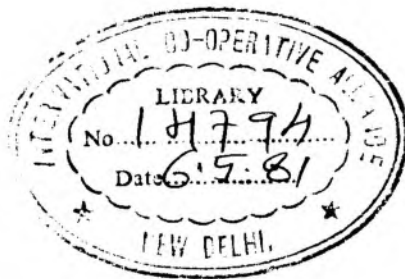


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NATIONAL SEMINAR ON "MANAGEMENT OF AGRICULTURAL COOPERATIVES"  
DACCA (BANGLADESH)



15 - 20 FEBRUARY 1981

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New Delhi  
February 27, 1981.

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NATIONAL SEMINAR ON MANAGEMENT OF AGRICULTURAL COOPERATIVES  
DACCA (BANGLADESH) 15TH to 20TH FEBRUARY, 1981.

SEMINAR CONCLUSIONS & RECOMMENDATIONS.

1. Bangladesh Jatiya Samabaya Union (BJSU) and International Cooperative Alliance, Regional Office and Education Centre for South-East Asia (ICA-ROEC) New Delhi; organised jointly a ~~3x~~ National Seminar on "Management of Agricultural Cooperatives" from 15th to 20th February, 1981.
2. The participants were from Cooperative Organisations and Government Organisations concerned with Co-operatives. In all there were 28 participants. Resource persons came from ICA-ROEC, BJSU, Bangladesh Samabaya Bank Ltd. (BSBL) Bangladesh Samabaya Marketing Society Ltd. (BSMS), Integrated Rural Development Programme (IRDP), Bangladesh Academy for Rural Development (BARD) and Ministry of Planning, - Government of Bangladesh.
3. The Seminar consisted of different lectures, group-discussions and plenary discussions. The programme included sessions on a Review of Agricultural Co-operatives in Bangladesh, Principles of Management, Increasing Agricultural Production through Cooperatives, Role of Government in assisting Agricultural Cooperatives, Agricultural Cooperative Marketing, Supply of Agricultural Inputs through Cooperatives and Development of Managerial Cadre for Agricultural Cooperatives.
4. An important part of the Seminar was Group Discussions and the Seminar took full advantage of the opinions and ideas given by the different Resource persons.
5. The Honourable Minister for Cooperatives Capt. (Retd.) Abdul Halim Choudhury inaugurated the seminar which was held at the Bangladesh Insurance Academy Auditorium. Mr. Lutfur Rahman, M.P. Vice-Chairman, BJSU presided over the inaugural session which was also addressed by Mr. Golam Ali Quaderi, General Secretary, BJSU; Mr. Sk. Obaidur Rahman, Chairman B.S.M.S. Ltd., Mr. Khandaker Delwar Hossain, M.P. Vice-Chairman, BSBL, Mr. A.Z.M. Nasiruddin, Registrar of Co-operative Societies, Bangladesh, Mr. Per-Eric Lannhagen, ICA and Mr. A.A.M. Zahirul Huq of BJSU.

6. The Seminar director was Mr. Per Eric Lannhagen, specialist in Agricultural Co-operative Marketing, ICA-ROEC and Mr. A.R.M. Zahirul Haque, Chief Executive Officer, BJSU was the Seminar Co-director.
7. The following conclusions and recommendations were unanimously adopted by the participants at a final plenary session of the seminar on 20th February, 1981. The conclusions fully took into account the ideas and suggestions formulated during the group discussions and plenary sessions.

Group discussion No.1: A Review of Agricultural Cooperatives in Bangladesh- Problems and prospects.

- (1) The seminar discussed the question of linking up the marketing, processing and distribution efforts with the credit operation through cooperatives. In this regard the seminar strongly recommended that the marketing of the agricultural produce should be done through TOCA's and Bangladesh Samabaya Marketing Society Ltd.
- (2) The seminar felt that all of the agricultural inputs must be distributed through Cooperatives in order to make the Cooperatives economically viable and to support the Government's programme of self-sufficiency in Food.
- (3) The participants of the seminar suggested that all types of Cooperatives including INDP should receive their credit from the Bangladesh Samabaya ~~Society~~ Bank Ltd. This would help in strengthening the cooperative credit structure.
- (4) The seminar discussed the question of the de-departmentalization of the Cooperative Credit system. The participants felt that the lengthy process of credit operation should be removed. The Cooperative Societies may be made free from the dual administration and they should be allowed to operate independently.
- (5) The seminar emphasized the importance of mobilising rural resources through Central Cooperative Bank. In this regard the participants felt that ~~there~~ there was a need for creating confidence among the members of the Cooperatives that the deposits were withdrawable on demand. The general members should also be motivated with the help of members of the Managing Committee to avoid expenses on unessentials and thus to divert the surplus money to the cooperatives as savings deposits.

- (6) Regarding the Central Cooperative Multipurpose Society, it was suggested that the CCMPs should be allowed to operate as a marketing institution at the secondary level and the Bangladesh Samabaya Marketing Society Ltd. should work as their Apex Marketing Organisation.
- (7) The participants expressed their views that there should be an uniform Co-operative at the primary level in the same sector in order to avoid duplication and overlapping of efforts.
- (8) It was opined that through motivations, training and general education it should be possible to reduce significantly the influence of vested interest group in the Co-operatives.
- (9) The seminar was of the opinion that the Registrar of Cooperative Societies should be entrusted with the task of regulatory functions viz. audit and inspection rather than involving him in the management of co-operatives.
- (10) The seminar noted that the member-education, training and motivational aspect of the Cooperative Movement should be entrusted to the BJSU and the District Cooperative Unions. TTEC should also be used to impart training to the Cooperative members.  
It was also recommended that every apex level organisation should have its own Specialised Training Institute.
- (11) It was suggested that all of the officials of the different Government Departments should be trained in the BARD and Cooperative College so that they can acquire a first-hand knowledge of rural development and cooperatives.
- (12) The seminar strongly recommend that the Registrar of Co-operative Societies should be appointed from the specialised profession, rather than from the general cadre service.
- (13) The scope of activities and objectives of the Cooperative Land Mortgage Banks may be further widened to be of greater assistance to agricultural development of the country and these should be developed on the lines of Land Development Banks of India and these may be given the facility also to federate into a national apex Land Development Bank.

Group discussion No. 2: Principles of Management.

- (1) The primary cooperatives were not economically viable. This viability was not even the objective of either the IRDP-KSS or the departmental Cooperatives. Again, the primary cooperatives were found to be non-functional and mainly credit oriented. It was recommended that to make these cooperatives viable there was need for starting multiple and income-generating functions. It was also recommended that all the inputs delivered from the public sector to the rural sector should be channeled through these primary Cooperatives.  
  
It was recommended that to make each of the Primary Cooperatives economically viable there was need for (a) office (b) whole-time Secretary/Manager (c) credit, banking and marketing operation, (d) an action plan/programme to become self-reliant within 5 years.
- (2) Although the Cooperative as a sector of development was mentioned in the Constitution but in practice this sector was not fully utilised. There was tendency to utilise private sector in place of Cooperatives. In the absence of support, policy of Government and right environment the primary cooperatives cannot develop themselves into well managed organisations. It was recommended that there was need for clear-cut state policy for the development and utilisation of the Cooperatives.
- (3) Although the Primary Cooperatives of IRDP and those of Cooperative Department had similar objectives yet there was conflict and duplication of activities in these two organisations. It was recommended that there was need for integration of their activities under a unified cooperative system. For this IRDP, Cooperative Department and Bangladesh Samavaya Bank Ltd. should work in unified way.
- (4) Cooperative Banks meant for distributing credit to the Cooperatives were not given due importance and the tendency ~~is~~ was to use the commercial bank for this purpose. It was recommended that whatever available the Cooperative Banks should be utilised for channeling credit to the Cooperators where there was no Central Co-operative Bank. Steps should be taken to organise Central Co-operative Banks at the earliest possible time.

- (5) Cooperative Acts and Rules were complicated and there was lot of bureaucratic control which do not help to develop democratic cooperative movement. For this the Act and Rules should be made simple. Bureaucratic control should be reduced to the minimum.
- (6) Cooperative education as well as management training was very much neglected. In its absence the general members of primary cooperatives remain in the dark and the Managers cannot manage the societies properly. It was suggested that the Bangladesh Jatiya Samabaya Union, District Cooperative Union and other members of Bangladesh Jatiya Samabaya Union should take up this training activities and there should be comprehensive arrangement for providing ~~general~~ general and specialised cooperative training. Government should encourage and help to implement the education programme of Bangladesh Jatiya Samabaya Union in cooperation with the sectoral apex organisations covering all sectors.
- (7) Varieties of rates of interest, delay and complicated procedures in getting the credit affects the smooth functioning of cooperatives. It was observed that farmers were ready to pay even higher rates of interest if services were available and credit was available easily. It was recommended to find out simplified procedure and quick delivery of credit.
- (8) Some Government Officers do not like to understand cooperative way of development. Again some have pre-conceived notions against cooperatives, for which they work against cooperatives or do not support cooperatives. It was recommended to change their outlook by proper training and motivation.

Group discussions No. 3: Increasing of agricultural production through cooperatives.

It was observed that due to lack of unified Cooperative policy of the government, Cooperative Movement could not achieve a significant progress. The seminar felt that to overcome the existing weakness in the prevalent cooperative system, there was a need for change in the existing cooperative structure. It was strongly recommended that throughout Bangladesh a uniform cooperative at all levels starting from

the national level to the grassroots level should be introduced. Under the uniform system the Registrar of Co-operative Societies should be confined to only regulatory function. The promotion, development and extension activities should be assigned to the Apex level agricultural cooperative sector under the guidance and supervision of the Bangladesh Jatiya Samabaya Union. The TCCA/TDB should be assigned with banking functions, CCMPs should be involved in its existing function viz. marketing, and UCMPS should be involved in the credit and marketing function as usual. Village Multipurpose societies should be introduced at the grassroots level. Each village Cooperative Society should have one cooperative store. Central Cooperative Bank should carry on its functions as before. The seminar also suggested that all officials of all Ministries should have knowledge about cooperatives.

Group discussions No.4: Role of Government in assisting Agricultural Cooperatives.

- (1) It was observed that in the name of agricultural development and protection of the growers the national policy was misapplied which actually was detrimental to the growth of the agricultural cooperatives and growers community as a whole. It was observed that distribution of fertilizers through private dealers and commercial firms instead of cooperatives formed by the rural people has created two-fold anti-growers elements (i) Producers were to buy product on inputs at higher cost and (ii) sell their surplus at a lower price. Because of this the landless farmers, marginal farmers and small farmers were severely affected. All agricultural inputs supply and services should be channeled through organized cooperatives. All kinds of agricultural produce that was marketable should be procured and distributed through cooperative societies.
- (2) The seminar observed that the members of the IRDP-organised cooperatives were enjoying much more facilities in respect of grant-in-aid and project facilities than those of the members of the traditional cooperatives. It was therefore recommended that equal treatment and facilities should be offered in all spheres of activities of all cooperatives for the healthy growth of cooperative development and also for improvement of agricultural production in the country.



- (3) The seminar felt that Women Cooperatives should be equally treated with that of general cooperatives irrespective of Traditional Cooperatives and IRDP-organised cooperatives.

Group discussion No.5 : Agricultural  
Cooperative  
Marketing.

- (1) It was observed that the economic and commercial policies pursued by the Government was not at all conducive for growth and development of an appropriate Agricultural Cooperative Marketing structure in the country. Furthermore, due to concentration of wealth in the hands of a few, persons of moderate means and small means were not at all capable of competing with the existing private Enterprises. It was an urgent need for people of moderate and small means to undertake group action of Cooperative basis to compete with private sector in all economic fields of marketing and for that the national government must come forward to the aid of Cooperatives to organise and run a well designed and well planned network for agricultural Cooperative marketing structure.
- (2) It was observed that the BSMS Ltd. was organised during pre-liberation period to build up a cooperative marketing structure to create outlet for marketing of agricultural output of members of agricultural cooperative organisations but after liberation the management of the Bangladesh Samabaya Marketing Society switched over to procurement and distribution of consumer goods mostly to fake co-operators and cooperatives under Government appointed Managing Committee. Moreover, with the administration of the cooperative by a government appointed managing committee and deputed government officials, the sense of belongings to the organisation by the members was shaken. The society did never manage the affairs of the Cooperatives in a scientific and rational manner and as a result it sustained huge losses on various accounts and could not pay any dividend to the members.

The Seminar recommended that the Government should provide loans and grants to the national marketing society to organise a nation-wide network of marketing structure involving agricultural Cooperatives specially for the following purposes:-

- i) At Village level-mini/moderate agricultural store and undertaking of grading function.
  - ii) At Union level-provision of moderate agricultural store.
  - iii) At Thana level- transportation and processing units and appropriate storage facilities and where possible agrobased industries.
  - iv) At Sub-Divisional level- to set up agro-based industries i.e. cold storage, warehouses etc.
  - v) At National level- (a) to set up cooperative fertiliser and insecticides factories, (b) farm, equipment manufacturing; (c) to distribute food and non-food items of agricultural produces from surplus to deficit areas; (d) processing of food items; (e) export of agricultural commodities.
- (3) Dealing of public sector with private sector instead of Cooperative sector defying national policies and strategies and constitution was the cause of underlying conflicts between the strategy and ground structure which was detrimental to the interest of the peasant of the soil and this need to be attended on an emergent basis.
- (4) The Government policy and strategy should be to make fuller utilisation of the proposed cooperative network to reorganise, strengthen and to achieve the objectives of the Cooperatives.

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GENERAL RECOMMENDATIONS

1. It was further recommended that the management of the BJSU should be requested to form a high powered Sub-Committee with representatives of Apex Cooperative Organisations and two nominees; one from Registrar of Co-operative Societies and the other from the Director-General, IRDP with a request to submit their proposal for necessary amendment in the Co-operative Acts and Rules in the line of the recommendations of the Seminar.
2. The Seminar observed that Executive and employees of the Apex, Secondary and Primary Societies did not have any uniform service rules as a result of which they were not getting any security and incentives for promotion and development of Cooperative Organisations. In order to get rid of this situation the seminar recommended that BJSU should frame a model Service-Rules for employees of all cadres of National, Secondary and Primary Societies which may be used by all Cooperative Organisations.
3. In conclusion all participants expressed their sincere appreciation for all the facilities which had been provided by a Seminar Organisers particularly by ICA which had been enabled the objectives of the seminar to be fully achieved and marked significant progress in the efforts of the Cooperators in Bangladesh to improve their status and the well-being of their members.

Further the Seminar recorded its deep appreciation for all the valuable contributions made by Mr. Per Eric Lannhagen to make the Seminar a success.

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National Seminar on "Management of Agricultural Co-operatives" 15th to 20th February, 1961.

Sponsored by : Bangladesh Jatiya Samabaya Union, Dacca, in collaboration with the International Co-operative Alliance (ICA) Regional Office & Education Centre, New Delhi.

Venue :- Bangladesh Insurance Academy Auditorium, Corner Court, 29, Toyen's Circular Road, Motijheel Commercial Area, Dacca-2.

P r o g r a m m e

Day & Time of Events & Lectures Subjects. Name of resource persons. Chairman of the Session.

1st day, 15th February,

Sunday.

10.00 - 11.00 A.M. Inauguration.  
 11.00 - 12.00 " Tea break.  
 12.00 - 12.45 P.M. Working methods.  
 12.45 - 14.30 " Lunch break.

14.30 - 16.30 "

Lecture No.1

A review of Agricultural Cooperatives in Bangladesh - Problems and Prospects.

Mr. S.A. Safer,  
 General Manager, FSB Ltd.

Mr. A.Z.M. Nasiruddin,  
 Registrar of Cooperative Societies, Bangladesh.

Chief Guest, Hon'ble Minister, Ministry of L.G., S.D. & Cooperatives, Mr. Lutfur Rahman, M.F., Vice-Chairman, E.J.S.U.

16.30 - 17.30 P.M.

Presentation by participants.

2nd day, 16th February,

Monday.

9.30 - 10.30 A.M. Lecture No.2  
 10.30 - 11.00 " Discussion  
 11.00 - 11.15 A.M. Tea break.

Principles of Management.

ICA Specialist.

Mr. Obaidur Rahman,  
 Chairman, Bangladesh Samabaya-Banking Marketing Society Ltd.

Contd.....F/2

Day	Date & time	Events	Lecture subjects.	Name of Resource persons & Specialists	Chairman of the Session.
16th February (Monday)	11.15 - 12.45	Lecture No.3	Increasing agricultural production through Co-operatives (based on the report of the study done earlier on the subject)	Study made by - And Mr. Asadddar Ali Dr. A. Kashem, Retd. Jt. Registrar B.I.D.S. Dacca. of Coop. Societies, Bangladesh.	Khondker Delwar Hossain, M.F. Vice-Chairman, Bangladesh Samabaya Bank Ltd
2nd day.	12.45 - 14.30 14.30 - 16.30	Lunch break Group discussion(1)		To be presented by Mr. A.K.M. Zahirul Haque, Chief Executive Officer, Bangladesh Jatiya Samabaya Union.	
3rd day.	17th February (Tuesday) 9.30 - 10.30.	Lecture No.4	Role of Government in assisting Agricultural Cooperatives.	Mr. Abul Hussain, Deputy Director, IRDP.	Mr. Lutfur Rahman, M.P., Vice-Chairman, BJSU.
4th day.	18th February (Wednesday)	10.30 - 11.00 Discussion. 11.00 - 11.15 Tea break. 11.15 - 12.45 Plenary Session (in Group Discussion(1)) 12.45 - 14.30 Lunch break. 14.30 - 16.30 Group discussion(2)	Agricultural Cooperative Marketing.	1. Country paper Khondker Mahmoodur Rahman, Director, IRDP., Dacca. 2. General - ICA Specialist.	Dr. A. Sattar, Director General, IRDP. Mr. A.K.M. Zahirul Haque, C.E.O., BJSU. Dr. Abdullah Farouk, Member, Planning Commission, Ministry of Planning
	9.30 - 11.00	Lecture No.5			
	11.00 - 11.15 11.15 - 12.45 12.45 - 14.30 14.30 - 16.30	Tea break Discussion Lunch break Group discussion(3)			

Day ..... Date & time ..... Events ..... Lecture subjects ..... Name of resource persons & Specialists ..... Chairman of the Session .....

5th day 19th February  
 (Thursday)  
 9.30 - 10.30 A.M. Lecture No.6. Supply of agricultural inputs through Coops. Mr. Fer Eric Lannhagen ICA Specialist.  
 Mr. Nurul Islam, Director, BIFUSF.  
 10.30 - 11.00 Discussion  
 11.00 - 11.15 Tea break  
 11.15 - 12.45 Group discussion(4)  
 12.45 - 14.30 Lunch break  
 14.30 - 15.30 Group discussion(4)  
 contd.

6th day, 20th February  
 (Friday)  
 9.30 - 10.30 Lecture No.7 Development of Managerial cadre for Agricultural Cooperatives with special reference to problems of training. Mr. Kayemuddin, Instructor, Bangladesh Academy for Rural Development.  
 Dr. M. Alamgir, Member, Planning Commission, Ministry of Planning.  
 10.30 - 11.00 Discussion.  
 11.00 - 11.15 Tea break  
 11.15 - 12.45 Group discussion(5)  
 12.45 - 14.30 Lunch break.  
 14.30 - 15.30 Plenary Session.  
 15.30 - 16.30 Presentation of Seminar Report.  
 Mr. A.M. Anisuzzaman, Secretary, Ministry of L.G., R.D. & Cooperatives.  
 18.00 - 19.30 Concluding function.

- 1) Director of the seminar - Mr. Fer Eric Lannhagen, ICA Specialist.
- 2) Co-Director of the Seminar - Mr. K.K.M. Zahirul Haque.
- 3) Secretary of the Seminar - Mr. Zulfiqar Azad. Secretariat.

ICA/BJSU National Seminar on  
Management of Agricultural Co-operatives, Dacca  
15 - 20th February. 1981.

LIST OF PARTICIPANTS:

- 1) Mr. Lutfur Rahman, M.P.,  
Chairman, Sylhet Central Co-operative Bank Ltd.,  
Sylhet.
- 2) Khondker Delwar Hossain, M.P.,  
Vice-Chairman,  
Bangladesh Samabaya Bank Ltd.,  
Dacca.
- 3) Mr. S.A. Safder,  
General Manager,  
Bangladesh Samabaya Bank Ltd.,  
Dacca.
- 4) Mr. Md. Abu Yousuf Siddiqui,  
Director,  
Chittagong Central Co-operative Bank Ltd.,  
Chittagong.
- 5) Mr. Abdur Rahman,  
Assistant Chief Officer,  
Bangladesh Bank,  
Dacca.
- 6) Mr. Nurul Islam,  
Director,  
Bangladesh Jatiya Palli Unnayan Samabaya Federation Ltd.,  
Dacca.
- 7) Mr. M. Solaiman,  
Research Co-ordinator,  
Bangladesh Academy for Rural Development (BARD),  
Comilla.
- 8) Mr. Md. Kayemuddin,  
Instructor,  
BARD,  
Comilla.
- 9) Mr. Abdul Gafur,  
Director,  
Pabna Central Co-operative Bank Ltd.,  
Pabna.
- 10) Mr. Golam Ali Quaderi,  
General Secretary,  
Bangladesh Jatiya Samabaya Union,  
Dacca.

- 11) Mr. S. M. Selim,  
Joint Secretary,  
Bangladesh Jatiya Samabaya Union,  
Dacca.
- 12) Mr. Abdul Wahed,  
Director,  
Bangladesh Akh Chashi Samabaya Federation Ltd.,  
Rajshahi.
- 13) Mr. M. F. Zaman,  
General Manager,  
Bangladesh Samabaya Marketing Society Ltd.,  
Dacca.
- 14) Mr. M. A. Sami,  
Deputy Chief Accountant,  
Bangladesh Samabaya Marketing Society Ltd.,  
Dacca.
- 15) Mrs. Nurjahan Kamal,  
Chairman,  
Bangladesh Jatiya Mahila Samabaya Samity Ltd.,  
Dacca.
- 16) Mrs. Saléha Muyeed,  
Chairman,  
Vater Mohila Samabaya Samity Ltd.,  
Sylhet.
- 17) Mrs. Selima Khatun,  
Director,  
Narail Kendriya Mohila Samabaya Samity Ltd.  
Narail,  
Jessore.
- 18) Mr. A.K.M. Abdul Awal,  
Chairman,  
Ferojpur Central Co-operative Bank Ltd.,  
Patuakhali.
- 19) Mr. Abdul Khaleque,  
Chairman,  
Sudharam Thana Central Co-operative Association Ltd.,  
Noakhali.
- 20) Mr. Shah Mozammel Haque,  
Vice-Chairman,  
Bogra Central Co-operative Bank Ltd.,  
Bogra.
- 21) Mr. Mofizur Rahman,  
Chairman,  
Mirsarai Thana Central Co-operative Association,  
Mirsarai,  
Chittagong.



- 22) Kazi Abdus Salam,  
Vice-Chairman,  
Bangladesh Samabaya Bank Ltd.,  
Dacca.
  - 23) Mr. Liacuat Ali,  
Chairman,  
Khulna Central Co-operative Bank Ltd.,  
Khulna.
  - 24) Mr. Shah Feraj Kabir,  
Gaibandha Central Co-operative Bank Ltd.,  
Rangpur.
  - 25) Mr. Abdul Bari Sarder, M.P.,  
Chairman,  
Pabna District Co-operative Union,  
Pabna.
  - 26) Mr. Ali Hossain, M.P.,  
Chairman,  
Comilla Central Co-operative Bank,  
Comilla.
  - 27) Mr. A.H. M. Nauman,  
Rangati T.C.C.A.,  
Noakhali.
  - 28) Mr. Nuruzzaman Bhuiyan,  
Member,  
Faridpur Co-operative Land Mortgage Bank Ltd.,  
Faridpur.
  - 29) Mrs. Shamsuzzahan Noor,  
Lady A.R.C.S. (Extn.),  
Dacca.
-

Resource Persons & Specialists:

1. Mr. S.A. Saifdar,  
General Manager,  
Bangladesh Samabaya Bank Ltd.,  
Dacca.
2. Mr. Per Eric Lammhagen,  
Agriculture Cooperative Specialist,  
ICA.
3. Mr. A. Kashem of BIDS,  
Represented by  
Mr. A.K.M. Zahirul Haque,  
Chief Executive Officer,  
Bangladesh Jatiya Samabaya Union,  
Dacca.
4. Mr. Abul Hossain,  
Deputy Director,  
I.R. D.P.,  
Dacca.
5. Khondker Mahmoodur Rahman,  
Director,  
IRDP,  
Dacca.

Session Chairman:

1. Mr. Lutfur Rahman, M.P.,  
Vice-Chairman,  
Bangladesh Jatiya Samabaya  
Union.
2. Mr. A.Z.M. Nasiruddin,  
Registrar of Cooperative  
Societies,  
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Bangladesh Samabaya  
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5. Dr. A. Sattar,  
Director-General,  
IRDP.
6. Dr. Abdullah Farouk,  
Member,  
Planning Commission,  
Ministry of Planning.
7. Dr. M. Alamgir,  
Member,  
Planning Commission,  
Ministry of Planning.

ICA/BJSU NATIONAL SEMINAR  
ON  
MANAGEMENT OF AGRICULTURAL CO-OPERATIVES

15 - 20 FEBRUARY 1981

DACCA, BANGLADESH

A REVIEW OF AGRICULTURAL  
CO-OPERATIVES IN BANGLADESH  
- PROBLEMS & PROSPECTS

BY

S.A. SAFDAR

GENERAL MANAGER

BANGLADESH SAMABAYA BANK LTD.

DACCA

ICA-BJSU- NATIONAL SEMINAR ON  
MANAGEMENT OF AGRICULTURAL CO-OPERATIVES,  
D A C C A

15 - 20 FEBRUARY 1981  
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A REVIEW OF AGRICULTURAL CO-OPERATIVES  
IN BANGLADESH - PROBLEMS AND PROSPECTS.

1. Background

Bangladesh with an area of 55,598 Sq.miles (143998 Sq.k.m.) and predominantly agricultural economy has to support a population of about 90 million density being about 1550 per Sq.mile. Over 92% of the country's population lives in 68,000 villages and their main vocation is agriculture. About 70% of the country's total labour forces are engaged in agriculture and other allied activities. Agriculture of the country is, however, characterised by a preponderance of small farmers with uneconomic holdings. The average land holding per farmer family ranges from 1 to 3 acres. 30% of the farmers are landless, 35% own land up to 1.5 acres while 56% own land upto 2.5 acres. Farmers owning land upto 2.5 acres are numerically so large that the entire farmer population falls under the accepted definition of small farmers. The farm lands are not only too small and fragmented but also widely scattered rendering economic use of individual inputs like mechanical implements, irrigation etc. difficult. Keeping this in view great emphasis has been placed in small farmers in the strategy of agricultural development of the country. The farmers generally are illeterate but intelligent. The literacy rate in Bangladesh is little over 20% (30% among males and 10% among females).

## 2. Agricultural situation.

About 55% of the Gross Domestic Product ( G.D.P.) is contributed by agriculture which provides food, feed and fibre from the land. The major crops produced in the country are rice, wheat, jute, sugarcane, potato, grains, pulses and oil-seeds. Besides, various types of tropical fruits and vegetables are also grown. Sources of animal protein are fish, poultry, beef and mutton. Export is dominated by jute and jute goods, tea, raw hides and skins and fish.

The total effective area of cultivable land is about 30 million acres. The intensity of the land use in Bangladesh shown that 57.8% of the cultivated area is single cropped, 34.8% is double cropped and 5.4% is triple cropped. Rice producing area is about 23.80 million acres. 2.63 million acres are under HYV paddy and 21.16 million acres are under local varieties. The acreage under HYV is on the increase.

Only 2.7 million acres have so far been provided with irrigation facilities. However, it has been projected by BADC to increase the irrigated area by 148,000 acres annually between 1975-76 and 1980-81 and 302,000 acres annually between 1980-81 and 1985-86.

Traditional system of cultivation is not inefficient. Giving the capital and technical know-how, the hard working farmers of Bangladesh

get the best use of their farms. But lack of capital, inadequacy of agricultural infrastructure and above all technological backwardness result in low productivity. The region is also calamity-ridden, prone to annual floods and cyclones which are responsible for recubrent damage to crops. Irrigation facilities are inadequate and are required to be substantially stepped up.

" Efforts towards enlarging the irrigation facilities have already started. A gigantic canal-digging programme was under taken during the year from 1st December, 1979 at the behest and dynamic leadership of the President. This programme locally organised with self-help from cross section of the people has provided tremendous motivational force for undertaking labour intensive capital work without much reliance for fund from the Government. Efforts in this direction would need to be strengthened further. Agricultural modernization in the country demands considerable supply of inputs and capital goods like fertilizer, pesticides and agricultural machineries. Bangladesh currently will be able to meet to a large extent demand for fertilizer only given the current level of annual consumption of about 1 million tons. As regards agricultural machineries and pesticides, it is heavily dependent on import. Modernization of agriculture requires intensive research support. Through some good results have been obtained

through research in the field of rice, it is still far from adequate and hardly meaningful for any crop other than rice".\*

THE SECOND FIVE YEAR PLAN (80-85) lists, interalia, the following as major constraints to agriculture and rural development in the country :-

- (1) ~~Unique~~ Geographical environment prove to natural disaster such as flood, cyclone and draughts.
- (2) Population pressure - Population have either no land or land below one acre. A high population land ratio, growing landlessness of the predominantly rural population, high rural unemployment and under employment and consequent poverty and malnutrition are the out-come of population pressure.
- (3) Poor land use and low productivity inspite of relatively high soil fertility.
- (4) Inadequate access to modern inputs and support services.
- (5) A tenural system marked by widespread share cropping and absentee land ownership - deterring land development and use of costly modern inputs.

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\* Extract from Report of Bangladesh Bank, December, 1980.

- (6) Subsistence level agriculture.
- (7) Lack of adequate and efficient local level rural institutions to support the farmers.
- (8) Wide-spread illiteracy of the farmers.

3. Agricultural Co-operatives:

Historically it was in an effort to tackle the problems of rural and agricultural indebtedness, that the cooperatives were introduced in our country at the beginning of this century. Agricultural cooperatives, particularly, the credit cooperatives have continued to dominate the cooperative activities of the country even to this day. The following are the cooperatives in Agricultural Sector of the country :-

A. APEX LEVEL :

a) National Co-operative Bank	...	1
b) National Co-operative Marketing Society	... ..	1
c) National Milk Producers Co-operative Union	.. ...	1
		<hr/>
		3
		<hr/>



B. SECONDARY LEVEL:

a) Central Cooperative Banks	...	63
b) Central Cooperative Multipurpose Society	...	88
c) Central Sugarcane Growers' Cooperative Society	...	1.2
d) Central Salt Producer Coop.	..	1
e) Thana Central Cooperative Association.	..	274
		<u>458</u>

C. PRIMARY LEVEL :

a) Land Mortgage Banks	...	17
b) Union Cooperative Multipurpose Society	...	4,156
c) Sugarcane Grs' Coop. Society		772
d) Krishi Samabaya Samity (BSBL)	...	39,341
e) Krishi Samabaya Samity (IRDP)		18,484
f) Milk Producer Cooperatives		238
g) Salt Producers Cooperatives		183
h) Landless farmers	...	168
i) Derilict Tank	...	272
		<u>63,631</u>

Candidly speaking in spite of more than 77 years of activities and inspite of vastly increased number of agricultural cooperatives under various programmes, projects and development schemes a well co-ordinated, efficient and integrated system of agricultural cooperative to step up and diversify production and to match it with an adequate system of marketing, processing and distribution is yet to be developed to the desired extent. Further more the main activity of most of the agricultural cooperatives, inspite of the multi-purpose objections have remained limited to operation of credit only. This has been due to certain socio-economic factors, some inharent deficiencies in our cooperative system, and half-hearted and frequently changing Government policies and strategy in respect of the Cooperative development.

4. National Apex Co-operative Bank.

The national apex and the most important of all agricultural co-operatives is the Bangladesh Samabaya Bank Ltd. which after liberation of Bangladesh in 1971 assumed the position of the National Apex Co-operative Bank. The membership of the Bank is open to all classes of co-operative societies dealing with agricultural credit. At present its affiliated Banks and Societies are 376 as follows:-

1. Central Co-operative Banks (CCB)	...	63
2. Central Sugarcane Growers' Co-operative Society (CSGCS)	...	12
3. Thana Central Co-operative Association (TCCA)	...	12
4. Co-operative Land Mortgage Bank (CLMB)	..	16
5. Other national apex societies.	...	6
6. Other Secondary & Primary Societies....		267
		376

The individual membership of their affiliates now exceeds 3.5 million.

The position of the Bank as on 30th June, 1980 is given below:-

( Amount in Million Taka)  
As on 30th June, 1980.

Liabilities

1. Share Capital	...	20.2	million
2. Deposit	...	19.9	"
3. Reserves	...	44.5	"
4. Borrowings	...	545.6	"
5. Other liabilities	...	119.0	"

Assets.

1. Cash & Bank Balance	...	39.4	"
2. Investment in Shares & Securities.	...	5.00	"
3. Loans & Advances	...	566.22	"
4. Fixed Assets	...	2.1	"
5. Other Assets.	...	207.5	"

In the financial year 1979-80 the Bank earned profit Tk. 6.00 million.

The item-wise position of the loans on 30-6-80 is shown below:-

Kinds of loan	(Amount in Million Taka)			
	Total Issue	Total Recovery	Outstanding	Overdue
1. Short-term	1423.8	1056.8	367.0	224.9
a. prop. loan				
b. Sugarcane loan	157.6	113.8	43.8	20.7
2. Medium Term Loan	206.4	113.5	92.9	51.8
3. Long-term Loan	38.9	6.5	32.4	0.2

The Bank is also participating in the Rural Finance Experimental Project under US AID Programme and Special Credit Scheme under IFAD.

Annual Credit Programme 1980-81

The Bank allocated Tk. 700.00 Million in its Annual Budget for the year 1980-81. This budget will serve the proposed Thana Co-operative Banks-Scheme. The Annual Credit Programme with the Bangladesh Bank has already been approved and it allocated Tk. 380.0 million for the financial year 1980-81. In the year 1979-80 the Bank disbursed loan Tk. 270.3 million including the Bangladesh Bank fund, out of which Tk. 16.1 million from its own fund.

A credit operational structure of the Bank is enclosed at Annexure 'A'.

The following are some of the constraints and deficiencies in the way of expansion of the Bank's Credit Programme which are needed to be urgently attended to:-

- 1) The proposal for re-organisation of Bangladesh Samabaya Bank Ltd. in order to strengthen it organisationally, functionally and financially

to cope with the expanding volume of credit has been pending since 1974. The Bank has since diversified its activities in many new projects and has increased its volume of loan operation 3 folds i.e. from 90 million to 270 million. The matter of re-organisation has to be finalised quickly as it brookes no further delay.

ii) For strengthening the cooperative credit structure, agricultural credit to all cooperatives should be channelled through one and one source only that is through BSBL. IRDP being essentially a cooperative programme it should use and develop BSBL as their own Bank to strengthen the cooperative credit system and the BSBL in their turn should provide all possible facilities to the IRDP cooperatives. Obtaining of finance by the IRDP cooperatives from the Sonali Bank is now a step conducive to the development of own capital of the cooperatives and to strengthening of Co-operative Credit Structure of the country.

iii) De-departmentalisation of the co-operative Credit Structure is necessary to make it more effective and self-reliant. The BSBL and the Central Co-operative Banks should have their own staff at various levels to supervise the Credit Operations in place of the Co-operative Developmental Staff who are not accountable to the Banks. Dual responsibility is not conducive to development of a viable cooperative credit system. It is essential that the BSBL and the other cooperative Banks should develop their required manpower to be able to assume full responsibility to run the system and to compete with others in the field.

- iv) For ensuring quick recovery of defaulted loans, a firmer discipline is required to be established in the cooperatives and for so doing amendment of cooperative Societies Act and Rules are necessary. Present procedures are ineffective, lengthy and time consuming. In this regard some amendment in the Public Demand Recovery Act may also be needed.
- v) For having firmer grip and control over the loan operation and funds of the Central Cooperative Banks and Central Societies the BSBL may be vested with wider and adequate powers over its affiliates by making suitable amendments in the Cooperative Societies Act and the Rules. Similar powers may also be vested with the CCBs.
- vi) The existing interest rate and margin charged by the Co-operatives at different levels are low and there <sup>are</sup> sound economic reasons to increase the same. BSBL operates on a margin of 1% only which is quite un-economic and unrealistic.

5. Marketing and Milk Apex Co-operatives:

No observations are being made on Cooperative Marketing and Milk Producers Co-operatives as these activities are being covered by other papers to be presented in the Seminar.

Contd. to page-12.

6. Secondary level Banks and Societies:

A. Central Co-operative Banks (CCB)

There are 63 Central Co-operative Banks (CCBs) situated mostly at Sub-Divisional headquarters. These are affiliated to BSBL and receive their finance from it. They dispense agricultural credit through Union Co-operative Multipurpose Societies (UCMPS) and Krishi Samabaya Samity (KSS). The CCBs are autonomous bodies managed by an elected Board of Directors and an Executive Officer deputed by the Co-operative Department. The Executive Officers works under the control of the Managing Committee but he has the right to differ with them and refer the matter of dispute to the Registrar of Co-operative Societies.

The CCB has a chequered history. Most of the CCBs were organised after enactment of Indian Co-operative Societies Act of 1912. They conducted their operations with funds mobilised from within the movement and they depended very little on the Government for finance. They had their glory-days till the depression of thirties which gave rise to defaults of loans. Their financial position was ~~further~~ aggravated further by the operation of Bengal Agricultural Debtor Act of 1935 and Money Lender Act of 1939, Famine of 1943, the Second World War 1939-45 and the partition of the country <sup>in</sup> 1947. In the fifties, if Government decided to liquidate en masse all the Joutha Banks and unlimited Liability village societies affiliated with the CCBs. This left the CCBs high and dry without any affiliated societies to work with. From 1948 onwards, UCMPS <sup>came</sup> to be organised

under Government orders to replace the unlimited liability village societies. At the time, there were about 84 CCBs in Bangladesh. In pursuance of an ILO Asian Field Mission Report of 1955 the CCBs financial soundness were assessed and they were classed into good, tolerable and bad accordingly, and 22 CCBs were either liquidated or converted into Central Multipurpose Societies.

The State Bank of the country came to provide refinancing to the CCBs through the Apex Co-operative Bank only from the year 1958. Upto this time the CCBs had to depend on their own resources for conducting their loan operations.

The 63 CCBs have a total fixed assets of about Tk.123.7 million and deposit<sup>of</sup> Tk.125.3 million and average annual income of each CCB is about .3 million.

b) Thana Central Co-operative Associations:

TCCA was introduced in the country under Comilla Cooperative Experiment in the year 1960 and Kotwali Thana Central Co-operative Association (KTCCA) was the first TCCA in the country. It was initially financed by For& Foundation of U.S.A. This was followed by the organisation of TCCAs in other Thanas of Comilla District. These were initially financed by the BSBL. They, however, switched over to Commercial Banks<sup>/after some years.</sup> Later with the introduction of IRDP in the year 1971, TCCAs came to be organised in other Districts as well.

TCCAs also came to be organised in Chittagang district but <sup>these</sup> TCCAs received their finance from the then East Pakistan Provincial Cooperative Bank through Chittagang Central Coop. Bank. Afterwards TCCA also came to be organised in Dinajpur, Kushtia and Jessore districts under the auspices of WAPDA and these were financed by BSBL through Central Coop. Banks.

I.R.D.P. TCCAs receive their finance from Sonali Bank (NCB) under annual credit programme approved by the Bangladesh Bank. TCCAs are managed by an elected Managing Committee and assisted by three(3) officers and staff namely 1) Thana Project Officer, 2) Deputy Project Officer 3) Accountant deputed by IRDP. The Thana Project Officer function as Secretary of the TCCA. The IRDP TCCAs have at places taken up Marketing activities but their main activity remain credit operation.

c) Central Sugarcane Growers' Coop. Societies:

Sugarcane Cooperatives cover 12 mill zones in the country. There are 12 Central and 772 primary sugarcane cooperatives with .1 million farmers as members. Though cooperatives were initially instrumental in financing sugarcane growers to increase cane <sup>themselves</sup> production, the sugar mills have of late, undertaken financing of sugarcane growers' along with the cooperatives. This not only hindered development of cooperatives among the growers but also encouraged them to break credit discipline by managing to obtain loan from both the sources.



d) Central Salt Producers Coop. Society.

There is one Central Salt Producers Coop. Society with Head quarter at Cox's Bazar. 183 primary Societies<sup>are</sup> affiliated to it with 10,000 salt producers as members. It is financed by the apex Industrial Coop. Society.

e) Central Coop. Multipurpose Societies: ( CCMPS )

There are 88 CCMPS situated mostly at Sub-Divisional Head quarters. Many of the CCMPS have their storage godowns. Most of these CCMPS were organised under the 2nd Five Year Plan, <sup>of</sup> the then Pakistan with the object of handling agricultural marketing and distribution of consumers commodities.

At present there is no regular arrangement or channel for financing their activities by any of the apex cooperatives and they have to depend on their own resources for conducting their business. Facilities obtaining in these societies could have been profitably utilised if some logistic support could be provided to them.

7. Primary level Banks and Societies:

a) Land Mortgage Banks.

There are 16 Cooperative Land Mortgage Banks with primary membership of 30,120 situated at district headquarter level. These are directly affiliated to BSBL and receive their finance from it. The CLMBS issue long term loans to individual farmers for redemption of old debts, land improvement and purchase of neighbouring lands.

Loan issued under CLMBs are quite secured but because of time consuming and long drawn process of issue of loan, the facilities offered can be utilised only by a few and obviously by people of means.

The CLMBs have changed little in respect of their objectives and scope of activities since their first introduction in the year 1934, while in India most of the Land Mortgage Banks started about the same time have now enlarged their scope of activities by converting themselves into Land Development Bank with wider objectives. In India Land Development Banks have even federated into state level development Banks. Land Mortgage Banks in Bangladesh have not received support and encouragement they deserved on account of their performances. There is scope for development and converting our land Mortgage Banks in the same lines as in India for bringing about an allround improvement in our agricultural sector. It may also be worth while to encourage Land Mortgage Banks to federate into a Central or an apex Bank to facilitate operation of these Banks.

b) Village level Societies :

There are about 63,614 village level Primary Societies with membership of about 3.6 million with an average of 56 members per society. Various reports and survey reveal that many of these Primary Societies are economically not quite viable because of inadequate transaction, small area of operation, overlapping of jurisdiction, small number of members and also inefficient management. Tendencies are often observed among leaders of these societies not to extend the benefits

of these societies to people outside the area of their own influence. This is one factor which limits the expansion of the membership of the Co-operatives. It has also been observed that members of the same family enjoy benefit of membership from different agricultural societies. Conversely it has also been found that benefits of one Cooperative society has been monopolised by members of one or two families in a villages. This has been mostly due to hasty organisation of Cooperative Societies under the aegis of different organisations and authorities. Some measures to control these tendencies is urgently called for.

8. Concluding Observations :

We have traversed a long way in our quest for a sound cooperative system in most of our national economic sectors, but it may sound inconceivable to observe that it has, somehow so far, eluded our grasp. In spite of hectic cooperative activities in various sectors, including agriculture, some problems of the cooperatives show no signs of disappearing. These tend to come back in vicious circles. History of our cooperatives has often repeated itself, without making us anything the wiser because of it. We have learnt very little from our past. The major problems and the deficiencies in the back-drop of which the cooperatives have to operate are :-

- i) Cooperatives are being organised in a hasty and target minded manner without <sup>preparing</sup> proper grounds for them. It happened in 1904, in 1919, in the forties, in the sixties and seventies and it is happening again & again resulting in weak and shaky foundation of cooperatives.

- ii) Weak Leadership at all levels due to duelism in management of cooperative societies, Cooperatives are democratic organisations but due to certain provisions in the cooperative Law, the Cooperative Department can always interfere with the management of the cooperative societies. Whatever the merits or philosophy behind the provision for Departmental interventions, the result has been a negation of the principle of learning by doing and deterrent to assumption of real responsibilities of management by the leaders. This has perhaps been <sup>the</sup> single biggest stumbling block in emergence of responsible and dynamic leadership in the cooperatives. The matter needs to be given a serious re-thinking by those concerned.
- iii) Management skill has some-how not developed in most of our cooperatives, partly due to duelism referred to in the foregoing para and partly due to unattractive job opportunities and inadequate training facilities. For success of any cooperative organisation emergence of well trained and efficient Management Leader is essential.
- iv) Education and training facilities for the leaders officers and employees of cooperatives is vastly inadequate. Little meaningful training is imparted in any of the existing cooperative training institutions in the country. Appropriate facilities also do not exist in the sectoral apex cooperatives in their respective specialised spheres. Development of such facilities is a sin

quo non for success of any cooperative organisation. A thorough evaluation of all cooperative training facilities within country and an assessment of actual training needs of the cooperatives is essentially necessary.

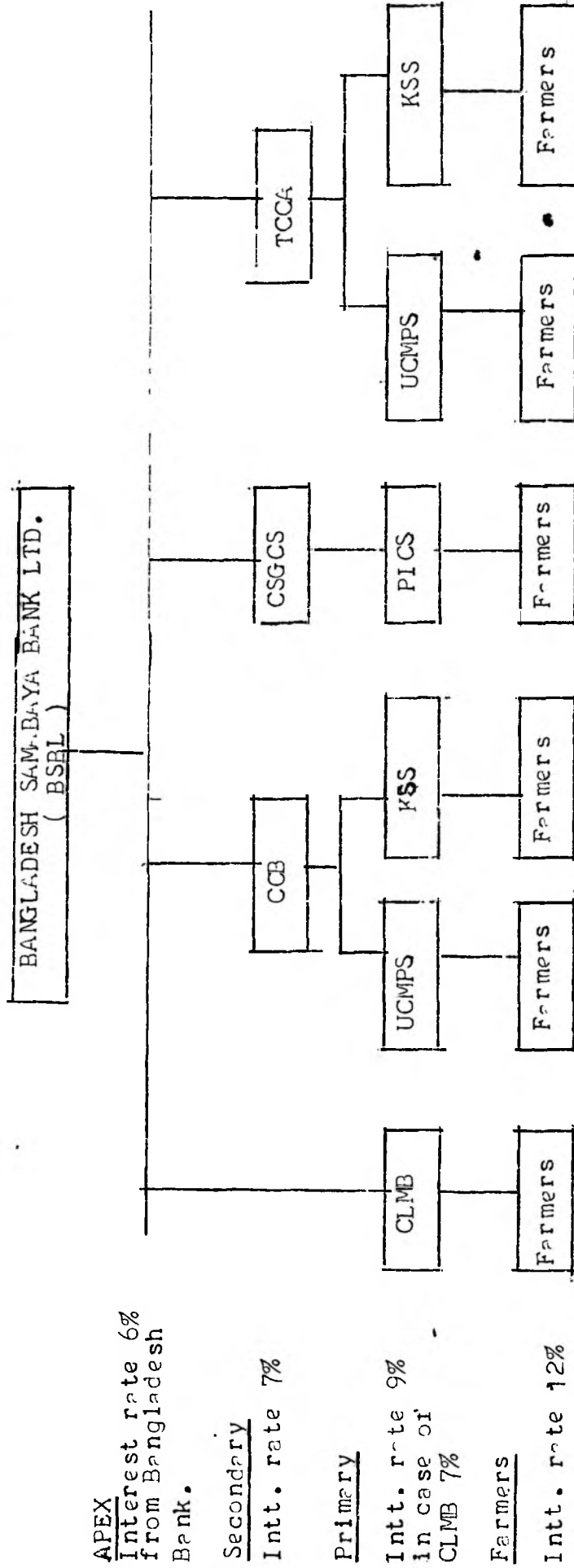
- v) Inadequate supply of inputs and capital goods like fertilizers, pesticides and agricultural machineries is a constraint which hampers modernisation of agriculture and also development of agricultural cooperatives in the country.
- vi) Slow capital formation in the cooperatives resulting in almost total dependence on Government and outside agencies for finance. This is also not conducive to self reliant growth.
- vii) Cooperatives are very often dominated by richer people who also monopolise the benefits of the cooperatives. This is mainly due to peculiar rural power structure in the country. It is very difficult for the poorer people with moderate or no means to get away from the influence of the richer people. This trend has to be corrected perhaps through land reform and others social reform measures.
- viii) Incidence of defaults of the cooperative loans, taken particularly by the richer people though not an insurmountable problem, results in breach of cooperative credit discipline and thus hampers healthy growth.

- ix) There is often very weak co-ordination between Apex and Secondary and between Secondary and Primary Societies partly due to lacunae in cooperative law and partly due to administrative and other reasons.
- x) Supervision from within, as a corollary to cooperative practice of joint and several responsibility of the members - is mostly absent in our Cooperative societies. System of supervision from within has to be developed and strengthened because outside supervision i.e. from the Government, do not go a long way in creating the much needed spirit of self-reliance and self management among the members.

In spite of drawbacks and deficiencies, the agricultural cooperatives had been the pioneers and have made the largest contribution to modernization and development of agriculture in Bangladesh. It is the Cooperatives which have introduced and popularised the use of fertilizers, insecticides, HYV crops, power pumps, and other innovations. The Cooperatives are the single largest supplier of credit to the farmers. Farmers of Bangladesh are hardworking and responsive. Given technological and other support, they can take good care of themselves. With emergence of more and more conscious, intelligent and articulate membership, the organisational deficiencies of the Cooperatives would disappear.

ANNEXURE 'A'

The credit operational structure of the Bank including the interest rate at different levels is shown below :-



The Union level Co-operative Societies are known as Union Co-operative Multipurpose Society ( UCMPS ) and village level Societies are called Krishi Samabaya Samity ( KSS ) and the Primary Sugarcane Societies are known as Primary Ikhuchashi Co-operative Society ( PICS ).

AGRICULTURAL PROJECTS IN STRUCTURAL MARKETING COOPERATIVES

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## MANAGERIAL PROBLEMS IN AGRICULTURAL MARKETING COOPERATIVES

By

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### 1. Main Functions

In South-East Asia mainly five functions are performed by the primary level cooperative societies, which are carried out with different intensity.

#### 1.1 Distribution of inputs

Distribution of agricultural production inputs (supply) is perhaps the most common activity and it is also performed by all the primary societies. Distribution of fertilizers is the most important but pesticides, insecticides, seeds and farm machinery are also playing an increasingly important role.

#### 1.2 Credit

Provision of credit, usually as a loan agent of an agricultural bank, is another popular activity. The credit is mainly a short-term production credit.

#### 1.3 Marketing

Only a few primary societies perform a real marketing function by collecting the members' produce and sell it at a competitive price at an

AMERICAN PROJECTS IN AGRICULTURAL MARKETING COOPERATIVES

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## MANAGERIAL PROBLEMS IN AGRICULTURAL MARKETING COOPERATIVES

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### 1.0 Main Functions

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#### 1.3 Marketing

Only a few primary societies perform a real marketing function by collecting the members' produce and sell it at a competitive price at an

wholesale market or elsewhere and returning back the sales proceeds to the members and keeping a small fee for this function. Anyhow, many societies act as agents for the government's food procurement programmes. In some cases they have become the sole channalizing agent for a specific product.

#### 1.4 Consumer Goods

Some primary societies sell selected consumer goods to their members and other villagers in the rural areas.

#### 1.5 Processing

When an agricultural cooperative society has become established it often adds processing to its functions. Sometimes storage is also included in the processing function.

#### 2.0 Some problems faced by the agricultural marketing cooperatives

The cooperatives have existed a long time in several countries in South-East Asia and the support from governments has been there in many cases. But the number of farmers being active members is still limited and the cooperative share of the total volume - inputs as well as marketing of surplus - has remained small. Some exceptions are there as in the Republic of Korea, Japan and fertilizers and foodgrains in some other cases.

The problems facing the cooperatives can be categorized into two main groups. One group of problems relating to the members and the other is problems relating to the management of the cooperatives.

One of the main causes for the slow progress of agricultural marketing cooperatives is the members apathy. That is, the members in the cooperatives don't care much about the activities of their cooperatives. They don't feel that it is their own cooperative but something imposed on them. There are many reasons for this apathy. The heterogeneity of the membership, which can be in terms of size of landholdings or social status, can create conflicts. Smaller and weaker groups are pushed aside leaving the society in the hands of larger and more influential farmers. This is one of the reasons

why the majority of small farmers don't show much interest in the societies. Another reason may be the fact that the members seldom receive direct benefits from the societies and also that benefits are distributed inequitably in favour of a few influential members.

The other group of problems causing slow development in the cooperative sector refers to the management of the societies. There are several factors that attribute to the inefficient management. Lack of leadership dedicated to the welfare of all the members is one main reason. The leader must be sincere, honest, respectful and they must represent a majority of the members and not only some few influential members.

Many societies are small in operations and they can't afford to hire managerial and technical experts to the staff for whom they have to pay higher salaries. Sometimes the government provides managers but many of them have not cooperative or business experience. The slow decision-making process is another factor hampering the cooperative development. It is necessary to cope with dynamic changes in the marketing and business situation why the management must be equipped with power for fast decision-making.

### 3.0 General principles of management

To be successful it is very necessary that the cooperative management is using modern business management principles and utilizing latest available techniques in all fields of operating the society.

The overall job of a manager, whether it is in the private, public or cooperative sector is to create the environment and spirit which facilitate the accomplishment of the objectives. There are also many external factors e.g. political situation, economic conditions and international relations, affecting the cooperative but on these the manager has no influence. Within the society the manager is responsible for the environment and spirit in which the staff is working. The able manager plans the operations of the staff, selects and trains the staff, organises and motivates the staff and measures actual results. When clarifying the management function one must distinguish those of operations e.g. selling, manufacturing, purchasing, etc. These differ

from one company to another but the functions of the manager are common to all. One way to classify the management functions is to group them in activities of

- planning
- organising
- staffing
- motivating
- controlling

### 3.1 Planning

Planning involves selecting the objectives and the policies programmes and procedures for achieving them either for the entire enterprise or for a part of it. Planning is also decision making as it also involves selecting among alternatives. There are policies relating to authority, prices and competition, production and audit and so on. But who should plan and when? Planning and responsibility for planning can't be completely separated from managerial performance because all managers have responsibility for planning, whether they are at the top, middle or bottom of the organisational structure.

### 3.2 Organising

Organising involves the establishment of an institutional structure of roles through determination and remuneration of the activities required to achieve the objectives of the company or cooperative and the various parts of the organisation. Further the organising involves the grouping of activities, the assignment of such groups of activities to a manager, the delegation of authority to carry them out etc. It's the totality of these activities, authorities and relations that comprises the organisation structure.

The structure of the organisation is not an end but a way to fulfil its objectives set up. Efficient organisation will contribute to the success of the enterprise or the cooperative. The organisation must fit its very purpose and must also reflect compromises and limitations imposed on the manager.

### 3.3 Staffing

Staffing involves manning and keeping manned the positions in the organisational structure. It thus necessitates manpower requirements for the job to be done, and includes inventoring, appraising, and selecting candidates for various positions. It further involves compensation and training or otherwise developing employees to accomplish their tasks effectively.

### 3.4 Motivating

The motivational aspects are increasing in importance at the same time as they are perhaps the most difficult part or function of the management. All the staff members have to be well-motivated to perform their jobs and to fulfil the objectives of the organisation. If people are not motivated, disloyalty and bad performance will result.

The manager must inculcate in his team a keen appreciation of the enterprise traditions, history, objectives and policy. And for the cooperative organisations it is equally important to have a good knowledge of cooperative principles.

Motivation is a continuing process and it is necessary to have as good overlapping of individual objectives of the organisational objectives as possible.

### 3.5 Controlling

The control seeks to compare the achievements with the stated objectives. Thus it measures performance, corrects negative deviations and assures accomplishment of the plans. Planning must precede control but plans are of course not self-achieving. The activities are monitored to determine whether they conform to planned action.

### 3.01 Coordination

Coordination is sometimes considered as a separate function but it can preferably be included in each and every of the functions discussed above. The necessity to synchronise individual action arises out of differences in opinion as to how group-goals can be reached or how individual and group objectives can be streamlined. It becomes the manager's task to

reconcile differences in approach, timing, effort or interest and to harmonize corporate and individual goals. The best coordination takes place when individuals see how their jobs contribute to the dominant objectives of the enterprise. This implies knowledge and understanding of overall objectives, not only by a few but throughout the cooperative. The dominant objectives should be clearly defined and well-known to everyone concerned. It is also important that sub-objectives of various departments, contribute to and are consistent to the overall objectives.

#### 4.0 The importance of planning

"The Planning process is at a pretty rudimentary stage in the great majority of cooperative organisations.....How much of the development that presently exists came about as a result of rigorous planning?"#  
 Planning for development is therefore, necessary in every cooperative. The meaning of planning is to decide in the present what has to be done in the future. It is the process whereby organisations reconcile their resources with their objectives and opportunities. The planning must depend on an assessment of the existing situation and the desired situation in some future state. It is the difference between these two assessments that provides the driving force for the planning.

Since the planning in most cooperatives generally is at an elementary stage it will be necessary to develop practical plans, rather than over-ambitious plans, whose objectives and scopes are clear and understandable by all concerned people. The plan, to be a good one, must also respond to the need of the cooperative members, be easily adjustable and meet the existing situation. The plan must answer the question; what to do, when, how and by whom?

However, because of several constraints such as poor management, uninformed members, insufficient funds, poor location of cooperatives, unclear government policy. problems will exist no matter how good the plan may be.

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# Statement made by Dr. Laidlaw in a synopsis to a paper on "The Cooperatives in the Year 2,000 A.D."



#### 4.1 Rationales of planning

There are many reasons why planning should be done more extensively in the cooperative sector. The growing demand from the members and the desire from many governments in the region to improve the standard of living in both rural and urban areas are challenging the cooperatives. The scope of planning can be described in different ways. Below are some rationales -

- i. Encourages systematic thinking ahead by the management.
- ii. Leads to better coordination of the cooperative efforts.
- iii. Helps the various groups - employees, members and elected representatives - to better understand their duties and responsibilities in the cooperative.
- iv. Leads to the development of performance standards for control.
- v. Results in better preparedness for sudden developments.
- vi. Causes the cooperative to sharpen its guiding objectives and policies.

#### 4.2 Organisation for planning

In general, the manager, with the policy approval of the board of directors, is responsible for the planning. This is simply because he has to run the cooperative and if any he has sufficient experience and possibilities to plan. The involvement of members and other staff is important but a very difficult part of the planning. In bigger cooperatives this will be even more necessary.

#### 4.3 Cooperative planning in developing countries

Like in all other business organisations, planning in cooperatives must be a continuing process, from planning to operation, programme evaluation, reviewing and correcting. The planning should include year to year operation planning, and long-term planning such as a three or five year plan or even longer.

Usually some kind of annual planning is being done by the cooperatives. This is often a simple planning based on the records of past years performance. But unfortunately this planning is seldom not systematically done but only a very loose statement about the cooperative objectives and an annual budget.

#### 4.3.1 Levels of cooperative planning

In general, there are three levels in the cooperative planning; national, regional and local. Each one with its own features and details.

#### 4.3.2 National Plan

The national plan is a programme of action for the whole cooperative movement within a country. This plan is broad in scope and nature. The national plan should comprise of objectives, policies, programmes, organisational structure and proceedings, etc. This master plan normally does not have a detailed plan of action, but it provides a general framework of objectives, policies.

#### 4.3.3 Regional Plan

The regional plan is a plan for a specific area or region in a country. This plan requires great details in the planning and the objectives. The work programmes and procedures must be stated very specifically.

#### 4.3.4 Local Plan

This is the plan for a local society which is a part of the regional and the national plan. The objectives, programmes, procedures, etc. are given in a great detail to enable the manager, employees, elected representatives and members to follow the plan.

#### 4.4 The Planning Process

Regardless of the type or level of planning, the planning process is composed of a series of steps. The following six steps may be convenient to follow :

Diagnosis : Where is the cooperative now and why?

Prognosis : Where is the cooperative headed?

Objectives : Where should the cooperatives be headed?

Strategy : What is the best way to get there?

Tactics : What specific actions should be undertaken, by whom and when?

Control : What measures should be watched to indicate whether the cooperative is succeeding?

#### 4.4.1 Diagnosis

The planning process must start with an attempt by the cooperative to collect facts and figures to describe the present situation. The data is needed in a detailed form to show the present situation and factors responsible for it. Information regarding membership, working capital, technical and financial position, manpower, information on competitor companies or traders is also necessary to evaluate their strength. Attention should also be given to the government policy vis-a-vis the cooperatives.

#### 4.4.2 Prognosis

The cooperative must also estimate where it is likely to go if the present policies and trends continue. This answer will help the management to decide what kind of action is necessary in the present. If the future is bright, then the cooperative need not significantly alter the present policies; if the future looks less encouraging then action is required.

The premise underlying a prognosis is that the future is partly predictable: its seeds are in the present. In the agricultural sector a projection of the agricultural production will be necessary. On the basis of the present market shares it is useful to make a forecast of the cooperatives share of supply and marketing. A forecast on total supply and marketing volumes can be used as a basis to forecast resources, costs and profits for the cooperative. When and if the operations of the cooperative involve capital investments, a forecast of investment would be necessary to sustain the projected marketing and supply volumes.

#### 4.4.3 Objectives

When all the facts and figures have been collected and analysed it will be possible to grasp the strength and weakness of the cooperative. If the picture of where the cooperative is headed is not liked the cooperative

it must redefine where it wants to go and how to get there. This does not mean that the basic goals have to be changed but adjustments to the present situation and the available resources have to be done. The needs and demands of the members must be reflected when setting the objectives.

#### 4.4.4 Strategy

The strategy is concerned with the overall design for achieving the objectives, while tactics spells out the specific moves. Strategy thus lays down the broad principles by which the cooperative hopes to secure its attractiveness to the members and also to the buyers.

#### 4.4.5 Tactics

The tactical decisions are very specific in detail and this step includes the formulation of a work programme. The implementation is very important in any plan. Each item in the plan must be worked out in detail, what has to be done first, second and in what matter, when, why, how and by whom. This also means that the tactics must be stated, budgeted and scheduled.

The approval of the board is a step that has special implications in the cooperative sector. This approval of the plan will take place between the strategy and tactics.

#### 4.4.6 Control

After the completion of the plan and its programme some evaluation must be done in order to assess the effectiveness. The controlling of the plan should set performance standards and check periodically to ensure that the cooperative's strategy and tactics are leading to the achievement of the objectives.

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A STUDY REPORT ON INCREASING AGRICULTURAL  
PRODUCTION THROUGH COOPERATIVE ACTION IN BANGLADESH

By

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&

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JULY, 1978

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## CHAPTER - I

### INTRODUCTION

The Bangladesh Jatiya Samabaya Union in conjunction with the Bangladesh Institute of Development Studies (BIDS) completed the study with the objectives of:

1. Focusing on the government policy on agricultural production with particular reference to the role of cooperatives;
2. Objectives and role of various types of cooperative organisations in agricultural production .
3. Activities and results achieved related to:
  - (a) members, (b) cooperatives, (c) community and
  - (d) national economy;
4. Organisational structure with special reference to:
  - (a) integration of institutions and organisations,
  - (b) integration of services (cooperatives and government) at different levels;
5. Process of planning and organisation or agricultural production through cooperatives action;
6. Participation of farmers and incentives for cooperative action;
7. Problems encountered and efforts made to solve them;
8. Conclusions and recommendations.

### Methodology

In this study three centres namely Tangail, Comilla and Rajshahi of Dacca, Chittagong and Rajshahi divisions respectively have been covered. In each centre two primary societies affiliated to each type of central society and a few members have been interviewed. Two sets of questionnaires, one for society and the other for members have been prepared for collection of data.

### Limitations

i) The observations on the basis of study of one or <sup>not</sup> two societies may/reveal the correct position. But it is felt that the over-all position will not however, be different.

ii) The number of persons who were interviewed is few, few, so their views may be partisan but considered to be adequate to reflect the performances of the society.

iii) The time for survey was unsuitable and too limited (three months) to go for in-depth study and therefore, the report may be considered a preliminary one.



CHAPTER - II

GOVERNMENT POLICY ON AGRICULTURAL PRODUCTION  
WITH PARTICULAR REFERENCE TO COOPERATIVES

The object of this section is to focus on the strategies adopted in agricultural production with particular reference to the role of cooperatives and to describe the changes that occurred. These changes resulted from a conflict between the constraints of the existing agrarian structure and national economic objectives; and from the inconsistency which existed between the ideology of agricultural development and the actual programme that was implemented. Underlying these inconsistencies was the political interests of the government of the day.

After the establishment of Pakistan the government's strategy was to raise agricultural marketed surplus and its taxable capacity. But the central government's agricultural and industrial policies deepened the rural stratification in East Bengal and productivity dwindled as a result. During the 1960's the government introduced a technology biased approach to agricultural development. The new strategy emphasised the profitability of large-scale farming enterprises and provided credit, fertilizers, improved seeds, power pumps and machinery. Infra-structural facilities were placed in the hands of the rich peasants. Thus the government's agricultural, trade and industrial policies re-aligned the class forces in the rural areas. The government's policies strengthened a rich peasant class within an existing stratified society.

Within this scenario the Comilla experiment emerged, somewhat independently, with official blessing but with a degree of functional autonomy. The Institutional infrastructure the Comilla experiment designed was addressed to the individual

gain. The villagers competed for scarce material inputs, credit, extension service, training, marketing and managerial power and for personal advancement. It was a competition between unequals and the distribution of net benefits became more and more skewed. And the cooperatives become an arena of power conflict. The experiment was designed to serve a middle range of peasants against the traditional landed gentry. This tilted the power balance towards the leaders of this middle peasants, but there was no institutional device to ensure that the middle and poor peasants enmass shared this power effectively.

As the Comilla experiment was developing the East-West Pakistan contradiction was unfolding at the sametime. This climaxed in the war of liberation in 1971, and Bangladesh emerged as a new country.

The new government inherited everything colonial and leaned heavily on the administrative apparatus. The government extended the 'Integrated Rural Development Programme' designed on Comilla, to new areas and allocated resources and personalities for rural development. Ground situation remained structurdly the same. In April 1974 the Bangladesh/FAO/UNDP workshop on Comilla summarised the situation as follows:

'As a result of introduction of modern technology the productivity of land has risen and farming has become profitable. Therefore, land owners have become interested in tilling their land themselves or by hiring labourers instead of giving land to sharecroppers. Share-cropping is thus declining. As a result share-croppers are now becoming landless labourers, subsistence farmers are also becoming labourers and less viable'.

The Comilla cooperative system nor the IRDP did little to resolve the contradiction between the landless, land-poor and share-croppers on the one hand and the rich peasant money lender-trader group on the other. While not resolving the contradictions, the Comilla Academy made further moves on the possibility of cooperative farming based on the pooling of land of individual owners. The result was four attempts at cooperative farming in four different places during the 1972-3. Bamail at Comilla, Shimla at Mymensingh, Rangunia at Chittagong and Gurundaspur at Rajshahi. Later, several other attempts were made: the 'Fasal' project at Aramullah Beel of Rouzan thana of Chittagong, the CORR project at 'Birol' thana of Dinajpur, etc. Through this attempt significant economic gains were achieved by all classes of participants: landowners, landless farm workers and share-croppers, this sort of experimentation is a more advanced stage of cooperativization than before, though the contradiction remains the same. In 1975, a new attempt has been made to tackle rural poverty and inequality. This is the 'Swanirvar' (Self-Reliance) Movement. The programme was introduced by the new government with the active involvement of the Academy. A six-tier swanirvar system has been designed in order to bring people, development officers, bureaucrats, leaders of local government and cooperatives together and to develop local areas by mobilising local resources and giving some participatory roles in planning and decision-making to the landless, land-poor, youth, women, etc. In reality, the system is bureaucratic and the village swanirvar committees are dominated by the traditional vested interests.

The next attempt, parallel to Swanirvar Movement is to Total Village Development Programme in the five villages of Kotwali Thana of Comilla. This programme was initiated by

the BARD in view of the inadequacies of the Comilla type TCCA-KSS (Thana Central Cooperative Association - Krishi Samabaya Samiti) cooperatives which by passed the rural poor and the swanirvar movement which became highly bureaucratic. The idea was to design programmes involving all groups of rural people and incorporating multiple activities beyond crop raising. It was decided that the existing cooperative organisation (KSS) would be redesigned 'with the inclusion of every villager in the society'. The existing KSS Managing Committee would be reorganized into six sub-committees representing target groups such as landless, mini-farmers, youth, women, religious leaders, rich-middle farmers etc. The programme was to be designed around either the KSS or the youth organization in each village.

In practice it was found that the TCCA personnel attached to the five villages were reluctant to cooperate with the programme; the thana level officials were nonresponsive either. Thus one unified organisations was found unsuitable to cater for different target groups. So the groups were advised to form their own organisations and plan their own programmes

Thus the various descriptions of cooperative venture either initiated by the government or by the autonomous organizations and the analysis of the various attempts make this point clear that the rural power elites are in no hurry to evolve projects for the deprived groups.

CHAPTER - III

OBJECTIVES AND ROLE OF VARIOUS TYPES OF COOPERATIVES

The table 1 shows various types of Co-operative organisations from national to primary level engaged in agricultural production in the country. The broad objectives and role of each type are given below:

i) The Bangladesh Jatiya Samabaya Bank Ltd. (BJSB)

It acts as an apex financial institutional for co-operative institutions in Bangladesh. It was established in 1948 to foster the growth and development of co-operative societies, to assist, advise co-ordinate and control the working of central banks & other co-operative societies.

ii) The Central Co-operative Banks (CCB)

They arrange for financial requirement of the affiliated societies from the apex bank and assist, advise, coordinate and control the working of affiliated primary societies. The Union Co-operative Multipurpose Societies (UCMPS) the Krishi Samabaya Samiti (KSS) and other kinds of co-operatives constitute the membership of the central banks. Each C.C.B. has one administrative subdivision as its area of operation. The C.C.B. are very old banking institutions, most of them being organised between 1912 to 1920 as mixed type banks with individuals as preference share holders and co-operative as ordinary share holders, the representation in the M. C. being in the proportion of 1:2.

Table 1

Number of Different Types of Cooperative Societies  
and Their Members in the Agricultural Sector.

Apex/National Society	Central/Secondary Society	Primary Society
1. Bangladesh Jatiya Samabaya Bank Ltd.	Central Cooperative Bank i) No. 63 (30.6.77) ii) Size of operation Tk. 14.0 lakh (1975-76)	A) UCMPS i) No. 4198 ii) Members 121742 (estimated on the basis of 290 members per society) B) KSS (TIP) i) No. 31,398 ii) Members 816296 (estimated on the basis of 26 members per society)
2. Bangladesh Samabaya Marketing Society Ltd.	Central Cooperative Multipurpose Society Ltd. No. 73 (30.6.77)	UCMPS as stated above
3. Bangladesh Sugarcane Growers Cooperative Federation.	Central Sugarcane Growers' Cooperative Society Ltd. No. 12 (May, 1978)	Sugarcane Growers' Cooperative Society Ltd. No. 568 (May, 1978) Members 106021
4. Bangladesh Jatiya Fishermens' Cooperative Society Ltd.	Central Fishermens' Cooperative Society Ltd. No. 86 (April, 1978)	Fishermen's Cooperative Society No. 371 (April, 1978) Members 3,50,000
5. Bangladesh Jatiya Samabaya Union	District Cooperative Union No. 16	Does not arise.
6. Bangladesh Jatiya Palli Unnayan Samabaya Federation	District Cooperative Rederation No. 10	Does not arise
7. The Eastern Milk Producers' Cooperative Union.	-	Primary Milk Producers' Cooperative Society No. 177 Members 12359
8. Integrated Rural Development Programme (IRDP) *	Thana Central Cooperative Association No. 200 (Sept. 1977)	Krishi Samabaya Samity (KSS) No. 22,929 (Sept. 1977) Members 700762

\* It is a broad based rural development programme.

iii) The Union Cooperative Multipurpose Societies

There were organised on union basis (comprising 10-15 villages falling within administrative jurisdiction of a union) with multiple objects of supplying agricultural credit and other inputs for increasing agricultural production, marketing of agricultural produce of the members, establishment of cottage industries, raising of fish and poultry, mobilise local resources, create employment opportunities and to take steps for all-round socio-economic development of the union.

The programme was taken up on the basis of the recommendations of the conference of the Registrars of all provinces of undivided India held at Nagpur in 1946. In Bangladesh the organisation was taken up in 1948 and completed by 1952 covering almost the entire country.

iv) Krishi Samabaya Samities

These societies were broadly organised to help increasing agricultural production by creating irrigation facilities through mechanised cultivation during winter season (October-February). The scheme was first put to execution by the agriculture department and the Bangladesh Agricultural Development Corporation and then by the Pakistan Academy for Rural Development (now BARD) and was subsequently launched as national programme from 1968-69. At present this is the main primary society of the Integrated Rural Development Programme (IRDP). The Co-operative Department was entrusted with organisation of pump based Co-operatives for the purpose.

v) Bangladesh Sugarcane Growers' Co-operative Federation.

This is a federation of sugarcane growers' co-operatives to Co-ordinate and advise the different activities of sugarcane growers' co-operatives and to draw up and implement training and educational programmes.

vi) Central Sugarcane Growers' Co-operatives

These societies are to undertake the function of supply of credit seeds, fertilisers and arrange sales of members' produce to sugar mills. They also arrange for training and education of members.

vii) Primary Sugarcane Growers' Co-operatives

The bye-laws provide for supply of credit and other inputs and help in surveying and distribution of purjees (supply chits) and collective supply of sugarcane to the mills along with other objects for socio-economic improvement of the members.

viii) The Bangladesh Samabaya Marketing Society Ltd.

It acts as the national society of central co-operative multipurpose societies for marketing of agriculture produce of primary societies and supply farm requisites and consumer goods to their members. Its bye-laws include amongst others, promotion of working of co-operative marketing societies of the country and co-ordinate the business activities of all affiliated societies.

ix) Central Multipurpose Societies

Its activities are similar to the UCMPs.



x) The Bangladesh Jatiya Fishermen's Co-operative Society.

It is the apex institution of fishermen's Co-operatives and acts as its spokesman. Its bye-laws mainly provide for supply of credit and other inputs, mechanisation of fishing vessels, arrange marketing of catch of affiliated societies, export of fish, import of fishing materials and to undertake programmes of fishermen's training both of general and technical nature.

xi) Central fishermen's Co-operatives.

These are secondary fishermen's Co-operatives with primary fishermen's co-operatives as other members spreading over one or more thanas as their area of operation. Their functions are almost the same as those of apex society with the added function of taking inland fisheries for development and marketing of the catch of the primary societies.

xii) The Eastern Milk Producers' Co-operative Union.

It is the apex institution to support the Primary Milk Producers' Co-operatives. Its main function is to collect milk from the members, process and sell to the urban consumers.

xiii) Bangladesh Jatiyo Samabaya Union and the Bangladesh Palli Unayan Federation.

There are responsible for imparting training to the co-operatives. organise seminars and different co-operative functions.

The above mentioned objects of different societies have not been practised in the field as enunciated later. In fact, the IRDP-KSS and the UCMPs are in conflict in distribution of credit. the main task at present accomplished by the societies. Similar confusion has also been seen in the functioning of the Bangladesh Jatiyo Samabaya Union and the Bangladesh Palli Umayan Federation.

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CHAPTER - IV

RESULTS AND DISCUSSION

A) Primary Co-operative Societies

The primary societies existent in the field of agriculture are broadly:

i) UCMPS generally affiliated to the CCB and the Central Co-operative Marketing Society Ltd. (CMS);

ii) KSS affiliated to the Thana Central Co-operative Association (TCCA) of IRDP and sometimes with the CCB;

iii) Milk Producer's Co-operative Society Ltd. (MPCS) of the Eastern Milk Producer's Co-operative Union (EMPCU);

iv) Fishermen's Co-operative Society Ltd. (FCS) affiliated to the Central Fishermen's Co-operative Society Ltd. and

v) Sugarcane Grower's Samabaya Samiti Ltd. (SGSS) affiliated to Central Sugarcane Grower's Samabaya Association Ltd.

1) Activities and Results

Primary societies help their members by providing credit in terms of both cash and kind and sometimes in marketing of their produce. The KSS, UCMPS and SGSS receive credit from their respective central societies. The supply of the society received credit (Table 2) and the amount per recipient is also less than the requirement. According to

TABLE - 2

Amount of credit received according to the members interviewed and the available records

Type	1975-76		1976-77		1977-78	
	Percentage of members received	Amount (per capita)	Percentage of members received	Amount (per capita)	Percentage of members received	Amount (per capita)
UCMPS	50	370	40	650	40	800
KSS(1)	16	470	30	560	20	500
KSS(2)	0	0	40	1150	0	0
MPCS	Credit is not distributed					
FCS(R)	0	0	0	0	0	0
FAC(S)	30	10,000*	0	0	0	0
SGSS	0	0	60	2160	60	2333

\* Amount paid to a unit of 8 to 10 members

- KSS(1) - KSS with irrigation facility
- KSS(2) - KSS without irrigation facility
- FCS(R) - Fishermen's Cooperative Society (River)
- FCS(S) - Fishermen's Cooperative Society (Sea)

TABLE - 3

Distribution of transplanted Aman  
Loan by the Comilla Central Bank.

(In Taka)

Year	Sowing time of Aman.	Month of distribution of loan					
		June	July	August	Septem- ber.	Octo- ber.	Novem- ber
1975-76	June and July	0	0	0	82,000	68,000	0
1976-77	"	0	5,80,000	10,20,000	0	1,00,000	0
1977-78	"	0	0	25,20,000	2,30,000	7,25,000	250,000

Source: Comilla Central Co-operative Bank Ltd.

recipients are few. According to the estimates of one society about 80 percent of the recipients are old. They are regular beneficiaries of the credit distribution.

Recently credit is being distributed in both cash and on kind on the basis of the plan prepared by the government official (Table-4). Kind loan is given for seeds, fertilizers, fuel and pesticides which are supplied by the Bangladesh Agricultural Development Co-operation (BADC) and other relevant agencies. Those supplying agencies get money on production of credit voucher issued by the society. In the last year (1977-78) due to scarcity of fertilizers, fertilizer loan was paid in cash.

On the question of increasing production most of the farmers opened that their productivity of land has increased from 10 to 50 percent and sometimes more (Table-5) Higher productivity has been achieved in the irrigated KSS from HYV of paddy. Two of the non irrigated KSS do not get the increased yield because of lack of supports. Some of the cooperators are of the view that cooperative loan has not helped in increasing productivity because without that loan they would go for farming taking loan from some other costlier non-institutional credit. So, the loan has saved them from the clutch of the expensive sources (e.g. 1.5 maunds of paddy for the loan 1.0 maunds of paddy).

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\* Maund is equal to about 82 lbs.

TABLE E - 4

Itemwise plan of distribution of credit in Aman Paddy (Per Acre)

Year	HYV Aman					Local Aman				Total
	Seeds	Ferti- lizer	Land Prepa- ration, cost of labour etc.	Field	Total	Seeds	Ferti- lizer	Land prepa- ration and labour cost eto.	Fuel	
1977-78	50	121	170	30	371	30	50	120	0	200
1978-79	-	232	217.50 +	-	450	-	130	170 +	-	300

Source: Government Circular  
+ Includes seeds

TABLE - 5

Impact of Cooperatives on productivity  
of land and animal\*

Type of Society	SOCIETY			
	No. 1	No. 2	No. 3	No. 4
UCMPS	No change	10-25% increase	10-25% increase	-
KSS(1)	More than 50% increase	More than 50% increase	More than 50% increase	More than 50% increase
KSS(2)	10-25% increase	10-25% increase	No change	No change
SGSS	More than 50% increase	x	x	x
FCS(R)	No change			
FCS(S)	Catch has increased but uncertainty remain as it is			
MCPS	No change	50% increase	decreased by more than 10%	x

\* Replies are tabulated on the basis of Society for Convenience.

The cooperative societies of fishermen (river) and milk producer do not get any cash loan. Recently few of the fishermen's societies have been brought under development schemes. Under that scheme wooden boat, nylon twine for nets and other materials are supplied to a group of two to four members of the society. The sum of credit in terms of money amounts to Tk.12,500.00, payable over a period of five years. The programme is supposed to be began from the last year but because of delay in distribution it will possibly operate this year (1978-79). That delay will not exempt the society from the interest of last year as opined by members. Such supplies however may help to have more catch of fish from the inland sources. The scheme does not make any provision for fish production. It seems therefore, that where there is scarcity of fish in the rivers and other natural estuaries farms can not be benefitted. Furthermore, some societies other than the development ones were were distributed by the nylon twine for nets at a controlled rate which is lower than the market rate. The quantity is however, very small (0.50 to 1.0 lb. against the requirement of 12 lbs.).

As a whole, it may be commented that the supports the inland fishermen received so far is negligible and that has been utilised for increasing catch of fish.

Societies for sea fishing particularly under developed programme are considered to be benefitted to a little extent. They are being supplied with motor fitted fish boat and twine for net. The societies we visited are outside the development scheme and therefore, they have not received either loan nor twine during the last two years. In the



year 1975-76 three of the five interviewed persons received credit amounting to Tk.30,000.00 i.e. Tk.10,000.00 each. Their requirement is reasonably high because they need to catch fish in a group of minimum of 8-10 members who stay in the sea about 100 miles from the shore for a month or more at a time. Further, their main season of fishing is from October to February when the sea remain calm. The loan of Tk.10,000.00 is too small for a group of 10 members. Their requirement as estimated by them is about Tk.55,000.00. Because of the small size of loan they take loan from the non-institutional sources which is costly (Tk.10 per Tk.100 for 3 months) besides giving a fish of reasonable size every day free of cost.

Milk producers do not receive any input for dairy improvement as there is no such provision in the scheme. Very recently due to decrease in procurement of milk a new programme has been undertaken under the 'Australian Agreement' which will undertake extensive artificial insemination for cattle improvement at Pabna. They also try to grow improved variety of grass and fodder crops.

The important benefits the producers received from the cooperative as claimed by the members are:-

- i) Receiving assured price which is equal to the prevailing market rate;
- ii) They can sell milk without loss of time, and sometimes their children can do the job;
- iii) Number of milch animals increased in the area;
- iv) They get a lump-sum of money after a year from the commission of Tk.0.25 per litre in the month of April-May, the loan period for them; and

- ) Recently receiving mustard cake and animal treatment.

The harmful effects as noticed in the area are:-

- i) Mortality of calves and milch animals increased abnormally because of intensive milking and malnutrition;
- ii) Producer's consumption has decreased to half of the part rate.

Recent introduction of veterinary service in each society by the mobile veterinary clinic seems to be very useful. Functioning of the clinic has just been started. The veterinary doctor visits once in a week every society where all the people can get treatment free of cost but at farm level it has been kept limited to the cooperative members alone with a view to encouraging the membership of the cooperative.

Sugarcane growers besides receiving credit can dispose of their cane in the sugar mills with least difficulties. The society receives the permit from the mill according to the plan. Such a regular distribution of permit enable them to get a fair income and thereby loss of cane is minimized. They also get fertilizers in time. They have further intimated that the loan has rescued them from selling standing sugarcane in the field. They now get a good sum of money at a time which can be better utilized particularly in buying land.

While asking for other benefits excluding credit different opinions have been expressed. The KSS members regarding irrigation facilities opined that they are benefitted from deep tubewells and pumps which help them to grow IRRI.

and wheat. Their **crop** yield has increased. Members of one of the societies at Tangail expressed that they have been creating development fund from the assistance of the CARE, the foreign voluntary organization. KSS members without irrigation have mixed reactions. Half of them said that through the cooperative they are receiving fertilizers while the remaining replied in negative. Another society limited that because of mischievous act of the TCCA they have lost confidence in the IRDP cooperative.

Besides the Directorate of Cooperative the Bangladesh Samabaya Union (BSU) has the basic objective of educating the cooperators in the principles and practices of cooperatives. From the interviewed members it has been revealed that some of the executive members of the UCMPS, SGSS, FCS, & MPCS have been trained. In MPCS training has been offered to the manager for 7 days. A little facility has been provided for KSS members. In these KSS no ordinary member has received any training. Training there is given to the model farmer to the Manager and the Chairman of the society at the Thana Training Development centre (TTDC).

Out of 18 primary societies only one KSS at Comilla has been found to undertake joint project in pisciculture during the last decade. The same project has also bought one television (TV) for the cooperators. Another society for fishermen undertakes sometimes religious and social functions in the area. All other societies have not undertaken any joint project for the development of agriculture.

None of the visited UCMPS HAS undertaken any marketing operation. Similarly not a single member of the cooperatives received any dividend on shares. The MPCS

members however received patronage divided. All the interviewed milk producers received it. Per capita receipt estimated to be about Tk.71,00.

Member's awareness. Savings and Management

The cooperative members are not aware about the principles and the objectives of the cooperatives. This is evident from the replies received while interviewing them. Majority of the farmers could not say the number of members in their respective societies. Those who reported the number was not correct. Further, about half of the interviewed farmers indicated that the objectives of society are to receive loan, fertilizer and seeds. The next important objective has been the installation of deep tubewell in the area free of cost. As a whole the members understand that the society is a means of getting different farm supplies from the government. They are indifferent to the savings and shares.

In the old cooperative of the UCMPS and FCS there is no system of thrift deposits. There some collection ~~is~~ is made through compulsory deduction while distributing loan. At that time share is also bought @ 10.00 for loan of Tk.100.00. For example, when one has a share of 50 taka i.e. 5 shares he can get a loan of Tk500.00 if he takes Tk.1000 he requires to buy additional 5 shares. In case of KSS almost similar system is followed in the field though on principles it is not correct. These new cooperatives to some extent try to have regular weekly collection but could not be successful. See fish societies collect their savings the season (October-February), generally @ 2.00 per day member. The members, in general could not remember the amount of savings against their names.

Furthermore, the members are found that concerned about the Managing Committee (MC) and its functions. About the duties and responsibilities of the MC, 25% of the farmer-members are found to be aware while others are ignorant. Majority of the respondents opined that the MC is not doing their duties properly. Most of the societies however, organized the Annual General Meeting (AGM) regularly. It has been observed that about 40.0 percent of MCs are working for more than 3 years, which is contrary to the bye-laws.

#### Society's Achievements

The discussions here are based on the interviews of the members of the MC of the primary society and the available records. These are societies which can undertake development project of reasonable size from their own funds. Among those one KSS at Comilla and another society of Fish (sea) at Chittagong undertook the development projects. The former society made joint effort in re-excavating of a pond and there they started fish culture. Another project of that KSS was the installation of rice husking mill. Both of these projects did not yield desired results. The sea fishing society has started the programme of mechanization of boat. The society already completed 20 boats during the period of 1974-75 to 1975-76 from the loan received from the Bangladesh Bank. Besides these two societies not other society has undertaken any other project though they have fund generated out of deposits and shares. The fund though small could be useful for training, re-excavation ponds and other small-scale projects.

To mention about the management it has been observed that the societies administer their operations independently. They generally do not get any guidance from central and apex units other than providing loan and nylon twine for fishing nets. The MC sits in the meeting generally once in a month. There are societies which meet once or twice in a year i.e. at the time of distributing of loan and twine for nets. M C meeting is found to be held regularly in case of irrigation KSS and MPCS. It has further been observed that almost all the societies call the AGM regularly except the non-functioning ones. But the main draw-back is that the attendance of members in the AGM is not encouraging. In UCMPS it has been about 14%. In KSS it has been 20%. Such a low level of attendance cannot help the healthy growth of the cooperatives. Coordination between the primary and the central society is absent.

B) Central Co-operative Societies

At the secondary level the important Central Co-operative Organisations are:-

- i) The CCB located generally at the Sub-division;
- ii) The Central Co-operative Multipurpose Society Ltd. (CCMS);
- iii) The District Co-operative Union (DCU);
- iv) The District Palli Umayan Federation (DPUF);
- v) The Thana Central Co-operative Association (TCCA);
- vi) The Central Sugarcane Growers' Co-operative Society (CSGCS);
- vii) The Central Fisherman's Co-operative Society (CFCS).

The members of the CCB are i) UCMPS ii) KSS iii) TCCA  
 a . iv) Others (consumers and non-agricultural ones). The number

of affiliated societies is quite high in all the banks (Appendix-6). Generally all UCMPS and some KSS have been enlisted as members. IRDP KSS are mainly the members of the TCCA. The DCU has the members in almost all the fields. The DPUF at Comilla has affiliated 20 TCCAs. Like CCB, CCMPS has also the membership from UCMPS, KSS and the consumer's societies. The central organisations survive on the contribution of the primary societies and interest received from the societies.

i) The Central Co-operative Bank Ltd.

The CCB distributes credit to the UCMPS and KSS and sometimes to TCCA. It survives on the interest difference of 3 percent (12% - 9%) of the volume of credit distributed. It has been observed that all the societies do not receive loan as they fail to fulfil the given criteria. The progress in terms of savings and deposits of the CCB is not encouraging though its repayment position has improved (Table-6). Further, loan is paid both in cash and on kind according to the definite proportion fixed by the Ministry of Agriculture which varies from year to year and crop to crop. That loan is however, distributed on the basis of the production plan. The data show that the CCB in Rajshahi served the maximum number of societies and that in Tangail the least (Table-7). There is still a wide scope to cover. It further shows that the number of new recipient society is very few. Generally the distribution of credit is kept limited to a certain number of societies because of risk of bad debt from new ones.

Bank records show that loan is distributed late every year. The question is why this delay occurs. The co-operative members have intimated that they seek money in time but processing takes a lot of time. While the CCB has intimated

TABLE - 6

Amount of Savings in terms of share value & thrift deposits & the loan remain overdue for repayment by CCB Ltd.

	1974-75 (cumulative)		1975-76 (cumulative)		1976-77 (cumulative)	
	Overdue Loan.	Value of shares.	Overdue Loan.	Value of shares.	Overdue Loan	Value of shares
Rajshahi	25,98,008	245868	23,67,015	249538 (3670)	21,11,344	254103 (4565)
Comilla	90,000	1036589	95,000	1045339 (8750)	Not reported.	1141931 (96592)
Tangail	58,18,427	458520	46,51,583	472895 (14375)	3680221	488020 (15125)
				159935 (9047)		166283 (6348)

Figures in the bracket indicate the change over the previous year.



TABLE - 7

Distribution of credit to the societies in three Central Co-operative Banks in different years.

Year	Total Societies	Total Members	Societies received credit.	Members received credit	Total Societies.	Total Members	Societies received credit	Members received credit	Total Societies.	Total Members	Societies received credit.	Members received credit.
1973-74	195	29250	185 (90)	14800 (50)	152	40800	73 (50)	3650 (9)	697	32740	56 (10)	1859 (10)
1974-75	199	29850	187 (93)	14950 (50)	153	43500	76 (50)	3700 (9)	701	34105	41 (10)	962 (3)
1975-76	203	30450	189 (93)	13230 (40)	155	80000	80 (51)	5300 (10)	831	38655	43 (10)	1080 (3)
1976-77	208	31200	192 (90)	14400 (46)	156	85000	85 (50)	5800 (10)	842	39040	93 (10)	2554 (10)
1977-78 upto (31.12.77)	219	32850	199 (90)	16915 (51)	157	90000	100 (60)	6980 (10)	842	39145	31 (3)	738 (2)
Total	1024	153600	952 (90)	74305 (50)	773	339300	414 (50)	25430 (10)	3916	183685	264 (10)	7193 (3)

Source: Bangladesh Jatiya Samabaya Bank, Dacca.

Figures in the bracket indicate percentage.

that it does not get the allotment order in time from the Samabaya Bank but the loan officer of the bank on the other hand commented that the societies take a long time to qualify themselves for loan by repaying the old debts. Actually what is noticed is that the time spent in processing the case is unusually long. The system is that after getting the allotment order, the CCB asks the Thana Co-operative Officer (TCO) to prepare the society's plan keeping in view the criteria set by the Government. The preparation of the plan and its checking and rechecking by different cooperative officers takes much time.

Most of the MCs of the CCB sits in the meeting once in a month. They also conduct the AGM regularly. Attendance in the AGM is discouraging. There about 28% of the members remained present in 1976-77. Though no interest on thrift savings and dividend on shares is paid to the members but there is an accepted principle of distribution of interest @ 4% and dividend @ 3%.

ii) Thana Central Cooperative Association

Generally the TCC has four types of affiliated societies. These are i) KSS, ii) Landless and iii) Women & iv) Youth. Besides arranging the regular training of the model farmer, the manager and the chairman, the TCCA supports the primary society by supplying loan and other types of inputs.

To fulfil the different objectives of the cooperative the steps which have been generally taken by TCCA are as follows:

i) Impart training to the model farmer (twice in a month), manager (once in a week) and the chairman (once in a month) at the Thana Training Development Centre (TTDC).

They are paid some allowance depending on the distance, maximum of which is Tk.10.00 per head. Attendance of the trainees is discouraging at the TTDC (Table-8). More disappointing is the reluctance on the part of the thana level officers in delivering lecture. They are irregular and therefore, often lectures remain unattended which however, needs a thorough study.

Another important point which has been intimated at Comilla KTCCA by the managers and model farmers that they have nothing new to learn now. Old things are being repeated at the TTDC. It is quite possible because the new findings from the Agricultural Research Institutes are very limited.

The extension job in the TCCA area is carried on by the model farmer and by the TCCA appointed Inspectors. The latter is to supervise about 14 KSS. They are supposed to discuss with the cooperative members in their weekly meetings different aspects of agricultural development and their performance. The field visits show that their services to the societies are insignificant, particularly after the society is formed. It seems that with the formation of the society the activities of the Inspector ends. This is further clear from the rate of savings in the society and maintenance of records and accounts, and attendance in the TTDC. Statistics also reveal that in some societies just to maintain the society's record in the TCCA list several times deposits amounted to Tk.10.00 or sometimes less which is paid to the trainees at the TTDC, for example, the society of Dakhinpara and Guavita Pachimpara at Trishal. But there are societies which are progressing well. On the basis of their performance some grouping of KSS has been done in the Mymensingh IRDP thana operating under the World Bank programme and other centras (Table-9), which show that the performance is not satisfactory.

TABLE-8

Attendance of the model farmer, manager & chairman at Muktaghachni TTDC centre.

Category	Number expected	Dates of attendance						Total Average		
		25.7.77	1.8.77	29.8.77	26.9.77	6.2.78	27.2.78		6.3.78	27.3.78
Model farmer	201	26 (13)	24 (12)	25 (12)	43 (21)	76 (38)	62 (31)	71 (35)	73 (36)	50 (20)
Manager*	201	102 (51)	109 (54)	105 (52)	84 (42)	95 (47)	93 (46)	78 (39)	75 (37)	90 (40)
Chairman *	201	71 (35)	77 (38)	60 (30)	63 (31)	70 (35)	67 (33)	65 (32)	74 (37)	70 (30)

Figure in the bracket indicates the percentage

\* Dates for the Manager and Chairman are different.

TABLE -9

Groupings of KSS in Muktagacha and Trishal  
at Mymensingh according to their performance  
(during July to December 1977)

Place	A	B	C	Total
Muktagacha, Mymensingh.	15	49	95	159
Trishal, Mymensingh	12	38	105	165
Godagari, Rajshahi	10	15	81	106
KTCCA * Comilla.	125	92	82	420 +

\* Kotwali Thana Central Cooperative Association.

+ It includes 121 non-functioning societies which do not maintain any connection with the KTCCA.

A- i) Regularity in savings is about 75% ; ii) Attendance of the manager, model farmers and Chairman 90% ; iii) Loan repayment 80% . iv) Maintenance of records and books to the level of 80%.

B- i) Savings.....60% ; ii) Attendance of the model farmers, manager and Chairman ..... 70% ; iii) Loan repayment .....70% ; and iv) Maintenance of record.

C- Performance in above mentioned aspects is less than 40%.

Source: IRDP office at Muktagacha and Trishal and at Godagari is the based on the discussion with the Deputy Project Officer, IRDP

TCCAs sometimes undertake development projects e.g. buying and selling of agricultural produce and installation of processing plant namely husking mills. Comilla KTCCA has many such projects namely feed mill, cold storage, husking mill etc. Those mills are not functioning efficiently. These need more careful investigation. Among other cooperatives Godagari has installed a husking mill and bought paddy and oil seeds. At present the mill is not operating. The Tangail TCCA has also done business on pulses. Performances of these projects require proper evaluation.

iii) Central Cooperative Multipurpose Society Ltd. (CCMS).

The main function of the CCMS is to help marketing of the members' produce so that they can get fair price. But the societies studied at three centres are not found to transact any business with produce of any society. Whatever little business they do, is collected from the open markets. The commodities the society dealt in were: i) Daddi ii) Rice iii) Mustard seeds, iv) Onion, v) Catechu and vi) Chilli etc. The society, therefore, could not help the cooperative members, and the godowns constructed in the UCMPs remained unused.

After liberation in 1971 the society dealt in supply of consumer goods procured from the Trading Corporation of Bangladesh (TCB). In addition to this, the CCMS of Rajshahi has been found to deal in clothes purchased from the market. This is being done for its survival. It should also be mentioned that the financial assistance offered by the former government of East Pakistan (Present Bangladesh) in the 2nd and 3rd Five Year Plan did not continue after 1971.

In the current year (1977-78) the important task which has been performed by the society is the large-scale purchase of paddy in the government procurement programme as Appointed Grain Dealer. Such a bulk and continuous purchase help to maintain the market price at a reasonable level despite the tacit collusion of the private dealers as has been intimated at the Halua-ghat procurement centre. This has helped the growers to have better price.

Its main affiliated societies are i) UCMPS and ii) Consumers' Co-operatives. The consumers' cooperatives at present have almost stopped their operation with the stoppage of supply of controlled goods from the TCB.

iv) District Co-operative Union(DCU):

The principal objective of the DCU is to impart training to cooperators and accordingly it arranges short course for the committee executives and ordinary members of their affiliated societies. The period of the training varies from 4 to 15 days depending ~~the~~ on the programme. The progress achieved so far in respect of training is shown in TABLE - 10.

TABLE - 10

Number of Co-operators Trained  
from 1975-76 to 1977-1978.

Districts	Year					
	1975 - 76		1976 - 77		1977 - 78	
	Number trained	Period (days)	Number trained	Period (days)	Number trained	Period (days)
DCU, Comilla.	20	10 days	206	4	401	4
DCU, Rajshahi	0	0	0	0	700	7

The training is given mainly on the objectives, principles and practices of the cooperatives and how to maintain the records and accounts. Besides arranging training they also celebrate the cooperative week and organise seminars and publish bulletins etc. At the study centres however, no ordinary members has received any training organized by the DCU. DCU's activities are not known to any ordinary member.

v) Central Sugarcane Growers Co-operative Society,  
Rajshahi.

This is the specialised society which has 55 affiliated primary societies. Its main objective is to make available the high yielding varieties of cane, to assist in proper marketing and to supply credit to the growers. The achievement in distributing of loan and in its marketing to the sugar mills indicate that it has become more useful compared to other cooperatives though the result is not upto the expected level. Its achievement is shown in Table-II.

TABLE - II

A-mount of loan, savings and shares  
in different years.

Year	No. of Society	Average loan per society.	Amount of savings per society (cumulative)	Value of share per (cumulative) society.
1974-75	50	26976 (39671)	1140	2877
1975-76	51	30011 (49373)	1293	3302
1976-77	54	37255 (50000)	1615	3397
1977-78	56	44643 (54348)	1791	3364

Figures in the brackets are based on the recipient societies.



Furthermore, the central society has also arranged training for their cooperative members about the principles and practices. The number trained so far is however insignificant. There is a wide scope for its development because of its pre-determined channel of marketing to the mills, the monopoly buyer of the cane in the area. It could not attain the desired level of achievement possibly because of its negligence, lack of foresight and proper guidance. It has also not paid any dividend on shares and interest of the deposits. Further, this society does not ask for regular meetings and savings. So, instead of attainment of selfreliance they are still dependent on external loan.

Vi) Central Fishermen's Cooperative Society (RIVER):

While investigating into the functioning of this cooperative at Narshingdi it has been observed that the society has undertaken the programmes of distributing boats and other materials which value about Tk. 7,60,480.00 during the plan ~~per~~ period of 1973-78. The allocation given to a society is less than the requirement and therefore many are left out and these who received intimated that in addition to fishing materials they need cash of about Tk. 8,000/- to create bush in the river. It has so far served only four societies. The society has trained 14 personnel in the year 1977-78. It is not known how and where these people are operating.

The society expresses its inability to protect the fishermen from the night robbery in the river Meghna. Frequent occurrence of such incidence in the past turned many fishermen into beggar. It is suggested that immediate arrangement of police patrolling at night can save them from this tragedy.

The society has not undertaken any other project even in the pisciculture. It survives on the compulsory collection from the societies while distributing nylon twine, dyes and other fishing materials. It has savings of about Tk.31,000 in addition to share value of Tk.6,000. The society in practice could not serve the purpose of inland fishermen.

vii) The Kotwali Central Fishermen's Society (Sea), Chittagong

The society has undertaken development plan to catch more sea fish inclusive of shrimp and shark etc. To achieve the objectives it has distributed fishing materials namely boats fitted with motor valuing of about Tk.2,58,440/- in the year 1975-76 to one society. The society has savings of about Tk.10,000/- in addition to shares of about Tk.4,000.00. This motor fitted boat has enabled them to go for deep sea fishing.

The society has also undertaken shrimp farming at Maheshkahli in addition to supporting a project for lakha fishing of this society. But like other societies it has neither distributed the patronage dividend nor dividend on shares.

C) Organizational Structure:

The agricultural cooperatives could not as yet generate the financial strength, management efficiency and leadership essential for growth of a sound cooperative movement because of structural and organizational deficiencies. Under the present structure various types of primary cooperatives are functioning side by side with over-lapping jurisdiction and identical objectives. As a result they have not grown up as viable institution.

There is a feeling of rivalry between the traditional cooperatives and two-tier cooperatives of IRDP at Primary, Secondary and National Levels. Factors needed for integrated efforts for making IRDP successful are lacking.

With respect to supply of credit IRDP cooperatives draw loan from commercial banks while the traditional ones from the Bangladesh Bank through Jatiya Samabaya Bank on government guarantee. Interest rate paid by members of IRDP is 17.5 percent and that under the traditional ones is 12.00 percent. Such a differential rates are creating confusion in the minds of the cooperators.

The education and training programme of the cooperators is organised by both the Bangladesh Samabaya Union and the Bangladesh Palli Unnayan Federation. The main difference is that the latter one is mainly responsible for IRDP cooperatives. Their tasks are duplicating. Furthermore, the IRDP has also its own programme of training at the Thana Training Development Centre (TTDC).

The combination of the statutory functions of the Registrar and the development functions are fraught with danger. Timely audit and inspections are not being conducted resulting in poor management of the societies.

Cooperatives at different levels employ their own staff. There is no classified linked up cadres with defined functions and duties and inter-promotional facilities. This has resulted in poor managerial efficiency of the cooperatives. The system of writing of the accounts of the Krishi Samabaya Samiti (KSS) numbering to 5 or more by the TCCA appointed accountant is defective, as responsibility for non-maintenance of proper accounts cannot be fixed.

D) Process of Planning:

In real sense no planning exists in the field of agriculture. Whatever exists in the paper is the production plan of the cooperators while receiving loan from the CCB. That is the

dictated plan simply filled in by the Manager and the Chairman. Furthermore, to get the allotment of a deep tubewell a plan needs to be prepared and submitted to the Thana Parishad for the sanction and installation in the field. That programme is also not followed at the field level. This is evident from the low coverage of area for which however, no step has been taken so far. The production plan prepared by the KSS while receiving loan is also not executed because none can interfere with the farmer's own decisions in his field.

E) Participation of Farmers and their Incentives.

Generally speaking, the ordinary members of co-operatives do not participate in any cooperative activity. They enrol their names in the list of cooperative members to get the loan. Ordinary members in general have not been trained in cooperative principles, and practices. A dispersed short training has sometimes been given to the manager who never recapitulates it in the field. A little bit training offered to the KSS model farmers, manager and chairman at the TTDC does not serve the purpose. The spirit shown in the beginning of IRDP is dying down because of little identifiable achievement in their programmes. Actually the cooperative could not make any remarkable contribution because of its ineffective decision based on flexible policies of the government. Further, being cooperators they do not receive any preferential treatment in respect of supplies and services. The most unfortunate on the part of the cooperative is the inability to take action against the corrupt elements of the cooperatives. The existing law does not permit the cooperative to try the defalcation case and as such the members need to take the shelter of the civil court which takes unusually long time. By that time the society becomes defunct. Such a practice cannot encourage the cooperative movement when corruption is rampant.

Another serious bottleneck created by the government is the hasty formation of cooperatives as has been noticed in case of Thana Irrigation Programme (TIP) for power-pump which are at present almost inactive except some stray cases. For that government has not taken any corrective measure, and continuing the practice as usual. Now almost similar problems have arisen with the deep tube well irrigation. The cooperatives in most of these societies are functioning in paper. In addition to these many foreign based missionaries and organisations are engaged in agricultural production through cooperatives or some associations.

Another peculiar phenomenon was noticed in the field is that no society has ever paid any dividend to any share holder in the country. Similarly no interest is received by any members for their deposits. That interest is actually enjoyed by the central organisation. It is also strange that no such resolution has been made by any AGM of any society. It seems that the cooperative is the platform of some vested interest. They simply keep liason with some cooperative to use it as forum for their own interests which however, needs very careful study. It may however, be stated that most of the MC members in the apex and central societies are involved in the local and national politics. Genuine farmers are few. How can we then expect results from them?

F) Factors Responsible for Success and Failures

The factors considered to be responsible for success of Srinibash KSS at Comilla and others are as follows:-

- i) Members' awareness about the Co-operative principles and practices,
  - ii) Availability of irrigation facilities and regularity in supply of credit and fertilizers;
-

- iii) Enforcement of the weekly meeting, member's presence and thrift deposits;
- iv) Proper maintenance of accounts and their presentation to all the members in the A.G.M.; and
- v) Officials' regular visits and supervision.

The main causes of the failure are:-

- i) Mismanagement of the MC particularly of the Manager of the society;
- ii) Member's non-awareness to the Cooperative principles;
- iii) Irregularity in weekly meeting and non-enforcement of thrift deposits;
- iv) No support from the government officials' and suggestions and
- v) Conflict among the members.

CHAPTER - V

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Dr. Akter Hamid Khan in his "Tour of 20 Thanas" after study of the Co-operative in Comilla District remarked - "But what did I see in actual practice? What I saw was discouraging and dismal in many respects. But here and there it was also encouraging and bright. Whatever might have been the results of our finding on the basis of field study which have not been generally satisfactory, we came across a few Co-operatives which are solely self-financed and self-managed without any outside assistance. The element of thrift, the soul of co-operation was lacking in Co-operatives for over half of a century. It is only after 1960 great importance is being attached on thrift & a sizeable amount of thrift deposits have accumulated in agriculture, fishery and sugar cane sectors. This needs further intensification to make the society self-financed.

Patronage rebate which has the greater incentive for membership and differentiates Co-operatives from other Institutions was not attached the importance it deserved. The Milk Co-operatives introduced this under the guidance of the Milk Union.

In all the sectors excepting milk, credit was the main feature in the working of all Co-operatives. Co-operative credit to be purposeful has to be productive and educative. Though the IBRD/IDA agricultural credit review and report of Robert R. Nathan Associates and as also the panel of economists have been bitterly critical of the working and expansion of IRDP's programme, there is a bright side of the experiment. In fact Co-ordinated efforts in rural development at Thana level was a prerequisite for progress and these were lacking. IRDP intended to rectify these mistakes for the first time but it was done in an isolated manner leaving other concerned departments to go their own way. The performance in the marketing sector has been the poorest inspite of immense facilities provided by way of providing godowns, managerial staff and finance. The combination of consumer business with marketing has been a blunder.

The National Fishermen's Co-operatives has good performance in some respects but it has yet to take steps for launching a massive educational programme.

The Milk Co-operatives are not production-oriented and are commercial in approach though the Milk Union has established its reputation in the markets for its products. Its working needs improvement and expenditure curtailed. The Milk Co-operatives should now give greater importance in increasing production at the village level.

#### RECOMMENDATIONS

In the light of our findings and conclusions the following suggestions are offered:

- i) The state policy on cooperative should be declared.
- ii) The cooperative law needs complete change. The act is a laissezfaire act designed for credit cooperations. In the context of today's economy cooperatives are to be "Welfare Cooperatives" and not 'economic cooperatives' of the western model.
- iii) Apex and the Secondary level cooperatives should be state partnered. The required law needs be enacted.
- iv) Instead of one unified organisation, the different groups should form their own organisations and plan their own programmes.
- v) A National Council with ministers of various nation building departments should be formed to formulate national policy on cooperatives. This council shall formulate the national policies.
- vi) The development and statutory functions of cooperative department should be separated. The development aspects should be looked after by the Director General (IRDP) and the statutory function by the Registrar of the Cooperative societies. The combination of ~~th~~ these two offices in one hand is not conducive to the healthy growth of cooperative movement. The registrar should be drawn from the cooperative department:



- vii) Bangladesh Jatiya Samabaya Union should play its proper role. It should administer Registrar's Development Fund for promotional activities. The registrar should be its ex-officio Chairman. Its membership should be confined to national societies only. The Palli Unnayan Federation should be merged with the Union.
- viii) The Jatiya Samabaya Bank shall meet all the credit requirements of the cooperative movement. The Central Co-operative Bank should be converted into its branches. An officer of the rank of Deputy Governor should be its Chairman. The Government should nominate the Registrar, Director General (IRD) and one representative from the Ministry of Finance in its Managing Committee.
- ix) A tribunal should be constituted to try all cooperative cases.
- x) Present system of imparting training to the cooperative is of little use. High priority should be given to motivation training.
- xi) All attempts will be concentrated to generate own resources so that self financing is possible within the shortest possible time.
- xii) A thorough study should be undertaken to evaluate the performance of each type of cooperatives.
-

## " কৃষক সমস্যার ক্ষেত্রে সরকারী তহিষা "

১৯৬৬

মোঃ আবুল হোসেন,

উপ-পরিচালক, আই, আর, ডি, পি।

গোড়ার কথা :

পৃথিবীর ইতিহাসে অত্যন্ত শোষিত মানুষের দারিদ্র, কৃষা এবং দুর্নীতির বিরুদ্ধে সংগ্রামই মূলতঃ সমস্যার আন্দোলনের গোড়া মস্তন করে এবং তা সংঘটিত হয় উনিশ শতকের ইউরোপে। বিজ্ঞানের পুসারতায় মন্ত্রচালিত কলকারখানার উদ্ভব অর্থ্যাৎ শিল্প বিপ্লবের কারণেই শোষিত মানুষকে সেদিন সমস্যার চাঁদোয়ার নীচে স্থায়ী স্থায়ী সংরক্ষণে একত্রিত হ'তে বাধ্য করে। এরই ফলশ্রুতিতে বিভিন্ন সময়ে বিভিন্ন নামে সমস্যায় একটি সংগঠন হিসাবে বিভিন্ন দেশে আত্ম-প্রকাশ করে এবং কালের বিচারে যেকোন অর্থনৈতিক ও কল্যানমুখী কর্মকাণ্ডের জন্য উল্লিখিত সংগঠনের গুরুত্ব ও প্রয়োজনীয়তা সর্বজনস্বীকৃত সত্যে রূপান্তরিত হয়।

উনিশ শতকের শেষভাগে বৃটিশ ভারতে কয়েক দশক দৃষ্টি ও বহুকারীর কারণে দেশের অর্থনৈতিক পরিস্থিতির দারুণ বিপর্যয় ঘটে। এই বিপর্যয়ের মোকাবেলার জন্য তুরিৎ পদক্ষেপ হিসাবে বিশ শতকের গোড়ায় এদেশের ঘাটিতে ও সমস্যায় তার নিজস্ব অস্তিত্ব যুক্তি নেন এবং এ অস্তিত্ব রক্ষার সংগ্রাম বিভিন্ন টানা পোড়নের মধ্যে এদেশের ঘাটিতে ষাট দশকে পূর্ব পর্যায় বিদ্যমান ছিল।

কৃষি সমস্যায় কেন ?

বৃটিশের হাত থেকে স্বাধীনতা প্রাপ্তির পর বিভিন্ন সরকার বিভিন্ন সময়ে পল্লী উন্নয়ন তথা জনগণের উন্নয়ন সমস্যা চিন্তাভাবনা করেছেন এবং প্রায় সকলেই নির্দিষ্টায় স্বীকার করেছেন যে এ দেশের উন্নয়ন মূলতঃ কৃষি উন্নয়নের নামানুর। কারণ এ দেশের মতকরা ৮৫ ভাগ লোক সরাসরি কৃষি কাজের উপর নির্ভরশীল এবং দেশের অর্থনীতি প্রায় সর্বাংশে কৃষি নির্ভরশীল। ঐতিহাসিক অবস্থানের প্রেক্ষাপটে বাংলাদেশের মত কৃষি নির্ভরশীল একটি দেশের কৃষি উন্নয়নের জন্য সংগঠনের প্রয়োজনীয়তা সর্বাঙ্গিক। কারণ কৃষি উন্নয়নের জন্য যে প্রযুক্তি এবং আধুনিকীকরণ অত্যাধিক তা নিম্ন বর্ণিত সমস্যাবলীর জন্য সম্ভব নয়।

প্রথমতঃ কৃষকের খসড়া বিখসড়া জমির মালিকানা, নিম্নতম উৎপাদন হার এবং মূলধনের অভাব কৃষির আধুনিকায়নের মূল অনুরায়।

দ্বিতীয়তঃ প্রাথমিক পর্যায়ে সমস্যা সমস্যা কৃষকের অজ্ঞানতা সমস্যা সমাধানে বিদ্যুতায় সৃষ্টি করে।

তৃতীয়তঃ সুষ্ঠু নেতৃত্বের অভাব কৃষিক্ষেত্রে সাংগঠনিক তৎপরতার মাধ্যমে যৌথ প্রকল্পনা গ্রহণ ও বাস্তবায়নে অনুকূল পরিবেশ সৃষ্টিতে সহায়ক হয়না।

উপরোল্লিখিত সমস্যাবলীর সমাধানকল্পে ষাটদশকের গোড়াতে সরকারী সহায়তায় কৃষিক্ষেত্র নতুন রূপে স্থানীয় পরিবেশ পরিস্থিতি ও সমস্যাবলীর নিরিখে গবেষণায় জনগণের উপযোগী কৃষি সমস্যার রূপরেখা ও কাঠামো প্রণীত হয় যা পরবর্তীকালে সমগ্র বিশ্বে 'কৃষিক্ষেত্র সমস্যা' সমস্যার নামে বর্ণিত হয় এবং সরকার এ পদক্ষেপের সমস্যাকে দেশের সমস্যার একটি "মডেল" হিসাবে গ্রহণ করেন। সত্তর দশকের প্রারম্ভে জাতীয় কর্মসূচী হিসাবে সমগ্র দেশে এই দ্বিমুখী কৃষিক্ষেত্র "কৃষিক্ষেত্র সমস্যায়" পর্যায়ে সমস্যায় বাস্তবায়নের জন্য সংস্থা হিসাবে আই, আর, ডি, পি'র জন্ম হয়। এ পর্যায় আই, আর, ডি, পি'র সর্বমোট ৩০০ খানায় কার্যক্রম পরিচালিত করেছে এবং দ্বিতীয় পরিকল্পনা পরিচালনার প্রথম বছরে অবশিষ্ট গ্রামীয় খানা সমূহ

সমূহ উক্ত কার্যক্রম সম্পন্ন করার পরিকল্পনা সরকারী কৃষক গৃহীত হয়েছে।

আই, আর, ডি, পি পরিচালিত দ্বিসুর বিশিষ্ট কৃষক সমবায়ের বৈশিষ্ট্য :

" কুমিল্লা সমবায় " যা আপন স্বাভাবিক , সুকীর্ত্তা এবং শৃংখলার তাকর তার প্রধান বৈশিষ্ট্য সমূহ নিম্নে বিবৃত করা হল :

ক) উৎপাদন সুখতি :

নিজস্ব সংগঠনের মাধ্যমে গ্রামু সমসদের সৃষ্টি ব্যবহারের নিশ্চয়তা বিধানের প্রেক্ষিতে উৎপাদন বৃদ্ধির কলে দলীয় প্রচেষ্টা জোরদার করনের ব্যবস্থা রয়েছে এ সমবায়ের।

খ) পুষ্টিগঠন :

যে কোন অর্থনৈতিক দুরাফা অর্জনে অর্থবিবিয়োগ অপরিহার্য। আর নিজস্ব মূলধন না থাকলে প্রয়োজনে আর্থিক সাহায্য ও সহযোগিতা পাওয়া যায় না। তাই বিশেষ নিয়ম বখা : শেয়ার সমূহের মাধ্যমে নিজস্ব মূলধন গঠনের প্রতি এ সমবায়ের সর্বাধিক গুরুত্ব : আরোপ করা হয়।

গ) বৌথ পরিকল্পনা প্রনয়ন ও বাস্তবায়ন :

খন্ড বিখন্ডিত জমির মালিকানা হেতু এবং কৃষকের অপহায়ত্বের কারনেই কৃষি উন্নয়নের জন্য কৃষি উপকরনাদি ও কৃষি বন্ধপাতির সৃষ্টি ব্যবহার নিশ্চিত করনার্থে কৃষকগণকে পঞ্জিলিত ভাবে প্রকল্প প্রনয়ন ও বাস্তবায়নে সহায়তা করে।

ঘ) তদারকী কর্ত্ত লেনদেন :

এ সমবায়ের মাধ্যমে কৃষকগণকে প্রয়োজনীয় কৃষি কৃণ পুদাগ করা হবে থাকে যা নিয়মিত তদারকী কর্ত্তের সৃষ্টি ব্যবহার নিশ্চিত করা হয়।

ঙ) নয়া নেতৃত্বের বিকাশ :

পূর্বের বংশানুক্রমিক নেতৃত্বের বদলে কাজের যোগ্যতার ভিত্তিতে প্রকৃত উৎপাদনকারী দের মধ্য হতে নেতৃত্ব সৃষ্টি এর মূল লক্ষ্য।

চ) প্রশিক্ষণ ও সম্ভারণ :

শুধুমাত্র কৃষি উপকরণ প্রাপ্তি বখার্থ ফল পুদাগ করতে পারেনা যদি না কৃষি উপকরনের সৃষ্টি প্রয়োগ নিশ্চিত করা যায়। এ সমবায় এর মাধ্যমে বিভিন্ন বিভাগীয় কর্মকর্ত্তাদের সহায়তার নিয়মিত সাপ্তাহিক প্রশিক্ষণ দ্বারা কৃষকগণকে দক্ষ করে গড়ে <sup>উঠানো</sup> দেয়া হয়। প্রশিক্ষণ প্রাপ্ত সমবায় প্রতিনিধিগণ তাঁদের সমিতিতে প্রশিক্ষণের তথিকা পালনের মাধ্যমে বিভিন্ন সরকারী কর্মসূচী বাস্তবায়নের সুযোগ সৃষ্টি করে। পক্ষানুরে সমবায়ীদের আনাত সমস্যাবলীর আলোকে তার সমাধানের ব্যবস্থা থাকে বলে জনগণ ও সরকারের মধ্যে একটা সেতু বন্দনা সৃষ্টি হয়।

ছ) দলীয় শৃংখলা :

দলীয় শৃংখলা কুমিল্লা সমবায়ের জন্য সর্বাধিক গুরুত্বপূর্ণ। কারণ দলীয় ভাবে সমবায় নীতিমালা প্রয়োগের মাধ্যমে প্রার্থিত ফললাভ সহজতর হয়।

২৩) সমবায়ের বিতরণ :

এ সমবায় এর বিভিন্ন কার্যক্রম বিশেষত নির্বাচন ও পরিচালনার পরামর্শ অংশগ্রহণের সুযোগ থাকে বিচার সাধারণ সমবায়ীদের গণতান্ত্রিক চেতনাবোধের উল্লেখ ঘটে ও তা সমৃদ্ধ হয় ।

কৃষি সমবায়ের ক্ষেত্রে সরকারী ভূমিকা :

সমবায় আন্দোলন মূলতঃ জনগণের আন্দোলন । জনগণের মন থেকে সৃষ্ট স্ফূর্তভাবে এ আন্দোলন প্রতিষ্ঠিত না হ'লে তা জোরদার হয়না । কিন্তু যে দেশের চিত্র অশিক্ষা, কৃষিক্ষা ও অজ্ঞানতায় আচ্ছন্ন, জনগণ যেখানে আর্থিকভাবে বিপর্যস্তু, সৃষ্টি নেতৃত্বের ক্ষেত্রে তীব্র সংকট সেখানে আপনা আপনি আন্দোলন সৃষ্টি হবে তা ধারণাতীত । ফলে এ দেশে আন্দোলনের ক্ষেত্র তৈরী করার অগ্রণী ভূমিকা পালনে সরকারকেই ব্রতী হতে হয় । বাংলাদেশ তৃতীয় বিশ্বের কৃষা, দারিদ্র, অক্ষিা প্র-পীড়িত দেশ । জনগণ এখনও অজ্ঞানতার পংকে হাবুড়বু খাচ্ছে । এহেন পরিস্থিতিতে এদেশের মানুষ তার বর্তমান অবস্থার উপরে উঠে সংগঠন তথা আন্দোলনের চিন্তা ভাবনা করবে এটা ধারণা করাও দুস্কর । অথচ অসিদ্ধ সরকার তাগিদে তাও তাদেরকে করতে হবে । তবে প্রাথমিক পর্যায়ে তাদেরকে এ আন্দোলনে শরীক হওয়ার মতো করে তৈরী করার সু-কঠিন দায়িত্বঃ সরকারকেই গ্রহণ করতে হবে । আর এরই জন্য সরকারের কতিপয় সু-নির্দিষ্ট ভূমিকা থাকা অপরিহার্য স্বাক্ষরে তর করে প্রাথমিক পর্যায়ে সমবায় আন্দোলন সামনের দিকে পরিচালিত হবে ।

উপরোক্ত বক্তব্যর আলোকে কৃষি সমবায়ের প্রতি সরকারের যে সকল ভূমিকা প্রয়োজনীয় মনে বিবেচিত হতে পারে ' তা' নিম্নরূপ :

ক) নৈতিক সমর্থন প্রদান :

কৃষি উন্নয়নের ক্ষেত্রে কৃষি সমবায় ব্যবস্থা একটি পরিকল্পিত মডেল বা ইতিমধ্যে দেশের বৃহত্তম জনগোষ্ঠী তথা কৃষকের তাগ্য উন্নয়নের প্রতিষ্ঠান হিসাবে গৃহীত হয়েছে । এ সমবায় সু-সঙ্গঠন নীতিমালা ও শৃংখলায় পরিচালিত অথচ পল্লী উন্নয়নের নামে অপরিষ্কৃত এবং সুসঙ্গঠন নীতিমালা ও শৃংখলা বর্জিত পদ্ধতি ও এখানে বিরাজমান । আর ফলে কৃষি সমবায়কে পল্লী উন্নয়নের ক্ষেত্রে সহজতর কর্মসূচীর সাথে প্রতি-নিয়ত প্রতিযোগিতায় প্রতিদ্বন্দিতা করতে হয় । ফলপ্রসুতিতে কৃষি সমবায় কর্তৃক ইঙ্গিত লক্ষ্য অর্জনে অবাচিত বিলম্ব ঘটে ।

তাছাড়া দেশে কৃষকদের সমন্বয়ে বিভিন্ন প্রকার সমবায় সমিতি বিভিন্ন বিভাগের তত্ত্বাবধানে গঠিত হয়েছে । ফলে সংগঠিত সমিতি সমূহ ও পরিচালিত সংস্থা সমূহের মধ্যে অসুস্থ্যতার সঙ্গতির সৃষ্টি হয়েছে । এতেও অগ্রগতির ক্ষেত্রে বিরাট প্রতিবন্ধকতার সম্মুখিন হতে হচ্ছে । এহেন পরিস্থিতিতে কৃষি সমবায়ের সাংগঠনিক ও উন্নয়ন তৎপরতা ফোন সংস্থা কর্তৃক পরিচালিত হবে এবং ~~কোন~~ সংস্থা কর্তৃক বিধিবদ্ধ বিষয়াদি পরিচালিত হবে তার প্রেক্ষিতে ~~কর~~ ~~২৫~~ পত্র মালা পরিকল্পনার নির্দেশানুসারে সু-সঙ্গঠন সরকারী 'বাসুবাঘন' নীতি থাকা আবশ্যিক ।

উপরনু, কৃষকদের সমন্বয়ে বাতে দেশে শুধুমাত্র একধরনের কৃষি সমবায় সংগঠিত ও পরিচালিত হয় তার জন্যও সরকারী সু-সঙ্গঠন নীতি থাকা অপরিহার্য । ইতিমধ্যে দেশে বিরাজমান বিভিন্ন কৃষক সমিতিগুলিকে পূর্ণগঠিত করে এক ধরনের কৃষি সমবায় রূপান্তরিত করার প্রচলিত সরকারী নির্দেশ বাসুবাঘনের নিশ্চয়তা বিান পূর্বক সমিতিগুলির মধ্যে বিরাজমান কোঙ্কল দূরীত করা প্রয়োজন ।

খ) কৃষি উপকরণ ও যন্ত্রপাতি সরবরাহ নীতি :

বর্তমান পরিকল্পনায় নীতিতে সমন্বয় সমিতি সমূহে কৃষি উপকরণাদি ও কৃষি যন্ত্রপাতি অগ্রাধিকার ভিত্তিতে সরবরাহের ব্যবস্থা থাকলেও মূলতঃ কার্যক্ষেত্রে তা বাস্তবায়িত হয়না। ফলে সংগঠন তৈরী করা সত্ত্বেও কৃষি সমন্বয়গুলি কৃষি উপকরণাদি ও যন্ত্রপাতি প্রাপ্তির ক্ষেত্রে বঞ্চিত হইছে। তাই সমন্বয়ের পতাকা তলে জড় হওয়ার জন্য কৃষককুল উৎসাহিতব্যোধ করে না। দ্বিতীয় পন্থক বার্ষিকী পরিকল্পনায় সমন্বয়ের উপর অধিক গুরুত্বঃ আরোপ করা হয়েছে, কিন্তু কৃষি উপকরণাদি সরবরাহের ক্ষেত্রে কৃষি সমন্বয়গুলি যদি অগ্রাধিকারের ভিত্তিতে সত্যি সত্যি বঞ্চিত হয় তাহলে সমন্বয় ভিত্তিক কৃষি উৎপাদন বিঘ্নিত হতে বাধ্য। সুতরাং সমন্বয়ের প্রতি কৃষি উপকরণ সরবরাহের প্রচলিত অগ্রাধিকার অবশ্যম্ভাবীভাবে নিশ্চিত করতে হবে। এর ফলে সমন্বয় আন্দোলন জোরদার হবে এবং পরোক্ষভাবে কৃষককুল সমন্বয় সংগঠনের সহিত অংশীদারিত্বের প্রয়োগ পাবে। এখন পরোক্ষভাবেই সমন্বয়ীর সংখ্যা উত্তোরোত্তর বৃদ্ধি পাবে কৃষি উপকরণাদি বিভিন্ন বিভাগের হাতে ব্যাপ্ত আছে বিধায় একমাত্র সরকারী নীতির প্রেক্ষিতেই কৃষি সমন্বয় সমিতিতে তা নিশ্চিত করা সম্ভব।

গ) কৃষি ভূগ কার্যক্রমের নীতি :

প্রতিষ্ঠানিক ভূগ কার্যক্রম পরিচালনার ক্ষেত্রে কৃষিক্ষেত্র সমন্বয়ের মাধ্যমে কৃষি ভূগের মাধ্যমে উল্লেখযোগ্য অবদান রাখতে সক্ষম হয়েছে। অর্থাৎ সমন্বয়ের মাধ্যমে ছাড়াও বিভিন্ন প্রতিষ্ঠান নিজেদের সহজ নিয়মাবলীর সাহায্যে কৃষি ভূগ কার্যক্রম চালিয়ে যাচ্ছে। আবার বিভিন্ন সমন্বয় বিভিন্ন নিয়মে ভূগ প্রদান করছে। ফলে একদিকে যেমন কৃষককুল বিভ্রান্ত হইছে অপরদিকে সহজ কর্মসূচীর সাথে প্রতিযোগিতার এ ভূগ কার্যক্রমের অতিষ্ঠ লক্ষ্য অর্জন ব্যহত হইছে। তাই এক্ষেত্রে সরকারের সু-স্পষ্ট নীতির প্রয়োজন যাতে একই ধরনের নিয়মকানূনের মাধ্যমে এক প্রতিষ্ঠান হ'লে কৃষকগণ ভূগের সুবিধা পেতে পারেন।

ঘ) প্রশাসনিক সহায়তা :

কৃষি সমন্বয়ের ক্ষেত্রে সরকারের নীতিগত সমর্থন ও সহযোগিতার সাথে সাথে তা বাস্তবায়নের ক্ষেত্রে প্রশাসনিক সহায়তা প্রদানও প্রয়োজন। প্রশাসনের প্রতি সুরের কর্তৃকগণকে এটা উপলব্ধি করা প্রয়োজন যে উন্নয়নের ক্ষেত্রে সমন্বয় একটি অপরিহার্য ব্যবস্থা কাজেই বাস্তবায়নের ক্ষেত্রে যে যেন ধরনের সমস্যা সমাধানে তাদের এগিয়ে আসা প্রয়োজন এবং এনর্মে সরকারের সু-স্পষ্ট আইন প্রনয়ন প্রয়োজন।

ঙ) সমন্বয় কর্মী সৃষ্টি :

ইতিপূর্বে আমরা উল্লেখ করেছি যে, বর্তমান অবস্থায় এ দেশের সমন্বয় আন্দোলন জোরদার করার জন্য বিভিন্ন কৃষী সরকারী সহায়তার একান্ত প্রয়োজন। প্রাথমিক অবস্থায় যেহেতু কৃষকগণ অজ্ঞানতার অনুস্মারে নিরাজিত থাকে এবং তাদের মধ্যে নেতৃত্বের বিকাশ থাকেনা তাই সমিতির ব্যবস্থাপনা ও পরিচালনার ক্ষেত্রে সহায়তার জন্য কর্মী নিয়োগ বিশেষ গুরুত্বঃ বহন করে। সরকারী কর্মীগণ যথ প্রদর্শক হিসাবে সমিতির ব্যবস্থাপনা ও পরিচালনা ক্ষেত্রে প্রশিক্ষণের মাধ্যমে সমন্বয় নেতৃত্ব সৃষ্টির অগ্রণীতমিকা পালন করতে পারে।

চ) আর্থিক সহায়তা প্রদান :

সমন্বয় সমিতি মূলতঃ অর্থনৈতিক প্রতিষ্ঠান। এর কাজ, দায়িত্ব ও কৃমায় কৃষককে সহায়তা করা। যৌথ ভাবে অর্থনৈতিক পরিকল্পনা গ্রহণ ও বাস্তবায়নের মাধ্যমে এর আর্থিক

একটা নির্দিষ্ট সময়ের জন্য

বু বিয়াদ পত্র করতে হয়। আর তার জন্য চাই অর্থ বিনিয়োগ। কিন্তু পুখা ব্যবস্থায়  
মূলধনের অভাব থাকেহেতু সরকারী আর্থিক সাহায্যের প্রয়োজন হয়। উপনির্ভিত খয়ত  
মেটানোর জন্য একটা নির্দিষ্ট সময়ের জন্য সহায়ক অনুদান এবং দীর্ঘ মেয়াদী  
কৃণ প্রদানের মাধ্যমে সবিত্তির আর্থিক বৃদ্ধিদ শক্ত করা হয়ে থাকে।

ছে) বাজারজাতকরণ কর্মসূচীতে সরকারী সহায়তা :

কৃষি সময়ের মাধ্যমে উৎপাদন বৃদ্ধিই মূল শর্ত। কিন্তু  
উৎপাদিত পণ্যের বাজারজাতকরণের মাধ্যমে ব্যাব্য মূল্য প্রদানের ব্যবস্থা না  
থাকলে উৎপাদন হারাঅভাবে ব্যহত হবে। এ ক্ষেত্রে সময়ের মাধ্যমে  
বাজারজাতকরণ কর্মসূচী জোরদার করার জন্য প্রয়োজনীয় কৃণের ব্যবস্থা ও  
গুদাম সম্প্রদানের ক্ষেত্রে সরকারী সহায়তা সহযোগিতা আবশ্যিক ॥

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Agricultural Co-operation and Planning

Prepared by  
Khandkar Mahmudur Rahman

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Paper Prepared for the national seminar on Management of Agricultural Co-operatives to be organized jointly by the Bangladesh National Co-operative Union and the the International Co-operative Alliance at Dacca, Bangladesh, 22-24, 25, 26, 27, 28, 29, 30, 31, 1964

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The views expressed in this paper are the author's own and do not necessarily represent the views of the organization he is associated with.

## Agricultural Co-operative Marketing

### 1. Introduction

The importance of Co-operative as a form of organization for improving the economic condition of people can hardly be overemphasized. This is specially true in the case of people of small means. Group action through co-operatives is more important for those with little or no capital, poor managerial capability and weak bargaining power. In agricultural economies like Bangladesh which are dominated by small farm Co-operatives can play a specially important role to improve the operational efficiency of the millions of individual small producers.

In Bangladesh it is gratifying to note that the utility of co-operatives in the agricultural production sector is being increasingly appreciated. It is now being widely recognized that without farmers' co-operative organizations at the village level it is not possible to optimally use the limited resources, such as, irrigation equipment, and to efficiently channel the various agricultural supplies and services to farmers scattered throughout the 83,000 villages of the country. The expansion of the Integrated Rural Development program of the Govt. is an indication of this realization.

Unfortunately, however, the scenario in the agricultural marketing sector is far from satisfactory. Except some rudimentary sporadic efforts here and there, there has been little conscious and systematic attempt at using co-operatives for marketing of agricultural produce. Though some co-operative organizations have been introduced with the objective of marketing as one of their multiple functions, little success in truly co-operative marketing venture has so far been achieved. It is, therefore, strongly felt that some earnest attempt should be made in this direction. With the prospect of increased agricultural production in the country, the role of co-operatives in the marketing of farm produce will tend to become more and more important. With the support of the Govt. the Co-operative leadership should come forward with appropriate action programs and schemes for undertaking Co-operative marketing.

This paper intends to briefly discuss the basic issues in the agricultural marketing area, analyse the characteristics of the agricultural marketing situation in Bangladesh, discuss the activities and experiences in Co-operative marketing in the country and point out the weaknesses in this sector.

### 2. Conceptual Framework and Basic Issues in Agricultural Marketing

Marketing refers to the performance of all business activities involved in the flow of goods and services from the point of initial production until they are in the hands of the ultimate consumer. Thus agricultural marketing covers assembling, transporting, Processing, storing, packaging, wholesaling, financing, retailing, market information pricing, market, organization, bargaining, buying, selling, procurement, product and process innovation and exporting of products of farm origin.



Such other functions as clearing, sorting, grading, looking for supplies, finding outlets, financing, holding of produce between the time that producer is paid and when it is bought by the consumer, taking the risk of holding the produce until a market outlet is found are also within the scope of marketing.

An efficient marketing system is needed not only for commercial and specialised production but also for the small farmers. A fair price to the farmers for their produce is essential for them to go on producing for long without any incentive. Farmers in developing countries are bound to suffer if the producers do not get a fair price for their produce. An efficient marketing system is needed also to minimize marketing cost, for this would not only benefit the primary producers but also the final consumers who may buy their requirements cheaper. A reduction in the cost of marketing benefits the community as a whole.

The agricultural producer is often poor. This is particularly true of the less developed countries of Asia, Latin America and Africa. Often the farmer loses a considerable part of the value of his produce because the marketing system is wasteful and inefficient or because it operates less in his interest than in the interest of others involved in the process viz., market intermediaries, processors, financiers, whose contribution to production is less than his but whose economic power may be greater.

Modern marketing is a complex process and a single small farmer is individually in a weak position in the whole process. The situation is different when farmers join together and bring their produce to a single point, pool it, grade it to some uniform standard, do necessary processing, store it safely till it is sold, sell it in bulk, and finally see it safely transported to the buyer. All these activities are the work of marketing, which is a type of organization which has existed in past centuries for the past nearly a century and which has spread all over the world. Today there is probably not a single agricultural commodity - grain, fruit, vegetable, fish, nut, live stock, or fish products which is not marketed through marketing organizations. Co-operatives are generally considered to be necessary as an important segment of the agricultural marketing structure. In many countries they have become quite important as a means of achieving greater efficiency as well as more equitable distribution of the benefits of development.

The main objectives of marketing Co-operatives include reduction of marketing margins and costs, improving operational efficiency and influencing supply and demand in the market. Efforts to reduce marketing margins were originally directed to elimination of the middleman and capture of his profits for the organization's members. This objective encouraged growth of many early co-operatives and provided some balancing of economic power at the market place. Improving operational efficiency became a companion objective. It was observed that in order to reduce the marketing margins, efficiency had to be developed and Co-operatives could do this job more economically than other types of organizations.

In the context of market imperfection a Co-operative can serve to improve the marketing system. A Co-operative might be organized to pursue one or a combination of the economic objectives, viz., (i) provide services at a lower cost, (ii) offer an alternative market outlet to offset monopoly in the local market, (iii) provide new or improved marketing services and (iv) channel technical information, new practices and new inputs to producers and better coordinate production and marketing.

Much of the pressure for establishment of marketing Co-operatives<sup>of</sup> grows from the assumption that the existing marketing agencies take advantage of the weak bargaining power of the small farmers and earn a high profit. If the existing agencies operate on relatively narrow margins, Co-operatives may find it difficult to compete. This is particularly true if they are dominated by governmental bureaucracy which reduces flexibility and increases costs. In these circumstances Co-operatives tend to be in a poor competitive position. They may have little scope for improving market efficiency.

In the less developed countries, Co-operatives have been promoted as a matter of govt. policy, and they have been largely supervised and controlled by the Govt. Under such circumstances, the members tend to be quiescent, contributing little managerial talent, local know how, or even a guard against corruption. As a result, inefficiency and corruption in management are common, further reducing people's interest in co-operatives. Successful Co-operatives must first be built on a solid base of rendering a needed service efficiently.

The main reason for the predominance of the private trade in primary marketing in the developing countries is the complex and fragmented nature of the trading operations involved and the problems of staffing, financing and administration associated with overall public control. One of the persistent and basic problems in the development of marketing and agriculture in general is linking the small farmers'

operations effectively to the main marketing channels. Cooperative organization is one logical means of improving the situation. If the small producers can be helped to organize themselves into Co-operative societies for selling their produce and buying their requisites, they have a prospect of better access to markets and a promise of counter-vailing power in their dealings with traders. Government support for Co-operative enterprise is politically popular since it is seen as favorable to producers and restrictive to the unpopular middlemen. In most countries, therefore, given adequate assistance, support to producers' marketing Co-operatives and for some time Co-operatives is the chosen instrument for primary marketing development.

Because of the rapid rate at which co-operatives have been promoted in some countries and the heavy responsibilities put upon them in relation to their limited resources and experiences, performances have often been disappointing and competition with private traders largely unsuccessful. Where operations are well-managed and leadership is sound and enterprising, substantial progress has been made in a number of countries where co-operative methods are relatively new. In some cases, success has been ascribed largely to special assistance in management.

### 3. Agricultural Marketing Situation in Bangladesh.

The marketing system of Bangladesh is largely traditional. Historically, little attempt has been made to organize and improve the marketing system in the country. Some efforts were made by the Govt. to organize some of the marketing functions from time to time but nothing substantial has really been achieved. While planned efforts are being made, there is still a long way to go. The planned efforts are being made about a breakthrough in agricultural marketing. However, not enough attention has not been paid to organizing the marketing sector. With the prospect of a further increase in agricultural production and with the prospect of a further increase in production of some of the food grains in the coming years, the need for a more efficient distribution system is increasing.

There are various kinds of problems in agricultural marketing in Bangladesh. The major ones are inadequate facilities for transportation and storage, multiple, inefficient intermediaries, poor holding power of the intermediaries, inadequate facilities, lack of grading and standardization, fraudulent practices, lack of producers' organizations and inadequate market intelligence.

Lack of adequate and good means of transportation between the area of production and the market centre hinders the movement of farm products and makes primary marketing costly. It also leads to the multiplicity of small dealers and middlemen. There is a long chain of middlemen between the producer and the consumer, each taking a share of the produce and adding to the cost. The farmer gets a low price for his produce during the harvest at which time prices are the lowest. His immediate needs of the family compel him to dispose of his produce as soon as possible. He has no time to wait for a better price. He cannot hold their produce for a longer period to get a better price.

In Bangladesh, marketing Co-operatives generally have not proved a success so far. The Co-operatives organized at the growers level for purchase and sale failed for various reasons. Among these reasons are the small volume of business, lack of finance, Lack of understanding and appreciation of the objectives and principles of Co-operative action, lack of technical knowledge of marketing by the members as well as the management, and an absence of a higher level Co-operative organisation to support and co-ordinate their activities in matters of production, storage, processing, packaging and distribution.

In this connection, jute Co-operatives deserve special mention. The first attempt at marketing of jute on a co-operative basis was made in 1917. The co-operatives received active support and co-operation from the growers and were making satisfactory progress when they faced keen competition from the trade which was completely in the hands of foreign firms. The societies were liquidated in 1930's as they could not withstand the combined opposition and competition of the foreign shippers, balers and millers.

The next attempt was made in 1949 when jute trade faced a severe setback as a result of the refusal by India to buy jute from what was then East Pakistan. The abnormal and sudden fall in prices severely dislocated the trade and the farmers were in a difficult situation. This led to the promulgation of the Jute Ordinance in 1949 and establishment of Jute Board. The aim of the Jute Board was to safeguard foreign trade in jute and the interests of the growers. The Board undertook the purchase of jute at the official minimum prices through appointed agents. However, it could not achieve the desired result because the middlemen traders continued to pay much lower prices than the official minimum prices. This prompted the Govt. to sponsor jute co-operatives as a supplementary

agency. Jute Co-operatives started functioning as agents of the Jute Board with Govt. assistance. These Co-operatives, with their provincial apex organization thus came into existence and functioned under the direction and patronage of the Govt. It may be pointed out that the organization was neither a truly co-operative organization nor of a truly business concern. The main aim was to supplement the role of the jute co-operatives and units for the benefit of the provincial apex which sustained serious losses in the business. It was, however, realized later that it was not a true co-operative marketing which failed to bring the jute co-operatives back to their feet. It grew up in the name of co-operation. In this organization, there was an absence of the Co-operative element, and in its functioning, there was an absence of business principles.

In the first Five-year Plan (1957-60) of Pakistan it was observed that "eventually the marketing system should be based on rural co-operative organization, supplemented by private and Govt. enterprises. In the interim period, the extent of Govt. participation was necessarily greater than will be necessary when sound co-operative organizations are formed and operate efficiently"

The Five-year Plan (1960-65) of Pakistan included two important schemes, viz., (i) development of co-operative credit and marketing societies in East Pakistan, and (ii) development of primary co-operatives. The objective of the first scheme was mainly to improve the organization and to improve the working and financial conditions of the credit and marketing co-operatives. The scheme envisaged the formation of the provincial co-operative Bank, setting up of a provincial marketing Society, rehabilitation of 50 Central Co-operative Banks, development of 30 central co-operative Multipurpose Societies for marketing and 500 Union Co-operative Multipurpose Societies for short term financing, routing members, produce and providing farm supplies and daily necessities of life.

The provincial Co-operative Marketing Society, now Bangladesh National Co-operative Marketing Society, started functioning in 1962. The Society was entrusted to implement the schemes, one on credit and marketing and the other on consumers' co-operative. Under the first scheme, the society's functions were to co-ordinate the activities of secondary marketing societies, i.e., the Central Co-operative Multipurpose Societies, and to facilitate pooling of members' produce in the surplus areas and distribution in the same in the deficit areas. Its functions also include procurement and

distribution of farm supplies and daily necessities of life. The objectives of the National Society as stated in the bye-laws are:

- a) To act as the apex society of the Co-operative societies undertaking business of sale and supply of agricultural produce;
- b) To encourage and provide facilities for stepping up agricultural production;
- c) To organize and promote working of co-operative marketing societies;
- d) To coordinate and control business activities of all affiliated societies;
- e) To undertake any or all marketing functions for the benefit of the society members;
- f) To purchase and store agricultural produce for the use of the members;
- g) To undertake sale and supply of agricultural produce of the members; and
- h) To undertake sale and supply of consumer goods for use of the members.

Up to 1979, the National Co-operative Marketing Society had 2270 members affiliated to it through 161 central societies and 2073 primary societies. Since the formation of the by-laws of the Society in April, 1980, the membership has been restricted to the Central Societies only. There are now 155 Central Societies affiliated to the National Society. The Society has a share capital of TKR 46,66,400 out of which 93.6 per cent is held by the Govt. and the remaining 6.4 per cent is held by the member societies.

The Society has not been able to achieve the objectives for which it was established. It passed through a period of management crisis upto 1977. It incurred heavy losses in the various business operations. In the agricultural marketing sector, the Society undertook to organize country-wide marketing of a number of commodities, such as, paddy, rice, chillies, pulses, pine-apple, mustard, betel nut, etc., but failed to do so. It also marketed molasses, tobacco and ginger, etc. through its regional societies. But the operations could not be run profitably. Eventually the entire program was discontinued. The main reasons for the failure of the venture were lack of sound planning, lack of experience of the management personnel, corruption within the organization, shortage of storage facilities, abnormal

fluctuation of prices, lack of processing facilities in the case of perishable commodities etc.

In the marketing of agricultural goods also the society has been incurring losses. In handling of commodities, the society has five cold storages each with 1000 tons capacity. Four of them have been making some profit for the last two years. It consists of four big rice mills and a feed mill which are running well.

In the initial years of their introduction of co-operative operations, some primary level co-operative societies undertook the importation of agricultural inputs (Fertilizer, insecticide etc.) from both members and non-members. They also purchased non-agricultural commodities for business. But, by and large, these societies have not been able to make any remarkable progress in the field of agricultural marketing compared to the need in this sector.

4. Experience in Co-operative marketing in the Comilla Sub-division

The Comilla system of Co-operatives is basically a two-tier organization. At the lowest level are the village-based primary agricultural Co-operative societies called the Farmers' Co-operative Societies. These societies are then affiliated to a Thana-level federation called the Agricultural Co-operative Federation (ACF). This federation is again affiliated to a Central Servicing headquarters called the Kishali Thana Central Co-operative Association (KTCCA) which is based at the Thana-level. In other Thanas of the country where similar system of Co-operative structure sponsored by the Integrated Rural Development program (IRDP) is in operation, the organizational set-up is a two-tier one where the Thana Central Co-operative Association (TCCA)

In the course of five to six years beginning from 1964 the Comilla Kishali Thana Central Co-operative Association developed an agro-industrial complex with multifarious business activities. Originally started in a modest and sometimes in a crude way on an experimental basis, some of the businesses have been developed into modern business concerns. There are two cold storage plants for storing potatoes, a rice plant, a big rice mill, a feed mill, and a credit co-operative. This Thana Co-operative Society was affiliated with the cold storage and feed plants. By developing processing, packaging and storage facilities along with a credit program and institutional buying and selling, the KTCCA has been trying to modernize the process of agricultural marketing on Co-operative basis in an integrated manner. This was a true innovation in the context of Bangladesh.



In 1969 a marketing unit was set up within the KTCCA. It was entrusted with the responsibilities of organizing sale of paddy, vegetables, potato seeds, and collecting market information. Previously a separate marketing intelligence section was organized within the Agricultural Co-operative Federation for supplying cooperative members with market news. A team was formed consisting of some Managers of village based farmers' Co-operative Societies to collect market information from different markets of the area and disseminate the information to farmers. Later this unit was involved in marketing of paddy, rice, vegetables and pineapples. This, however, could not accomplish much and, therefore, was discontinued. Lack of experience and shortage of experienced and trained marketing personnel presented a serious problem. Though all efforts made in the Comilla project in organizing cooperative marketing did not meet with success, some of them did make remarkable progress. The Comilla Industrial Co-operative Society which was organized with a number of TCCAs as share holders has been profitably operating its cold storages and creamery plant providing easy market outlet for the farmers' potatoes and milk.

The IRDP having realised the importance of organized marketing for the benefit of the co-operative members prepared in 1978 a three year project on a pilot basis for construction of storages and development of marketing by the TCCAs. The project provided for storage facilities to the growers by constructing godowns and advancing marketing credit through the TCCAs and for arrangement of processing and marketing facilities. The main objectives of the project were (a) to ensure fair price to the producers, (b) to facilitate realization of production loans by linking credit with marketing and (c) to help TCCAs earn income and thus achieve financial viability. Under this project 34 godowns have been constructed each with 250-ton capacity. While some of these godowns are yet to be readied for use, most of them have been put to use by the TCCAs by storing non-perishable agricultural produce, such as, paddy, jute, pulses, mustard, tobacco etc. In some TCCAs, fertilizers and irrigation equipment are also being stored.

Recently IRDP has prepared another project for setting up 142 more storages in 142 TCCAs which have been doing fairly well in businesses. These storages will be of 100-ton capacity each and will be constructed within a period of five years (1980-85.) These storages may be utilized in several ways. Firstly, the loanee members of the village Co-operatives may repay their loans in kind, usually in paddy. The paddy thus collected may be stored in these godowns for subsequent sale by the TCCAs. Secondly, the TCCAs may purchase



agricultural produce from the farmers who sell their produce soon after the harvest, and the TCCAs may store the produce for sale later on when the market price rises. Thirdly, the TCCAs may allow the farmers to store their produce until a better price is available, and advance credit to them to meet their immediate requirement of cash after the harvesting season. This arrangement will thus help the primary producers in getting a fair price for their produce, and the TCCAs in earning some income. For this to be successful, however, require proper organization and utilization of the village co-operatives, motivation of the members and training of the personnel of the TCCAs and the village Co-operatives involved.

Some TCCAs have already undertaken innovative ventures in marketing. The results of these efforts have been quite satisfactory and hold prospects for the future. An experimental project in paddy marketing was undertaken in 1978 by the Muktagacha TCCA of Mymensingh district with the assistance and support of the Food Deptt. of the Govt. and the World Bank. The objectives of the project were (1) to ensure a fair Price to the growers, (2) to do away with the middleman from the marketing channel and to store and process the paddy in order to sell rice to the ultimate consumers, and (3) to explore possibilities of simplifying and improving the existing marketing system. In the execution of this project the KSS management has been heavily involved. In fact, an elaborate implementation procedure has been developed for collection of paddy from the members, sale of the produce by the KSSs to the ACCA, record keeping, processing of paddy and sale of rice by the TCCA. This operation of the TCCA has enabled the participating farmers to get a higher price than the existing market price and a bonus out of the profit from the whole operation. The operation of the project may be improved if the TCCA could have a small rice mill, and the KSSs could have small godowns. It is also necessary to diversify the commodities to include different varieties of paddy. The market outlet for the produce should also be diversified so as to ensure a regular and stable market. The FDE is planning to promote the project in other TCCAs which are known to have fairly high managerial capability. To begin with, only some 'A' class LDEs will be involved in the operation. An orientation and training program will have to be developed for the relevant personnel. The TCCAs will need longterm loan for use as seed capital for the business.

## 5. Conclusion

There is a felt need for improving the existing agricultural marketing situation in the country. The Govt. is promoting producers Co-operatives so that resources, inputs, supplies and services can be efficiently reached to the millions of small farmers. There is no controversy as to the need for marketing co-operatives to safeguard the interest of the producers. What is, therefore, actually required is a clear and explicit policy of the Govt. with regard to development of Co-operatives for marketing operations. The policy of the Govt. in this regard is not clear and, therefore, no action program exists to assist, support and promote marketing co-operatives. The Govt. should not only encourage voluntary efforts of co-operative organizations in development of marketing but should also take positive steps for the development of co-operative marketing by providing seed capital, management training and technical know-how and possible checks to corrupt practices. If we intend to protect the interest of the primary producers and encourage production, there should be an integration of production and marketing.

It is strongly recommended that a comprehensive and in-depth study should be undertaken to assess the existing agricultural marketing situation in the country, ascertain the problems faced by the farmers in disposing of their produce, examine the performance of the co-operatives in the field of agricultural marketing, examine the feasibility of involving co-operatives in marketing and, on the basis of this study, to prepare an action program for development of co-operatives for agricultural marketing.

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ICA/BSU NATIONAL SEMINAR

ON

~~DEVELOPMENT OF MANAGERIAL CADRE FOR~~  
*MANAGEMENT OF*

AGRICULTURAL COOPERATIVES

15 - 20 FEBRUARY, 1981

DACCA , BANGLADESH

DEVELOPMENT OF MANAGERIAL CADRE  
FOR AGRICULTURAL COOPERATIVES

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## DEVELOPMENT OF MANAGERIAL CADRE FOR AGRICULTURAL CO-OPERATIVES

### INTRODUCTION:

It is generally agreed that the Co-operative Movement has both a social and an economic aspects and that the presence of each of these elements is necessary for the healthy and balanced development of cooperative organisations. Though in the cooperative the emphasis has been placed in the social aspect, it is accepted that the sound functioning of cooperatives depends on the economic aspect. The economic aspect must be well achieved for the successful fulfilment of their social purposes. Efficient operation is, therefore, essential for the successful conduct of cooperative activities. It has been said by social philosopher and national leaders that cooperative activities have an ultimate higher end than that of rendering services to the individual member in terms of money. It has been observed by many that the social benefits - such as a new consciousness of citizenship, new ideas of better living, development of thrift habits, etc.- would only come forth from the joint undertaking if the business activities of the society are sound and result in tangible economic benefits to the members. A co-operative society which is operated at a loss will rapidly become the subject of criticism and it would become a social nuisance in the community. It must be the accepted norm of all co-operators that good cooperative business is the absolute pre-condition for the realization of the ultimate moral and social aspirations of the cooperative movement. It is true to say that the cooperative principles have no meaning and gain no momentum unless the operations of the cooperative society are conducted on sound business lines. In order to manage the operation of the cooperatives on a sound business line, there is a need for recruiting efficient and talented Executive. The most important Executive to whom the conduct of ordinary daily business operations is entrusted is, however, the Manager. The Managing Committee appoints him, writes the job instructions for his work and delegates to him the performance of all its duties of practical business. The Committee has to rely upon the manager's honesty, skill and enterprise for the successful discharge of its business. It is thus a matter of great importance to select the right kind of person to give him adequate authority and job guidance to offer him satisfactory compensation and to support and encourage him in all such ways as are conducive to successful performance. A sound and effective personnel management policy is a pre-requisite for conducting the operation of the business in an efficient manner. The lack of efficient personnel organisation is another important factor responsible to complicate the problem. In our country uptill now, there is no personnel

policy for developing executives in order to develop and sustain cooperative movement in right direction. An attempt has been made in this paper to design a managerial cadre for cooperatives with a noble expectation of better cooperative movement in the future.

#### EXISTING CONDITION OF MANAGERIAL POSITIONS.

Before going to design a new managerial cadre, it is necessary to analyse and review the existing system of filling up the managerial positions. Under the existing system, most of the executive positions in the Apex as well as in the Secondary level are filled up by the officials of the Cooperative Directorate on deputation. It is agreed generally that deputation is not conducive to the healthy growth and development of Cooperatives. In view of this, it is necessary that the existing system of deputation should be replaced by the Executives to be developed by the Apex level organisations. It is the felt need of the day that every organisation should develop its own personnel according to its best ability and capacity. Cooperative movement is a compact concept which needs concerted plan of action for its growth, expansion and development. The borrowed executives may be a leakage in the whole process of cooperative movement. Thus it is indispensable to create a managerial cadre for ensuring healthy growth of cooperative movement.

#### A PROPOSED DESIGN OF A MANAGERIAL CADRE:

The concept of a managerial cadre is evolved to ensure the selection of professionally competent managerial personnel for the Union and its affiliated units. According to this concept the Bangladesh Jatiya Samabaya Union (BJSU) should develop a managerial cadre in order to feed the different affiliated Apex and Secondary level Societies. In order to build up the Chief Executives and key personnel for the national level societies, there is a serious need for support from the Governmental and inter-governmental agencies. A Central Pool of professionally managerial personnel shall be developed in the BJSU and its affiliated Federations. The Central Pool will be comprised of at least one Managerial Expert for each of the Sector, such as one for agriculture, one for marketing, one for fishery etc. The National Apex will also build up managerial cadre for secondary level Societies. The secondary level Societies in turn shall build up a cadre for primary level societies.

For the efficient operation and functioning of the proposed system of managerial cadre, a legal framework will be formulated. The design of the framework would be such that the Apex shall be under obligation to Union in selecting and hiring managerial personnel. The Secondary would be under obligation to apex level federation and the Primary to the Secondary. In the event of any bad management the respective higher tier will take up the matter and solve the problem. The Registrar of Cooperative Societies should not interfere in the management of any society in any way without referring the case to the Union. The Registrar should not register any new society without the prior recommendation of the Union. The Union, before recommending the registration of any Society, should consult and examine the operation of the society thoroughly. If there is any dispute between the deputed Government Officials and the Cooperative Society, the Union should be included in the Inquiry Committee to safeguard the interest of the Cooperatives.

The building up of a centralised cadre of the professional experts would provide an effective and efficient administration and unified system of control over the personnel of affiliated units. Actually, the personnel maintained by the centralised cadre would belong to the concerned sectoral federation.

#### PROBLEMS OF MANAGERIAL CADRE

The building up of a managerial cadre is not free from weaknesses. There is a danger of non-growth of personnel within the cooperative enterprise because of the growth of personnel in the concerned sectoral federations. There may be a problem of conflict between the autonomy of the beneficiary unit and the decision taken by the centralised cadre authorities.

#### SUGGESTIONS:

Some suggestions are offered here for the improvement of the management of the Cooperatives. For the development of the man power specific and specialised training should be arranged by the B.J.S.U. The BJSU should in collaboration with other relevant agencies take up skill development programme for the cooperators. The other suggestions are as follows :

- (1) Like the Haryana State Cooperative Bank Ltd., India, a Union Staff Service (Common Cadre) Rules should be framed by the BJSU.
- (2) The Bangladesh Cooperative College and eight Zonal Institutes should be strengthened and be put under the management of the BJSU.
- (3) A National Institute of Cooperative Management should be formed to impart training on management to the cooperative leaders.
- (4) Steps should be taken to develop personnel management policies in cooperative sector with regard to -
  - (a) Manpower Planning;
  - (b) Recruitment Policy;
  - (c) Training;
  - (d) Promotion;
  - (e) Performance Evaluation;
  - (f) Motivation;
  - (g) Inter-Personnel relationship;
  - (i) Union-Management Relations.



AGRICULTURAL COOPERATIVE MARKETING

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Marketing is in itself a very broad concept and different lectures and businessmen stress various parts of this approach.

Marketing involves all business activities that have to be performed to bring a product to the final consumer. In the case of agricultural marketing we have to deal with all the aspects in bringing the agricultural produce from the farm to the ultimate consumer. Thus it includes activities such as collection of marketable surplus from the farms, transportation of the products, storage, grading, packing, processing, pricing and the sale to the end consumer. But the concept can also fruitfully be developed to include the supply of all the prerequisite and services for the production. We are thus talking of an integrated marketing approach, where we start all our efforts with the aim to meet the demand of the consumers, the ultimate users of the products. The theory behind this is, of course, very simple; by doing this the producers will get the best price for their production and the consumer will pay according to his demand and his needs.

The Agribusiness concept

Agribusiness is the sum total of all questions involved in the manufacture and distribution of farm supplies, production activities on the farm, and the storage, processing and distribution of farm commodities and items made from them. This is a market oriented concept that implies that :

- (1) Goods and services must be produced to satisfy consumer demand or needs and only those products that are marketable should be produced.
- (2) Every Agribusiness commodity-industry may be viewed as vertical in structure with the following components; the input suppliers, the farmers, the processors, the wholesalers and the retailers.
- (3) There are numerous firms operating in the component - subsectors, and therefore, there is a need for coordinating these firms within each sub-sector, and coordinating the sub-sectors themselves. The objective of coordination is to balance the component sub-sector and to prevent bottlenecks and to promote the smooth flow of goods and services from production units to consumption areas. Through this process, production and marketing - supply and demand - are expected to be correspondingly matched and balanced.
- (4) The mechanisms for coordination include government itself, the managers, the researchers who produce technology, cooperatives that weld interlinkages between firms in sub-sectors of the agribusiness.
- (5) The farming sector must interact with many other sectors. It must look to the market and see that it is responsive to it.
- (6) The viability of an agribusiness commodity-industry depends upon the viability of the firms and the sub-sectors as well.
- (7) The entire agricultural sector could be viewed as an array of agri-business industries. Its strength, vigour and vitality are determined by the contributions of each of these industries.

This concept is integrative and advocates the system-approach. It rejects fragmentary unrelated business.

### Objectives

The setting of objectives is a complicated and difficult process. There are, of course, several constraints such as limited resources, financial as well as manpower. The main objectives of the cooperative marketing operations are at least two-fold depending who is in focus. A general way to describe them can be :

- producers : to get as high as possible return to the producers (long-run) for their produce,
- consumers : to get the right products as cheap as possible for the consumers.

In both cases it is the right price the cooperatives are working for. The main principle for cooperative pricing is equity and equality.

For an agricultural cooperative marketing society the overall objective can be stated as; to give good economic return to the members by marketing of their produce and selling farm inputs needed by them and giving advice on technical and economic matters.

There is an increasing trend in South-East Asia to put emphasis also on objectives related to what can best be described as better living activities.

### Supply and Demand

Supply and demand are two very fundamental factors in marketing. The concepts of supply and demand leads the practitioner in his decisions and are basical to the conclusions of the theorist. This refers to instant reactions as well as repercussions and adjustments in a long term perspective.

Price and volume of supply and demand are related. The volume tells how much the sellers are ready to sell and the buyers to buy at a price agreed on.

The price is in theory a function of supply and demand. The only thing this illustrates is that a quantity has been sold at a price.

In practice it is not so simple, and there are several constraints.

- nobody has the total knowledge of supply and demand
- supply and demand change over time
- customers taste, skill and habit change.

Because of the difficulties with supply-demand-price the price in practice relates to the costs. There are several methods of setting the price.

- a) keep-going price-not lower than the variable costs per unit.
- b) reasonable support price-total cost per unit based on some reasonable valuation of the investments constituting fixed costs.
- c) new investment price - total cost per unit with some additional risk.
- d) market price - what seller and buyer can agree upon.

### The function of marketing

The function of marketing is to make goods and services available to the consumers where, when and how the consumers want to have them. That will say to satisfy the consumer-demand.

There are five points to be answered.

What - right product

When - right time

How - right form

Where - right place

At what price

These points cover a multiplicity of questions such as: pricing, storage, transport, distribution channels, processing, quality control and packing.

#### Storage - the time function

The purpose with storage is to act as a time function to match production and consumption in time. There are often considerable variations in both and they can also go in different direction. Many agricultural products are seasonal but in demand through the whole year and the storage function is, therefore, important. Some of the agricultural products are very perishable and to be able to match this, processing can be necessary. Processing will be dealt with separately.

Who should do the storage? Different types of storage can be carried out by different agencies.

- short-term storage by producers and consumers
- seasonal storage by marketing agencies and cooperatives
- long-term storage by government agencies

How to calculate the price for what you are selling, e.g. with special reference to the storage.

The price of the products sold = the buying price + costs for storage. This is perhaps not possible for every single transaction but the long-run price must cover the total storing activities. From a cooperative point of view preferably this should hold for each commodity each season. Otherwise some members will subsidize others.

There are different components of the storing costs that have to be taken into consideration.

a) Interest on capital a relationship easy to calculate.

The rate, either bank-rate or internal (alternative) interest-rate.

The evaluation of the stock either to the buying cost, the prevailing market price or the selling cost.

- b) Maintenance costs: actual cost for work, electricity, insecticides, etc.
- c) In and out costs: easily calculated on a per unit basis.
- d) Costs for changes in quality: difficult to calculate in advance, Depends on the products, the facilities and the maintenance. For perishable products the quality may deteriorate very rapidly.

To avoid costs for changes in quality fresh products often have to be processed. Then it is the processing that has to be paid for and not so much the primary product.

- e) Risk-taking: this is a cost for taking the risk of incurring losses. This cost cannot be calculated and the claims for compensation are mostly of a psychological character.

#### Transportation - the place function

Transportation is one of the technical achievements that have influenced agricultural domestic and international trade to a great extent. Modern transport and storage facilities have made the location of production less important. Fresh and perishable commodities can be transported from far away distances. However, recent trends in energy prices and total supply of fuels have given new concern to the transportation costs. This is especially important for agricultural produce due to its heavy and bulky character.

When it comes to costs they are in favour of bulk transport of big quantities as compared to assembling of small quantities of different qualities. Who should carry the cost of assembling and transport depends on whether the commodity is produced,

in small quantities - in big quantities  
 during irregular time periods - frequently (daily)  
 is non-perishable - is perishable.

Production of a perishable commodity (vegetables, milk) should preferably be located in the vicinity of consuming centres whereas fatstock and bread grain could be produced at much greater distances. Modifications because of processing and storage are possible.

### Quality, Standards and Packing - the form function

The purpose with this function is to get the product in the right quantity at the right quality in the right kind of package as desired by the consumer.

Each quantity and quality has to match with its specific consumer group.

The form function actually starts with the use of inputs and management of the individual farm. It always yields to pay some extra attention to the selection of various inputs. Only by using better inputs quality output can be expected.

When we now look at the form function it may be useful to start at the farm when the production is ready in its original form. The first step is to take away waste and offals. This should be done.

1. When there is a price incentive
2. If the transport costs can be lowered
3. If the waste and offals can be used on the farm.

Classification and grading are two activities by which goods are sorted out into various categories to meet the buyers demand. Both mean to arrange according to some systematic division into groups, classes or grades.

Classification is generally defined as the systematic division by individual inspection of the units. Grading on the other hand is defined as a systematic division simplified by some mechanical process with respect to weight, shape, etc. which is obvious and simple enough for mechanisation to be applied.

When we mention the word quality, the image of a measure or a yardstick or some criteria comes to our mind. Even when producers are capable of turning out products of high quality, their production is often not consistent. Some of their goods are of high quality and some are not. So the buyer is never sure of what he is going to get. Even if the quality is generally good, the product may vary from one lot to another in various aspects. The result is often that the buyers are not prepared to pay such



high prices for these products as they would for more consistent products from other suppliers they can rely on. It is thus important to maintain a quality and to keep to it.

It is equally important that there should be an effective demand for the quality and that a premium paid for the better quality should cover the extra costs incurred in the production and marketing of that quality.

Packaging tends to increase in importance. This is especially true for consumer products but the principles and functions of packaging are relevant also for commodities. Proper packaging is almost as important as the quality of the product itself. Poor packaging can damage the chances to sell the product as much as a bad product itself. Very often, the packaging is an integrated part of the product. The buyer sees the package and its contents as a whole. In fact, he may be mainly influenced by the package when selecting his product.

There are five main functions that the packaging must perform .

1. Protect the product from spoilage and damage in transport.
2. Be economical in terms of material and weight.
3. Be convenient to handle and store.
4. Conform to trade and consumer demand regarding unit-size and volume.
5. Identify the product and the quantity.

### Processing

One of the apparent characteristics of agricultural products is its perishability. Fruits and vegetables are extremely perishable and subject to rapid spoilage if not properly handled and processed. The characteristics of most agricultural products clearly indicate that there is a need for processing. This is very obvious for those products which are considered as raw material such as coffee, cocoa, oil palm, rubber, paddy. These products need to be converted into forms that can be consumed by human beings, as animal feeds or for industrial use.

Processing is perhaps the single stage that adds the greatest value to the agricultural product and in most cases largest costs in the marketing process is involved in this stage and any agency that wishes to exercise control over marketing operations must have an adequate control over this activity. Therefore, it is necessary that marketing cooperatives must have processing units as an adjunct to the normal marketing operations. Undertaking processing will not only help the agricultural cooperatives in getting a higher margin for their products but also in reducing transport and storage cost.

#### The dynamic function of marketing

The aim is to help the farmer to plan his production in accordance with market-demands. The cooperative should not act as a wall between the consumer and the producer.

As we all know, there are specific problems for farmers to adjust to changing marketing conditions such as -

- decisions about type of production can just be taken at certain times (e.g. sowing season)
- the farmers often lack production alternatives.
- in early stages of development the farmer feels a need of producing his own food.
- the farmers work with very high fixed costs.
- uncertainties in production are big from as well a biological as an economic point of view.

The dynamic function of marketing means thus

in the short run try to find outlets for existing agricultural production,

in the long run to adjust production to market demands (internal and external)

মাননীয় প্রধান অতিথি,  
উপস্থিত সুধীবৃন্দ ও  
সেমিনারের অংশ গ্রহনকারী সমবায়ী ভাষ্ণ ও বোনেরা ,

বাংলাদেশের মানুষের নামে অপবাদ ছিল, বাংলাদেশীরা ভীষণ জাতি ।  
১৯৬৫ ও ১৯৭১ সালে বাংলাদেশীরা প্রমান করে দিয়েছে বাংলাদেশীরা বীরযোদ্ধা জাতি ।  
বাংলাদেশের উপর কাল-কালিমা ছিল - বাংলাদেশ ভিক্ষুর দেশ এবং বাংলাদেশের অপর নাম  
হয়েছিল "বটমলেস বাছকেট" অর্থাৎ তলাবিহীন ঝুড়ি । মহামান্য রাষ্ট্রপতি জিয়াউর রহমানের  
বলিষ্ঠ নেতৃত্বে বাংলাদেশীরা সূতঃসপ্ত ভাবে সমবায় ভিত্তিক খাল খনন করে সেচ মেশিনের  
সাহায্যে ও অন্যান্য যান্ত্রিক ও দেশজ পুত্রিয়ায় সেচ পুনালীনের উন্নতি সাধন করে উন্নত বীজ ও  
সার ব্যবহার করে, খাদ্য উৎপাদন দ্বি-গুন করতে চলেছে । বর্তমানে দেশ খাদ্য সুষ্মৎ সম্পূর্ণ  
হতে চলেছে, এবং আগামী বছর থেকে খাদ্য রপ্তানী করার কথা ভাবছে । বিশ্ব সমাজে আজ  
বাংলাদেশের মান মর্যাদা প্রতিষ্ঠিত হয়েছে । বাংলাদেশ একটি সংঘবদ্ধ জাতি, সমবায় ভিত্তিক  
শক্তিশালী সংগঠন গড়ে তুলে বাংলাদেশের সমবায়ীরা প্রমান করবে বাংলাদেশের সমবায়  
আন্দোলন একটি আদর্শ সমবায় আন্দোলন, এবং বাংলাদেশের অর্থনৈতিক ও সামাজিক পূর্নঃগঠনে  
সমবায়ীগণ সমবায় সংগঠনের মাধ্যমে বলিষ্ঠ ভূমিকা গ্রহন করবে ।

অতীতে এই দেশের সমবায় যদিও কেবল মাত্র ঋণের মধ্যে সীমাবদ্ধ ছিল  
কিন্তু এ কথা অনশীকার্য সমবায়ই "গরীব মেহনতি মানুষকে" মহাজনী ঋণ ও সুদের অত্যাচার ও  
উৎপীড়নের হাত থেকে রক্ষা করেছিল এবং করে চলেছে । সমবায়ীর ছত্রছায়ায় কিছু অসৎ প্রকৃতির  
লোক বিগত দুই-দশকে প্রভাব খাটিয়ে সমবায় অংগনে অনু প্রবেশ করে লক্ষ লক্ষ টাকা আত্মসাৎ  
করেছে । কিন্তু এদের বিকন্দে সক্রিয় কোন ব্যবস্থা গ্রহন করা হয়নি বলে অনেক সমবায়  
সংগঠন সংকটের সম্মুখীন হয়ে পরেছে । যাহা আপনার আমার সকলেরই জানা আছে ।  
আদর্শ সমবায় সংগঠন গুলিকে ও আদর্শ সমবায়ীদেরকে উৎসাহিত করতে হবে এবং সহ-  
যোগিতা প্রদান করতে হবে । সমবায় সংগঠন গুলো যাহাতে অশুভ শক্তির খপরে না পড়ে  
সেই জন্য সমবায় সংগঠনগুলোর অডিট কার্যক্রমে যথাসময়ে যথারীতি সূচ্য ভাবে সমাপন করার  
জন্য সমবায় দপ্তরকে অবশ্যই প্রয়োজনীয় সংখ্যক অডিট অফিসার নিয়োগ করতে হবে । উন্নয়ন  
পরিকল্পনার আওতাধীন সমবায় সংগঠনগুলোতে সমবায় নেতৃত্বের কেন্দ্র সারভিস প্রবর্তন  
করে । উন্নয়ন প্রজেক্ট সমূহের আওতায় সকল সরকারী ও আধা-সরকারী কর্মকর্তাগণকে অডিট  
কার্যনিয়োগ করতে হবে । অতঃনু সুখের বিষয় বর্তমান সুযোগ্য নিবন্ধক জনাব এ, জেড, এম,  
নাছির উদ্দিন এ বিষয়ে বলিষ্ঠ পদক্ষেপ গ্রহন করেছেন ।

বর্তমান সরকার কৃষি ও সমবায়ের উপর সু-বিশেষ গুরুত্ব প্রদান করে  
আসছেন এবং সমবায় কাঠামো, সমবায় আইন, ও সমবায় ব্যবস্থাপনা পদ্ধতি বর্তন ভাবে  
সাজানোর জন্য বিভিন্ন পদক্ষেপ গ্রহন করে চলেছেন । অতীতে জাতীয় সরকার সমূহ সমবায়ের  
উন্নয়নের নামে সমবায় আন্দোলনে যে দুর্ভেদ সৃষ্টি করেছে এবং দেশে দুই পদ্ধতির সমবায় চাল

করেছে। বর্তমান সরকার একই প্রকারের সমবায় একই পদ্ধতিতে চালু করার জন্য বলিষ্ঠ সিদ্ধান্ত গৃহণ করেছেন। ঠিক এমনি সময়ে বাংলাদেশ জাতীয় সমবায় ইউনিয়ন ও আনুজাতিক মৈত্রী সংস্থার সহযোগিতায় "কৃষি ঋণ সমবায় ব্যবস্থাপনার" উপর সেমিনারের আয়োজন করেছে। অতীতের বাংলাদেশ জাতীয় সমবায় ইউনিয়ন সমবায় আন্দোলনের সুষ্ঠু বিকাশের জন্য বিভিন্ন সময়ে বিভিন্ন ভাবে গুরুত্বপূর্ণ সুপারিশ সমূহ সরকারের নিকট পেশ করেছে। সেই সকল সুপারিশ সমূহ যথা সময়ে বাস্তবায়িত হলে সমবায় আন্দোলনের অগুণ্টি নিশ্চিত হত। অতীতে বিশেষ মহলের কারণে যে সকল সুপারিশ সমূহ বাস্তবায়িত হয়নি। আমরা আশা করব আমাদের এই সেমিনারের সুপারিশ সমূহ বর্তমান সমবায়ী সরকার গুরুত্ব সহকারে বিবেচনা করবেন। এবং সুপারিশ সমূহ বাস্তবায়নের জন্য প্রয়োজনীয় পদক্ষেপ গৃহণ করবেন।

সমবায় বর্তমানে জাতীয় অর্থনীতির বিভিন্ন ক্ষেত্রে সম্প্রসারিত হয়েছে, বিশেষ করে মাননীয় সমবায় মন্ত্রী জনাব ক্যাপ্টেন (অবঃ) আঃ হালিম চৌধুরীর নেতৃত্বে যুব সমবায় ও মহিলা সমবায়ের কর্মততপরতা জাতীয় অর্থনীতির পূর্ণ-গঠনের এক নতুন দিগন্তের সূচনা করেছে। আমরা আশা করব তিনি সমবায় ঋণের সংগে বাজার জাত করনের তথা সমবায় কৃষিজাত শিল্প গঠনে বলিষ্ঠ পদক্ষেপ গৃহণ করবেন। মহামান্য রাষ্ট্রপতি ১৯৮০ সালকে সমবায় বৎসর ঘোষণা করে ছিলেন এবং পর পর ৪ টি আঞ্চলিক ও ১ টি জাতীয় সমবায় সম্মেলন ও পৃথক ভাবে মহিলা ও যুব সমবায় সম্মেলন করে সমবায় আন্দোলনের প্রতি সরকারের আস্থা প্রকাশ করেছেন। তাই জাতীয় সমবায় ইউনিয়নের পক্ষ থেকে সরকারকে মোবারকবাদ জানাচ্ছি।

১৯৫০ দশকে এই দেশে সমবায় সমিতির সংখ্যা ছিল মাত্র সাত হাজার, ১৯৬০ দশকে সংখ্যা ছিল আনুমানিক পনের হাজার, ১৯৭০ দশকে সংখ্যা ছিল পঞ্চাশ হাজারের কাছাকাছি। ১৯৮০ দশকের শুরুতে সমবায় সমিতির সংখ্যা এক লক্ষের উপরে। এই এক লক্ষ সমবায় সংগঠনের মধ্যে কেবল মাত্র ২৫ হাজার কৃষি সমবায় সংগঠন আই আর ডি পি'র মাধ্যমে সরকারী সহযোগিতা ও সাহায্য পেয়ে থাকে। যার সিংহ ভাগ সরকারী আধা-সরকারী কর্মচারীর জন্যই হয়ে থাকে। সমবায় দপ্তরের ও আই আর ডি পি'র অধীনে সকল উন্নয়ন পরিকল্পনাগুলো বাস্তবায়নের জন্য সমবায় ইউনিয়নের নেতৃত্বে শীর্ষ জাতীয় সমবায় সমিতি গুলির উপর ন্যস্ত করিতে হবে এবং উন্নয়ন পরিকল্পনার সমূহের অধীনে নিয়োজিত সরকারী ও আধা-সরকারী কর্মচারীদেরকে শীর্ষ সমবায় সমিতি গুলোর পে-রুলে নিতে হবে। উক্ত কর্মচারীবৃন্দ সমিতির অধীনে চাকুরী করতে রাজীনা তাহাদেরকে সমবায় দপ্তরের অধীনে সমবায় সমিতি সমূহের অডিট কার্য সম্পাদন করার জন্য ব্যবহার করা যাইতে পারে। বর্তমানে ১ লক্ষ সমবায় সংগঠনের অডিট কার্য যথা সময়ে সুষ্ঠু ভাবে সম্পাদন করার জন্য কমপক্ষে দশ হাজার সমবায় অডিট অফিসার থাকা প্রয়োজন অথচ বর্তমানে সমবায় দপ্তরের অধীনে অডিট কার্য সম্পাদন করে এমন সব অফিসারের সংখ্যা দেড় হাজারের বেশী নয়। এই বিষয়টি অত্যন্ত গুরুত্ব সহকারে বিবেচনা করার জন্য আমি সকল মহলের আশু দৃষ্টি কামনা করছি।

সমবায় আজ কেবল ঋণের মধ্যে সীমাবদ্ধ নয়। সমবায় বিভিন্ন অর্থনৈতিক ক্ষেত্রে সম্প্রসারিত সমবায় উৎপাদনে নব দিগন্ত এনেছে। তাই সমবায় বিষয়ে আমাদের ভাবতে হবে নতুন ভাবে।

সর্বশেষ সেমিনারের অংশ গৃহণ করীগণ কৃষি সমবায় সংগঠনের সমগ্র্যগুণ্ডো চিহ্নিত

কর্ম-পদ্ধতি-পূর্ণ-সুপারিশ-পেশ-করবেন-এই-আশা-করবে-আমরা-এই-উদ্দেশ্যের-অনুষ্ঠান-সমাপ্তি

বাংলাদেশ জাতীয় সমবায় ইউনিয়নের সাধারণ সম্মাদক  
জনাব গোলাম আলী কাদেরীর ভাষণ ।

মাননীয় সভাপতি,  
আজকের এই উদ্বেধনী অনুষ্ঠানের প্রধান অতিথি,  
আনুজাতিক সমবায় মৈত্রী সংস্থার প্রতিনিধি মিঃ লেন ভেগেন,  
সমবায়ী সুধী বৃদ্ধ ও সেমিনারে অংশ গ্রহন কারী ভাই ও বোনেরা,

বাংলাদেশ জাতীয় সমবায় ইউনিয়নের পক্ষ থেকে আজকের এই উদ্বেধনী অনুষ্ঠানে আমি আপনাদের সবাইকে জানাচ্ছি সুাগত স্বাগতম ও আনুরিক মোবারকবাদ । অতীতে <sup>অনেক</sup> ও/সেমিনার ও সম্মেলন হয়েছে, এবং অনেক অনেক সুপারিশ সমূহ গ্রন্থন করে বাস্তবায়নের জন্য পদক্ষেপ গ্রহন করা হয়েছে, যার ফলে সমবায় সমিতির সংখ্যা বিগত দশকে ৫ হাজারের কোঠা থেকে ১ লক্ষের কোঠা ছাড়িয়ে গিয়েছে । এবং সমবায়ীদের সংখ্যা ১ কোটির কাছাকাছি । সমবায় কর্মকান্ড এখন আর কৃষি ঋনের মধ্যে সীমাবদ্ধ নয়, সমবায় সকল প্রকার অর্থনৈতিক ক্ষেত্রে বিভিন্ন কর্মকাণ্ডে নিয়ো-জিত রয়েছে । বর্তমান সরকার ও সমবায় আন্দোলনের নেতৃত্বে ও সরকারী ও বে-সরকারী কর্মকর্তাদের যৌথ প্রচেষ্টায় সমবায়ীগণ সমবায় সংগঠনের মাধ্যমে সংঘবদ্ধ হয়ে অর্থনৈতিক পূর্নগঠনে সক্রিয় অংশ গ্রহন করে চলেছে । সমবায় আন্দোলনই বাংলাদেশকে একটি শক্তিশালী দেশ হিসাবে গড়ে তুলতে পারে । সমবায় আন্দোলনই এদেশের সকল প্রকার অর্থনৈতিক ক্ষেত্রে সুয়ুৎসম্পূর্ণতা অর্জনে নতুন দিগন্তের সূচনা করতে পারে । সমবায় ভিত্তিক খাল খনন, সমবায় ভিত্তিক সেচ, সমবায় ভিত্তিক বীজ ও সার বিতরণ, সমবায় ভিত্তিক সহজ কৃষি ঋন বিনিয়োগ, সমবায় ভিত্তিক সঞ্চয়, সমবায় ভিত্তিক উৎপাদন ও অর্থনৈতিক ক্ষেত্রে বিশেষ করে খাদ্যে সুয়ুৎসম্পূর্ণতা অর্জনের জন্য বলিষ্ঠ ভূমিকা গ্রহন করে চলেছে । সমবায় ভিত্তিক কৃষি বাজার জাতকরন ও সমবায় ভিত্তিক কৃষিজাত শিল্প সংগঠন করতে পারলে এবং তার পাশাপাশি ভোগ্যপন্য সমবায় সংগঠন গড়ে তুলে সুষ্ঠু সরবরাহ ও সুসম বন্টন সুনিশ্চিত করতে পারলে বাংলাদেশের সমবায় আন্দোলন অবশ্যই কল্যাণকর ব্যবস্থা হিসাবে জনগণের নিকট আদৃত হবে । অতীতে কেন এদেশে সমবায় গড়ে ওঠেনি তার কারন সমূহ চিহ্নিত হয়েছে । বর্তমান সরকার এবং সমবায়ীরা উপলব্ধি করে সমবায়কে একই গতিতে একই ধারায় পরিচালিত করার জন্য সম্পূর্ণ কাঠামোকে ঢেলে সাজাতে হবে । যুগোপযোগি সমবায় আদর্শ ভিত্তিক আইন প্রনয়ন করতে হবে । এবং জাতীয় সরকারকে সমবায় বিষয়ে সুস্পষ্টনীতি ঘোষণা করতে হবে । সমবায়ের নেতৃত্বে পরিচালনা ও ব্যবস্থাপনা ও সমবায় উন্নয়ন সমবায়ীদের উপর ন্যস্ত করতে হবে এবং সমবায় সংগঠনগুলোর কার্যক্রম সমৃদ্ধ যথাযথ ভাবে অডিট করার জন্য ও অডিটের ভিত্তিতে প্রয়োজনীয় ব্যবস্থা গ্রহন করার জন্য সরকারকে সক্রিয় ও তৎপর হতে হবে, এবং প্রয়োজনীয় সংখ্যক কর্মচারী নিয়োগ করতে হবে । সরকারের সকল ঘন্টানাঙ্গয় ও দপ্তরে সকল প্রকার উন্নয়ন পরিকল্পনায় সমবায় সংগঠনের জন্য পৃথক বরাদ্দ থাকতে হবে এবং এই সকল বরাদ্দ সমূহ সমবায় ইউনিয়নের নেতৃত্বে জাতীয় শীর্ষ সমবায় সমিতির মাধ্যমে ব্যবহারের জন্য সুযোগ দিতে হবে ।

বাংলাদেশ বর্তমানে খাদ্যে স্বয়ং সম্পূর্ণ হতে চলেছে এবং আগামী বছরগুলোতে খাদ্য রপ্তানীর কথা ভাবছে। অন্যদিকে সমবায় আন্দোলন পুনর্বিন্যাস করার জন্য পুষ্টি চলছে। ঠিক এমনি মুহূর্তে কৃষি সমবায় ব্যবস্থাপনার উপর এই জাতীয় সেমিনার অনুষ্ঠিত হতে যাচ্ছে। তাই এই সেমিনারে জালাপ আলোচনা ও সুপারিস সমূহ সমবায় আন্দোলন ও সরকারকে সুস্পষ্ট পথনির্দেশ দিবে বলে আমি বিশ্বাস করি।

এই সেমিনার অনুষ্ঠানের জন্য আর্নুজাতিক সমবায় মৈত্রী সংস্থা, বাংলাদেশ সমবায় ব্যাংক ও বাংলাদেশ সমবায় মার্কেটিং সোসাইটি এবং সমবায় দপ্তর যে সক্রিয় সহযোগিতা প্রদান করেছে তার জন্য বাংলাদেশ জাতীয় সমবায় ইউনিয়নের পক্ষ থেকে কৃতজ্ঞতা জ্ঞাপন করছি।

আমাদের এই সেমিনারে দেশের বিশিষ্ট পুফেশনাল ওয়েপার্ট বিভিন্ন বিষয়ের উপরে লিখিত বক্তব্য পেশ করবেন এবং সেমিনারের বিভিন্ন সেশনের সভাপতিগণ বিভিন্ন বিষয় বস্তুর উপর মূল্যবান সঙ্গিত ভাষন রাখবেন তাহাদের এই সকল লেখা ও ভাষন থেকে সমস্যা সমূহ চিহ্নিত হবে এবং সমাধানের সুপারিশ সমূহ পেশ করা হবে। তাই তাদের এই অবদান কেবল সেমিনারের সাফল্য অর্জনে সহায়তা করবে তা নয়, তথা জাতিকে নতুন পথ দিকদর্শন দিবে। তাই তাদের সবাইকে আমি জানাই আনুরিক ধন্যতা ও অভিনন্দন।

আজকের এই অনুষ্ঠানের প্রধান অতিথি মাননীয় সমবায় মন্ত্রী ক্যাপ্টেন (অবঃ) আবদুল হালিম চৌধুরী কেবল মন্ত্রী নন, তিনি একজন আদর্শ সমবায়ীও তাহারই নেতৃত্বে সমবায় এক নতুন রূপ রেখা গুর্নীত হতে চলছে। যুগ উপযোগী সমবায় আদর্শ ভিত্তিক আইন প্রনয়নের কাজ শুরু হয়েছে। তার উদ্দেশ্যে জাতীয় সমবায় ইউনিয়ন ও সমবায় মন্ত্রনালয়ের ও সমবায় দপ্তরের সমন্বয় ও সক্রিয় সহযোগিতা বৃদ্ধি গেয়েছে। সরকারী ও বে-সরকারী সমবায়ের গোলক ধা ধা থেকে সমবায় আন্দোলন নিষ্কৃতি পেতে চলছে। সমবায় আন্দোলনের জন্য এটা অবশ্যই শূত হংগিত। তাই বাংলাদেশ জাতীয় সমবায় ইউনিয়ন ও সমবায় আন্দোলনের পক্ষ থেকে মাননীয় সমবায় মন্ত্রীকে আনুরিক কৃতজ্ঞতা জানাই।

আমি আবার শেষ বারের মত মহতি উদ্বেধনী অনুষ্ঠানে আগনাদের উপস্থিতির জন্য আনুরিক ধন্যবাদ জানাই এবং এই সেমিনারকে সাফল্য মন্চিত করে তোলার জন্য সকলের সক্রিয় সহযোগিতা কামনা করছি।

এই সেমিনার অনুষ্ঠানের ব্যাপারে সেমিনারের সহ-পরিচালক ও সেমিনার সেক্রেটারিএটোর কর্মকর্তা ও সমবায় কর্মচারীবৃন্দ নিষ্ঠার সাথে যে অল্পানু পরিশ্রম করেছেন এবং তার জন্য ও আমি তাদের সকলকে ধন্যবাদ জানিয়ে আমার বক্তব্য শেষ করছি।

বাংলাদেশ জিন্দাবাদ,  
সমবায় আন্দোলন জিন্দাবাদ,  
আর্নুজাতিক সমবায় মৈত্রী সংস্থা জিন্দাবাদ,  
কে, আলম/ খোদা হাফেজ।

- ১। জাতীয় কৃষি, বানিজ্য ও অন্যান্য অর্থনৈতিক নীতি সমূহের পরিপ্রেক্ষিতে গ্রামীণ সাংগঠনিক কাঠামোর মধ্যে কি কি অসংগতি রহিয়াছে এবং এই পরিপ্রেক্ষিতে কৃষি সমবায় সমিতিগুলো কি কি সমস্যার সম্মুখীন হচ্ছে এবং সেই সকল সমস্যা সমূহের সমাধানের পথ কি ?
- ২। কৃষি সমবায়কে পুনর্গঠন পূর্ববিন্যাস করে অর্থনৈতিক ক্ষেত্রে সুযুৎস সম্পূর্ণতা অর্জনের জন্য কি কি জাতীয় নীতিমালা গ্রহণ করা উচিত ?
- ৩। অধিক খাদ্য ফলাও অভিযানকে সফল করে তোলার জন্য কৃষি সমবায় সমিতিগুলোর উদ্দেশ্য ও ভূমিকা কি হওয়া উচিত ?
- ৪। সমবায় অর্থনৈতিক ও সামাজিক উন্নতির জন্য, সমবায়কে শক্তিশালী সংগঠন হিসাবে গড়ে তোলার জন্য, সমবায়ের মাধ্যমে মানুষের কল্যানের জন্য এবং কৃষি সমবায় সংগঠনগুলোর ভূমিকা কি হওয়া উচিত ?
- ৫। কৃষি সমবায় আন্দোলনের সাংগঠনিক কাঠামো কি হওয়া উচিত ? বিশেষ করে সমবায় সাংগঠনিক পর্যায়ের/সমন্বয় ও সরকারী বে-সরকারী প্রতিষ্ঠান সমূহের সংগে সমবায় সংগঠনের কার্যক্রমের সমবায় সাধন বিষয়ে ।
- ৬। কৃষকদেরকে উন্নয়ন পরিকল্পনায় অংশ গ্রহণের জন্য ও উন্নয়ন কার্যক্রমে উৎসাহিত করার জন্য সমবায়ের পরিকল্পনা ও সংগঠনের রূপরেখা প্রনয়নে কি পদক্ষেপ গ্রহণ করা উচিত ?

17.2.81.

Group work on Management of Agricultural Cooperatives.

- (1) List and discuss different management problems facing Cooperative Managers in Bangladesh. Suggest and recommend steps to be taken to solve some of the most urgent problems.
  
- (2) Kindly also discuss the present status of planning in the Cooperative Sectors on different levels and suggest ways for improvements.



LECTURE NO.5 : Agricultural marketing

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1. What are the problems for organisation and development of cooperative marketing structure in the country in the context of the recent development in South East Asian Region and other developed countries of the modern world.
2. Why the Bangladesh Samabaya Marketing Society Ltd., with its network of CCMPs and UCMPs failed to develop marketing structure in the country and extended support for smooth functioning of credit cooperative societies to provide incentive for increased agricultural production.
3. Do you think the TCCAs organised for development of coop. marketing structure have been successful ?
4. Do you think that coordinated efforts between CCMPs & TCCAs, UCMPs and KSSs under the guidance of National Co-op. Marketing Society can build up a self-imposed discipline for organised cooperative marketing to support the agricultural cooperatives.
5. Do you think that there exist any underline conflicts in the way of development of cooperative marketing structure that need be attended immediately ?
6. What should be the govt. policy for development of co-op. marketing structure through the existing net-work of coops.

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3 Group discussions on Management of Agricultural Co-operatives.

The discussion was held under the chairmanship of Dr. Abdus Sattar, Director-General, IRDP. It was centered mainly on identifying the management problems of primary cooperatives and suggesting recommendations. The problems identified and recommendations suggested are as follows :

- (1) The Primary Cooperatives are not economically viable. This viability is not even the objective of either the IRDP - KSS or the departmental Cooperatives. Again, the primary cooperatives are found to be mono-functional and mainly credit oriented. It was recommended that to make these cooperatives viable there is need for starting multiple and income generating functions. It was also recommended that all the inputs delivered from the public sector to the rural sector should be channeled through these primary Cooperatives.

The Chairman of the session suggested that to make each of the Primary Cooperatives economically viable there is need for (a) office (b) Paid Manager (c) resources to operate at least one year without outside assistance (d) business activities. All the participants accepted these ideas except point (c) which they felt would be difficult in the context of Bangladesh.

- (2) Although Cooperative as a sector of development is mentioned in the Constitution but in practice this sector is not fully utilised. There is tendency to utilise private sector in place of Cooperatives. In the absence of support, policy of Government and right environment the primary cooperative cannot develop themselves into well managed organisations. It was recommended that there is need for clear-cut state policy for the development and utilisation of the Cooperatives.
- (3) Although the Primary Cooperatives of IRDP and that of Cooperative Department have got some objectives yet there is conflict and duplication of activities in these two organisations. It was recommended that there is need for integration of their activities under a unified cooperative system. For this IRDP, Co-operative Department and Bangladesh Samabaya Bank Ltd. should work in unified way.

- (4) Cooperative Banks meant for distributing credit to the Cooperatives are not given due importance and the tendency is to use the commercial banks for this purpose. It was recommended that wherever available the Cooperative Banks should be utilised for channeling credit to the cooperators.
- (5) Cooperative Acts and Rules are complicated and there is lot of bureaucratic control which do not help to develop democratic cooperative movement. For this the Acts and Rules should be made simple. Bureaucratic control should be reduced to the minimum. For simplification of acts and Rules it was suggested to look into the simple procedures of workings of pre-cooperative activities of BRAC, MCC, PROSHIKA, ASSAD which are providing good service to the rural poor.
- (6) Cooperative education as well as management training is very much neglected. In its absence the general members of primary cooperatives remain in the dark and the Managers can not manage the Societies properly. It was suggested that like other developed Cooperatives the Bangladesh Jatiya Samabaya Union and Palli Unnayan Federation should take up this training activities and there should be comprehensive arrangement for providing general and specialised cooperative training.
- (7) Managers of Primary Cooperatives are to do lot of functions. But they are expected to do this job on voluntary basis. The system of 1% commission paid to the managers on realisation of IKOP Credit is too minimum. In the absence of any financial assistance the managers do not get initiative to work for the Cooperatives. It was suggested that the Managers of all Primary Cooperatives should be provided with some financial incentive and that would be possible only after making the primary cooperatives financially viable.
- (8) Varieties of rates of interest, delays and complicated procedures in getting the credit affects as constraints for smooth functioning of cooperatives. It was observed that farmers are ready to pay even higher rates of interest if services are available and credit is available easily. It was recommended to find out simplified procedure and quick delivery of credit.
- (9) Some Government officers do not like to understand cooperative way of development. Again, some have pre-conceived notions against cooperatives, for which they work against cooperatives or do not support cooperatives. It was recommended to change their outlook by proper training and motivation.

ISSUES FOR GROUP DISCUSSIONS ON LECTURE No. 3

- (1) What are the problems encountered by the Agricultural Cooperatives in relation to national policy and ground structure ?
- (2) What should be the Government policy on organisation and development of Agricultural Cooperatives ?
- (3) What should be the objectives and role of primary/secondary/National level Agricultural Cooperative Organisations in agricultural production to improve -
  - (a) Economic Condition and social status of individual members;
  - (b) to re-organise and strengthen the activities of the organisation;
  - (c) to provide Community Services and
  - (d) to build up self-reliant national economy.
- (4) What should be the organisational structure of the Agricultural Cooperatives in the country with special reference to :
  - (a) Integration of Institutions and Organisations;
  - (b) Integration of services(Cooperatives & Government) at different levels.
- (5) What should be the process of planning and organisation for agricultural production through cooperative action and ensure participation of farmers.
- (6) What should be the incentives for cooperative action for agricultural production ?

ISSUE FOR DISCUSSION ON LECTURE No.4

1. Do you think that the National strategy on agricultural development is conducive for growth and development of Agriculture Cooperatives ?  
If not, what should be the national policy for growth and development of agriculture cooperatives.

ISSUE FOR DISCUSSIONS ON LECTURE No.4

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RECOMMENDATIONS MADE BY THE ICA/BJSU NATIONAL SEMINAR ON  
" MANAGEMENT OF AGRICULTURAL COOPERATIVES " ON THE PAPER  
PRESENTED BY MR. S. A. SAFDER ON " A REVIEW OF AGRICULTURAL  
COOPERATIVES IN BANGLADESH - PROBLEMS AND PROSPECTS"

The Seminar discussed a number of points on management and operational aspects. For the sake of brevity, elaborate discussions on these questions have not been given here. Only the recommendations have been stated.

- (1) The seminar discussed the question of linking up the marketing, processing and distribution efforts with the credit operation through cooperatives. In this regard the seminar strongly recommended that the marketing of the agricultural produce should be done through TCCAs and Bangladesh Samabaya Marketing Society Ltd.
- (2) The seminar felt that all of the agricultural inputs must be distributed through Cooperatives in order to make the Cooperatives economically viable and to support the " Grow More Food Programme" of the nation.
- (3) The participants of the seminar suggested that all types of Cooperatives including IRDP should receive their credit from the Bangladesh Samabaya Bank Ltd. This would help in strengthening the cooperative credit structure.
- (4) The seminar discussed the question of the de-departmentalization of the Cooperative Credit system. The participants felt that the lengthy process of credit operation should be removed. The Cooperative Societies may be made free from the dual administration, and they should be allowed to operate independent.
- (5) The seminar emphasised the importance of mobilising rural resources through Central Cooperative Banks. In this regard, the participants felt that there is a need for creating confidence among the members of the Cooperatives that the deposits are withdrawable on demand. The general members may be motivated with the help of members of the Managing Committee to avoid expenses on unessentials and thus to divert the surplus money to the cooperatives as savings deposits.
- (6) Regarding the Central Cooperative Multipurpose Society, it was suggested that the CCMPs should be allowed to operate as a marketing institutions at the secondary level, and the Bangladesh Samabaya Marketing Society Ltd. shall work

- (7) The participants expressed their views that there should be an uniform Cooperative at the primary level in the same sector in order to avoid duplication and overlapping of efforts.
- (8) It was opined that through motivations, training and general education it may be possible to reduce significantly the influence of vested interest group in the Cooperatives.
- (9) The Seminar was of the opinion that the Registrar of Cooperative Societies should be entrusted with the task of regulatory functions, viz., audit and inspection, rather than involving him in the management and implementation.
- (10) The Seminar noted that the members' education, training and motivational aspect of the Cooperative Movement should be entrusted to the BJSU and the District Cooperative Unions. TDC shall also be used to impart training to the Cooperative Members.

It was also recommended that every apex level organisation should have its own Specialised Training Institute.
- (11) It has been suggested that all of the officials of the different Government Departments should be trained in the BARD so that they can acquire a first-hand knowledge of rural development and cooperatives.
- (12) The Seminar strongly recommended that the Registrar of Cooperative Societies should be appointed from the specialised profession, rather than from the cadre service.
- (13) The participants of the Seminar expressed their views that since cooperative is a democratic organisation the powers of the Registrar of Cooperative Societies should be curtailed, it would be possible to give full effect of the democracy in Cooperative Societies.
- (14) The scope of activities and objectives of the Cooperative Land Mortgage Banks may be further widened to be of greater assistance to agricultural development of the country and these should be developed in the lines of Land Development Banks of India and these may be given the facility also to

NATIONAL SEMINAR ON MANAGEMENT OF AGRICULTURAL COOPERATIVES.  
DACA (DHAKA) 15th to 20th February, 1981.

SEMINAR CONCLUSIONS & RECOMMENDATIONS.

1. Bangladesh Jatiya Samabaya Union (BJSU) and International Co-operative Alliance, Regional Office and Education Centre for South-East Asia (ICA ROEC) New Delhi, organised jointly a National Seminar on "Management of Agricultural Cooperatives" from 15th to 20th February, 1981.
2. The participants were from Co-operative Organisations and Governmental organisations concerned with Cooperatives. In all there were 30 participants. Resource persons came from ICA ROEC, BJSU, Bangladesh Samabaya Bank Ltd. (BSBL), Bangladesh Samabaya Marketing Society Ltd. (BSMS), Integrated Rural Development Programme (IRDP) Bangladesh Academy for Rural Development (BARD) and Ministry of Planning, Government of Bangladesh.
3. The Seminar consisted of different lectures, group discussions and plenary discussions. The programme included sessions on a Review of Agril. Cooperatives in Bangladesh, Principles of Management, Increasing Agril. production through Cooperatives, Role of Government in assisting Agricultural Cooperatives, Agricultural Co-op. Marketing, Supply of Agril. Inputs through Cooperatives and Development of Managerial Cadre for Agricultural Cooperatives.
4. An important part of the Seminar was Group Discussions and the Seminar took full advantage of the opinions and ideas given by the different Resource persons.
5. The Honourable Minister for Cooperatives Capt. (Retd) Abdul Halim Choudhury inaugurated the seminar which was held at the Bangladesh Insurance Academy Auditorium. Mr. Lutfur Rahman M. I. Vice-Chairman, BJSU presided over the inaugural session which was also addressed by Mr. Golam Ali Quaderi, General Secretary, BJSU. Mr. Mr. Khandker Delwar Fossain, M. I. Vice-Chairman, BSBL,



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Mr. A. Z. M. Nasiruddin, Registrar of Co-op. Societies, Bangladesh,  
Mr. Per-Eric Lannhagen, ICA and Mr. A. K. M. Zahirul Haque of BJSU.

6. Seminar director was Mr. Per-Eric Lannhagen, specialist in Agril. Co-operative Marketing, ICWCEL and Mr. A. K. M. Zahirul Haque, Chief Executive Officer, PSJU was the Co-ordinator.
7. The following conclusions and recommendations were unanimously adopted by the participants at a final plenary session of the seminar on 23th February, 1981. The conclusions fully took into account the ideas and suggestions formulated during the group-discussions and plenary sessions.

Group discussion No. 1 : A review of Agricultural  
Cooperatives in Bangladesh-  
Problems and Prospects.

- (1) The seminar discussed the question of linking up the marketing, processing and distribution efforts with the credit operation through cooperatives. In this regard the seminar strongly recommended that the marketing of the agricultural produce should be done through TCCA's and Bangladesh Samabaya Marketing Society Ltd.
- (2) The seminar felt that all of the agricultural inputs must be distributed through Cooperatives in order to make the Cooperatives economically viable and to support the " Grow More Food Programme" of the nation.
- (3) The participants of the seminar suggested that all types of Cooperatives including IFDI should receive their credit from the Bangladesh Samabaya Bank Ltd. This would help in strengthening the cooperative credit structure.
- (4) The seminar discussed the question of the de-departmentalization of the Cooperative Credit system. The participants felt that the lengthy process of credit operation should be removed. The Cooperative Societies may be made free from the dual administration, and they should be allowed to operate independently.
- (5) The seminar emphasised the importance of mobilising rural resources through Central Cooperative Bank. In this regard, the participants felt that there is a need for creating confidence among the members of the Cooperatives that the deposits are withdrawable on demand. The general members

The general members, may be motivated with the help of members of the Managing Committee to avoid expenses on unessentials and thus to divert the surplus money to the cooperatives as ~~xxxx~~ savings deposits.

- (6) Regarding the Central Co-operative Multipurpose Society, it was suggested that the CCMS should be allowed to operate as a marketing institutions at the secondary level, and the Bangladesh Samabaya Marketing Society Ltd., shall work as their Apex Marketing Organisation.
- (7) The participants expressed their views that there should be an uniform Co-operative at the primary level in the same sector in order to avoid duplication and overlapping of efforts.
- (8) It was opined that through motivations, training and general education it may be possible to reduce significantly the influence of vested interest group in the Cooperatives
- (9) The seminar was of the opinion that the Registrar of ~~Co~~ Co-operative Societies should be entrusted with the task of regulatory functions, viz. audit and inspection, rather than involving him in the management and implementation.
- (10) The seminar noted that the members' education, training and motivational aspect of the Cooperative Movement should be entrusted to the BJSU and the District Cooperative Union. TIDC shall also be used to impart training to the Cooperative Members.  
It was also recommended that every apex level organisation should have its own Specialised Training Institute.
- (11) It has been suggested that all of the officials of the different Government Departments should be trained in the B/RD so that they can acquire a first-hand knowledge of rural development and cooperatives.
- (12) The Seminar strongly recommended that the Registrar of Cooperative Societies should be appointed from the specialised profession, rather than from the cadre service.
- (13) The participants of the Seminar expressed their views that since cooperative is a democratic organisation the powers of the Registrar of Co-operative Societies should be curtailed, it would be possible to give full effect of the democracy in Cooperative Societies.

- (14) The scope of activities and objectives of the Cooperative Land Mortgage Banks may be further widened to be of greater assistance to agricultural development of the country and these should be developed in the lines of Land Development Banks of India and these may be given the facility also to federate into a national apex Land Development Bank.

Group discussion No.2 : Principles of Management.

- (1) The Primary Cooperatives are not economically viable. This viability is not even the objective of either the IRDP-ASS or the departmental Cooperatives. Again, the primary cooperatives are found to be mono-functional and mainly credit oriented. It was recommended that to make these cooperatives viable there is need for starting multiple and income-generating functions. It was also recommended that all the inputs delivered from the public sector to the rural sector should be channeled through these primary Cooperatives.
- It was recommended that to make each of the Primary Cooperatives economically viable there is need for (a) office (b) whole time Secretary/Manager (c) credit Banking and Marketing operation (d) An action plan/programme to become self reliant within 5 years.
- (2) Although Cooperative as a sector of development was mentioned in the Constitution but in practice this sector was not fully utilised. There was tendency to utilise private sector in place of Cooperatives. In the absence of support, policy of Government and right environment the primary cooperatives cannot develop themselves into well managed organisations. It was recommended that there is need for clear-cut state policy for the development and utilisation of the Cooperatives.
- (3) Although the Primary Cooperatives of IRDP and that of Co-operative Department have got similar objectives yet there was conflict and duplication of activities in these two organisations. It was recommended that there was need for integration of their activities under a unified cooperative system. For this IRDP, Cooperative Department and Bangladesh Samabaya Bank Ltd., should work in unified way.
- (4) Cooperative Banks meant for distributing credit to the Cooperatives were not given due importance and the tendency was to use the commercial banks for this purpose. It was recommended that wherever available the Cooperative Banks should be utilised for channeling credit to the cooperators where there is no Central Co-op. Banks, ~~xxxxxx~~ Steps be taken

Steps be taken to organised Central Cooperative Banks at the earliest possible time.

- (5) Cooperative Acts and Rules were complicated and there was lot of bureaucratic control which do not help to develop democratic cooperative movement. For this the Acts and Rules should be made simple. Bureaucratic control should be reduced to the minimum. With this end in view the following amendments are recommended:-
- (6) Cooperative education as well as management training was very much neglected. In its absence the general members of primary cooperatives remain in the dark and the Managers cannot manage the Societies properly. It was suggested that like other developed countries the Bangladesh Jatiya Samabaya Union, District Cooperative Union and other members of Bangladesh Jatiya Samabaya Union should take up this training activities and there should be comprehensive arrangement for providing general and specialised cooperative training. Government should encourage & help to implement the education programme of Bangladesh Jatiya Samabaya Union covering all sectors.
- (7) Varieties of rates of interest, delays and complicated procedures in getting the credit affects as constraints for smooth functioning of cooperatives. It was observed that farmers were ready to pay even higher rates of interest if services were ~~not~~ available and credit was available easily. It was recommended to find out simplified procedure and quick delivery of credit.
- (8) Some Government Officers do not like to understand cooperative way of development. Again some have pre-conceived notions against cooperatives, for which they work against cooperatives or do not support cooperatives. It was recommended to change their outlook by proper training and motivation by the Bangladesh Jatiya Samabaya Union in a phase-manner.

Group discussions No.3 : Marketing of agricultural production through cooperative

It was observed that due to lack of unified Cooperative policy of the government, Co-operative Movement could not achieve a significant progress. The group felt that to overcome the existing weakness in the prevalent cooperative system, there was a need for change in the existing cooperative structure. It was strongly recommended that throughout Bangladesh a uniform cooperative at all levels starting from the national

national to the grassroot level should be introduced. Under the uniform system the Registrar of Co-op. Societies should be confined to only regulatory function, and the promotion, development and extension activities needs to be assigned to the Apex level agricultural cooperative sector under the guidance and supervision of the Bangladesh Jatiya Samabaya Union. The TCCA/<sup>TSB</sup> should be assigned with banking functions, CCMPS should be involved in its existing function viz marketing. UCMPS shall be involved in the marketing function only. Village Multipurpose societies should be introduced at the grassroot level. Each village Cooperative Societies should have one cooperative store. Central Co-op. Bank should carry on its functions as before. The group also suggested that all officials of all Ministries should have knowledge about cooperative and as such they should be trained by BARD & BJSU

Group No. 4 : Role of Government in assisting  
Agricultural Cooperatives.

1. It was observed that in the name of agricultural development and protection to the growers, the national policy was misapplied which actually was detrimental to grow the agricultural cooperatives and growers community as a whole. It was observed that distribution of fertilizers through private dealers and commercial firms instead of cooperatives formed by the rural people has created two fold anti growers elements: (1) Producers were to buy production inputs at higher cost and sell their surplus at a lower price. These two elements were the important factors in the percentage of landless farmers, marginal farmers and small farmers for which not only our country but others as well.
2. The Seminar therefore recommends that all agricultural inputs supply and services for public bodies should be channeled through an organised cooperatives. All kinds of agricultural produce that was marketable should be procured and distributed through cooperative societies.
3. The Seminar observed that the members of the IRDP organised cooperatives were enjoying much more facilities in respect of interest on loan; supply of fertilizers, seed and agricultural implements; than that of the members of the traditional cooperatives. It was therefore recommended that equal treatment and facilities should be offered in all spheres of activities of all cooperatives if required through amendment of Laws and Co-op. Act and Rules for healthy growth of cooperative development and also for improvement of agricultural production in the country.
4. The Seminar feel that Women Cooperatives should be equally treated with that of general cooperatives irrespective of Traditional Cooperatives and IRDP organised cooperatives.

Group discussion No.5 : Agricultural Cooperative Marketing.

1. It was observed that the economic and commercial policies pursued by the Government was not at all conducive for growth and development of appropriate Marketing structure in the country. Furthermore, due to concentration of wealth in the hands of a few, persons of moderate means and small means were not at all capable of competing with the existing private Enterprises. The seminar also observed with great anxiety that the nation has to pass serious disturbances, uncertainty and swallow the pills of inflation, economic backwardness and even the breakdown of political system, insecurity and instability of political, social and economic life, in spite of growth and development in totality. In order to avoid such situation in future it was an urgent need of the moderate and small means for groups action on Cooperative basis to compete with private sector in all economic fields and for that the national Govt. must come forward to the aid of Cooperatives to organise and run a well designed and well planned network for agricultural produce and supply and services of agricultural inputs. It was observed that steps were taken to develop a cooperative marketing structure during pre-liberation period but the programme was abandoned after liberation. New efforts were undertaken to develop marketing structure through the TCCA but these efforts have not met with success.
  
2. It is observed that the BSMS Ltd. was organised during pre-liberation period to build up cooperative marketing structure to create outlet for marketing of agric. output of members of agricultural cooperative organisations but after liberation the management of the BSMS made a departure from the original stand and started procurement of consumer goods to fake cooperators and cooperatives under political shelter which breed rampant corruptions in the market and earned bad name for cooperatives. Utilisation of co-operative by political elements for political purposes instead of promoting the causes of cooperatives has made the future of cooperative all the more bleak. Moreover, administration of Cooperative by Government appointed managing committee and deputed Govt. officials the sense of belonging to the organisation by the members has been shaken. The Society did never manage the affairs of the Cooperatives in a scientific and rational manner and as a result it sustained huge losses on various accounts, though earned considerable profits on consumer goods and could not pay any dividend to the members. The society did not

The society did not undertake marketing of agric. produces excepting a few items, in an organised and planned manner. The society did not maintain any significant organised marketing information and intelligence, nor could it motivate producer-members through the existing network to undertake marketing of agricultural produce by the society due to absence of proper and trained manpower and physical facilities e.g. storage (at grower's level), transportation, processing and credit facilities.

This Seminar recommend that the Government should provide loans and grants to the national marketing society to organise a nation-wide network of marketing structure involving agric. Cooperatives specially for the following purposes.

- i) At Gram Samabaya Level- mini/moderate agricultural stores and undertaking of grading function.
  - ii) At UCMPS level- provision of moderate agricultural stores
  - iii) At Thana level- transportation and processing units and appropriate storage facilities;
  - iv) At Sub-Divisional level- to set up agro-based industries e.g. cold storage, warehouses etc.
  - v) At National level- (a) to set up cooperative fertiliser factory, insecticides (b) farm, equipment manufacturing (c) to distribute food and non- food items of agricultural produces from surplus of deficiate areas (d) processing of food items (e) Export of agricultural commodities.
3. It was observed that the marketing efforts by TCCA at different places under IRDP (in a limited way) having no co-ordination or allegiance to the BSMS Ltd. and other marketing cooperative organisations and agricultural societies in operation could not succeed, rather advertisement were found in the Newspapers for disposing rice milling projects and other units. Though a rosy picture was shown to the Government but in practice and reality the cost elements of these stocks procured from farmers were so high that marketing faction could not be carried on without sustaining loss. These TCCAs may be assigned the tasks of marketing in a restricted way under the supervision of BSMS Ltd. rather than IRDP Management.



4. In the context of the past experience and recent developments of Co-operative marketing efforts undertaken both by BSMS and TCCAs this seminar recommends that the IRDP marketing device should be entrusted to the BSMS Ltd. and TCCAs be affiliated to them for their marketing operation at thana level and COMPS be allowed to operate at Sub-divisional level, UCMPs at union level and Gram Samabaya at gram level. This will help Bangladesh Samabaya Marketing Society Ltd. to develop a self-reliant discipline and national structure for cooperative marketing.
5. Dealing of public sector with private sector instead of cooperative sector defying national policies and strategies and constitution was the cause of underlying conflicts between the strategy and ground structure which was detrimental to the interest of the peasant of the soil and this need to be attended on an emergent basis.
6. The Government policy and strategy should be to make fuller utilization of the proposed co-operative network to reorganise and strengthen their activities to achieve the objectives of the green revolution.

GENERAL RECOMMENDATIONS:

1. It was recommended by the Seminar that the Government would be requested to change the existing Cooperative Acts and Rules being it a colonial one and not suitable to serve the purpose of development of cooperative movement for an independent nation. The powers and functions of the Registrar of Co-Operative Societies with regard to regulatory functions be vested with National Co-Op. Union i.e. BJSU in respect of all National and Secondary Societies and to District Co-Operative Union with regard to Primary Cooperative Societies.
2. With that end in view it was further recommended that the management of the BJSU would be requested to form a high-powered Sub-Committee with representatives of Apex Co-operative Organisations & two nominees ; one from Registrar of Co-Op. Societies and the other from the Director General IRDP with a request to submit their proposal for necessary amendments in the Co-Operative Acts and Rules in the line of the above recommendations.
3. The Seminar observed that Executive and employees of the Apex, Secondary and Primary Societies did not have any service rules as a result of which they were not getting any security and incentives for promotion and development of Co-Operative Organisations. In order to get rid of this situation the seminar recommend that BJSU should frame a model Service Rules for employees of all cadres of National, Secondary and primary Societies which should be made binding to abide by all Cooperative Organisations.
4. The Seminar also recommended that the BJSU should organise to build up a service cadre with elected representatives to work for promotion and development of Co-Operative Movement in different sectors as leaders of the movement on remuneration basis on certain terms and conditions and for that it was felt necessary that BJSU should frame necessary

necessary rules and regulations to contact the services of Co-Operative Service cadre.

In conclusion all participants expressed their sincere appreciation for all the facilities which had been provided by the Seminar Organisers which had enabled the objectives of the Seminar to be fully achieved and marked significant progress in the efforts of the Co-Operatives in Bangladesh to improve their status and the well-being of their members.

Speech: by Chairman, Bangladesh Samabaya Marketing Society Ltd.  
at the inaugural session of the National Seminar on "Management  
of Agricultural Co-operatives" held on 15.2.1981.

I am grateful to the organisers of the Seminar for the honour done to me by inviting me to say something at this inaugural session. The Seminar is on a subject which has great significance for development of the rural economy of the country. But I must say that my knowledge and experience of the subject is very limited. I was a member of the Civil Service, but I did not have any opportunity during my service life to work in the co-operative field. My association with the co-operatives dates from June, 1979 when I was called upon to perform the duties of Chairman, Bangladesh Samabaya Marketing Society Ltd. Whatever observations I make here will therefore be based on the experience I have gained by working in this organisation.

Bangladesh Samabaya Marketing Society Ltd. was registered as an apex society in 1961. Both Central and Primary Societies could be its member. By 1963, 48 Central Societies and 22 Primary Societies become its member. From March 1980, the number stood at 161 central and 2,068 ~~primary~~ primary.

With the establishment of the Bangladesh Samabaya Marketing Society Ltd. as an apex society a 3-tier structure of Marketing Societies was created. The main objective of this Society was to organise and promote working of the agricultural co-operative marketing societies in the country. It was intended that it would undertake marketing functions, procure and distribute farm requisites, agricultural inputs and consumer goods and perform all other related functions in co-operation with the member societies. A study of its past performance indicate, however, that the objectives remained more or less unfulfilled.

From the study I have made I am led to think that agricultural co-operative marketing system suffers from all kinds of problems, organisational, functional, financial, administrative and legal. This inaugural session is not the forum for discussion of different issues, but I would make a brief mention of some of them for illustration.

During 1977-78, Bangladesh Samabaya Marketing Society Ltd. undertook marketing of a variety of agricultural produce. But as no member societies came forward for collaboration, purchases were made mostly from the private trade. For lack of proper business and financial planning and due to malpractices on the part of some of the employees and agents the society suffered substantial losses. This Society owns a number of Rice Mills and Cold Storages but here also, for a variety of reasons, these units could not be run efficiently and profitably.

In the Bangladesh Samabaya Marketing Society Ltd., most of the employees were recruited unmethodically and had no business background. They were also not properly trained after recruitment. Even these employees who were entrusted with the care of stocks in storages, had scant knowledge of principles of storage.

Shortage of storage and transport facilities is acute.

Prompt decision making is vital for business but under the co-operative laws, rules and procedure decision making is a slow process. Power and authority is more or less centralised and there is much emphasis on accountability but very little on positive or promotional aspects of business.

Efforts made from time to time to enlist the co-operation of the member societies in marketing operations have not succeeded. Organisational and financial problems of the members societies seem to be the main hurdles.

It is apparent that the Co-operative Societies in the agriculture sector have not yet developed as a co-ordinated structure. The 3-tier co-operative system roughly corresponds to the 3-tier rural markets, that is, primary, secondary and terminal, existing in the private sector. But unlike the private sector, there is hardly any inter-society business in agricultural produce. If the co-operative marketing societies are to play an effective role in the marketing of agricultural produce of the farmers, the Societies should be functionally linked together. With the increase in production of food and other crops for which massive efforts are being made now-by, the farmers are likely to be faced with the problem of lower prices and unless co-operative marketing sector plays an effective role, they will be completely at the mercy of the private trade whose norm of behaviour is well-known.

To my mind, inter-linking of the co-operative societies dealing in agricultural produce may be done in a manner whereby purchases and sales of surplus stocks of the producer members are taken care of by the primary and central societies and the apex society concerns itself with the marketing of surplus stocks of the central societies and in special cases of the primary societies. For this purpose the apex society may build and maintain modern storages in important terminal and distributing markets and effectively compete with the big traders in those markets. The apex society should render advisory, financial, technical and managerial services to the member societies. The responsibility for establishing and running processing units in the agricultural co-operative sector may be specifically allotted to the Apex Society. In policy matters, the Apex Society may be a link between the member-societies and the Government.

For achieving any measure of success in agricultural marketing in the co-operative sector, I think, particular attention should be paid to strengthen the societies, specially the primary societies, organisationally and financially. One of the ways of doing so would be to involve them in the government procurement operations. I would go a little further and suggest that a specific role may be assigned to the co-operative sector in the fields of internal trade, price support operations, exports, distributions of agricultural inputs and the like. Government support, patronage and assistance in these fields are in fact, essential for co-operative marketing.

I do not like to make my talk lengthy. The participants will certainly identify the problems and deliberate on all issues and make fruitful contributions to the solution of the problems, under the able guidance of the ICW Specialist and the resource persons.

However, before concluding my talk, I would like to suggest that a high level Representative Committee may be constituted to make a thorough study and evaluation of the working of the co-operative marketing societies and make appropriate recommendations for solutions of the problems and for strengthening and developing the societies to enable them to perform their expected role in the country's economy.