, social, and cultural rights (ESCR). As community-based institutions grounded in the principles of mutual cooperation, democratic participation, and social justice, they function

not only as economic entities but also as instruments of social transformation. Their alignment with human rights principles such as participation, non-discrimination, accountability, and empowerment highlights their potential as effective mechanisms for implementing a human rights-based approach (HRBA) at the local level. In practice, village cooperatives contribute substantially to the realization of economic rights by providing access to capital, markets, and employment opportunities, thereby improving community welfare and reducing poverty. At the same time, their role extends to the fulfillment of social and cultural rights through the provision of basic services, strengthening social solidarity, and preserving local cultural values. This multidimensional contribution reinforces the position of village cooperatives as strategic actors in achieving inclusive and sustainable development. However, the effectiveness of village cooperatives remains constrained by several challenges, including limited managerial capacity, insufficient access to resources, weak policy support, and the lack of integration of human rights principles in their governance. These challenges indicate that the potential of cooperatives has not yet been fully optimized. Therefore, systematic and integrated efforts are necessary to strengthen village cooperatives within a human rights framework. Such efforts include improving institutional capacity, enhancing regulatory and policy support, and embedding human rights principles into cooperative governance and operations. In addition, active community participation and multi-stakeholder collaboration are essential to ensure that cooperatives function as genuine instruments of empowerment. Ultimately, strengthening village cooperatives from a human rights perspective not only contributes to the fulfillment of fundamental rights but also supports the realization of equitable, inclusive, and sustainable development, particularly in rural communities.

Author Contributions

All authors contributed significantly to this research. The first author was responsible for conceptualization and the development of the research framework. The second author and third author contributed to the collection and analysis of legal materials.

All authors have equal contributions to the paper. All the authors have read and approved the final manuscript.

Funding

No funding support was received.

Declaration of Conflicting Interests

The authors declare that there are no conflicts of interest, whether financial, professional, or personal, that could influence the results, interpretation, or objectivity of this research.

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