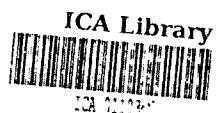
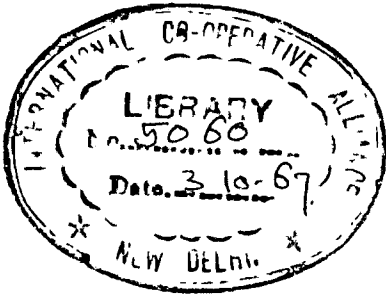


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REVIEW OF INTERNATIONAL COOPERATION



VOL.59 No. 1... JANUARY 1966

THE INTERNATIONAL COOPERATIVE ALLIANCE

was founded in London in 1895, as an association of national unions of cooperative societies which seek to promote a non-profit system of production and trade, organised in the interests of the whole community and based upon voluntary and mutual self-help.

It comprises organisations in every continent, and its total affiliated membership through national organisations exceeds 200,000,000. The consumers' movement accounts for about half the membership, the other half consisting of agricultural, credit, workers' productive, artisanal and fishery societies.

Its purpose is to propagate cooperative principles and methods and to promote friendly and economic relations between cooperative organisations of all types, both nationally and internationally.

It promotes, through auxiliary trading, banking and insurance organisations, direct commercial and financial relations between cooperative enterprises in different countries so as to enable them to exert on the world market, as well as at home, an influence beneficial at once to consumers and primary producers.

It convenes international congresses, furthers the teaching and study of cooperation, issues publications and research data, and collaborates closely with the United Nations as well as with voluntary and non-governmental international bodies which pursue aims of importance to cooperation.

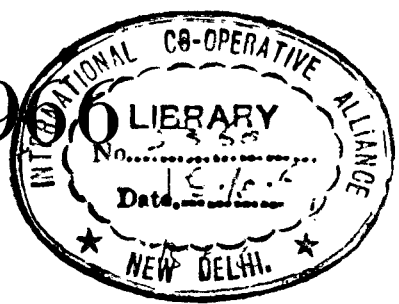
Within the United Nations it enjoys the right to participate in the work of the Economic and Social Council as a Category "A" member.

Its official organ is "THE REVIEW OF INTERNATIONAL COOPERATION" published bi-monthly.

The study of international Cooperation takes place under the auspices of the "Henry J. May Foundation", the Permanent Centre of International Cooperative Study.

The ideological work of the Alliance also finds expression in the annual celebration in July of International Cooperative Day.

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NEW YEAR MESSAGE

JAWAHARLAL Nehru, one of the greatest statesmen of our time, suggested that the year 1965 should be proclaimed as the Year of International Cooperation. This constructive idea was universally welcomed and accepted by the General Assembly of the United Nations.

But when we now look back on the year just passed, there is cause for deep and bitter disappointment. India and Pakistan went to war over Kashmir. The civil war in Vietnam escalated to a level where it threatened to set the whole of South East Asia ablaze with inherent ominous consequences for world peace. The tension between China and India increased. The conflict between Indonesia and Malaysia was aggravated. In Africa Portugal's colonial policy of oppression continued. The Verwoerd regime in South Africa developed still further its inhuman apartheid-system. And last but not least; the independence declaration of Rhodesia created an explosive atmosphere in the whole of central and east Africa.

The very precarious balance of terror built up by the two superpowers, U.S.A. and U.S.S.R., through their stockpiling of nuclear arms in quantities sufficient to eradicate all human life has — *mirabile dictu* — so far prevented local conflicts from developing into a world war. But such a system of "peaceful co-existence" does not in the long run provide

any promise for the future security of mankind. It must be transformed into a world political system, based upon international understanding and collaboration. Before it is too late the superpowers and all other nations must agree to give such support to the United Nations that a real "peaceful co-existence" can be established and maintained. The people of all nations must bring pressure to bear on the leading statesmen of the world to cause them to lay a solid foundation not only for a year, but for a lasting era of international cooperation.

A famous Norwegian author, Arnulf Överland, wrote, shortly after the first world war, a poem which, in four lines, gives the essence of our human intolerance. I quote in the original language:

Mål og Midler

Fire goder er ofre verd:
Sannhet og Frihet og rett og fred.
Men hvad skal vi ofre hverandre med?
Kors eller galge, bål eller sverd?

In a free translation it would run as follows:

Ends and Means

Truth and freedom, peace and justice,
These are worth a sacrifice.
But how shall we offer each other up?
By fire or sword, or cross or rope?

If our civilization and even mankind itself are to survive we must put an end to all forms of human intolerance and the disasters arising from it over the centuries: tribal and racial conflicts, religi-

ous, ideological and national oppression and wars.

The international cooperative movement has, through its own Alliance, pledged itself to work for peace and international understanding across all national, racial and ideological barriers which so tragically still divide our world to-day. Our power to influence directly the policy of the leading statesmen who decide the fate of mankind is very limited. But through our cooperative work, nationally and internationally, we can and must contribute to the constructive efforts now being made to promote economic and social progress, especially in the lesser-developed regions of the world, thus eliminating some of the underlying causes of war.

While we in the industrialised countries, both in the West and the East, have celebrated Christmas and the New Year, spending huge amounts on personal gifts and extra food, millions and millions again of the inhabitants in the poor continents lack the bare necessities of life. While we in the rich countries are paying lip service over and over again to the need for massive assistance to the lesser-developed countries and talking about the sixties as "the development decade", our attempts to eliminate economic and social injustice still remain grossly inadequate. To mention one example only: in Sweden, my own country, we spent this year alone on Christmas gifts and extra goods for the season several times more than the total sum granted for financial and technical assistance. I am not singling out my own country as an example because it acted worse than other rich nations in the West and the East.

In fact, most of our industrialised countries to-day use much less than one per cent of their gross national product

(G.N.P.) for assistance purposes. But they are nevertheless wealthy enough to spend 5 to 10 per cent of their G.N.P. on arms. It has been estimated that such a reasonable amount as $1\frac{1}{2}$ per cent of the yearly G.N.P. of all industrialised countries (both in the West and the East) would be sufficient to provide enough help to selfhelp for the lesser-developed countries to enable them to reach the "take-off-stage" in their economic development programme, thus starting a self-generating process of gradual economic expansion.

Apart from all institutional difficulties in the lesser-developed countries — which gradually must and will be overcome — the question is: Will we in the industrialised countries be able to realise in time that inertia and inaction on our part before the challenge in the present world situation will spell one thing, and one thing only — disaster. In comparison with the suffering caused by the present racial conflicts and local wars, horrible as they are, the catastrophe, which we will have to face in ten to twenty years time, will indeed be a global one. With present trends in food production and population increase, we are threatened by famine in the lesser developed countries on an unprecedented scale, affecting hundreds of millions of people. In its recently published World Food Survey, celebrating the twentieth year of its activity, F.A.O. has made this staggering fact abundantly clear to everyone. F.A.O. has now started work on its World Indicative Plan to illustrate what is the minimum programme for a coordinated world effort to avert or minimise the dangers of the impending global shortage of food. The need for coordinated world action is very urgent.

We all know that the cooperative mo-

THORSTEN ODHE—1892-1965

THE International Cooperative Movement and the Swedish Movement have lost one of their most distinguished members with the death on 12th December last of Thorsten Odhe in his 74th year.

Born at Bjorkang in Sweden in 1892, Thorsten Odhe studied at Gothenburg University. After service in the first world war, he became a journalist, specialising in political and economic affairs. Becoming interested in social problems, he was attracted to the Cooperative Movement, and in 1924 he joined the staff of *Kooperativa Fördandet*, the Swedish Cooperative Union. In 1932 he became editor of the Swedish Cooperative journal *Kooperatören*, a position which he held until 1948 when he was appointed to the newly-created post of Director of the International Cooperative Alliance.

This was perhaps the turning point in Thorsten Odhe's career for which his previous experience had prepared him. Widely travelled, master of several languages, deeply versed in Cooperative history and doctrine and a man of outstanding culture, he brought to his work in the Alliance a deep conviction that Cooperation could solve many of the problems — economic, political and social — with which mankind is confronted today.

vement can make very important contributions towards increased productivity in agriculture, in food production and distribution generally. This is especially the case in the lesser developed countries themselves, from which the main increase in foodstuff production must be derived. In view of this fact, there exists today no more important and urgent task for our movement, nationally and internationally, than assisting in promoting the mutually interrelated economic and cooperative development programmes.

In the New Year our Alliance therefore urges its affiliated national movements to do their utmost to assist in transforming "the development decade" from a catchphrase into a reality. Let us hope that 1966 will mark the beginning of a lasting era of international cooperation.

Maurits Bonow.



Thorsten Odhe

For a year prior to his appointment to the ICA, Mr. Odhe had been seconded from KF to represent the Alliance at the United Nations, where he was able to put the Cooperative point of view before the international councils of the nations. In 1949 he presented the ICA Resolution on World Oil Resources to the Economic and Social Council, and at the Havana Conference on International Trade he made a strong plea for international control of raw materials.

Anti-trust action was in Thorsten Odhe's blood. In his early years he had taken a prominent part in the successful struggle waged by the Swedish Cooperative Movement against private monopoly. This struggle he carried into the international field through the pages of *Cartel*, a journal which he started on joining the Alliance, to make more widely known the practices of monopolies and international cartels which, in his view, operated against the wellbeing of people both nationally and internationally.

After leaving the Alliance in 1951, Thorsten Odhe became special adviser on Cooperation and economic affairs to the Marshall Plan organisation. Subsequently, he returned to KF as head of the research department. His numerous books on economics and Cooperation have been translated into many languages and have become classics for the study of Cooperation throughout the world.

Thorsten Odhe was an excellent *raconteur*. Those who remember him in the old Westminster office of the Alliance will recall many occasions when he talked informally and with great humour of his experiences. He was a delightful person to work with.



In conference

CONSUMER ORIENTATION IN COOPERATIVE TRADING

OBSTACLES AND ACHIEVEMENTS

MORE than 130 cooperators participated in an ICA Consumer Conference in Basle, Switzerland, from October 12th to 15th, 1965. Fourteen countries were represented: Austria, Belgium, Czechoslovakia, Denmark, Finland, France, Germany, Holland, Italy, Norway, Sweden, Switzerland, the United Kingdom and the United States.

The theme of the Conference, "*Consumer Orientation in Cooperative Trading: Obstacles and Achievements*", was developed through the presentation of 22 papers plus lively discussions during plenary sessions. The topics covered included the Action Programme of the Consumer Working Party, Consumer Information in the Shop, the Cooperative Press, Informative Labelling, the Consumer Rôle of Technical Research and Market Research, Cooperative Advertising and Organisational Problems Involved in Consumer Orientation.

The large Festival Hall of the Stadt Casino in which the Conference took

place and also the foyer were decorated with an impressive exhibition of posters, brochures, photographs, charts, labels and packages illustrating the Conference themes. (see pages 32-33)

The Conference was organised by the ICA on the initiative of its Consumer Working Party. Mr. Ch.-H. Barbier, Director of VSK, acted as Chairman for the first day; Mr. Marcel Brot, President of FNCC, was Chairman for the second day; and Dr. Mauritz Bonow, ICA President, presided over the third day's sessions. The Conference was followed by a Press Conference attended by a large number of Swiss and foreign correspondents. On October 15th, participants were invited by VSK to visit either the new Fashion House of ACV, the Basle Cooperative Society, or the regional warehouse at Wangen and Coop Bützberg. On October 13th, they were guests of VSK at a dinner in the Festival Hall.

The origin of the Consumer Working Party of the ICA dates back to the Stock-



Left to right: The Three Chairman, Mr. Barbier, Dr. Bonow, Mr. Brot, with the ICA Director, Mr. Alexander and Research Secretary, Mrs. Stettner



Mr. Ernst Herzog, President of VSK, Switzerland

holm Congress of the International Co-operative Alliance in 1957, at which a resolution was adopted which led to the holding of a conference at Garmisch-Partenkirchen in 1959 on the theme "*The Health of the Consumer*". A further conference, with wider terms of reference was held in Paris in 1962, at which it was recommended that a Work-

ing Party should be set up to enable the ICA to maintain permanent contact with developments on consumer affairs and to assist the Executive in making policy recommendations.

The Consumer Working Party first met in January 1963, being composed of individuals chosen primarily for their interest in and knowledge of consumer affairs, and secondarily for special knowledge of particular aspects. The present members are drawn from ten countries, and are specialists in the fields of physical and market research, consumer research and education, publications, administration, economics, and legislation. The Consumer Working Party commenced its work by reviewing current activity in the field of consumer protection among State and other organisations in a number of countries. It then prepared an outline programme of activity in the consumer's interest to be undertaken by Cooperative organisations (see page 49), which was approved by the Executive of the ICA in February, 1964.

THE BASIC ISSUE: AN INTRODUCTION

“ONE of the conceptions inherited from the Class Society is the idea of a natural enmity between producers and consumers. This underlies the principle of antagonism according to which the producer seeks maximum profit, but the consumer seeks lowest possible price. In a cooperating (market) economy on the other hand, producers and consumers are actually natural partners in a common undertaking in which each has to consider and take into account the position of the other in the interest of his own welfare.” (Dr. C. J. BOCK, Director, ZdK, Germany).

The purpose of the Consumer Conference was to exchange experience on how cooperative societies throughout the world are setting about the task of aligning their trading activities with their responsibilities to consumers.

As pointed out by the I.C.A. President, Dr. BOXOW, the problem was intentionally posed in controversial terms of a possible conflict between consumer interests and trading interests within the movement. “The theme of this Conference was carefully designed and worded with the deliberate intent of being provocative. We wanted to ensure that only basic issues would be discussed. We wanted to put the spotlight on latent conflicts and tensions in order to make them explicit—in the confident conviction that the process of ventilating difficulties would demonstrate that they are surmountable. Surely, the definition of a problem is a good part of its solution.

“Accordingly, we stated the theme in words deliberately intended to stimulate

discussion, to draw out the protagonists in the Movement regardless of which side they argue on any particular issue. Above all, we wanted to identify the issues.

“This is why we stated the case in terms of the “trading” policy of cooperatives and in terms of “obstacles” as well as “achievements”. We wanted to draw out the “traders” of the Movement on the one hand, and, on the other, the “educators” and “idealists”—to the extent that these groups imagine that there is a real conflict between them in purpose and/or in approach—because we are convinced that it is only through open discussion that these differences can be dissipated.

“The result, in my opinion, has been a lively and constructive debate. A fair number of difficulties and conflicts, actual or potential, real or imagined, have been raised, and—and this is the gratifying feature of this debate—for every difficulty a large number of constructive suggestions have been offered.”

The lines of the controversy were graphically sketched by a leading representative of cooperative trading interests, Mr. KNOL (*Deputy General Manager of CO-OP Nederland*), who at the same time came down forcibly on the side of consumer orientation.

"There is a philosophy according to which, briefly stated, cooperatives best represent the interests of consumers if they limit themselves to the classical method at their disposal, namely trading policy. This is the original purpose of the consumer cooperative. If it devotes its entire attention and all available means to this, it will be able to achieve good business results and thereby benefit the member through dividends. All other activities directed towards consumer interests should be left to others, especially now when increasingly special organisations and institutes are being set up to take care of these interests. This will mean considerable financial savings for the consumer cooperatives and thus indirectly increase their profits.

"This philosophy is direct and simple, but its merits are limited to this. It overlooks that the effort to rationalise trading activities is not the monopoly of cooperative enterprise. It exaggerates the capacity of cooperatives to earn profits and their possibility of having a marked effect on prices through dividend. This may in some cases be possible, for example in a monopolistic market situation; but an established and consolidated enterprise like a consumer cooperative must draw the line somewhere, and cannot afford to cultivate only those markets in which competition is inadequate.

"In general cooperatives must be content to exert 'countervailing power', i.e., to exercise an equilibrating force on the market. They can also contribute to the activation of competition; but one can neither expect nor ask for a price corrective effect in the fundamental sense that it should provide the main goal of cooperatives as representatives of consumer interests. Therefore, the cooperatives must set their sights higher. If the cooperatives are actually to achieve their objective, they must adopt the principle that, as an organisation of and for the consumer they have a task broader than merely making business profitable for the member. They cannot adhere to the general commercial conception of profits and distribution of profits as the only measures by which to judge commercial activity and meeting of consumer interests.

"Hence cooperatives must always ask themselves with respect to even the smallest detail of their work, whether the interest of the consumer is served thereby, and they must accept that there are many areas of conflict between the interests of consumers and the achievement of maximum surplus. Hence cooperatives must be careful always to recognise these conflicts, and to realise that sometimes decisions will have to be taken which can lead to compromise, especially in cases where other than purely commercial considerations are at work. In addition, and even more important, they must always pursue a consumer-orientated policy even in areas outside their own responsibility. Such a policy must include the following: a) a systematic effort to have consumer cooperatives recognised as consumer organ-

isations, and to achieve representation for cooperatives on all official and semi-official organs devoted to the interests of consumers; b) cooperation with consumer associations, trade union and housewife's organisations and similar groups in order to promote the interests of consumers on the broadest possible basis; c) activities designed to educate consumers, to promote a better legal protection for consumers, to prevent misleading advertising and unreliable business practices, to support government policies in the field of combatting restrictive trade practices and cartels, goods testing, comparative pricing, informative and qualitative labelling and consumer research; d) integration into the trading programme of activities in the interest of consumers, such as providing general information to consumers, informative labelling and advertising, quality controls and improvements and educating consumers in the shop through questionnaires, etc.

"It is clear that such a comprehensive programme for cooperatives makes sense only in terms of a planned trading policy for which all these elements are arranged in terms of priority. Naturally one cannot do everything all at once. Formulation of a working programme requires organisational skill."

The specific worries of commercial managers in respect of a consumer-orientated trading policy were brought out in plenary discussion throughout the three-day sessions. Mr. JENNINGS (*Food Trades Officer, Cooperative Union Ltd., Great Britain*), although fully supporting such a policy, reminded participants

of possible serious internal implications "It is possible", he said, "that success in educating consumers could let loose a flood of demands comparable to the problem of the sorcerer's apprentice. The difficulty is that such demands cannot be met by weaker societies."

Mr. POLET (*Commercial Director of the UC Society, Liège, Belgium*) was similarly concerned over the problem of smaller cooperatives which might be squeezed out in the process of concentration, leaving local consumers without access to cooperative services.

Others stressed that consumer orientation may not be compatible with the need to meet competition; for example, Mr. LACROIX (*Administrateur délégué, Union des Coopérateurs de Lorraine, France*) argued that consumer orientation constitutes an obstacle to commercial success in a competitive world. "Consumer education is difficult and has to compete with publicity created by mass media; thus we risk losing out if our good intentions divert us from the rules of the game."

Mr. GIULIANI (*Vice Director and Chief of the Production Department, V.S.K., Switzerland*) was concerned over the "technical considerations" which make it difficult for managers to lend too sharp an ear to the views and demands of the housewife consumer. "We get the same requests", he said, "over and over again from the same women. It takes time and money to provide these services, and larger scale operations. Some housewives reflect minority desires, but we can meet only average demands." Turnover, he said, is largely accounted

LAMBERT: "One of the principal justifications for the claim of the movement to have a part to play in defending consumer interests lies in the more realistic approach to problems of consumer satisfaction which its trading activities impose upon it."

for by housewives who are not very informed or sophisticated as to good value. Informative labelling, and particularly date labelling, create difficulties and dangers of loss, and are in any case unnecessary in view of stringent protective legislation against harmful ingredients and of the effect of competition in ensuring quality; anyway, the need to print labels in three languages prevents giving much information. Although there may be valid objections to premiums and gifts, "we must be realists and recognize that they do stimulate sales. Are we trying to be more Catholic than the Pope?"

Mr. CITEAU (*Director of Production, SGC, France*) confirmed that commercial officials argue that the average consumer cannot understand the information on labels and will not take the initiative to read them, adding that the solution lies in educating them to do so through a persuasive programme of informative labelling.

Similarly Mrs. RAIKKÖNEN (*Secretary for Consumer Affairs, KK, Finland*), pointed out that Mr. Giuliani's point only emphasizes the need for consumer information and education; "if the shopper is to make a real choice, she needs to know what the choice is." She added that the conflict between the consumer and the business sides of cooperation which was obvious in many movements will not be resolved in the absence of clearly enunciated policy at the top level.

Mr. CUSTOT (*Director, Cooperative Laboratory for Analysis and Research, France*) reiterated that it is essential to develop the most efficient possible commercial units, and at the same time to "be brave enough to confront the contradictions" involved. Dr. Bonow added: "We have to rationalise, to

swim with the tide, in order to survive and serve our members. The more effectively we do this, the better we can serve all our members."

Finally, Mr. BYROM (*CWS Director, Great Britain*) related the issue to the problem of cooperative structure. "I am quite certain that the key to the situation lies in the wholesale society. The CWS is a national producer on a large scale and it also buys, labels and sells many other products under its own brand names. It is the Movement's only national advertiser—indeed its only important advertiser. If we are to have higher standards in production, in informative labelling, in advertising, etc., they must originate from the wholesale society. No retail society can make anything like the impact which the wholesale society could make. On the other hand, no educational campaign, no political representations, will carry conviction unless they are reflected in the behaviour of our trading organisations. There is not much point in pleading for informative labelling, for example, unless our own labels are outstandingly good in this respect.

"It may seem, at first glance, that all that is necessary is a simple policy decision, which will then automatically be reflected in the behaviour of all sections of the Organisation. This, however, is not the case and it would seem that it is not the case in other Movements also. The pursuit of a consumer orientated policy is not simply a matter of passing resolutions and its pursuit is at least as difficult, if not more difficult, than meeting capitalist competitors on their own ground. The justification for such a policy is not that it is easy, but that it is both desirable and rewarding. Many of the practices which the Consumer Working Party advocates in the

interests of the consumer are calculated to make the life of the producer, or the distributor, a little more difficult or uncomfortable, and it is not surprising that those who have to conform to more stringent regulations do not always see the necessity for them. Even Movements which have successfully adopted a consumer orientated trading policy must have many practical problems which arise in the course of its implementation and I find it very hard to believe that in the conflicts of view which can arise, those responsible for the day to day conduct of the trading enterprises are not influenced by their special position and their particular point of view.

One of the benefits which should emerge from this Conference is that we may all learn something of how to ensure that our technical experts, the managers of our trading enterprises, etc., understand, accept and pursue policies which must often seem strange to their counterparts in capitalist organisations. The relationship which has prevailed between the retail societies in England and Wales, and the English CWS has not in recent years been one which has been conducive to the adoption of a consumer orientated policy by the CWS. Increasingly, CWS trade departments and productive enterprises have had to compete for the trade and support of retail societies, on a day to day basis. The retail societies have, in the past, tended to take the point of view that CWS factories, for example, were just another source of supply in competition with the manufacturers of private brands and it was the responsibility of the factories to see that their products were as easy to sell in retail societies' shops as their private brand competitors. The natural effect of this attitude upon the management of the CWS enterprises has been

to cause them to seek to adopt the trade influencing practices of their competitors: advertising campaigns, special offers, premiums, all the paraphernalia of competitive capitalist trade."

Having stated the difficulties confronting an adequate implementation of the programme for consumer activity, Mr. Byrom then emphasised that the CWS nevertheless supports such a programme and the work of the Consumer Working Party. "Four years ago, the CWS began to organise conferences of its principal managers (of whom there is a fairly large number) on subjects of broad general improvements to the Movement. This was part of an attempt to improve communications with management, to broaden their outlook and to counteract the natural tendency of management to confine their interest to the narrow limits of their own activities.

"It is a measure of the importance which the Board attaches to consumer orientation that the second CWS Management Conference, held in October, 1962, dealt with the general subject of the Cooperative Movement as a consumers' organisation and directed attention particularly to the role of the CWS in this matter. The Conference was addressed, amongst others, by the Chairman of the Consumer Working Party. We invited, from Sweden, Dr. Bonow and we provided a quite elaborate exhibit showing the way in which the Swedish Movement had established itself as a consumers' organisation and also indicating how the policy of the Swedish Movement was reflected in the trading activities. The Conference was highly successful. There was a great deal of lively discussion and there is no doubt that there was an improved appreciation on the part of our manage-

ment of what was involved in a consumer orientated policy. Still on the matter of communications with management, the CWS Board invited the Consumer Working Party to visit its headquarters in April, 1965, to meet representatives of management and to discuss with them the implementation of the programme of consumer activity. The meetings arranged in connection with this visit were again valuable in bringing together directors and management in discussion of the broad general problem of policy. The experience of a visit from the Consumer Working Party on these lines was quite a salutary one. As individuals put forward objections or difficulties, it was almost invariably possible to point to some national Movement which was successfully overcoming the problem. In short, the visit to the CWS headquarters did within the CWS, what this Conference is seeking to do on an international scale.

"The visit by the Working Party to the CWS headquarters was the second time the Working Party had visited a national Movement. Four months earlier, it had visited Stockholm. The manager of our Market Research Department is a member of the Working Party, and following the visit to Stockholm, he submitted a report stressing once again the need for specific action in connection with the programme of consumer activity and emphasising the success of our Swedish friends in this respect. This report drew particular attention to the use by KF of the brand name 'Winner' and to the quality control arrangements which had been created in connection with it. The CWS position is at present in striking contrast. Individual factories, featuring their independent competitive ways, have established their

own brands and their own policies in respect of quality. The Committee administering the 'Come Cooperative Shopping' advertising, to which I refer later, had already drawn attention to the difficulties of conducting CWS advertising efficiently against the background of such diverse merchandising policies and brand names."

The need for a positive approach to the alleged commercial dilemma posed by consumer orientation in trading was admirably summed up by Dr. Bock who commented on the need for partnership between producers, distributors and consumers, and stated that "There is only one kind of industry which meets the requirement for a true partnership, namely, consumer societies based on the principle of cooperation." The solution he offered is "a conception of a cooperative overall strategy which includes production, sales, publicity and consumption. The horizon for ways of operating which were formerly simply conceived on an *ad hoc* basis will thereby be greatly extended. It is no longer merely a question of exploiting deficiencies in the market, but rather of a broad, planned shaping of the market requiring an intensive collaboration of societies and their central organisations and above all activation of consumers. Consumers can no longer be merely passive objects of business measures, no matter how much these are affected through modern marketing methods and directed towards the consumer; they must rather become active subjects who exercise a decisive influence in the framework of cooperation."

CONTACT WITH CONSUMERS

"I want to stress the importance of the cooperative store as a place of contact between the consumer and the cooperative. We must take into account the dignity of the housewife. This morning our women members have told us how to humanise the supermarket, to retain the human quality in retailing." (Mr. Ch.-H. BARBIER, Vice President, VSK, Switzerland).

One of the liveliest discussion themes of the conference was, indeed, largely taken over by the women delegates.

Mrs. STRÖM (*Head of Consumer Information Department, KF*)—and the most photogenic of the conference participants—described the "Gain by Knowing" programme for providing consumer information to shoppers in co-operative department stores. Her remarks were documented by coloured slides and by an excellent exhibit in the main hall. A major feature of the latter was a telephone used by customers in the store for registering their complaints on to a tape, resulting eventually in written answers (see pages 32-33).

Mrs. STRÖM: "In 1962, the State Consumer Council invited all Swedish organisations to join in special Consumers' Conferences around the country. In addition to inviting cooperators to these conferences, KF also underlined the movement's concern for consumer information by arranging "Consumers' Weeks" in cooperative department stores. The slogan 'Gain by Knowing' was used to indicate that comprehensive and understandable information was given to help the consumer to make wise purchases. Information was concentrat-

ed on household appliances and textiles based on tests and experiences from co-operative institutions such as the Test Kitchen and the Textile Laboratory, supplemented with information from the Institute for Consumer Information.

"The success of the first 'Gain by Knowing' weeks led to an extension of them so as to comprise all main departments in a store. Further material was collected from the Consumer Institute, the Institute for Informative Labelling and the Society for Industrial Design. By the end of this year, thirty of the largest department stores will have carried through the extended 'Gain by Knowing' programme.

"In window displays and on posters, various sources of consumer information are presented, such as those mentioned above, and in addition the Price and Cartel Office, the Consumers' Council, the Cooperative Movement's research institutions, educational bodies and the press Greatly enlarged copies of VDN labels are displayed on posters with labels the stand so as to 'catch the eye' of the shopper.

"All arrangements for a 'Gain by Knowing Week' start with training shop assistants to be good consumer advisers.



Mrs. Ström (Sweden, left) and Mrs. Goede (USA) discuss some publicity material

A special short study course on this theme has been worked out by the Co-operative College. Representatives of the press, cooperatives, various other organisations and educational bodies are invited to a special meeting at which the purpose of the activity is explained. School classes and groups of people from the different organisations are shown round the store during the week. In the evenings special meetings are arranged in the store.

“During the autumn of 1964 and the following spring a study activity on the theme of ‘Gain by Knowing’ was initiated by the Cooperative ‘WE-School’ in collaboration with the Workers’ Educational Association. It became the second largest course in the history of Swedish adult education, with about 25,000 participants. Each study-group is given the assignment of pretending to be a Consumer Advisory Bureau giving counsel to “ghost” consumers. The study manual introduces the “ghosts”, describing their difficulties when buying certain goods and services. The participants should either advise them—after having studied their case and the information available—or suggest that contact be made with other

advisers, State Consumer organs, etc. The study group obtains a thorough knowledge of the consumers’ situation in their home town.”

Mrs. Ström also presented a brief account of a special programme for shop demonstrations in KF food stores. “In 1962 a special programme for shop demonstrations in cooperative food shops was started. The purpose of the programme is:—

- a) to make the members more competent as buyers by advising them on good and wholesome food at reasonable prices and easy to prepare,
- b) to stimulate cooperative trade by:—
 - 1) presenting products that have not hitherto been used frequently, e.g. canned tomatoes, tuna fish and deep frozen food,
 - 2) presenting seasonal products, especially vegetables, in order to encourage a greater variety in the composition of the meals;
- c) to create a more friendly atmosphere in the shop through actual cooking, demonstrations and tasting and thus, perhaps, also stimulating the general interest in food.

“Each society selects one or several housewives between the ages of 35 and 45. Preferably these women should not at present work in the shop; the consumers should not be too familiar with

The ICA Director makes a point



the faces of the demonstrators. Frequently, however, women with shop experience are recruited as demonstrators. At present there are about 900 demonstrators at work in the societies.

"All demonstrators pass a one-week basic course at the Cooperative College *Vår Gård*, including cooking and nutritional physiology, suitable household appliances, demonstrations techniques and practical training. The demonstrators also receive a special guide five times a year giving further basic information, including knowledge of goods and the value of different foodstuffs, and detailed advice on how to cook and demonstrate the dishes suggested in the programme.

"A small kitchen on wheels has been constructed by the Test Kitchen. The kitchen includes a stove and about 160 different household appliances. It is used at least once a week for demonstrations. At present 1,000 shops have been given such a kitchen by the K.F."

Mrs. GOEDE (*Hyde Park Cooperative Society*, Chicago, Illinois), who holds the unique position of a full-time home economist in the store, also used coloured slides to illustrate her talk. "The work of the home economist has three basic objectives: to provide information to consumers; to serve as liaison between management and consumers; and to promote products. Questions are asked

about any homemaking problem—selection of food and non-food products in the store; preparation and storage of foods; nutrients in foods; planning for special parties; clothing selection, construction and care; selection and care of home furnishings and equipment; time and money management; child care. The information needed may be presented in person, by phone, in print, or through displays.

"The home economist is available seven hours or more per day, five days per week. Her 'office' is a test kitchen located in the selling area of the store. The kitchen is equipped with an electric range, a refrigerator-freezer, sink, dishwasher, basic small equipment, a desk, bookshelves, and filing cabinets.

"A free cooking demonstration is presented about once a month in the demonstration-meeting room, with a seating capacity of 125, on the lower level of the store. In the summer there is at least one demonstration for boys and girls. Occasional lectures or demonstrations to community organisations are given on request. Every week groups of visitors ask for tours of the store. The home economist also spends much time preparing the monthly newsletter. Suggestions and information are provided for the weekly advertisement in the local newspaper. Notes in the store Suggestion Box are answered. Inform-



Miss L. M. Piila

ative signs are posted where and when needed.

"The home economist attends weekly meetings with the managers of all departments—meat, produce, grocery and delicatessen. Ideas for future work, information on merchandise, and customer problems are discussed. She presents the consumers' viewpoint to management and management's viewpoint to consumers. Sometimes when a new product becomes available, it is tested by the home economist at the request of a manager before he decides whether or not to stock the item. A written report of the test is submitted to the manager.

"The third basic objective, to promote products, is done with what we call the 'soft-sell'. The cooking demonstrations, written articles, recipes and displays previously mentioned increase sales in addition to being informative. A new feature that we introduced last year is an International Food Fair. This is a special two-week event held twice a

PIILA: "It is the consumer using the product in the home who is the final arbiter of whether the product is good or bad, and who also decides its commercial fate. . . . Quality control work should be a 'two-way traffic'."

year to feature the foods of another country."

OTK, the Cooperative Wholesale Society of SOK, Finland, has a well developed programme for making first-hand contact with the consumer. The major features of this programme were explained by Miss PIILA (*Public Relations Secretary, OTK, Finland*). "In OTK, quality control work endeavours to build a bridge of contact to the consumers in various ways, among which are customary propaganda media like newspapers and magazines, lectures, leaflets, etc., that are familiar to all. But, in addition to these, we have developed a number of our own media whose purpose is especially to encourage consumer participation. Of these the most important is the use of the Form for Criticism.

"In all cooperative shops there are available specially printed forms and envelopes addressed to OTK's Quality Control office. On such forms all customers—and not merely members—can, express criticism or suggest improvements concerning articles they have purchased in the said store, whether these were produced by OTK or some other manufacturer. It is naturally important that the form be accompanied by a sample of the product or at least its packing, so that the criticism can be properly investigated. The form and sample can be left at the shop for forwarding to OTK without charge.

"OTK's Quality Control office deals

CUSTOT: "In a world where the motive for technological development is profit, is enough attention given to man? Is enough study made of the effects of progress on the quality of food and on the health of consumers? Do not these create special obligations for cooperatives whose function is to replace profit with service?"

with the matter by sending each criticism to the OTK Central Laboratory or the specialist in the production establishment concerned. The sender is personally informed of the findings. We hold it of special importance that the letter of reply should express OTK's appreciation of the observation made. If the criticism is justified—as is normally the case—thanks are sent to the sender for drawing attention to the production defect. In some cases where there has been a temporary defect in one production lot, it has been possible quickly to withdraw the item from the market following receipt of the criticism form. When an unjustified complaint is received, however, the sender is diplomatically reminded of the importance of following precisely usage or washing instructions, etc. The sender is usually sent a new packet of the product in question. When another producer's product and not OTK's is in question, the producer is informed of this and also of the findings. These producers are normally very grateful for their customers' opinions when they are reasonable, and are usually prepared to compensate.

"The second way of interesting consumers in quality control work is the Consumer Panel system. At the present moment OTK has two regular units, the



Mr. F. Custot

so-called "Big Consumer Panel" and the "Small Consumer Panel".

"A representative sample (according to the Gallup principles) of about 200 housewives has been selected from all over the country for a "Big Consumer Panel". Four to six times a year each member received several assignments, including comparison of "blind" samples, opinion and usage surveys, polls about buying and consumption habits, etc. Only one clerk knows whom each reply comes from so they are practically anonymous. On several occasions, panel members have been requested to ask for the opinions of their families, neighbours and acquaintances, so that in reality the panel may have consisted of some 1,500 people. In addition to this there is a "Small Consumer Panel" of about 25 members chosen from the Greater Helsinki area. They perform the same work as the "Big Consumer Panel", and in addition they are invited eight to ten times a year to tests.

CUSTOT: "Science provides objective data but the conclusions to be drawn from them are not always the same; much depends upon whether they are looked at from the point of view of consumers or from that of producers."

"On these occasions the technicians of our factories or departments can explain to them the purpose of the present tests, etc., and the members may ask questions and get answers on the spot. Membership is changed after a certain period so that the panels do not represent too old an age group. At present the average age of the members of the "Big Consumer Panel" is 43, and of the small panel just under 40 years.

"For the future we plan to organise Local Consumer Panels in conjunction with local cooperative societies, which would function in a corresponding way in localities."

Similar efforts in Holland were described by Mrs. E. TAS-CALLO who heads the Consumer Service Department of CO-OP Nederland: "Through the store the CO-OP is in daily contact with large numbers of consumers, particularly housewives. It is exactly there that the need for information is manifest and that the CO-OP can prove its value as a consumer organisation. We have only recently started on a consumer information programme in the store. This programme includes:

1. telling or showing the housewife what information is available from various educational bodies and enabling her either to buy or to order this material;
2. putting plainly written information of our own at her disposal;
3. demonstrating new products or new applications of already well-known products;
4. putting forms at the housewife's disposal through which she can apply for information on domestic problems of every kind.

"In order to assess the consumer's need for information we organise inquiries

through questionnaires prepared after discussions with selected groups of housewives in different parts of the country. Lately the result of such inquiries has been used in the training of sales staff. The reactions of the housewife to certain aspects of store-outfitting and of staff-attitude proved valuable and stimulating.

"Our two-day courses on "modern housekeeping" for married women under 35 have met with great success. They are useful not only to the participants but also to us, because through them we get to know how and where the CO-OP fails to meet the requirements of this very important category of consumers.

"Only a few months ago a CO-OP Housewives' Council was created. All 18 regional retail societies have appointed one representative. This council has a double task: to assist the CO-OP Consumer Service in setting up and carrying out a programme which is attuned to the housewife's needs, as well as to stimulate the activities of each society in the field of consumer information and education."

Mrs. Tas-Callo added that the prerequisites for such a programme are that the high levels in the organisation must believe in consumer education; that this conviction be diffused throughout all levels; and that a special consumer information department be set up to co-ordinate and diffuse such information and to cooperate with the sales and advertising departments.

In plenary discussions, Miss STAIGER (*Secretary of Women's Guild, Z.d.K.*,

Mrs. Tas-Callo (Holland)
(left) talks with
Mrs. Seminck (Belgium)
and Dr. Gebauer
(Germany)



Germany) told the Conference of a Consumers' Day (*Verbrauchertag*) held in Bad Nauheim in May 1965 in an attempt to awaken the interest of the general public in consumer problems. The meeting was attended by 160 delegates sent as consumer representatives by cooperative societies, and it attracted a good deal of publicity by drawing up a list of legislative demands for a Minister of Consumer Affairs, and Economic Council including a representative of consumers, a Central Institute for quality control and informative labelling, and a Consumer Council to safeguard consumer interests in the Common Market.

Miss LUTZ (*Head of Home Economics in VSK, Switzerland*) made a plea that women shoppers and home economists should be consulted by management and particularly by merchandising departments, not only via test kitchens, but also in relation to more costly items, for example the labelling of textiles and electrical appliances.

Efforts of the British Cooperative Movement to contact consumers in the shop via demonstrations, courses for young married couples, exhibits, monthly consumer education study groups in stores, social activities and films were mentioned by Mr. GARDNER (*Member*

Education Officer, Cooperative Union, Ltd., Great Britain), who at the same time expressed the conviction that much more needs to be done in the way of collaboration between the education and the management sides of the movement. Mr. JENNINGS (*Food Trades Officer, Cooperative Union, Ltd., Great Britain*) added the suggestion that consumer societies should employ "consumer ombudsmen" to advise consumers by drawing on the resources of cooperative laboratories, commercial information units, market research and public relations.

Mr. EXNER (*Head of the Organisation Department, Konsumverband, Austria*) mentioned a series of "social afternoons" sponsored by producers via the cooperatives and designed to inform housewives on new products and services. This had proved to be a stimulus to new membership, he said, and the project is expanding.

A more professional approach to the need for "consumer feed-back" and assessment of consumer wants was taken by Mr. LAMBERT (*Manager, British CWS Market Research Department*) in his paper on Measuring Consumer Needs.

"It is surely unnecessary to argue the need for a consumer-orientated movement to be sensitive to the needs and the desires of consumers.

"It is impossible for any organisation operating on a national or regional scale to keep in touch with the consumers of its products on the basis of personal contact by individuals. It is the task of Market Research to obtain the information about customer preferences, desires and habits which large-scale organisation demands and which those persons responsible for the planning and conduct of the operation cannot supply from their personal knowledge, skill and experience. In the performance of this task, those responsible for market research draw upon the techniques of economics and the social sciences, statistics and psychology, and in my experience most market research workers apply their techniques with a degree of objectivity and a sense of the importance of measurement and observation which is characteristic of the scientific approach.

"Market research represents the most highly organised, and probably the most effective method of bringing into the modern commercial organisations the feed-back of information about consumer behaviour which they need. It is not the only method. By analysis of sales statistics, sifting of information from sales staffs, methodical study of complaints and in many other ways, information can be gained which adds to the store of knowledge.

"No commercial organisation can succeed unless it is in close touch with its market. That is another way of saying that it must be sensitive to the motivations and behaviour of consumers. One would expect a consumer-controlled trading organisation to be particularly conscious of the need to study its market and to be alert in the application of modern scientific methods of doing so. This does not appear to be the case. As

far as I am aware, the English CWS is the only cooperative organisation employing its own field staff for market research and product testing, and the necessary support organisation for the planning of operations and the analysis of results. The CWS Market Research Department conducts about 35,000 interviews a year, mostly with housewives, operates a postal testing panel and organises marketing and observational surveys in shops. It is, I suppose, the biggest operation of its kind directly conducted by a cooperative organisation. But it is very small compared with the market research organisations maintained by some of the competitors of the CWS. Of course, it is not necessary to have a full-scale market research organisation of one's own. There are independent research organisations which sell their services to whomever may require them, and it may sometimes be better to draw upon such organisations as required rather than incur the cost of maintaining one's own.

"My experience as a member of the Consumer Working Party, however, leads me to believe that cooperative societies do not make great use of the resources of the market research industry. It is interesting to consider the reasons for the relative neglect by the consumers' cooperative of this powerful weapon for the assessment of consumer behaviour.

"I believe that the principal reason for our failure to make full use of specialist organisations lies in the fact that we are a consumers' movement and thus liable to become emotionally involved in the subject. This emotional involvement inspires in us the belief that it is *our* opinions, *our* preferences, *our* reactions to which the trading organs of the movement must listen and give expression. Partly this belief may

have its roots in the fact that, in common with most movements with social objectives, we have more than our fair share of individuals who would impose on others their own ideas of what is good for them—a practice which strikes horror into the breasts of commercial operators. Much more, however, our attitude springs from the natural human tendency to believe that our own limited experiences reflect the world at large. The cold-blooded dispassionate construction of representative samples is not for us. We do not need to stand aside and weigh the situation as commercial organisations must. We are consumers, and, as such, representative.

“Apart from being a consumers’ movement, we are a highly-organised movement. Every national movement has auxiliary bodies which take upon themselves the commendable role of spreading the doctrine of consumers’ cooperation, and exercise valuable pressures in ensuring that in the cut-and-thrust of commerce our trading sectors do not lose sight of their true purpose. I hope the auxiliary bodies will go on doing this. But there is danger in the belief that the auxiliary bodies can provide a substitute for professional commercial-scale study of consumer needs. This danger arises from two sources. First, there is the unrepresentative nature of the auxiliary bodies. If we are to cater adequately for the needs of all consumers, we cannot do so on the basis of the experience of limited self-selected groups which may differ from the population at large in age, social status and similar ways, and which certainly differ in buying habits and in their attitude to the cooperative movement. If I speak feelingly on this matter, it is because I have sometimes had to resist, on professional grounds, the belief that consultation with such

groups would provide an adequate substitute for our large, carefully selected and controlled representative samples. The danger is, of course, magnified by the fact that organisations (not only the auxiliaries) can act as sounding boards for the opinions of a small number of individuals so that the unrepresentative character of the organisation is still further distorted.

“The second problem in using the existing auxiliaries as a source of feedback of consumer information to our trading units, lies in the dangers inherent in an amateur approach to this problem. It is very easy to think that a few answers to an ill-drafted questionnaire, full of leading questions and addressed to a quite unrepresentative group of people, provides the last word on consumer reactions. Such exercises are increasingly being undertaken, not only by cooperative auxiliaries, but by consumer groups all over Britain. They probably all have value in encouraging interest in consumer affairs and a realistic critical attitude on the part of the members of such groups to the supply of goods and services. They are often unfair to the subjects studied and they are rarely a source of valuable feedback to the organisations reported upon.

“You will have appreciated that in the matter of organising feedback of information I am an unrepentant professional. I hope that my remarks about the role of the auxiliaries in this matter will not be misinterpreted or give offence. They can perform their most useful services in the field of consumer information and education and by the discussion of general policies, not by attempting to replace the highly developed techniques of study used by commercial organisations.”

COOPERATIVE ADVERTISING

"No one denies that cooperative advertising must aim at selling. But cooperative advertising can be more effective if it highlights the ways in which the cooperative form of distribution can meet the needs of consumers better than any other form of distribution. Consumers can be attracted by advertising the fact that the cooperative gives better service, better quality, more information, a better buy in terms of price and/or patronage refund." (Dr. BONOW).

Dr. BOCK: "The achievement of the measures proposed above (for consumer-orientation) depends to a marked degree on their acceptance by consumers. In practice the present attitude of consumers on the average can be regarded as largely passive. Thus the task of carrying through a consumer orientated trading policy will require not only an increase in efficiency, but also a stimulation of consumer awareness.

"This is a function of cooperative advertising. It too must conform in its methods and techniques to the legal regulations which govern advertising. In terms of the theme of this Conference it is the task of advertising to make consumers aware of the purpose of measures which are in their interest. Practically, this means making articulate the unspoken demands of the consumer for truth and clarity in the selling of goods, and presenting the evidence within the framework of a consumer orientated trading policy in such a way as to make clear cut those demands of which the consumer so far is aware only as latent needs. In other words, advertising must stimulate and propagate a backdrop of interest among buyers for consumer orientated measures.

"In line with this objective, cooper-

ative advertising must necessarily contain a high degree of informative content. However this information must not become an end in itself. For purposes of achieving the objective, effectiveness of the advertising is the more important criterion. For this reason, it would be going too far to impose special ethical standards upon cooperative advertisers. Like every other tool, advertising is ethically neutral. Only objectionable abuses should be prohibited or combatted. Thus a consumer-orientated trading policy requires cooperative advertising which more or less necessarily sees its function as the promotion of true consumer information."

Mr. EXNER: "I agree with Dr. Bock that advertising, like technology, has no ethics; it is neutral. The results will reflect the advertiser, therefore firms, especially cooperatives, will be obligated to strict rules. There is a trend in many countries to make use of outside advertisers without a cooperative outlook. I should like to stress that quite apart from advertising, a cooperative attitude is necessary. Also advertising appeals not only to man's rationality but also to his irrationality. All publicity must appeal to the whole man; the psychological factor is important. This, how-

ever, does not condone deceptive or misleading advertising; therefore cooperatives must select conscientious advertisers."

Mr. CHURCHWARD (*Manager, Public Relations Division, CWS, Great Britain*): "Advertising is a topic on which we all like to argue and those of us who earn our bread and butter—plus a little jam—in advertising find the world full of experts convinced of their ability to improve upon our work, and of critics whose real concern may be the faults and failings of capitalist economy but whose disapproval is almost entirely directed against the advertiser.

"Yet advertising is only a means to an end, albeit a powerful one. It is a branch of marketing, a tool of commercial trading policy. In a transparent eagerness to accuse commercial advertising at any cost, some critics condemn it for practices which exist whether or not a product is advertised and which would continue, in a competitive world, even if advertising were eliminated. Rightly, it must be judged by the extent to which it guides or deceives the consumer, but equally it must not be held responsible for the basic trading policies it is called upon to mirror.

"Advertising is neutral; it merely reflects basic trading policies. But it should be honest, factual and should effectively demonstrate our claim to protect consumers. With the modern emphasis on price cutting, we must recognise that we should stress our special individual characteristics, our unique philosophy. We should highlight the themes that cooperatives are owned by members and provide honest value, friendly service, keen prices, a regular flow of special offers, and dividend.

"Mistakenly, some reformers, in their anxiety to secure higher standards of



Dr. Bock

honesty and good taste, condemn advertising on the grounds that it is obtrusive and increasingly persuasive in intent. Of course it is. We would all like to live in an ideal state untainted by the failings of present day economy where many of the more criticised aspects of advertising would have no place. In such a state, the purpose of advertising would be its original purpose—to inform. But until that state is achieved, advertising has to sell, and cooperative advertising, like any other publicity, has to reflect its own element of special pleading.

"The Americans who so love to add mystical initials and magical phrases to commercial language invented U.S.P., and every British agency, and no doubt most European advertising men, are diligently searching for the Unique Selling Proposition to reflect in their advertising. They are by now no doubt convinced that all products are unique, but that some are more unique than others.

"Cooperatives have long had a U.S.P., but its projection has been far from

easy in circumstances where trading policies have either remotely or only incidentally reflected consumer interests. At a time when most European Cooperative organisations are spending more than ever before on advertising and public relations work, we have an opportunity of launching cumulative campaigns which would re-establish our social purpose. In Britain, we currently spend £440,000 on national press advertising and £690,000 on commercial television. We have a house journal with a regular circulation of 750,000 copies and an exceptional distribution next month of 1,900,000 copies. How much more effectively these media could be used and how much easier would be our advertising manager's task if the trading policies he was called upon to publicise were truly consumer-orientated. An advertising man unique among advertising men, he would be devising completely informative advertising with a built-in U.S.P."

Mr. BYROM: "Yesterday we had a paper from Mr. Churchward, who referred to the 'Come Cooperative Shopping' campaign. Here again, we have an operation, the initiation of which was dictated by commercial considerations. CWS advertising was fragmented and the best use certainly was not made of the sums which were spent on advertising. In addition, the advertising was largely devoted to competing with other advertisers and the problem had to be faced that whereas the other advertisers' goods were available in nearly all shops, CWS products were only

available in cooperative shops. It seemed reasonable to argue that the trade in CWS products could best be fostered by improving the support given to the retail societies rather than in competing directly factory by factory on an individual basis. The 'Come Cooperative Shopping' campaign, therefore, brings together, under a common presentation, the advertising activities of a large group of CWS factories and it relates their appeal much more closely to the image of the cooperative retail shop. Although commercial considerations alone would have led to the establishment of the 'Come Cooperative Shopping' promotion (which is run and financed entirely by the CWS) it is worth while noting that its success will be measured by its ability to improve the general image of the Retail Cooperative Movement. It is, therefore, both a vehicle for, and dependent upon, the existence of an effective image which differentiates cooperative trading from other forms of commercial activity. Again, therefore, the 'Come Cooperative Shopping' campaign combines commercial and ideological arguments in favour of consumer orientation."

Mr. BARBIER: "Mr. Kérinec suggested that sometimes we have to choose between the interests of cooperators and the interests of the movement as a whole. If so, this is tragic: we must identify the interests of individual cooperators and those of the movement as a whole, and find a balance between them. If the movement advertises only its own products, its publications will

BONOW: "The greater resources made available through rationalisation of cooperative structure, and the greater need than ever before for consumer orientation, will open up almost unlimited fields of exciting and challenging activities for more dynamic cooperators – the whole field of consumer research, education, information and group activity."

BYROM: "I believe that as a Movement we need an objective and I believe that the Movement's future, in my own country at any rate, may well depend upon its ability to develop its role as a Consumers' Organisation."

not attract the general interest of the public, but will be just house organs. In Switzerland we have had much discussion on this point. Do we sell products of competitors in our stores, and if so, do we advertise them? We adopted a compromise solution. We accept outside advertising, but we set standards for it and we limit the amount. Our own products pay for advertising in our papers."

Dr. BONOW: "The commercial activity of the cooperative form of enterprise, if it is conducted in a rational way, is the best way of safeguarding the interests of the consumer. On the understanding that the Cooperative Movement is conducted effectively in comparison with its competitors, it can be said that informative commercial advertising can considerably strengthen its position on the market, and even increase its value from the point of view of the consumer. Wherever suitable, a certain degree of information about the character and ideology of cooperative enterprise should be included in all cooperative commercial advertising. For this reason alone, cooperative advertising should contain an element of consumer information.

"In addition to cooperative advertising as such, the Cooperative Movement should conduct something which I would like to call a combination of advertising and consumer information, something which in the USA is usually termed 'soft selling'. The best examples of this type of activity are commodity demonstrations and commodity information designed to acquaint the consumer/member with the cooperative outlets.

Such information activity is obviously aimed at promoting the Cooperative Movement's selling activity, but can, if it contains sufficient consumer information, be of greater value to the consumer than ordinary plain commercial advertising.

"A third type of information activity might be described as pure consumer information. This should not aim at increasing sales, but merely seek to provide for the consumer basic information concerning the measurable properties of the goods and their objectively assessed quality, together with information on prices and other data which can guide the consumer to make the right choice with regard to price and quality.

"In my view it is of the greatest importance that these three types of activity should be conducted in an effective and coordinated manner. It is obvious that such coordination, which should be carried out on the basis of a suitable division of labour between experts in specialised fields of work, could be more easily achieved if the ideological and commercial activity of the Consumer Cooperative Movement were not divided between two independent central organisations. The policy decisions on "commercial" consumer information and pure consumer information activity could then be made by *one* single body. But even in cases where the commercial and ideological activities are carried on respectively by two different central organisations, it is obvious that effective coordination can be achieved through collaboration between those responsible for the different aspects of cooperative business and information activities".

THE COOPERATIVE PRESS

“The Cooperative press can only reflect the activities of the movement; it is not a force in itself, has no independent influence. Therefore the press is linked, for better or worse, to the movement as a whole. It is obvious that the journalist is not an advertiser; I don't believe we can force him to this in any movement. But we can ask him to bear the consumers' interests in mind, and the need for consumer information.” (MR. EARBIER).

DR. GEBAUER (Chief, Economic Policy Department, Z.d.K., Germany), made the following remarks in his paper on *Co-operative Publications and the Consumer, Germany*:

“As long as the business policy of the consumers cooperatives was, however, exclusively limited to the supply to its members, it was not possible to draw general conclusions about the result of their publicity. With the transition to the modern market economy, which started in the Federal Republic at the beginning of the fifties, the desire to admit non-members made itself more and more felt. When in 1954 official rules were introduced to settle these problems, business with non-members was already well on its way. Unfortunately a diminution of dividends had to be accepted with this legal recognition.

“The consumers cooperatives had of course to look for a replacement of the important point in their publicity that they pay the full dividend; the nearest natural reaction was to concentrate on a general policy for consumers. The question now was, how quickly the reformulation of policy, or better the emphasis on a general consumers policy, could find expression in the publicity.

The fact that the magazine “Consumers Co-operative Review” (*Konsumgenossenschaftliche Rundschau*) had already changed its name in 1951 to ‘The Consumer’ (*Der Verbraucher*) shows that the change in publicity had been brought about with the required speed.

“It becomes from year to year more apparent that the space of this main publication of the German consumers cooperatives is more and more devoted to special problems of consumers' policy. At first the principles of a consumer orientated business policy with particular stress on prices stood in the foreground. During the following decade, however, all conceivable problems were discussed with a consumers' policy in view.

“The fact that the rapid political development of the Federal Republic found its expression in an intensified legislation made this unavoidable. Problems of competition and of agricultural were again pushed into the foreground of the economic interests and policy of the consumers cooperatives.

“To increase their influence on all consumers, they already at an early stage tried to form a common front with all organisations who defend the interests of the consumers. Due to their initiative,

the Joint Working Group of the Consumers' Federations was established, which launched on considerable publicity of its own. The reporting of the consumers' cooperatives should therefore not be confined to the activities of cooperatives in other countries, but should include other consumer groups. The ICA has coordinated within the framework of its organisation the activities of the consumers' groups on a European level. This applies not only to the activity in the field of consumers' policy, for which the CWP was established, but also to the 'Consumers Contact Committee within the European Community', which is the joint organisational body of the 'Community of National Organisations of the Consumers' Cooperatives of the Common Market', the ECE organisations of the trade unions, the family organisations and the special consumers organisations.

"In 1965 the publicity work of the consumers' cooperatives in the Federal Republic reached a new climax. The demands, put forward by them in various articles of their publications considerably influenced the official decisions at the 'Consumers Day of 1965' in Bad Nauheim. The influence of the latter, however, shows itself in the measures so far taken by the Federal Government. The Federal Ministry of Agriculture which hitherto in its organisational plan had hinted only at consumers' information, attributes now more importance to it and has established a Sub-Committee for Consumers' Problems. The 'Consumers Committee for Nutritional Problems' of this Ministry, which so far had no rights whatsoever, has been reconstituted and given its own powers.

"For the more distant future the publicity of the consumer cooperatives



Dkfm. Schmidt

aims at the appointment of a Parliamentary State Secretary for Consumer Questions by the above Ministry, as well as by the Federal Ministry of Economics, and at the introduction of a special Federal Ministry for Consumer Questions. The 'Foundation for Commodity Testing', established by the Federal Government, at which not only industry and trade but also consumer organisations are represented, also owes its existence to the many years of publicity by the consumer cooperatives. Another of their demands, the establishment of a Consumer Council, modelled after the 'Consumer Council' in Great Britain, will now be put forward with more emphasis."

Mr. SCHMIDT (*Deputy Director, Konsumverband, Austria*), in a parallel paper on Austrian Cooperative publications, described two recent experiments in the field of consumer information:

"One of the reasons for the weak position of the consumer in the modern economy and for his frequently irrational attitude can be found in an in-

sufficient knowledge of economic developments and economic relationships. It was therefore decided to start a Public Relations campaign for enlightenment in the press.

"From the beginning of May until the end of June, the first seven chapters (one page each) of our course "Economic Primer", which was prepared by a prominent economic journalist, were published simultaneously in four daily journals in seven consecutive week-end issues. The full title is: "*Economic Primer for Modern People*"—dedicated to the consumer by the Austrian Consumer Cooperative Societies.

"The second Part (a further seven chapters) will follow from the middle of September to the end of October. To provide an incentive to the reader, a question is posed after each chapter with prizes for the correct answer. The awards will be made following the 7th and 14th chapters.

"The second experiment is the development of a cooperative consumer journal. Since the first of January, 1965, *Haushalt und Heim* has been replaced by our new publication *Schöner Leben*. We are consciously trying not to make it look like any of the existing consumers' magazines, and to let it follow its own path. Consumers' magazines which appear as specialized publications interest those who have to deal professionally with consumer problems, but appeal very little to large strata of the consumers, above all women. To be a consumer is not a profession; consumer interests are therefore defended with less zeal than professional interests. A consumer journal should appeal to the whole human being, to the head as well as the heart."

Speaking in plenary session, Mr. KERINEC (*Secretary General, FNCC,*

France) posed the issue as to whether publications should be based on consumer information, pointing out that the press is very expensive. On balance he felt that the cooperative press could be a useful means of consumer information, especially if it could rely on the support of laboratories and economic departments. He stressed that their technical quality must be good, since they reflect the movement. "The Movement has a unique opportunity of being the first in the field of consumer information."

Mr. FREI (*V.S.K., Switzerland*) pointed out that "For too long we journalists were considered as small, unimportant helpers who should not intrude, but now the situation has improved. Journalists can play an important role in influencing members. Journalists must be both free and involved. They must not succumb too easily to the trend toward fusing the work of advertisers and of journalists. We must make certain that the cooperative press sees the movement from within and from outside, at a sufficient distance; in this way it can be the spokesman of the public as well as of the cooperative. This requires training specialised journalists in all fields of cooperative activity, and providing the necessary financial structure for the cooperative press; we can no longer improvise in this sector."

Mr. BRUCKSHAW (*Editor "Cooperative News", Great Britain*) stressed that the cooperative press has a very important role to play in informing and convincing members, officials, branch managers and retail society employees who are in contact with consumers of the need for a consumer orientated trading policy. "When this is done, the consumer revolution will be on the way to accomplishment."

COOPERATIVE QUALITY

Cooperative responsibilities in the field of quality were aptly summarised by Dr. Bock: "Beyond the field of price policy, a consumer orientated trading policy must also be reflected in the field of quality promotion, and not only through explanatory lectures and by means of propaganda, but through an active influence on supply. The packaging of goods, technical inventions and the complexity of new products make it increasingly difficult for the consumer to judge quality. Therefore, a consumer orientated trade policy should support every effort in the direction of quality standards and quality labelling, whether on a State or a voluntary basis. We dare not wait on the initiative of others, but must in our own sphere of influence set standards and introduce labels. The cooperatives must demonstrate, within their own sector of business, that they are pacemakers for effective quality supervision. This will make it easier for them to introduce consumer orientated standards and quality labels for their own products and branded goods. Maintenance and supervision of quality standards and participation in independent goods testing or carrying through of cooperative goods testing are basic features of such a policy of quality promotion."

One of the outstanding accomplishments in the field of cooperative quality control in recent years has been the French Cooperative Laboratory for Analysis and Research which was described as follows by its Director, Mr. CUSTOR: "The Cooperative Laboratory for Analysis and Research was set up ten years ago at the initiative of the French consumer cooperatives. It was constituted as a juridically independent association, of course attached to the cooperative movement as a whole, but to a large extent open to the general public and not subordinated to the interests of cooperative undertakings. This decision met the need for cooperatives constantly to criticise themselves and never to cease checking that in the

pursuit of their daily tasks they do not forget their fundamental purpose.

"Fairly quickly experience showed that a technical and scientific centre is useful to consumers. Of course this was already recognised in principle by State-controlled laboratories. But these, overburdened with work, obliged to take account not only of the interests of consumers but also of producers and nationalised firms, sometimes required to compromise in the face of powerful interest groups, attach importance to the assistance which is thus brought to them. Thus, for example, the cooperative laboratory has helped to hasten various legislative measures such as the effective prohibition of boric acid as an antiseptic, the prohibition of the use of

copper as a colourant for preserves, regulations governing coffee extracts, textile labelling, and the rules against false advertising. With respect to this latter, detailed comparisons of various advertising arguments with established scientific facts make it possible to draw up an unassailable list of advertising falsehoods, and to shatter the easy but mendacious arguments of certain defenders of 'freedom of expression.'

"In addition, the comparative studies which the cooperative laboratory was the first to publish in France made it possible to counter the proclaimed optimism of producers and even of certain officials and to demonstrate serious gaps in consumer protection. This was particularly the case with a study of ice cream which made a big stir and threatened to subject those in charge of the laboratory to the rigours of the law until their opponents admitted that the list compiled by the cooperative laboratory was accurate. Several years later the officials of the trade union of dealers in ices were able to congratulate themselves on an improvement of the situation to which our laboratory had contributed a great deal.

"I have tried to show an essential point for us and one that is frequently not fully grasped even by eminent scientists—that it is not possible to deal with problems relating to defence and protection of consumers purely from the technical and scientific point of view, because all these problems have a political aspect in the broad sense of the term. To acknowledge this point is also to take account of the extent to which consumers carry inadequate weight, as compared to private interests, in the decisions which are taken.

"Clearly consumers represent the masses, and clearly the State has an

obligation to defend and protect them. But the pressure groups, the 'lobbies', are strongly organised both at the national level and at that of the Common Market, for example. It would be a good thing to put a new organisation at the service of the consumer, but how to give full weight to this gesture, how to make it as efficient as possible?

"These are the considerations which led our Cooperative Laboratory to enlarge its programme and to turn more to consumers.

"In the course of this second phase of its activities, the laboratory, while still pursuing and intensifying its technical and scientific work (thanks to a considerable improvement in its equipment) devoted an increasing portion of its time to informational activities. The publication of its Bulletin of Information, which dates from 1959, was the first project, soon followed by collaboration with various other publications, cooperative and others, by studies on misleading advertising and on labelling, by editing of educational material on these subjects, and by the establishment of regular contacts with those (journalists, teachers) who could indirectly put us in touch with the basic consumer.

"Interesting experiences in this area included, at the end of 1961 and the beginning of 1962, a campaign of petitions on the theme 'we want to know what we are buying' by cooperative housewives in two major cooperative societies. Some 100,000 signatures were collected in a few weeks for one petition demanding detailed labelling for textile goods, and also regulation of advertising of a medical character for foodstuffs. These two demands have, as noted above, subsequently been satisfied at least in part.

ZOPFI: "I am grateful this conference and I would like men who deal with consumer information to remember that if women want something, in the end you can sell more by providing it."

"Certainly, in France as in other countries, there are associations which contest the right of cooperatives to speak for consumers. But these associations have been until now completely incapable of accomplishing anything comparable to what our laboratory is doing. Even if they had done so, they would still have had to *acquire* the contact with practical realities which we possess quite naturally, thanks to the industrial and commercial activities of cooperative organisation."

Cooperative consumer protection was equated with technical research and quality control by Dr. STAINESBY (*Head of the British CWS Technical Research Department*) in a short intervention during plenary discussion. He pointed out that standards and specifications can be set up only after control methods have been established: "If you can't control, standards are useless."

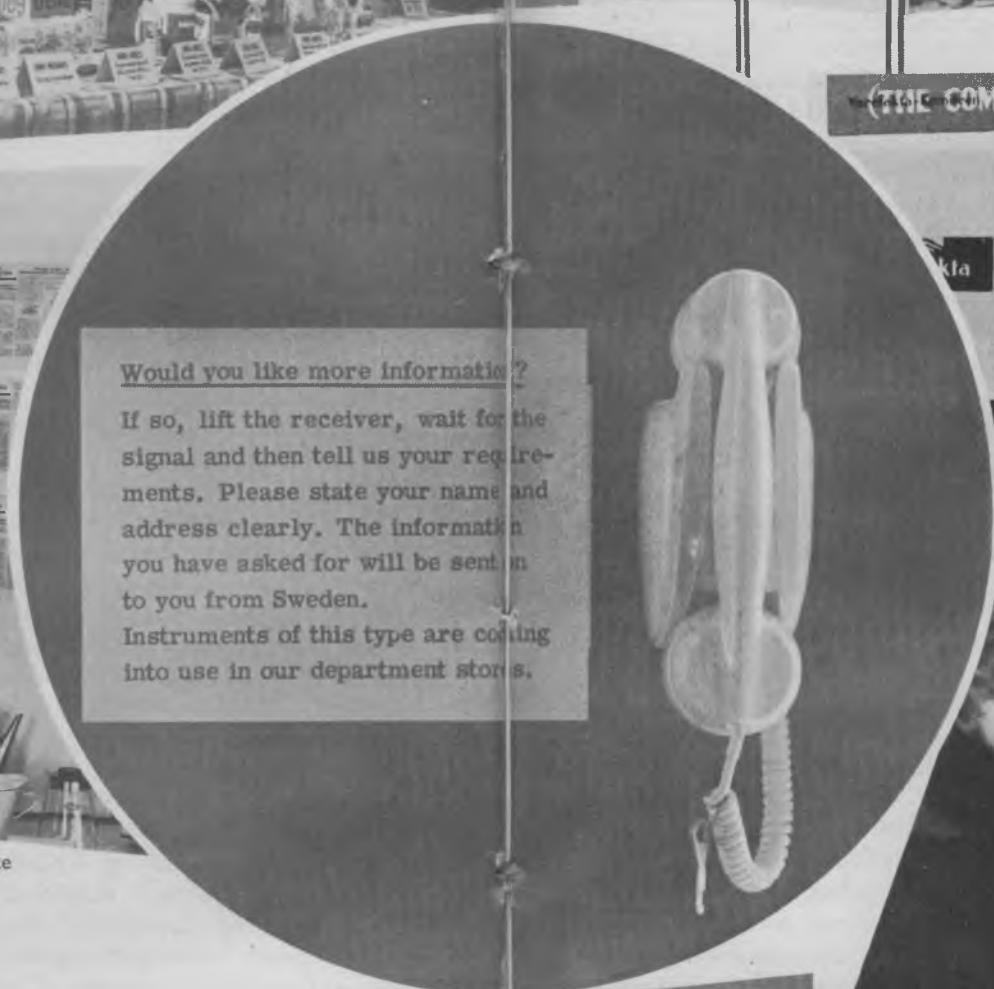
Dr. Stainesby also expressed the opinion that cooperatives should not leave comparative testing to independent organisations, but should set up their own testing laboratories. "I would back my own laboratory against any other organisation", he stated. The contrary view was expressed by Miss WEBER (*Supervisory Board, KG, Vienna*) who argued that comparative stress on high quality will be considered mere publicity unless the superiority of cooperative products is demonstrated through independent scientific tests.

A similar view was taken by Dr. Kohler (*Vice-Director of VSK, Switzerland*) who outlined in some

detail an independent comparative testing organisation that was recently set up in Switzerland on the initiative of the cooperative movement.

In June, 1964 the Foundation for Consumer Protection (*Stiftung für Konsumentenschutz*) was set up by the four member organisations of the Action Group of Workers and Consumers, namely the Swiss Cooperative Union (VSK), the Swiss Trade Union Federation, the Federated Union of Government Employees, and the Association of Swiss White-Collar Workers. Its functions include checking goods and services as to suitability, usefulness and reasonable pricing; preparing recommendations for more and better quality standards, labels and guidelines for handling of goods; investigation of advertising practices; and enforcing implementation of guarantees. In the field of consumer goods testing, the Foundation serves as a centre for financing and coordinating the projects of recognised national testing organisations rather than doing its own tests; the results of such tests are disseminated through the publications of the members of the Foundation.

This juridical form was chosen in the interest of independence and objectivity in testing and publication of results. The Swiss Cooperative Union can offer support to the Foundation in the form of practical experience in the commercial and productive sectors. Analyses and reports are not made by the Foundation itself, but by institutions which are absolutely neutral and experienced.



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The Exhibition illustrating the themes of the Conference



LAMBERT: "The information market research provides can be used as a basis for devising ways of improving consumer satisfaction; it can equally be used for devising new techniques of persuasion, or new methods of consumer deception. . . .The clearer and more comprehensive the definition of cooperative policies, the more effectively the movement will be able to use all its technical departments for the service of consumers."

So far these have been the Institute of Household Management (*l'Institut suisse d'économie ménagère*) at Zurich, and the Federal Laboratory for Testing Materials (*le Laboratoire fédéral d'essai des matériaux*).

Dr. Kohler stated that public reaction to this new Foundation, which created a minor sensation in Switzerland, has been extremely sympathetic, and that it has been a stimulus to cooperative membership. He also confirmed his opinion, despite doubts that have been expressed, that it is feasible and desirable for consumers to seek the participation of dealers and producers in comparative testing, in order to ensure more effective selection and testing methods.

With respect to tests, Mr. Churchward stated: "Any methods we choose to evaluate a product must be acceptable to both producer and consumer. Indeed, I believe that the interests of both parties are often closer than some reformers would have us think. Test results, which must be published for all to see, would be of little value if concerned only with features important to the manufacturers; so would tests based only on aspects that interest consumers. The ideal method is one which affords both consumer and producer opportunities to agree standards against which performance can be judged. And even in the field of design, where personal taste is as important as performance, consultations could in themselves do much to effect improvements."

The contribution that cooperative brand names can make to the "quality image" of cooperatives was discussed by several participants. Mr. Byrom said: "The CWS Board has now decided that as soon as arrangements can be made, the reputation of the CWS shall be placed behind a single brand name. This brand name, it is hoped, will in due course become established as a house brand of cooperative societies. It has further decided that the brand name will only be applied to products which can show that they are subjected to adequate and consistent quality control procedures. To ensure this a Merchandise Approval Committee has been established, consisting of seven senior officials—four from trading enterprises, together with the Heads of the Technical and Market Research Departments and the Public Relations Division. The task of this Committee will be to ensure that the brand name is only applied to products which comply with the conditions and to make arrangements which ensure that the initial standards are maintained. It is perhaps worth noting that the establishment of the Merchandise Approval Committee has been dictated partly by purely commercial considerations and partly by the need to pursue a consistent policy, mindful of consumer interests. It is, perhaps, also significant that five of the seven members of the Merchandise Approval Committee are present at this Conference."

Mr. Churchward added: "The adop-

tion of a single brand name, backed by a system of quality control—and that involves consistency of output—will not only ease his (the cooperative advertiser's) task, it will strengthen his hand, making for much more effective campaigns."

According to Mr. MORAND (*President Director-General, SGC, France*): "It is essential to seek the *best quality* by relying on the experts of the Laboratory, and not to trust in the prestige of brands which are maintained through intensive advertising. To escape the tyranny of brands and of price wars, it is important for all major consumer goods to be marked with the cooperative symbol. Our brand COOP ought to cover a broad selection of goods.

"The consumer attaches great importance to selling price, without possessing the necessary criteria for comparison. He often bases his judgment on brand products which have been 'presold by advertising'. Price battles between distributors have the effect of attracting public attention. Cooperatives are obliged to follow suit; but they can escape from brands by extolling their own, COOP. This brand is not burdened by have advertising costs nor by a network of commercial agents. But this requires a continuing educational effort on the part of all involved, purchasers, sales people, inspectors, in order for the COOP brand to replace the others. A simultaneous effort by the cooperative press is necessary to convince cooperators that they should buy products made in 'their factories' and controlled by 'their Laboratory'.

"Certainly this will be difficult to accomplish because of the great variety in the modern assortment of goods. Nevertheless, the cooperatives could concentrate on a limited number of items

out of their vast assortment of branded articles and use them as examples of a combination of high quality and reasonable price, and in addition as models for clear quality labelling. Cases in point are the 'Winner' products of the Swedish cooperatives."

Manual for Branch Managers

GROCERY

by W. Shearer

Published by the Co-operative Union, this book is the successor to *Co-operative Grocery Branch Organisation*. Designed to help branch managers in their day-to-day responsibilities and to serve as a text book for students taking Co-operative Union management courses, it is one of the text books recommended for use in the Co-operative Union Education Department's course in Branch Organisation.

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INFORMATIVE LABELLING

On this topic, too, Dr. Bock's paper provided a succinct sketch of some of the major factors involved.

"Goods labelling is relevant to a consumer orientated trading policy. For various reasons labelling regulations in some countries, and to varying extents, are inadequately adapted and explained for purposes of consumer protection. This is particularly true of the labelling of foreign goods, dyed goods and preserves. Another area for which legal regulations are inadequate is date labelling—date of production, date of packing and date by which the goods must be used. Many examples from producers and especially distributors in Germany show that labelling of this type can be achieved."

"A consumer orientated trading policy must therefore systematically endeavour to expand the possibilities for labelling of all kinds in the recognition that they are useful for the consumer and a part of modern technological advance. The accomplishment of this intention will encounter difficulties. Thus, for example, date labels might confuse consumers and entail losses for dealers if the goods are not disposed of by the specified date. Date labelling for frozen foods can be misleading if the deep freeze circuit is deficient. But if one proceeds from the assumption that co-operatives are obligated to institute all essential organisational measures which are in the interest of the customer, then clearly public labelling is a logical consequence required in the name of the reliability of co-operatives."

The well developed system of informative labelling in the Scandinavian countries was described by Mrs. Raikönen: "One of the most important aims of consumer information is to provide the consumer at the moment of purchase

with clear reliable facts that also make possible comparison between different brands. Some people consider this to be the aim of consumer information. It should be possible to assume that the consumer knows exactly what he is getting for his money, but as we all know, this is not the case. If it were, there would be no need for conferences like this one we are now attending. To help solve this problem of information on-the-spot the Scandinavian countries have developed a special semi-official system of informative labelling.

"The beginning was made in Sweden in 1951, when an Institute for Informative Labelling was established. The present, and at the same time, the first, director of the Institute was once a teacher at the Cooperative College. Sponsors of the Institute include several national citizens' and trade organisations, among them the Cooperative Union KF, the Trade Unions, the Federation of Swedish Industries, to name but a few, as well as research and testing institutions. The chairman is

appointed by the Government. Activities are financed partly by member organisations, partly by Government grants.

"Not long afterwards, institutes on similar lines were founded in the other Northern countries: in Norway in 1955, in Finland in 1956 and in Denmark in 1957. There is close cooperation and sharing of experience between these institutes and joint meetings are held regularly.

"The purpose of labelling schemes worked out at these institutes is to give information on those characteristics of goods that are most relevant to the consumer. These characteristics must be measurable by specific testing methods, and the information must be given in specified terms. For certain products the scheme also provides information on material and construction as well as on subsequent care. In textiles for example, the last mentioned item is very important. The label always contains the symbol of the institute and gives the name and address of the manufacturer. It is printed on the container as in tinned foods and detergents, or on a separate tag, or on ribbons attached to the garment or textile.

"The schemes are prepared by special working groups. For every line of goods to be labelled a separate working group is set up. These groups are permanent organs which later on, if necessary, undertake the revision of schemes. In Finland there are at present 23 such groups, each with the various interests represented, industry, trade, research and consumers. It sometimes

takes a long time to work out a scheme, to agree on which characteristics shall be described and to settle the problem of standards. Sometimes there is also a divergence of opinion: it happens for example that representatives of consumers and distributors wish to include information that the manufacturers find unnecessary. The scheme then is a result of compromise. In some cases information on characteristics of vital importance for the consumer—durability of certain textiles is an example—must be left out because there are no reliable methods of testing.

"The accuracy of information on the labels is controlled regularly through random purchases made in different parts of the country. Samples are tested in independent laboratories—none of the institutes have laboratories of their own.

"Informative labelling of this type is a voluntary matter. The manufacturer wishing to adopt a scheme makes an agreement with the Institute and pays an annual fee for the right. But then he also must give information on every point listed in the scheme. There are no minimum standards as to the quality of goods to which these labels are attached; characteristics only have to be described in the specified terms. The label thus is not a quality guarantee, at least not in theory; it is, however, obvious that a manufacturer is not inclined to provide information on goods he knows to be of inferior quality. There are some exceptions as to minimum standards, for example, life belts.

"It is not necessary in this assembly to

PIILA: "The consumer is right in demanding that his voice be heard in production, and his sympathy will lie with the producer who pays attention to his opinions, who works as far as possible within the direction of his expressed hopes, and who encourages the consumer to present his hopes and criticisms."

emphasise the importance of informative labels for the consumer. But it must not be forgotten that they also are of great value for the distributive trade, its purchasers and shop personnel. In addition, they have even proved of value to the manufacturers, who, by adopting a scheme are compelled to make closer acquaintance with the goods they produce. It is a well-known fact at every testing institute that manufacturers are often surprisingly ignorant of how their products perform in practice.

"To conclude, some statistics: by the end of 1964 the Swedish institute had worked out 118 schemes adopted by 864 manufacturers, the Finnish institute had 48 schemes and 125 agreements to use them, for the Norwegian institute the numbers were 21 and 154 respectively, and for the Danish institute 8 and 26."

Mrs. GULLBERG (*Home Economist, Consumers' Cooperative, Berkeley, California*) gave a vivid account of the labelling system used by American consumer cooperatives: "In the past, the Consumers' Cooperative of Berkeley has had no periodic label review programme and no well-established channels for feed-back from consumers to label writers. Some labels were very well written; others were advertising copy supplied by the packer and were used merely because no one took time to develop better ideas about what should go on the label. Most of our labels were not that bad but many needed improvement. What was required was professionally trained staff members specifically delegated to spend some of their time working on labels.

"At the Berkeley Co-op, this task of

improving labels has been assigned to the home economists. At present, we have six part-time home economists serving our seven large shopping centres. Some of us have had experience in dietetics, food technology, nutrition research, institutional management, teaching, or quality control. In addition, our regional warehouse, Associated Cooperatives, has a home economist whose responsibility is quality control including labels. The home economists in the retail stores funnel label criticisms and suggestions to the home economist at the warehouse. We all cooperate in writing the copy for new or revised labels.

"This process often involves a good deal of checking to be sure we are both accurate and within the law. We are fortunate that in the San Francisco Bay Area we have a wealth of experts to draw on. We often consult with both federal and state food and drug agencies, with public health agencies, with departments of agriculture, with weights and measures officials, with university and university agricultural extension faculty, and with specialists in industry.

"We have two sources of our Co-op labels. One is National Cooperatives in Albert Lea, Minnesota, which distributes labels to some twenty-eight regional wholesale cooperatives in the United States, Canada and Puerto Rico. These are labels for products that have a wide potential sale and the label copy needs to be appropriate for all areas. The other is Associated Cooperatives, our own local coop warehouse, serving principally California. These are generally labels not available from national cooperatives and are usually for products that can be handled more economically

on a regional basis.

"Let me try to tie all this together with a list of what should be on a good label. In very general terms, a good label should be attractive, well designed, accurate, informative, and completely legible. It should be easy to identify just what and how much is in the container. It should not be cluttered with unnecessary or misleading information. It should not have the weight buried in tiny type on the back or side of the package. It should not offer premiums or 'free' gifts. It should include warnings when they are needed.

"If you improve your labels and if you succeed in educating your members to read them you will no doubt find, as we have, that 'a little bit' is not enough. Your membership will become more critical of all labels, co-op and others, but the ones they will most want to improve are their own co-op labels. You will also find that many of their suggestions are useful and that your efforts to improve labels are appreciated. Nothing makes a cooperative member happier than to see things that set co-ops apart from other grocery stores. They can be unique in the 'hard sell' marketplace and can be one of the reasons why members want to shop at their co-op."

Mr. CHURCHWARD confirmed the interest of the British cooperative movement in informative labelling: "In current trading conditions informative labelling and grading are probably more important than ever before. In this field the Movement should be well ahead of its competitors, but too often it lags behind. Its guarantees should be in line with the

best, and should not blindly follow average trade practice. The goods we sell need more designing and testing to make certain that they satisfy consumer needs. We require a code of practice in these matters to which all cooperative productive undertakings should conform.

"In its own evidence to a Government Committee, the British Movement supported in principle the descriptive labelling of goods to assist the consumer not only to buy correctly but also to use the goods to their best advantage. But in practice the Movement itself has a long way to go before it can claim to back its own beliefs."

The discussion on informative labelling gave rise to a lively exchange on an issue that was posed by Dr. Bonow as follows: "Should cooperatives aim at making a choice for the consumer—e.g., via quality labels, grades, advice on 'best buys', protective legislation, etc.,—or should the objective rather be to train and equip the consumer himself to make a wise choice?"

Dr. Bonow of course had his own opinion on the issue: "The latter is obviously the more 'modern' approach, and the sounder one. The very concept of cooperation is based on 'self-help' and the assumption of a rational consumer equipped to defend his own interests. Hence, in *addition* to all kinds of safeguards and protection, consumers must be provided with a maximum of information and be trained to make intelligent use of this information in their buying. We cannot subscribe to the notion that the consumer is passive or

WOOD: "It has been suggested that consumers are not rational. It is, however, certain that they *are* to the extent that they will go elsewhere if they don't get what they want at cooperatives."

stupid or lazy.”

This view was supported by several others in plenary discussion. Mr. Custot: “In France a quality label indicates a brand name designed to stimulate confidence by the consumer, not to provide information. These quality labels are not reliable, not based on adequate testing. Moreover, many subjective factors are involved; for example, does the consumer want nutritive value or low price? Thus it is better to list characteristics, and let the consumer decide, rather than take it on someone’s recommendation. Hence we oppose quality labels for foods. We do not accept quality symbols as a replacement for accurate descriptions.”

Mrs. RAIKKÖNEN: “Certainly informative labelling is difficult for the consumer; it requires more alert and educated consumers to profit from it. But we find it worthwhile, nevertheless. In the end, it is the only good way, because it compels consumers to analyse their needs and requirements and compare them with the facts.”

Miss FLENSBORG-THOMSON (*Domestic Science Consultant, FDB, Denmark*): “Who would choose for the consumer? We believe in informative labelling. Let the customer have the facts and make her own choice.”

Mrs. TAS-CALLO, on the other hand, argued that although informative labelling is a good source of consumer information, it is at the same time very difficult for the consumer who is not in a position to do his own comparative testing; therefore, it is preferable to provide quality information through the use of colours or stars.

Mr. SALLBORG (*Director, KF, Stockholm, Sweden*) pointed out that in Sweden, in addition to the use of VDN informative labels, KF uses special colours

to indicate quality on its “Winner” line of goods. Mr. Citeau stated that French cooperatives use different names to indicate quality foods, but feel that the cooperative brand should not be applied to any second choice products, but should stand as a guarantee of the highest possible quality. Mr. Churchward expressed the view that quality differentiation through colours should be considered in Great Britain; at the same time he noted the difficulties in cases where differentiation relates “not so much to quality as to type, capacity, flavour or taste.” Finally Mrs. Gullberg described the use of colours to indicate quality by U.S. cooperatives: “With our Co-op label products, we have another buying aid. We have two quality grades distinguished by two different coloured labels on many of our products. Our Red Label is used for products we consider to be our best quality. We put it on products of excellent consumer value although they may not be the very highest quality available on the market. We use our Green Label for our economy grade. We tell our members that Green Label canned fruits and vegetables, for instance, do not have perfect appearance. They may be more mature than those under Red Label. We also tell our members that the nutritive values are similar for both grades. When appearance is not important, a Green Label product will probably be just as satisfactory and will be a little less expensive.”

In response to the drawbacks of date labelling as pointed to by some cooperative managers, Mr. Citeau testified that in France date labelling has proved to have important advantage for consumers, for factories—in tracing stocks, rotation of stocks for sales personnel, and for producers. Similarly, Mr. Jennings pointed out that the Plymouth

ASSORTMENT POLICY

The relation which cooperative assortment policy bears to consumer-orientation in trading was clearly focussed in the paper of Mr. SALLBORG. "The trade policy of a business in such a movement as ours finds expression primarily in the assortment and prices which we offer our members in the shop."

"In a cooperative business there are many parties who want to participate in decisions and in composition of an assortment. These include members of staff of the shops, producers both in the cooperative movement and out of it, and, during the last years, also consumer educators.

"It is not only the opinions of these people we take into consideration when we decide what kind of assortment we are going to offer in the shops. We must also decide upon to whom we are offering the assortment. We cannot have as an aim the satisfaction of *all* conceivable needs and demands. Just that

Society has been date-coding milk by changing the colour of the bottle cap each day, and has found that fears have not been substantiated, and that the experiment was well worth while. Miss Flensburg-Thomson expressed her regret that no-one was present from the sales department of FDB where they have found that date labelling makes trade more effective, and makes it possible to run shops 'more efficiently. Miss ZOPFI (*President of the Cooperative Women's Guild in Switzerland*) asked managers to remember that, even if there are drawbacks to date labelling, "if women want it, in the end you sell more by providing it."

part of the market must be chosen which we want to reach.

"Within KF we have 38 purchasing departments and 26 industries which produce goods for the cooperative market. Formerly every purchasing department and industry of KF had the right to determine what articles they wanted to supply. The regional warehouses had the same right to buy what they wished. The same applied to the local societies and the department stores. The consequence was divided purchases in small quantities from many suppliers, and failure to make use of the collective purchasing power of the cooperative movement. (One purchasing department often supplied many similar articles, e.g., 120-130 different mustard packets when the real demand was for perhaps 12-15 kinds).

"For the purpose of working out a better system we appointed an assortment committee, consisting of 7 members. The chairman was one of my assistants in the central sales department, and the other 6 members were managers of regional warehouses and sales directors of the large local societies.

"As a basis for the work we used statistics on sales of the entire assortment during one year. We found that the total number of articles which the purchasing departments and our indus-

tries supplied to the grocery shops during the year was about 5,600 different articles, while the assortment in the large shops did not exceed 2,000 articles.

"First we rejected a number of package sizes of the same articles. The next step was to examine equivalent articles manufactured by several producers and determine which should be left in the assortment. Thirdly we eliminated all articles which had a small sale during the year. In the end we had a national assortment—a frame assortment—which included about 2,400 articles. This assortment is supplying most of the demand.

"Within this frame assortment the regional warehouses (which are responsible for the purchases of the associated societies) decide on their individual assortment. At the same time we made an agreement with all societies and warehouses that all purchases should be made through KF's purchasing departments and within the compass of the assortment. As a result, we have a firm grip on the quantities and a strong position in negotiations with suppliers. The only way in which a supplier can arrange for an article to be included in the assortment of a cooperative shop is to have a discussion with a purchasing department of KF.

"The assortment committee has a meeting every third week at which the purchasing departments present new articles which they wish to include in the national assortment. They show samples and give all facts about quality, price, sales promotion, etc. They also present test reports from the test kitchen and the food laboratory, and also often reports from the test kitchen on tests made by the housewife panel. The committee then decides whether or not

to include the article, and which article it might replace.

"KF's commercial activities are conducted in close cooperation with its consumer information work. The consumer information department concentrates in the main on giving information on the articles which are included in the national assortments."

Speaking in plenary session, Mr. AUBRY (*Director, SCSC Geneva, Switzerland*) painted a similar picture of assortment policy in Switzerland before and after reforms in this sector. Prior to 1960, there was no explicit purchasing policy or rational planning of assortment. Small shops, particularly, tended to accumulate heavy stocks which turned over at a very slow rate and constituted a serious burden on liquid assets. Local cooperatives dealt directly with private suppliers, with a consequent fragmentation of bargaining power and wide dispersion of sources. In 1960 in connection with the opening of a regional warehousing centre in Wangen, VSK completely overhauled its purchasing and assortment policy. Non-food specialists were appointed to work in close collaboration with the Wangen centre; a standard assortment was worked out for all shops, and specification lists sent to each society for purpose of ordering; storage space in new shops was carefully planned on the basis of the special containers used in Wangen; packaging was rationalised and special attention was given to determination of sales prices and advertising programmes. As a result the cooperatives have reaped the advantages of mass production, better prices on purchases, large increases in stock turnover and greater competitiveness. It is now planned to reorganise the retailing of food products along similar lines.

PRICE POLICY

In his summary remarks Dr. BONOW posed quite bluntly the price issue as it relates to consumer orientated trading activity. "Does not consumer orientation pose a conflict between the interest of member consumers in higher patronage refund (divi) on the one hand, and in lower prices on the other?"

His answer was equally blunt. "Certainly. But this is not an obstacle to consumer orientation. It is not a new problem. It was always, and will continue to be, incumbent on managers to adapt price policy to the requirements of the market, i.e., to meet the competition, and only after this to distribute the surplus. We must bear in mind that the consumer orientation argument is directed at serving the consumer-member not only by giving him the goods and services he wants at reasonable prices, but also by making cooperative activity more efficient and thus maximising dividend."

Dr. Bock addressed himself to the same issue in connection with price policy and dividend: "A consumer orientated trading policy is only conceivable if it also finds expression in price policy. The price structure is one of the important indices for an enterprise which is guided primarily by the claims of consumers. However, these days cooperative members usually share these claims with all non-members. The special claim of the member relates primarily to the dividend and is limited to it.

"Admittedly price structure and dividend policy conflict to some extent since the source of dividend no longer consists merely of what is 'left over' at the end of the year. On the contrary,

today dividend is more often calculated as a cost component. This is a result of trade competition of a kind with which cooperatives were not confronted in an earlier period. But the method of renouncing the special claims of members in favour of a general consumer-orientated price policy is clearly too simple, particularly if the objective is cooperative participation of consumers in the economy, which can best be accomplished through the membership. Moreover, membership participation is decisive for the stability of cooperatives. An optimum relationship between dividend as a special membership claim and a consumer orientated price policy is therefore a difficult but necessary task for cooperative management."

BONOW: "It was always, and will continue to be, incumbent on managers to adapt price policy to the requirements of the market, i.e., to meet the competition, and only after this to distribute the surplus".

COOPERATIVE ACTIVITY ON THE INTERNATIONAL LEVEL

On this issue Mr. MORAND commented as follows: "Contacts are equally necessary between wholesales in order to achieve a veritable cooperative Common Market. Under the aegis of ICA, a committee of wholesales (Cooperative Wholesale Committee, CWC) meets annually. So far, it must be admitted, few concrete results have been achieved by way of cooperative trade between countries.

"But there is a tremendous amount to be done. Those in charge are aware that this too is a potential source of strength which has not been exploited. To be sure, language differences do not facilitate relations, but above all it is necessary to overcome inertia in this field as well as within national movements. The buyers of individual wholesales lack drive in developing a common policy of centralised purchases; some of them invoke the argument of country differences in taste; they seem to feel that they have nothing to learn from others!

"True 'cooperation' between the various wholesales would make it possible to centralise purchases along the lines of the European plan for certain products like coffee, tea, various preserves of foreign production, etc. The foreign agencies utilised by wholesales ought to be able to assemble documentation and take action in this direction; if this were done, we would become one of the world's largest purchasers, and retail societies would surely not regret this.

"We have an example: The *Nordisk Andels Förbund* (NAF), a buying group set up by the cooperatives of five Scan-

dinavian countries (Sweden, Norway, Denmark, Finland and Iceland) handles imports from all parts of the world to the great benefit of participants. It would be a good thing for other countries to profit by the experience acquired by NAF by affiliating with this group, thereby eliminating purchasing bureaux in each importing country.

"With respect to cooperative production, certain existing factories have already made arrangements to export to other wholesales. Experiments of this kind between French, German, Belgian and Dutch wholesales have yielded encouraging results; let us hope they will be expanded! On the other hand, the time has come to think about constructing *jointly managed factories*, capable of holding their own among the international trusts, for key products.

"Consumers will no longer be the 'playthings' of these monopolies who corner the market, and they will welcome the idea of having a protector: Cooperation!"

Mr. EXNER: "I agree with Mr. Morand that international cooperation should be promoted to fight monopoly on the international level, and to achieve mass production. Mass production will not



Four nationalities, Sweden, Switzerland, Gt. Britain and USA, meet under the Swiss symbol CO-OP

develop unless we make a big push. The consumer is suspicious of products whose origin he doesn't know; hence the importance of international quality brands."

Mr. AUBRY: "Would it not be possible, in the I.C.A. and in the Movements, to find a way of organising mass production in order later to permit mass distribution? This is important, because no country or movement by itself can develop both production and mass production."

The extension of a cooperative brand

name to the international level was suggested by Mrs. Gullberg, and this idea was elaborated by Mr. Frei who proposed that the Swiss COOP symbol should be adopted as an international cooperative symbol and design.

Mrs. SEMINCK (*National Secretary of the League of Women Cooperators, SGC, Belgium*) suggested that international standards for informative labelling would be valuable to all national movements, and particularly those in the Common Market.

BONOW: "Consumer orientation must be infused at every level: not just in the shop, but also must become part of the philosophy and the commercial policy of the local society, of the regional society, of the national apex organisations, and even on the international level."

COOPERATIVE RELATIONS WITH OTHER CONSUMER ORGANISATIONS

This issue, too was sharply focussed by Dr. BONOW who asked: "Can cooperatives compete with other consumer organisations — private and governmental — as the champion of the consumer?"

His answer: "The cooperative was not only first in the field, but it has definite advantages in terms of contacts with consumers via trading, to say nothing of its basic philosophy. Thus it should press its claim as THE champion of the consumer, but in this capacity should also seize every opportunity to collaborate with other consumer organisations in advancing the consumer interests."

A similar approach was elaborated by Mr. Wood (*Parliamentary Secretary, Co-operative Union, Ltd.*, Great Britain) in his introduction of the Consumer Working Party Action Programme: "In several countries, especially in Europe, consumers' associations have been founded, sometimes at the instigation of government authorities, and often with the support of other bodies with social aims such as trade unions, family federations, and women's associations. These groups, whose ways and methods can be very different, have one common aim: to promote consumption and put it on an equal footing with production and distribution.

"Some of the newly-emergent organisations have already organised themselves on a world-wide basis, have established contacts with the United Nations Organisation, and have held a number of international conferences to discuss problems of common concern. In some countries, there is unwillingness on the part of these bodies to acknowledge the claim of the Cooperative Movement to

be a genuine consumers' organisation. This has prevented much fruitful collaboration among organisations whose operative methods may be different, but whose objectives are similar. The fact that Cooperative Movements are actively engaged in industry and trade should not be regarded with suspicion by other consumer organisations, but rather as an advantage which qualifies them to represent the consumer more effectively.

"Cooperatives have a great advantage over other non-trading consumer organisations because from their intimate knowledge of the manufacturing and distributive processes on behalf of consumers, they can make a unique contribution to consumer welfare, by tempering Utopian suggestions with practical experience, and cutting through the obstruction offered by trading interests motivated by profit-seeking.

"Consumer interests are profoundly affected by government policies; cooperative organisations acting in defence of consumer interests should be concern-

CUSTOT: "Contrary to certain conceptions according to which things will go well if the consumer is passive and lets the public authorities attend to his welfare, the cooperative movement, founded on democratic principles, considers the emancipation of consumers to be the function of the consumers themselves.

ed with economic policy-making, and where opportunities occur they may become involved with political parties or with other interest groups; in publicity campaigns and popular demonstrations, and any other activity which may be effective in furtherance of those interests.

"Consumers' cooperatives should be tireless advocates of State action through legislation with the following objects:

- (a) The safeguarding of the consumers' health, safety and other vital interests.
- (b) The maintenance of the highest possible standards of ethics in commercial matters.
- (c) The provision of legal redress for consumers if they are deceived or unfairly treated.
- (d) The curbing of restrictive practices including monopolies and cartels.

"It is not sufficient that laws should be made to protect and further the consumer interest; such laws should also be enforced. It is necessary for Cooperative Movements to keep a close watch on legislation and to influence the legislature on behalf of consumers, who rarely have any organised political group of their own.

"By collaboration with other consumer-orientated organisations, whether independent or State-sponsored, the Cooperative Movement should be able to make a valuable contribution to the total activity dedicated to the consumer interest. There should be collaboration with national standards institutions in the promulgation of official standards for consumer goods. In many countries there now exists a State-sponsored Con-

sumer Council with which the Cooperative Movement may be able to collaborate. The extent to which cooperatives are able to take part in the work of comparative testing organisations depends upon the circumstances, but in at least one instance a national Cooperative Movement has been among the founder-members of such an organisation."

In an intervention from the floor, Dr. PERNICA (*Head of the Chair of Cooperation, Prague University, Czechoslovakia*) gave some interesting details on consumer cooperation in Czechoslovakia, stressing that defence of the consumer, and likewise of consumer cooperatives, is built into official State policy. A striking example is a law passed for setting up standards for consumer protection under which consumers are automatically given guarantees on all products, for one week on food and for six weeks on non-food items. Consumer complaints must be satisfactorily dealt within a specified period either by replacement, price reduction or in some other fashion.

The article "The Co-operative Societies in an expending economy" by Mr. Ch.-H. Barbier which appeared in the September 1965 number of the "Review of International Co-operation", has originally published in No. 2-3 (April-September) of the "Annals of Collective Economy". We much regret that we omitted to state this in the "Review".

Ed.

IS CONSUMER PROTECTION NECESSARY IN AN AFFLUENT SOCIETY?

This issue was posed, and answered affirmatively, by Mr. Barbier, and again by Dr. Bonow in his closing summary. "If not, the consumer also does not need cooperation. It has been stressed here that we no longer make an appeal exclusively to the under-privileged, the lower income groups. True, it is in times of economic adversity, and in under-developed countries, that the purpose and rationale of cooperation are best understood, because it is in such situations of distress that people best grasp the possibilities of self-help through working together. But the same purpose and the same rationale prevail in highly developed, prosperous industrial economies. Not only is affluence very unevenly diffused in such economies (as pointed out also by Mr. Lacroix), there is also the overriding fact that the individual in such an economy is, if anything more rather than less interested in material goods, in maximising the satisfaction derived from disposition of his income. We feel that Cooperation can be an important instrument for helping him to use that income for a better life, and therefore for a better society. Cooperation is not an end in itself: it is a means to an end, and that end in the last analysis is a way of life."

These ideas were elaborated in the papers of Dr. Bock and of Mr. Wood.

Dr. Bock: "At the time of their origin the cooperatives were closely associated with the lower income groups. The volution of a welfare society has, however, greatly reduced the number of lower incomes and obliterated the sociological and ideological distinctions between income groups. The result is a standardisation of the way of life of almost all income groups. The cooperatives are on the point of breaking off their exclusive ties with lower income groups and making contact with the entire population. Clearly, they have extended their clientele beyond the circle of their own membership to include all consumers. This process has expanded the

work of cooperatives and changed its nature.

"A consumer orientated trading policy as an expression of the cooperative approach with its constructive effects could give a new meaning to the activities of consumer societies, a meaning adapted to modern society just as their previous concept was appropriate to the social order of an earlier period. Thus a consumer orientated trading policy can provide a slogan for the present. Its feasibility stems from a market economy of the modern type which is more and more prevalent in the western world."

Mr. Wood: "In the Western welfare states, conditions have changed from scarcity towards conditions of affluence

STAINESBY: "For cooperators, consumer protection is self-protection."

and a prospect of abundance. This means that the consumer is no longer forced to allocate his income in such a way as to ensure survival, but has a measure of free choice between various ways of spending his income. It is the availability of this discretionary purchasing power, the vast range of new goods (many of which are the outcome of scientific discoveries) and the incessant creation of new wants by manufacturers and traders through the medium of advertising, which marks off the

contemporary period from earlier times.

"We are now at the end of an epoch in which 'the consumer was the lowest form of life known to the economic world' to quote an American economist. The desire to protect the consumer is gaining ground rapidly. It is rooted in the idea that in the modern economy the seller's interest tends to override the buyer's interest. If they remain isolated, consumers have not the slightest chance of getting their views accepted."

RAIKKÖNEN: "The idea (of informative labelling) was initiated within the Coöperative Movement, where it has always been natural to look at things from the consumer viewpoint, even long before the consumer became the pop figure he today is."

LAMBERT: "No commercial organisation can succeed unless it is in close touch with its market. . . . One would expect a consumer-controlled trading organisation to be particularly conscious of the need to study its market and to be alert in the application of modern scientific methods of doing so."

SCHMIDT: "The consumer is interested not only in good bargains, but also in the best possible use of income . . . Affluence makes sense if people are thereby enabled to live a more agreeable and better life."

THE BASIC ISSUE: CONCLUSION

Again there appears to be no apter way of summing up the fundamental issue which motivated and documented the conference than in the closing words of Dr. BONOW: "It is by now obvious to me, and I should hope to each of you, that when we talk about consumer-orientation, we are not talking about an isolated aspect of cooperation, one corner of cooperative activity. On the contrary, I feel that regardless of which of the basic issues discussed here or of the specific instruments proposed we take as a spring-board, in no time at all we are right back to the fundamental policy problems with which national movements all over the world are wrestling today: the problem of structure, and the problem of principles. It has been said over and over again that any single commercial activity—or any single instrument of commercial activity such as the press, the advertising department, any activity in the shop, training of shop assistants, educational activities, or the work of auxiliaries—can only reflect policy, at the top level and at every other level: and policy in turn, is a reflection of and dependent on structure. But policy and structure, in turn, depend upon orientation. Unless our orientation—our philosophy, our conception of the 'raison d'être' of Cooperation—is right, no amount of restructuring will yield results. And everything I have heard in the last three days from this rostrum convinces me that the only orientation which will yield results is consumer-orientation. Consumer-orientation must be infused at every level: not just in the shop, but must also become part of the philosophy and the commercial policy of the local society, of the regional society, of the national apex organisations, and even on an international scale."

Mr. Wood put the point even more succinctly when he said: "Cooperatives must become efficient economic units if they are to defend and promote consumer interests."

Certain major implications of this approach were summarised in Dr. Bock's paper: "In a dynamic market economy the cooperative concept of consumer welfare must be given new emphasis. The traditional welfare concept called for the opening of shops wherever they

were needed by lower-income groups. Today this type of store is completely uneconomic. Business necessities require the abandonment of numerous small outlets and establishment of large markets and supermarkets with new assortments, modern selling techniques and completely different types of customer.

"This concentration of turnover in more profitable business units does not, however, imply giving up the concept of

welfare, but rather merely an adjustment to the wishes of the modern consumer. Business efficiency is the basis for achieving a fully effective consumer orientated trading policy. Concentration of turnover through reducing the number of shops and increasing the selling area of each finds a parallel in concentration of consumer societies. Growing fixed costs and the drive towards maximum profitability require the creation of larger entrepreneurial structures. To be competitive, trained specialists, rationalised machinery, rationalised warehousing and delivery techniques, and mass production methods are required. Concentration is therefore the fourth requirement for a consumer orientated trading policy."

Some speakers elaborated the structural changes undertaken by their movements in relation to consumer-orientation. Thus Mr. KNOL stated: "In Holland, as probably elsewhere, there is no agreement of thought as to the policy of the CO-OP as a consumer organisation. Some hold the opinion that the CO-OP should concentrate all its efforts on running profitable enterprises for the benefit of the members, and that, as a consequence, all other activities directed towards the consumer interest should be left to other organisations.

"Others, to the contrary, hold the belief that if the CO-OP wants to answer its essential purpose, it will have to recognise a wider task than just running a profitable business for the benefit of the members. This conception, when accepted, will then have to

include that the CO-OP must pursue a fundamentally consumer orientated policy, both in its own business operations and in its activities outside this field.

"In Holland we started tackling this structural problem in 1947 when the national production and wholesale society was amalgamated with the non-commercial and cooperative union(s). We did, however, make it a point not to leave business operations exclusively to the managers, but to integrate commercial activities into the overall policy of the national cooperative organisation.

"This first step in structural reform was later followed by a systematic process of concentration through which the number of retail societies was reduced from 300 to the present number of 18. Among such a small number joint consultation on central policy lines is possible and practicable. For the purpose of this consultation, a body has been created with functions as a sort of parliament, also to this effect that—after proper democratic consultation and deliberation—it can take majority decisions which are binding upon the minority.

"Those who are of the opinion that the traditional structure of the cooperative movement offers a useful basis for shaping as well as for carrying out a consumer orientated policy, will have to reconsider. Structural reforms must come first, in all countries of Western Europe."

Similarly, Mr. Byrom outlined some of the structural obstacles to a consumer-

CHURCHWARD: "Our future lies in an effective exploitation of our own unique philosophy and in thinking through a trading policy and a programme which will confirm, in a stimulating and dynamic way, that we are an organisation for consumers."

orientated trading policy in Great Britain and recent attempts to improve the situation: "I have said earlier that one of the principal problems of the British Movement lies in the present relationship between the retail societies and the CWS. A really effective programme of consumer orientation will not be possible without much closer cooperation between the CWS and the retail societies. Here, as many of you will appreciate, I am on somewhat delicate ground. A Committee of representatives of the CWS and the retail societies has recently presented a report on the present trading relationship between the CWS and the retail societies and it has affirmed very strongly the need for changes which would remove the sort of competition I have described earlier in this paper. That report is under discussion by the shareholders at the present time, and it will be voted upon in the near future. If it is approved (it has now been approved. Ed.) the first steps will have been taken towards a much greater integration of CWS and retail society activities and the ground will thus have been prepared for a much more effective coordinated policy than can be pursued at the present time. In such circumstances, the possibilities of a consumer orientated trading policy in England and Wales would be greatly improved."

Dr. Gebauer raised a question as to whether cooperative movements, faced with the enormous expenses involved in structural reforms, can at the same time afford the facilities, services and expertise required for a programme of consumer information and protection. Dr. Bonow's response was that "if it is demonstrated that consumer orientation is a prerequisite for efficient commercial operations, cooperatives cannot afford *not* to provide such facilities. If

consumer orientation is part and parcel of cooperative rationalisation and restructuring, the process will of itself generate the necessary resources."

To conclude, in the words of Dr. Bock: "A consumer orientated trading policy is possible. Its achievement requires determination and willingness to take risks. It also requires an appropriate degree of influence and power over the market. It requires skilful, detailed and careful supervision of every aspect of management to ensure that it conforms to the needs (indicated above) of a consumer orientated trading policy. To do this involves action rather than passive adaptation. It demands a shaping of the enterprise, shops, assortment, products, prices, qualities, labelling, packaging and advertising in such a way that they provide concrete proof that cooperation means service to the consumer in a way that differentiates it from all other forms of distribution."

* * *

Postscript: "In these days of high pressure salesmanship and sophisticated public relations techniques we must no longer assume that the historical facts of Consumer Cooperation and the significance of its philosophy and practice are self-evident. Adequate publicity must be given to every form of activity which is undertaken in the consumer's interest. In this connection, the Third Consumer Conference at Basle provides a further opportunity of learning from one another, and in a spirit of goodwill and mutual respect, of contributing to the common pool whatever is valuable in our national experience in this important work of consumer protection, enlightenment and education." (Mr. Wood.)

AN OUTLINE PROGRAMME OF ACTIVITY IN THE CONSUMER'S INTEREST TO BE UNDERTAKEN BY COOPERATIVE ORGANISATIONS

I — PREAMBLE

Origins of the Programme

In 1957 at the Twentieth I.C.A. Congress at Stockholm the French Consumers' Cooperative Movement submitted a resolution urging reconsideration of the whole problem of consumer protection and education in view of developments in modern industrial techniques which had a potentially deleterious effect on consumers' health and safety.

As recommended in the resolution, a special conference was convened at Garmisch-Partenkirchen in September 1959 devoted to "The Health of the Consumer". This Conference, which was attended by scientific and technical experts, officers responsible for consumers' information and education, representatives of women's organisations, legal experts and directors in charge of trading policy, formulated a comprehensive set of conclusions and recommendations. The Conference indicated the responsibilities of the Movement in this area, its possible contribution to consumer enlightenment, the need for uniform, up-to-date and effectively enforced legislation, and the need for systematic collaboration between the various agencies concerned with consumers' welfare.

The broader public interest which became evident in the years after the Health of the Consumer Conference—as progress was made in the field of comparative testing and advertising came under critical examination—led the Alliance to include more general questions touching the consumer interest in the agenda of the Second Consumer Conference held in Paris in January 1962. This Conference recommended that a Consumer Working Party be created as a means by which the Alliance might maintain permanent contact with developments in consumer affairs and assist the Executive Committee by making policy recommendations. After examination by a study group of the terms of reference and procedure for the proposed working party the Executive Committee adopted the proposal. The first meeting of the Consumer Working Party was held in January 1963. Eleven member organisations nominated representatives to serve on the Consumer Working Party and the Executive

Committee were also represented. The individuals were chosen to serve on the Working Party primarily because of their knowledge of the broad field of consumer affairs and secondarily for any special knowledge they might have of particular aspects of this work.

The first function of the Consumer Working Party as confirmed by the I.C.A. Executive is:

"To define the obligations which respect for cooperative principles imposes on cooperative organisations in regard to the protection, enlightenment and education of the consumer."

are in existence in the countries of the member

In this paper the Working Party attempts to provide member organisations of the Alliance with an outline of the programme of activity they should undertake in the consumer's interest. The programme has been compiled after a review by the Working Party of current activity in the field of consumer protection amongst state, cooperative and other organisational and economic conditions and legal systems in a number of countries. Since different organisations, the Working Party has not compiled a detailed programme, believing this to be the task of the member organisations in the light of national circumstances.

II — WHY CO-OPERATORS ARE CONCERNED

In practical terms the early Cooperators, by attacking specific abuses in the economic system, not only improved the economic lot of their members but unquestionably established the Movement's claim to be an agency acting in the consumer's interest. An important object of the earliest cooperators' attention was the adulteration of foodstuffs. Fair dealing in pure goods, the increase in purchasing power of their members' wages through the reduction of profit margins, lower prices, and the return of surplus in the form of dividend, were soon recognised as hallmarks of cooperative trading operations.

From the time of their inception Cooperatives have found it necessary to combine in federations for wholesaling, import and production in order to control satisfactorily the price and quality of the products they supplied. Their intervention in production and distribution has

frequently benefited not only their own members but consumers in general by stabilising or lowering prices, improving quality standards, and preventing the wider adoption of practices unnecessarily increasing distributive costs or tending to deceive the consumer. The Movement has opposed monopoly and cartel restrictions amongst business enterprises as being detrimental to consumers' interests.

Changes in the economies of the European countries in which consumer cooperatives operated enabled consumers to move from an expectation of poverty in their lifetime to one of privation and then of an insecure prosperity. The position confronting the western welfare economies today is fundamentally different. These economies have moved away from a set of economic conditions in which scarcity ruled people's thinking towards a condition of affluence and a prospect of abundance.

In practical terms this means that the consumer is no longer forced to allocate his income in such a way as to ensure survival but can choose between a wide range of non-obligatory ways of spending his income. It is the availability of discretionary spending power, the vast range of new goods (many the outcome of the application of scientific discovery) on which it may be spent and the incessant creation of new wants by manufacturers and traders in an endeavour to profit this spending power, which marks off the contemporary period from foregoing times.

Many consumers in this situation are not benefiting fully from the increased spending power at their disposal despite the wider range of goods available as a result of the cost-decreasing effects of mass-production, and large scale distribution. In making adequate choices between the goods available for purchase, the discriminating consumer has to penetrate a fog of advertising claims which are sometimes purposely misleading and seldom informative. Sales techniques—gift stamps, premium offers and false price comparisons—may be employed which distract consumers' attention from questions of comparative price and quality. In the scramble to secure more sales, manufacturers may use deceptive packaging, presenting their product in sizes to which the consumer is unaccustomed, thus making comparison difficult. As the market for products becomes saturated or as competition is concentrated amongst the few, the tendency to differentiate between products by the introduction of stylistic changes and to force replacement through rapid obsolescence adds still further to consumers' problems. In competitive situations the Movement may have to develop counter-measures to these techniques which effectively expose the dishonest methods employed by some other traders.

Cooperators have long recognised abuses such

as these as manifestations of an economic system producing primarily for profit and only incidentally for use. The Movement, composed as it is of responsible consumer-oriented organisations, can help to curb some of the current abuses. By acting together with the many other institutions, state and voluntary, now offering the consumers assistance in making their choice and uncovering abuses, they can extend the benefits of their action beyond their immediate membership.

Because the Cooperative Movement recognises the inadequacy of merely defensive protection it offers alternatives to profit systems which generate such abuses, and in this way the Cooperative Movement offers a real solution to consumers' problems. Consumers organised in Cooperatives achieve physically what must otherwise be left to the slow process of exhortation and persuasion of manufacturers and distributors whose motivation is oriented towards stockholders rather than consumers. By their past action Cooperatives have improved the consumer's lot, their potential is currently immense and there is no limit to what could be done in the future. While other consumers' organisations may seek to prevent further encroachments upon consumers' welfare, it is only the Cooperative Movement which can basically alter his lot and make his position secure.

The "unorganised consumer" has been given recognition in some countries and there are now institutions which redress to some extent the over-emphasis on producer representation in government, which has been evident since at least the turn of the century. Hence the Cooperative Movement is no longer the sole institution providing protection for consumers, defending their interests, or informing and educating consumers in their choices. The State, which in the past has underestimated consumer interests, is becoming in some countries more conscious of consumer problems and is intervening on their behalf to redress or prevent abuses. When powerful vested interests are involved the State alone may have the power to protect consumers' interests.

In every country consumer cooperative societies are, as they have been since their inception, undoubtedly consumer organisations. That the Movement is engaged in industry and trade should not be regarded as a disadvantage but an additional advantage possessed by cooperative societies which other consumer bodies do not have.

In some countries (e.g. Sweden and Holland) the Cooperative Movement takes its place along with other consumer-oriented organisations, in the councils of state-financed or recognised bodies working to protect consumers' interests. The Cooperative Movement in other countries has a similar claim to such recognition. From its intimate knowledge of the operations of

retail and manufacturing business on behalf of consumers the Movement can make a unique contribution to their deliberations, tempering utopian suggestions with practical experience and cutting through the obstruction offered by unenlightened trading interests.

The purpose of the outline programme of activity which follows is to enable member organisations to scrutinize their own endeavours and to determine whether they are sufficient to sustain the claim to be Cooperative Organisations working in the consumer interests. The programme is many-sided and the particular conditions in a country will require that a flexible approach be made. Member organisations will select those parts for priority treatment which are appropriate to their own circumstances. A successful programme will need careful coordination within the member organisations. The Alliance is already active in this area as its publications (notably *Consumer Affairs Bulletin*), the series of Consumer Conferences which it has held, and the formation of the Consumer Working Party itself shows.

III — WHAT HAS TO BE DONE

Economic Action

Through their normal trading operations co-operatives can influence market conditions in favour of consumers. The more efficiently the Movement conducts its trading operations the greater the impact it can have on the price and the quality of the goods and services it supplies for its members' use. A thoroughly efficient Cooperative will be able more readily to stand out against the dishonest practices which its competitors may adopt to the detriment of consumers.

To protect consumers' interests adequately the Movement may need itself to acquire the plant and raw materials required for the production of the goods it distributes. As the purchases of consumers extend into new areas the Movement must see to it that it is able to supply all consumers' wants and if necessary intervene on their behalf to secure the production of these goods at reasonable prices and of an acceptable quality.

Since the cooperative society is a creative as well as a protective consumer organisation it must be sensitive to the feedback of consumers' views about its performance and seek to discover if there are unsatisfied consumers' needs and wants for which it might make provision. The design and testing of cooperative goods prior to marketing clearly demands the closest attention.

Since consumers' interest are affected by the economic policies of governments, cooperative organisations acting in defence of consumers' interests must be concerned with economic policy-making and where necessary should

become involved in such action (by collaboration with political parties and interest groups, by publicity campaigns, and popular demonstrations etc.), as may effectively defend these interests.

For the economic action of the Cooperative Movement to be fully effective it must be co-ordinated with educational activity to enlighten consumers and help them become discriminating consumers.

PROMOTING LAWS AND CODES

Legislation

A consumers' cooperative acting in the consumers' interests will press for legislation, which will: (a) safeguard the consumer's health, safety and other vital interests; (b) maintain commercial honesty and accuracy and establish high ethical standards; (c) provide purchasers with means for legal redress if they are deceived or unfairly treated; (d) curb restrictive practices including monopolies and cartels; (e) establish machinery for the enforcement of the law. The cooperative will see to it not only that it observes in its own operations the requirements of the law but will seek to improve the basic law and extend it wherever appropriate. Since slackness in enforcement is a major defect, even in countries with a comprehensive set of laws defending the consumer's interest, this aspect of the question will require particular attention. Since laws may be enacted whose primary purpose is to protect the interest of producers or retailers while purporting to extend benefits to the consumer, it is necessary for cooperatives to scrutinise such legislation with the greatest care and where necessary oppose its adoption or seek the withdrawal of such laws.

Where the law can be invoked in the form of a minimum standard of quality or safety for consumer good or foodstuffs, to prevent the undue debasement of quality under the pressure of competition the Cooperative Movement will support and assist the authorities concerned in formulating an appropriate standard.

Representation and Consultation

The Cooperative Movement has to press for representatives of consumers to be included in all those statutory or other bodies formulating policies which affect the consumer and for consultation where representation is not appropriate. The representatives of the Movement should be members of such bodies as consultative economic and social councils, consultative committees of nationalised industries and agricultural marketing schemes. The Movement must constantly assert its legitimate claim to represent consumer interests, alongside representatives of industry and trade and organised labour.

Voluntary Codes and Undertakings

Professional and trade organisations can adopt voluntarily codes (e.g. in the U.K. Codes of Retail Practice) and undertakings (the laundry and dry cleaning arbitration schemes in Holland, Denmark and the U.S.A.) which will procure fair and satisfactory treatment for purchasers and provide machinery for the redress of their grievances. The Cooperative Movement will frequently be able to adopt such practices sooner and in a form more satisfactory to consumers if it proceeds to do so by independent action. There may, however, be situations in which cooperatives will have to work within a professional or trade organisation before it is feasible for such practices to be introduced, competitive conditions may require trade-wide action rather than independent action. Clearly cooperatives cannot become parties to trade association agreements which would conflict with their duty always to place the consumers' interest foremost in what they do. Cooperative representatives on such bodies must always be held answerable to their consumer members for their decisions, since voluntary codes and undertakings can work to the detriment of consumers' interests by eroding their legal rights, curbing competition, legitimising doubtful practices or delaying effective legislation. Where codes and undertakings are not a means to restrict consumers' rights or where the adoption of more general legislation appears unlikely, the Cooperative Movement should seek to make them as effective as possible and secure real benefits for the consumer thereby.

EDUCATION, INFORMATION AND GUIDANCE

Education

The Cooperative Movement's programme of consumer education should lead consumers to appreciate their need for information and guidance, provide them with the basic knowledge they need, make them familiar with the principal agencies for consumer protection and generate amongst consumers a responsible attitude towards the management of their affairs.

Education for consumers may be provided through education courses, publications, radio, television and films. In this area flexibility and imagination are of the greatest importance. Exhibitions and demonstrations in cooperative stores have proved useful, for example, and good results have also been obtained through the use of questionnaires which arouse in the person answering the questions a consciousness that they lack knowledge on the topic being dealt with.

The Cooperative Movement should also press for suitable consumer education to be provided

in schools and institutions for further education.

Through its educational programme and publications the Cooperative Movement has a special responsibility to instil in consumers a consciousness of their important role in the economic system and how effective an economic force they can become when organised within the Cooperative Movement.

Information and Guidance

One of the aims of the Cooperative Movement is to promote rational purchasing through the dissemination of constructive consumer information. Consumers should have at their disposal (or already in their possession) at the time of making purchases all the information which is necessary to enable them to purchase intelligently, that is, to purchase goods of a price and quality suited to their purse and purpose. This may be achieved by the use of informative labels, advertising with an informative content, articles in the press, professional advisers and such other appropriate means as will make the fullest and frankest information available to consumers. Properly trained cooperative staff, able to assist consumers in their purchases by giving reliable advice, have a central role to play in this process.

The Cooperative Movement should foster the development of accurate, factual and objective consumer research and information. Where necessary government should be pressed to encourage and support independent bodies undertaking these tasks. By joining with other consumer-minded bodies the Movement may be able to push forward more rapidly with this kind of activity.

The adoption of voluntary standards for consumer goods and foodstuffs can be of considerable material advantage to consumers. By adopting a standard scientific procedure for describing the nature of a product, specifying the quality of its composition or ensuring that it is safe to use, the Movement materially assists consumers in their choices. Since in some countries existing standards for consumers are not sufficiently rigorous, the Cooperative Movement must press for the highest attainable standards. A system of graded standards may assist the Cooperative Movement to show more readily the relative merits of the various products it produces. Every effort must be made to make consumers familiar with existing standards for consumer goods and to disseminate information on new standards as these are produced. If the Movement is to fulfil tasks such as these it will need to be closely in touch with the work of national standards institutions.

The Movement should secure the broadcasting by radio and television stations of news and feature programmes dealing with consumer affairs wherever this can be done.

43rd INTERNATIONAL COOPERATIVE DAY

THE year 1965 was rich in important events and anniversaries, all of which were remembered in many countries on International Cooperative Day celebrated for the forty-third time in the history of the world cooperative movement.

Twenty years ago, the Second World War had ended and the United Nations had begun functioning in London—two events bringing both relief and expectation of great things to come to mankind, but, first and foremost, hope for lasting peace and peaceful coexistence and cooperation among all nations of the world.

The year 1965 was designated as International Cooperation Year by the United Nations in 1963. The original idea came from the late Prime Minister of India, Mr. Jawaharlal Nehru, a lifelong supporter and advocate of international cooperation, who, in his wisdom, suggested in 1961 that one year should be specially set aside for the observance of international cooperation for the purpose of making known throughout

COLLABORATION AND COORDINATION

By collaborating with other consumer-minded organisations and coordinating their own consumer programmes internally, the member organisations should be able to achieve distinct advances in the consumers' interest. For there to be effective collaboration amongst consumer organisations it may be necessary, where this does not already exist, to establish a central consumer body or to provide for other suitable coordination. The functioning of such central body will need to be kept under constant review to ensure that its work is of a dynamic character.

the world the tremendous cooperative efforts made within and without the United Nations for peace and the well-being of mankind.

Appeal for support

The most important development in 1965 was the examination by the ICA Commission on Cooperative Principles of the application and question of non-observance of the Rochdale Principles at the present time, brought about by discussions held in many countries on structural changes in their national cooperative movements, especially the change of the relationship between retailing and wholesaling functions in consumer and agricultural requirements cooperatives. Women cooperators came into their own particularly through the recent formation of the Women Cooperators' Advisory Council which held its first meeting early in the year. The largest Consumer Conference hitherto and a widely attended International Cooperative School also took place. In addition, the ICA's rôle in coordinating cooperative technical assistance from industrialised to developing countries received high priority and was firmly consolidated.

In its Declaration for the 43rd International Cooperative Day, the ICA appealed to all its affiliated organisations, then comprising 190 million members in 54 countries, to give special publicity during International Cooperation Year to all international cooperative events and the fullest support to its present and future work.



Mr. Sassani, Manager of the Army Consumers' Cooperative, reads the ICA Declaration in the presence of the Prime Minister and other members of the Government

Messages from far and near

Letters and telegrams were received at the ICA Headquarters from cooperative organisations in Belgium, Bulgaria, Columbia, Hungary, Poland and Roumania, conveying their good wishes and greetings to the Alliance and reaffirming their belief in, and adherence to, the cooperative principles, inter-cooperative collaboration and world peace. The I.C.A. Declaration was read to thousands of cooperators and reproduced in newspapers; its publications received wide publicity and the Rainbow Flag was flown from many cooperative buildings and at numerous celebrations in many countries. Press and radio facilities were also largely provided, adding to the success of national festivities.

Issuing his message on International Cooperative Day, the Secretary-General of the Organisation of American States restated the Organisation's confidence in the cooperative movement—giving it constant support through the Cooperatives' Programme of its Department of Social

Affairs—and expressed the hope of its continuation as an instrument of peace, social justice and friendly relations between peoples. He emphasised the continued growth of the hemisphere's movement which, particularly through the recent establishment and operation of cooperative banks, became increasingly important in the national economies of the various countries.

Many messages were sent by Indian government and cooperative officials for the celebration of "Cooperative Week" held, as in previous years, throughout India. In almost all of them, cooperation as the way to self-reliance and to the attainment of self-sufficiency was the keynote. The Prime Minister, in a broadcast to the nation, stressed the rôle of cooperatives and called on all farmers to adopt the slogan "produce more and market more".

British Honduras celebrates for the first time

Although the cooperative idea had been introduced into British Honduras twenty-two years ago and has since involved 18,835 people, members of 96 cooperative societies at present in existence in Belize with a capital of over \$1.5 million, International Cooperative Day was celebrated there for the first time and festivities spread over a whole week.

A specially prepared informative brochure, sponsored by the country's cooperative societies, was issued for the Day, containing messages from the Governor, the Premier, the Minister of Local Government and Social Welfare, the Credit Union League and the Registrar of Cooperatives and Credit Unions, announcing the programme for the celebrations and, in addition to giving the history of cooperative development in Belize, reproducing the text

of the ICA Declaration and explaining the significance of the Rainbow Flag and the International Cooperative Day.

The most exciting enterprise was a Cooperative Fair, opened by the Minister for Cooperatives on the Landivar campus of St. John's College in Belize and visited by the Acting Premier, high dignitaries and thousands of people, many of whom came from the rural areas and from abroad to see the exhibits. There was a realistic display in skilfully painted celotex figures by the livestock producers and a wide variety of products could be seen on gaily decorated stalls exhibited by producers', beekeepers' and fishing cooperatives. *Chicle* producers' cooperatives displayed a painting of a *chiclero* camp in the Belizean forest, home economics demonstration tables were on view and the farmers' produce was shown in a model fruit market stall prepared by the Agriculture and Marketing Board. A new cooperative, the Starch Producers' Cooperative, also participated in the Fair with an exhibition of its produce and the machinery used.

Standing firmly behind the cooperative movement, the Government of British Honduras promised in a manifesto to give every possible help, support and guidance to all existing and newly established cooperatives.

Exhibitions of various types, special displays in cooperative stores and cooperative markets attracted great interest also in other countries and drew crowds of people as did entertainment features and other programmes organised for the occasion. In Czechoslovakia, for instance, where regional and district summer and autumn celebrations reached a peak attendance of tens of thousands of cooperators where speakers included such personalities as the Deputy



Pavilion of the Central Organisation of Rural Cooperatives

Prime Minister and the President of the Central Cooperative Council, cooperative markets were held in which products manufactured by consumer and producer cooperatives were offered for sale, fruit and vegetables displayed and agricultural machinery shown. Harvest festivals, demonstrations of the various activities of regional cooperatives and the distribution of a variety of awards to cooperators for outstanding service rounded off that country's successful observance of International Cooperative Day.

In Iran a garden party in the Manzarien grounds, about 12 miles north-east of Teheran, was officially opened with the hoisting of the National and Rainbow Flags in the presence of the Prime Minister and the Minister of Labour and was attended by about 20,000 people. Pavilions had been erected there for the purpose of giving maximum publicity to the activities of the various cooperative societies. The most original one was that of the Central Organisation of the Rural Cooperative Societies with displays of a variety of products of affiliated societies and of posters and graphs showing the Organisation's activities. The pavilions of the Workers' Welfare Bank, the Union of Consumer Cooperatives the Scouts' Cooperative



Cooperation in rural industries has made good progress in British Honduras

Society, and the Credit and Housing Co-operative Society of Iran contained also posters and publicity material reflecting their respective activities, as well as the ICA *Review of International Co-operation*. The Credit and Housing Society had issued a special pamphlet briefly defining cooperative societies and their principles and explaining unions, the ICA and International Cooperative Day. A message of greetings to the Iranian and world cooperative movements from H.M. the Shahansha was read at the garden party in which he expressed the hope that the world of the future would be one of peace, true cooperation and friendship. Recalling that in the planning and subsequent realisation of national programmes for the improvement of economic and social conditions special attention was paid to the estab-

lishment of cooperative societies and the strengthening of old ones with the fundamental objective of raising the people's living standard, he was confident that the formation of new co-operatives would accelerate the success in achieving this goal. Addressing the vast gathering, the Prime Minister spoke about the importance of International Cooperative Day and the rôle played by the cooperatives in Iran's economy, the stabilisation of prices and the welfare of society, and expressed his strong belief that cooperation was one of the best economic tools of the Government. The Director General of the Army Consumers' Cooperative and of the Union of Consumer Cooperatives read the ICA Declaration. Full coverage was given in the local newspapers and a film made of the events of the Day which was expected to be shown in public cinemas.

Cooperative youth to the fore

In Great Britain's numerous and varied celebrations, the London Co-operative Society was leading in its many branches and stores with special displays and demonstrations, bargain offers and valuable prizes for shoppers won in competition to arouse greater interest in the consumers. In contrast, one of the Society's stores had arranged a multi-national exhibition giving an insight into the world-wide cooperative movement. The Society distributed an eight-page newspaper, the "L.C.S. News", issued specially for the occasion. Among a great number of different events, some societies in other parts of the country brought the cooperative activities and efforts of children and young people to the fore. Thus, for example, one society exhibited drawings and paintings by boys and girls between the ages

of seven and twenty, awarding the best ones with major prizes and also granting a number of consolation prizes for the runners-up. In another instance, about 200 children between the ages of two and fifteen took part for the first time in a sports and fancy dress event and all winners received prizes from the organising society.

In Austria, too, sports competitions with prizes for the younger generation of the large family of cooperative members were among the features of the International Cooperative Day celebrations. These competitions were arranged by cooperative clubs which had set themselves the task of helping the youth to make good use of their spare time by means of cultural sports or social entertainments.

When thousands of people participated in Mexico in ceremonies, meetings and colourful parades, all the principal cooperatives operating in the federal district of Mexico City and 5,000 children from school cooperatives were represented. The massive gatherings were addressed by two main speakers. Mr. Carlos Vélez Vidal, Head of the Mexican Cooperative Education Department, confined his speech to the country's cooperative school movement, recalling the initial obstacles it had met and the slow progress towards its final aim of embracing Mexico's entire school population. To this end, the Secretariat of Public Education had resolved to introduce such measures as were necessary to ensure the greatest possible expansion and to develop to the fullest extent. The results, Mr. Vidal said, were excellent, since, during the five months in which these measures had been in operation, about 2,000 new school cooperatives had been established in the whole of Mexico, which, together with



Celebrating International Cooperative Day in Pakistan

the 3,500 organised during the previous sixteen years, brought the total to about 5,500. In his official address, Mr. Rosendo Rojas Coria, speaking on behalf of the Council of the National Cooperative Confederation of the Mexican Republic, reaffirmed Mexican solidarity with all those celebrating International Cooperative Day throughout the world and his people's faith in the cooperative movement. Cooperation, he said, offered new hope and a new light in the uncertain destiny of humanity.

Government aid to cooperative movement

The East Pakistan Cooperative Union and all its member societies observed International Cooperative Day at a reception at which Mr. K. A. Kader, the Minister of Agriculture and Cooperation of the East Pakistan Government, said that government aid to the cooperative movement would be extended for as long as necessary, but it could not be made a permanent feature. The ultimate responsibility for promoting its aims and activities must rest with the movement itself, he stressed, and that required sustained efforts for the growth of an enlightened membership and for proper leadership. Mr. Kader added that his Government had launched a

membership education programme during its Second Plan and that an extended one was proposed for the Third Plan.

A similar trend of thought ran through a message sent for the occasion by the Prime Minister of Ceylon who, after tracing the country's cooperative movement back to 1912 and acknowledging its growth since then into a sizeable and vital one, deplored the movement's increasing dependence on the Government as one of its weaknesses. Although the latter was willing to assist it in becoming vital and energetic, he said, the movement must create its own dynamism and become independent. Only then could it play a

significant rôle in the country's economic development and prove at the same time to be a model of democracy in action. To attain these objectives, a well organised system of cooperative education must be established.

Cooperators from far and near gathered in the park at Barrouallie where the seven-year old Cooperative Credit Union of St. Vincent, West Indies, held a colourful celebration. Mr. D. Williams, the guest speaker, appealed to cooperators to work together in pursuit of the common goal of being a united people, and emphasised that the only way to go forward was by "helping each other to help themselves". E. S.

COMMENTARY

Julien Papart 1887-1965

JULIEN Papart, who died on the 17th December last, began his cooperative career at an early age as a baker's roundsman in a small Belgian society. By studying at night school he secured a diploma in bookkeeping, and on the conclusion of the first world war he found employment as bookkeeper in the *Union des Coopérateurs de Charleroi*.

From such humble beginnings Mr. Papart rose very quickly, becoming General Manager of the Charleroi Society and then General Manager of the *Société Générale Coopérative*, Brussels, a position which he held for 30 years, ultimately becoming chairman of the Board. For a still longer period Mr. Papart was also President of the great Belgian social insurance society "*La Prévoyance Sociale*".

In spite of two invitations to join the government of his country, Julien Papart refused, preferring to devote himself entirely to his ideal of social welfare and economic progress through the medium of the cooperative society. Always an innovator of imagination who never let any new idea pass without investigation, he was one of the first to introduce modern methods of staff training

and administration into Belgian cooperatives. In the words of Henri Lemaire of "*La Prévoyance Sociale*", Julien Papart was indeed "the uncontested guide of the Belgian Cooperative Movement".

From 1951–64 Mr. Papart was a member of the Central Committee of the ICA, where his guidance and counsel were greatly valued.

Retirement of Mr. W. Quincey, J. P.

Mr. W. Quincey, J. P., who retired from the Board of the English Cooperative Wholesale Society in October last, after 18 years' service, has resigned also from the Executive and Central Committees of the International Cooperative Alliance and from the I.C.A. Banking Committee of which he was the Chairman.

Many tributes have been paid to the cooperative career of Mr. Quincey in the British Cooperative Movement, and his wisdom and experience will be greatly missed in the authorities of the International Cooperative Alliance and in the International Cooperative Movement. Mr. Quincey's warm personality and thoroughness made him a great influence for unity, and he was tireless in his efforts to increase cooperation amongst cooperators and cooperatives.

Those of us who had the good fortune to know and work with Mr. Quincey miss will his counsel in the future, but we wish him a long, healthy and happy retirement.

Eric Descoudres

Visiting ones colleagues in cooperative journalism is often impossible because of distance, but recently, being in Basle in connection with another I.C.A. Conference, I was able to drop in at the office of the Editor of "*Coopération*", Eric Descoedres, and could personally congratulate him on his 25th Jubilee, which he completed on October 1st, 1965.

Eric Descoedres started his career in the Swiss Peoples' Bank, working later as translator and editor in Amsterdam. In 1939 he joined the Consumers' Cooperative in Lausanne and seven years later, in 1946, joined the editorial staff of "*Coopération*" in Zürich, where he worked side by side with Mr. Ch.-H. Barbier.

Eric Descoedres can best be described as a full and integrated human being, and as a journalist dedicated to his vocation to make cooperation understood by his countrymen and well beyond the borders of Switzerland. Seldom has cooperation found such a good interpreter, seldom do we see business and social activities so well

united as in the paper for which he is responsible. It is clear that Eric Descoedres' drive arises from love for his fellow-men and the direction and force of his paper stems from his single-minded character.

We join his Swiss colleagues in wishing him well and give thanks for such a good cooperator.

Credit Unions, Basic Cooperatives

Credit Unions, Basic Cooperatives by Jerry Voorhis, President and Executive Director of the Cooperative League of the U.S.A., is a timely clarion call to put into effect the resolution adopted by the 24th Biennial Congress of the Cooperative League of the U.S.A., which called for the organisation of credit unions by the leaders of all types of cooperative.

The 31-page pamphlet, published by the Cooperative League indeed deserves to be widely read and most of all studied. Its application could save mankind, especially in the developing areas of our world, from indebtedness to "loan sharks". The pamphlet quotes instances where people's indebtedness reached 20 per cent a month or even 10 per cent a day, seldom less than 100 per cent per annum.

Credit Unions, Basic Cooperatives put into the hands of people with social responsibility for their fellow-men, will be an immensely powerful tool in the fight against ignorance and complacency; in the hands of cooperative leaders wishing to know more about credit unions, this booklet will enable them to pioneer their own credit union within the sphere of their work. Primarily written for American use at the moment, it has a helpful index for those wishing to contact their nearest cooperatively sponsored credit union. Internationally, this publication should be made available in the vernaculars of Africa and South East Asia, where indebtedness is pressing even more people into abject poverty than in the West.

"The Co-operative Official"

It is always a hard blow to witness the passing of an old friend and those of us connected with publishing have seen a great number of valued and useful journals go out of circulation. In Great Britain it is announced that with its December number, "The Co-operative Official" will cease to appear.

"The Co-operative Official" started its life in 1919 as the organ of cooperative managers and secretaries and it established itself in the front rank of cooperative periodicals. Through its long life, its reporting has always

been of a high standard. Some older cooperators will even remember the magazine under the editorship of T. W. Mercer, famous for his frank and outspoken comments on current affairs.

Men who followed him in the editorial chair struggled hard to see the paper through the difficult years of the war and post war periods. The publishers of the paper were the National Union of Cooperative Officials, the National Cooperative Managers' Association Ltd., the Cooperative Secretaries' Association Ltd., and the Cooperative Union. It was the officials' organisations which approached the Co-operative Union initially, asking for a paper which would cater for the varied interests of their members. This collaboration among the four now ends, and at the beginning of 1965, the N.C.M.A. informed the other three partners that it wished to withdraw from the constitution.

There are, however, plans for a new publication, details of which will be coming out in due course.

Farewell to the ,Co-operative Review' as we know it

The official journal of the British Co-operative Union Ltd., the *Co-operative Review* as we have known it now for over forty years in one form or another, will now be no more . . . Its last issue harbours between its covers items ranging from retail statistics and food hygiene to cybernetics of co-operation, a very good example indeed of the tremendous range which was covered by the *Co-operative Review*.

But "forty not out" is true to its spirit throughout the four decades; changing with the times, it will re-appear with a "new look", once every month in the *Co-operative News* as a distinct part of that excellent newspaper.

The *Review* in its new form will remain vigorously alive to carry on its function of giving an account of the work of the Co-operative Union and reporting on all trends of British co-operation. Being with the *Co-operative News*, the *Co-operative Review* will gain in this way, at least four times its present readership and, as in the past, it will guide the thinking of both the professional and voluntary co-operator and influence an even larger circle of readers.

Co-operators, not only those from the British Isles, will look forward to the *Co-operative Review's* re-appearance and readers everywhere who have followed its opinion, wish it good luck and long life in its new form.

I.C.A. STATISTICS OF AFFILIATED ORGANISATIONS

THE ICA has just published its comparative statistical statement for 1962 and 1963.

This gives a picture of the organisations affiliated to the ICA in the year 1963 compared with 1962. To bridge the time-gap between the year of reference and the date of publication, the reader will find references in the appendix to the new affiliations and totals for ICA in 1965. This shows that the ICA has 206 million individual memberships in 551 thousand societies with a total turnover of £41,022 million.

Comparing the 1963 statistical situation with 1962 the increase in membership is 15 million (7.9 per cent). The number of cooperative societies shows only a slight increase for the total. As regards the different types of societies, decreases are the result of the reorganisation carried out recently in a great many national cooperative movements. The Movements' growth continues.

Progressive steps have been taken to improve efficiency in administration and statistics. Con-

sidering that these are dominant in every modern organisation, they reflect the seriousness and determination of the cooperative movement to fill traditional frames with new life by introducing modern business methods.

The report gives information for the cooperative consumers' organisations, agricultural societies, fishery societies, workers' productive and artisanal societies, credit societies, miscellaneous societies and insurance societies, together with a list of the building and housing societies and cooperative banks; supported by statistical tables showing figures for memberships, number of societies and turnover for 50 countries in which the ICA had one or more affiliated organisations in 1963.

There is a short chapter introducing the eleven national organisations who joined the ICA during the period from 1st January, 1964 to 1st July, 1965.

Statistics are available in English or French versions, price 7 sh. 6 d. per copy, post paid.

Affiliated Organisations (continued)

- Association of Enterprises on a Cooperative Basis, *Boemgracht 29, Amsterdam.*
- ✓ ICELAND: Samband Isl. Samvinnufjelaga, *Reykjavik.*
- INDIA: National Cooperative Union of India, *72, Jorbagh Nursery, New Delhi-3.*
All Bombay Consumers Cooperative Societies, Federation, Ltd., *3rd Floor, Military Square Lane, Fort, Bombay I.*
National Agricultural Cooperative Marketing Federation, Ltd., *34, South Patel Nagar, New Delhi, 12.*
- IRAN: Cherkate Taavoni Masrafe Artèche (Army Consumers' Co-operative Society), *Avenue Sevjom Esfand, Rue Artèche, Teheran.*
The Credit and Housing Society of Iran, *20-22 Shahabad Avenue, Teheran.*
- ✓ ISRAEL: ✓ General Cooperative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., *P.O.B. 303, Tel-Aviv.*
Affiliated societies and companies (1963): 1,855 in all branches.
"Merkaz" Audit Union of the Coöperative Societies or Loans and Savings, *P. O. Box 75, Tel-Aviv.*
✓ "Haikar" Audit Union of the Agricultural Societies of the Farmers Federation of Israel, *8 Harkrya Street, P.O.B. 209, Tel-Aviv.*
- ITALY: Lega Nazionale delle Cooperative e Mutue *Via Guattani 9, Rome.*
Confederazione Cooperativa Italiana, *Borgo Santo Spirito, 78, Rome.*
Associazione Generale delle Cooperative Italiane, *Via Milano 42, Rome.*
- IVORY COAST: Centre Nationale de la Coöperation et de la Mutualité Agricoles, *B.P. 702, Abidjan.*
- JAMAICA: The Jamaica Cooperative Union, Ltd., *74½ Hanover Street, Kingston, W.I.*
- JAPAN: Nippon Seikatsu Kyodokumiai Rengokai, (Japanese Consumers' Cooperative Union) *Tanro-Kaikán, 9 Ichigaya-Kawada-cho, Shinjuku-ku, Tokyo.*
Zenkoku Nogyokyodokumiai Chuokai, (Central Union of Agricultural Cooperatives) *11, Yutakucho, I-chome, Chiyoda-ku, Tokyo.*
Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fishery Cooperative Associations), *Sankaido Building, Akasaka-ta meiko-machi, Minato-ku, Tokyo.*
- JORDAN, Jordan Cooperative Central Union Ltd., *P.O.B. 1343, Amman.*
- KOREA: National Agricultural Cooperative Federation, *75, 1st street, Chung-Jong-Ro, Sodaemun-ku, Seoul.*
- MALAYSIA: Cooperative Union of Malaya, *8, Holland Road, Kuala Lumpur.*
Federation of Cooperative Housing Societies, *8, Holland Road, Kuala Lumpur.*
Sarawak Co-operative Central Bank Ltd., *3-J. Clifford House, Kuching, Sarawak.*
- MALTA: Farmers' Central Cooperative Society Ltd., *New Building, Middleman Street, Marsa.*
- ✓ MAURITIUS: Mauritius Cooperative Union, *Dumat Street, Port Louis.*

Review of INTERNATIONAL COOPERATION

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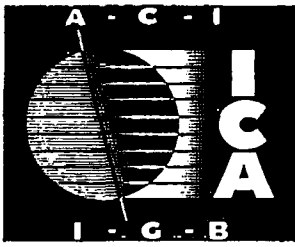
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SECOND GENERAL SESSION OF THE AFRO-ASIAN RURAL RECONSTRUCTION CONFERENCE

NAIROBI, KENYA, 17TH TO 24TH JANUARY, 1966

THE Second General Session of the Afro-Asian Rural Reconstruction Conference took place in Nairobi, Kenya, from the 17th to 24th January. Seventeen countries were represented: Algeria, Ethiopia, Guinea, Ghana, India, Iran, Iraq, Japan, Jordan, Kenya, Korea, Malaysia, Philippines, Rwanda, Sudan, Turkey and United Arab Republic. Seven International Organisations and four local organisations working in the field of rural reconstruction were represented by observers. The International Organisations were the FAO, ILO, WHO, ICA (represented by its Director, Mr. W. G. Alexander), IFAP, ECA, and the Arab League.

The Conference met in Plenary Session on the first day and was welcomed by the host Government of Kenya. H. E. Mr. Mohamed Khir Johari, Minister of Education in the Government of Malaysia, replied on behalf of the Conference and then retired from the Presidency of AARRO in favour of the new President, the Honourable P. J. Ngei, Minister for Housing and Social Services in the Government of Kenya, who was elected for a two-year term. Two Vice-Presidents were elected, H. E. Mr. B. K. Senkyire,

Minister for Co-operatives in the Government of Ghana and H. E. Mr. Kyu Sup Chung, Minister, Chargé d'Affaires of Korea.

The appointment of AARRO's Secretary General, Mr. Krishan Chand, was confirmed and the agenda and programme of the Conference were approved. It was agreed that the two areas of work upon which the AARRO would concentrate would be Cooperatives and Community Development. Thus, the next four days were spent working in two separate Commissions on these two subjects, studying and discussing background papers prepared by the Secretariat and approving recommendations to the Plenary Session of the Conference meeting on Monday, 24th January. Saturday and Sunday were occupied by excursions arranged by the Kenya Government.

The Reports of the Commissions on Community Development and Rural Cooperatives were adopted by the Conference. The Cooperative Report included clauses for a Model Bill for Cooperatives to be sent to governments in Afro-Asian countries for guidance; an advisory service on cooperative legislation to be provided by the Secretariat;

training projects to be undertaken by the Secretariat individually or in collaboration with national or international agencies, particularly training courses for senior government staff and senior executives of societies, co-operative management courses in specific fields such as marketing or processing; leadership training courses for those in charge of membership education programmes; and training courses for the production and use of teaching aids; the Secretariat to explore possibilities of sending trainees to neighbouring countries on short term training projects; organisation of seminars and conferences at regional level for training and education; carrying out of surveys at request of member countries; the *Afro-Asian Co-operative News* and the *Afrasian Community Development News* to be merged into a single quarterly publication entitled "*Rural Reconstruction*"; assistance in interchange of cooperative literature; establishment of an Afro-Asian Agency for Co-operative Development; encouragement of thrift, supervised credit, and the linking of credit and marketing; provision of surveys and advice on co-operative banking and credit; comment to the effect that as yet no adverse effect had been felt from the formation and policies of the EEC; keeping up to date a *Directory on International Trade in Agricultural Commodities of the Afro-Asian Countries*; need for strengthening of national marketing organisations; Secretariat to study and report to next conference on: (i) ways and means to remove barriers to inter-regional trade among Afro-Asian countries; (ii) measures for the promotion of international trade; (iii) what commodities should be exchanged between the two Continents; and (iv) methods of expanding the possibilities of trade; and finally that the

Secretariat should report to the next conference on detailed proposals for a market intelligence service.

The Plenary Session of the Conference received reports of various Sessions of the Executive Committee, confirmed the appointment of the new Executive, confirmed and adopted the Organisations Rules of Procedure, Audit Report, Budget Estimates, and Programme of Work. It was decided that, as only eleven of the twenty-three member countries were represented at the Conference, the other six countries present being observers, it would not be appropriate to consider a recommendation from a Sub-Committee as to the permanent location of the headquarters of the organisation. After a valedictory address from the President of the AARRO, H. E. Mr. P. J. Ngei, it was decided to hold the Third General Session of the Conference in Seoul, South Korea in 1968.

W.G.A.

Retirement of Mr. J. J. A. Charbo

TO mark their 50th Anniversary, CO-OP Nederland, the Dutch Cooperative Union, has generously presented the International Cooperative Alliance with shelving for the new extension to the library at its headquarters in London. The shelves were made and erected by craftsmen of the English Cooperative Wholesale Society.

In the picture, Mr. J. J. A. Charbo, Director of CO-OP Nederland, is seen putting the first book into the shelves. Behind him are the ICA President, Dr. M. Bonow (centre) and the Director, Mr. W. G. Alexander.

For health reasons, Mr. Charbo retired from the Board of CO-OP Nederland on the 1st February, and will resign from the Central and Executive Committees of the ICA later in the year. Mr. Charbo joined the Dutch Movement 31 years ago and was for three years manager of the National Cooperative Council. He relinquished this post to become secretary to the Managing Board of the Cooperative Wholesale Society of which he was elected a member in April 1947.

Mr. Charbo has made a valuable contribution to the Movement of his country, particularly in the fields of organisation and representation. During and immediately after World War II he was the stimulating influence in bringing about the amalgamation of the three National Cooperative Unions and the Wholesale Society into one national apex organisation — CO-OP Nederland. In recent years he played a dominant role in planning a radical structural reform of the Dutch Movement, resulting in the concentration of nearly 300 local societies into some 20 regional CO-OPs. In the execution of this plan for structural reform Mr. Charbo, with his talent for clearly stating the problems, his tact in curbing parochialism, his remarkable powers of persuasion, and, last but not least, his wit, has taken an unparalleled part.

Through his many activities outside the Consumer Cooperative Movement, Mr. Charbo has contributed



Mr. Charbo putting the first book into the shelves. Behind him are the President (centre) and Director of the ICA.

greatly to the good reputation of the CO-OP in government circles as well as in the economic and social life of his country. He is one of the three members out of 45 of the Social and Economic Council who have been continuously in office since the Council was instituted in 1950. Since 1946 he has also been vice-chairman of the National Cooperative Council which, apart from CO-OP Nederland as the only consumer organisation, comprises all the national agricultural cooperative organisations in Holland.

In the international cooperative field also Mr. Charbo is well known. He became a member of the Central and Executive Committees of the ICA in 1946. His retirement will be a serious loss to the Cooperative Movement in Holland and will certainly cause regret among his many friends in the ICA.

T. V.

COOPERATION IN TANZANIA TODAY

by **W. R. Kapinga,**

Secretary General, Cooperative Union of Tanganyika Ltd.

JOINT and cooperative effort for the common good is not a new idea for the people of Tanzania. From olden days it has been an active principle in the lives and traditions of its people.

But Cooperation and the Co-operative Movement in the modern technical sense saw the light of day in Tanzania among the Wachagga coffee farmers of Moshi district in the then Northern Province, on New Year's Day in 1933, with the registration of the Kilimanjaro Native Cooperative Union (K.N.C.U.) and its eleven affiliated primary societies under the newly-promulgated Co-operative Societies Ordinance. The object of the new Union was to bulk and market the Arabica coffee grown by the members of its constituent societies.

Progress was slow in the beginning. The first whole-time Registrar of Co-operative Societies was not appointed until August 1936. By the end of 1940, only 48 societies had come into existence. This number rose tardily to 127 at the end of the next decade (1950). After the last war, however, and with the appointment in 1951 of the first Commissioner for Co-operative Development, the Government made active attempts to foster and promote the Co-operative Movement as distinct from merely providing the purely legal functions of registration, audit and financial supervision. This became reflected in a decade of such rapid

and widespread development of the movement that by the end of 1960, the number of registered societies had jumped to 691. Since Tanganyika's *Uhuru* (Independence) in December 1961, this number has more than doubled and by June 1965, there were 1,450 co-operatives inclusive of 52 unions of societies.

As at 31st December 1963, there were 1,201 societies with a total membership of 458,953 and share capital and reserves respectively of £ 565,116 and £ 3,526,838. The cooperatives marketed in that year 185,650 tons of agricultural produce valued at £ 13,133,505.

Before 1939, the spread of the movement was confined to two remote areas of the country, Songea in the Southern Province where the Ngoni-Matengo Co-operative Marketing Union was registered in 1936 with three affiliated societies for the marketing of tobacco, and Ngara in the extreme west of the West Lake Province where, in the same year, the Bugufi Coffee Co-operative Union was started with five primary societies.

After the war, the movement began to gain momentum. The year 1947 saw the first co-operative society registered in the Rungwe district of the Southern Highlands — the Mwakaleli Coffee Growers' Association, forerunners of the Rungwe African Co-operative Union (R.A.C.U.) which, with ten affiliated primary socie-

ties, was registered in 1949. The Union included five paddy marketing societies till 1958 when they seceded and formed a union of their own, the Unyakyusa Cooperative Union.

The Bahaya people in the Bukoba district on the western shores of Lake Victoria had for years been growing Robusta coffee. Prior to the advent of Co-operation, their coffee crop was purchased by the Bukoba Native Coffee Board through zonal agents. Following a resolution of the Board in September 1949 that surpluses resulting from the sale of the coffee crop should, as far as possible, be returned to the producer through a co-operative organisation, a number of co-operative societies were formed. 1950 saw the registration of the Bukoba Co-operative Union with 48 affiliated primary societies. The Bukoba Cooperative Union today, with 74 primary societies, is one of the most efficiently run co-operatives in the country, with the highest proportion of overseas-trained staff and the biggest financial reserves.

It was on the east side of the Lake, however, among the Sukuma tribe (the biggest in Tanganyika) and their neighbours in Musoma, Geita and Ukerewe Islands, that the most powerful co-operative organisation in the territory was to develop. The Lake Province Movement, the most dynamic in Tanganyikan history, was originally inspired by emotional, political and economic feeling, born from a sense of the frustration felt by the Sukuma people, who believed that they were not getting fair weights or payments for their cotton crop. Its development was remarkably rapid and by the end of 1960 there were 360 societies, 19 unions and a federation of unions (the Victoria Federation of Co-operative Unions, or the V.F.C.U.) with a grower



Mr. W. R. Kapinga

membership of nearly 140,000. This organisation marketed in that year through 19 ginneries a crop of 161,000 bales of cotton lint. The increase in the crop from 38,000 bales in 1955 was in the main due to the incentive provided by the Co-operative Movement.

One of the most interesting developments during the last 13 years, indicative of the excellent race relations that prevail in the territory, is the growth of the Tanganyika Co-operative Trading Agency (TACTA) which was formed in 1952. In the early part of that year the Department of Co-operative Development sponsored the formation of a society through which the African coffee growers' co-operative societies, who had no satisfactory means of marketing their coffee, could sell and insure their produce and purchase their requirements of agricultural implements at preferential prices. A number of societies, including the K.N.C.U., formed a secondary society for this purpose. TACTA was originally

formed with the members representing 50 societies from all parts of Tanganyika and, in October 1952, all the mild coffee produced by its members was auctioned at Moshi through the Agency, except for that of the K.N.C.U. which was marketed at their own auctions in Moshi. The coffee crop thus marketed came from Tukuyu (through the R.A.C.U.), Songea (Matengo Native Co-operative Union) Usambara (Usambara Co-operative Union), Pare (Vuasu Co-operative Union), Aursha (Meru Co-operative Union) and Mbozi (Mbozi African Co-operative Union) districts.

On the financial side of the movement, prior to the establishment of the Co-operative Bank of Tanganyika, seasonal crop finance needed by the co-operatives was obtained almost entirely from the commercial banks. The Lint and Seed Marketing Board was also making loans to cotton societies for the erection of warehouses as well as for the acquisition of co-operative cotton ginneries.

East African School of Cooperation

As the need for cooperative education and training grew with the growth of the movement, the East African School of Co-operation was founded in January 1952 by the three East African Territories of Kenya, Uganda and Tanganyika at Kabete near Nairobi (Kenya) for the training of their co-operative departmental and societies' staff. The personnel trained were mostly Government and Union co-operative inspectors and managers of co-operative unions. Another training institution in Tanganyika for the training of primary society secretaries through the medium of Swahili was set up in 1957 at Mzumbe near Morogoro. The need for advanced training in Co-operation was met by sending se-

lected trainees (both Governmental and societies' staff) to the Co-operative College at Loughborough in the United Kingdom. A College of Commerce run for some years by the K.N.C.U. in their fine Headquarters building at Moshi trained not only their own employees but also a large number of outside students for positions in the wider world of commerce. An increasing number of students were also sent abroad to countries like the U.K., U.S.A., Israel, Sweden, Holland and Germany for co-operative and commercial training.

Cooperative Marketing and Processing

Cooperation in Tanzania began with the marketing of agricultural produce, which has remained to this day the backbone of the Movement. The extent to which co-operative marketing of agricultural produce has progressed may be gauged from the fact that 40 per cent of Tanganyika's exports worth about £ 25,000,000 are today marketed through the Co-operative Movement. It is intended to increase the present number of co-operative marketing societies (1,190) by 400 during the period of the Five-Year Development Plan (1964-9) and it is expected that by 1970 all agricultural produce in Tanganyika with the exception of sisal and tea, will be marketed by the growers themselves through their own co-operative organisations. Major crops handled by the co-operative marketing societies are coffee, cotton, tobacco, rice, tea, cashew nuts and pyrethrum.

With the passing of the Lake Region Hedge Sisal Compulsory Marketing Order in November 1962, the V.F.C.U. embarked upon the marketing of hedge sisal by providing finance to its already established cotton unions for the pur-

chase of sisal and finding processing agents for its members. The hedge sisal marketing activities of the Lake Region co-operatives continued to expand during the succeeding year (1963) and over 10,000 tons had been collected by May 1964; more than 50 per cent of this crop came from societies in the North Mara area.

Co-operative cattle marketing is a new, but important, field that co-operative organisations in this country have entered. In view of the significant role that cattle play in the economy of the Central Region, it is natural that concentration on the cattle industry should be the main preoccupation of the local co-operative movement. Of the 93,000 cattle and 34,000 sheep and goats with a combined value of £ 700,000 that were marketed in the Central Region in 1962, 13 per cent were handled by co-operative societies. The objective is not only to improve the marketing system, but also the quality and number of beasts through the provision of better pastures for grazing.

Along with the expansion of the co-operative marketing structure by the formation of new societies, a steady process of consolidation has also been going on. This has mainly taken the form of merger of small unions in adjacent areas with limited financial and staff resources. During 1964, two such mergers were successfully effected in central Tanganyika, resulting in the formation of the Central Region Co-operative Union and the Singida Region Co-operative Union. These mergers have been followed in 1965 by the amalgamation of societies in the Mbozi and Mbeya districts into the new and stronger Mbeya Co-operative Union.

In accordance with the policy of vertical integration, there has been increas-

ing participation by producer co-operative societies in the processing of their own products. The V.F.C.U. now owns and operates eleven cotton ginneries and has plans to acquire another two. As a further logical development of its processing activities, it has gone into partnership with the Tanganyika Textile Industries, Ltd., for the establishment of textile mills that would utilize the cotton grown by the members of its affiliated societies. It has also acquired rice mills at Shinyanga and Bugolora and has installed a sisal brushing and baling plant at Musoma with a second one under construction at Utegi.

The two coffee curing works in Tanganyika at Moshi and Bukoba are owned and operated respectively by the K.N.C.U. and the Tanganyika Coffee Growers' Association which is also a registered co-operative organisation, and the Bukoba Co-operative Union. Apart from participation with the Tanganyika Development Corporation in a scheme for the establishment of an instant coffee factory in Bukoba, the Bukoba Co-operative Union is also a partner in another project for tea growing and processing. With a view to ensuring the quality, of the coffee marketed by them many coffee societies have installed central pulpries.

Other important developments in the sphere of co-operative processing are the completion of preliminary formalities and building plans for the installation of a ghee factory at Musoma to be operated by the Mara Region Dairy Farmers' Co-operative Union and the establishment of a castor oil extracting plant in Dodoma.

A novel and interesting feature of co-operative development in the agricultural processing field were two co-operative co-partnerships with private en-

surprise in the milling business. These were popularly known as KANZEKO, the Kahama-Nzega Farmers' Company in the Western Region, in which the Kahama Nzega Igembesabo Co-operative Union had 51 per cent of the shares, and TAMPUCO in Tabora in which the co-operatives of Tabora, Mpanda and Ufipa (subsequently organised as the Nguvumali Farmers' Co-operative Union) had a similar interest. Under the terms of the co-partnership agreement, the co-operative unions in question have bought out their private partners and both the businesses are now wholly co-operatively owned.

Consumer Cooperation

Another branch of the Cooperative Movement in Tanganyika in which sustained efforts are being made to move ahead, concerns the development of consumer co-operatives headed by COSATA (Co-operative Supply Association of Tanganyika), the mammoth co-operative trading organisation. Consumer co-operatives are the greatest test of the zeal and loyalty of Tanzanian co-operators. Unlike rural co-operatives, they are still faced with strong competition and have not achieved a "break-through" into urban markets.

Since its inception in September 1962, COSATA has established a national presence and now operates through branches and sub-branches in fifteen cities and towns across the country. In fulfilment of its responsibility for paving the way for the subsequent formation of local consumer co-operative societies, it has opened retail shops in urban centres and has made a start with opening shops on a number of sisal estates near Tanga and on the Arusha Chini Sugar Estate in Moshi. Its total turnover for 1964-65 was nearly £ 4,500,000 and the turnover

for the current year (1965-66) is expected to reach £ 7,000,000. It may now be justly claimed that COSATA has attained a leading position in commerce.

The success of the co-operative retail societies will largely depend upon the establishment of a large and viable wholesale and import organisation. It is intended that COSATA in collaboration with INTRATA (International Trading and Credit Company of Tanganyika, in which both COSATA and Government through the Tanganyika Development Corporation hold shares) should discharge this role. Government is helping towards this end by directing its departments to buy, where appropriate, from COSATA, assisting it to obtain appointments as manufacturers' main agents for those commodities which are chiefly consumed by Africans and by securing for it distributive rights over consumer goods made and sold locally by industries in which there is government participation.

Recent agreement reached by the Governments of Tanzania and Israel has resulted in the previous managing agency agreement COSATA/AMIRAN being replaced with assistance under the Technical Co-operation Agreement between Israel and Tanzania. As a direct result of this agreement, under which the status of Israeli personnel changed from an executive to an advisory role, Africans have been appointed to the top posts in the organisation of general manager, assistant general manager and administrative manager. In addition to these top management positions, there are now also three African branch managers and four African assistant branch or departmental managers.

Development in the field of retail operations, whilst not as spectacular as that in the wholesale field, has had its success

In the department store of the Co-operative Supply Assoc. of Tanganyika, Minister Tom Mboya of Kenya being shown round by Tanzanian Minister A. Swai and Junior Minister Lucy Lameck.



also. Fifty retail consumer co-operative societies have so far been registered. While these may not yet have had any appreciable impact on retail activity, nevertheless they are there, and it is possible to look forward with confidence to the future. A department store, attracting more and more popular custom, has also been opened by COSATA in Dar-es-Salaam. Plans are afoot, in close collaboration with the Ministry of Labour, the National Union of Tanganyika Workers, the Tanganyika Workers' Investment Corporation, the Cooperative Union of Tanganyika and COSATA, to formulate and implement a dynamic retail consumer co-operative development programme for the benefit of urban wage earners. For this purpose, assistance from a consortium of Nordic Co-operative Movements has been obtained and four experts from the Nordic countries are already here and at work, to be followed by several more.

The need for training for COSATA's staff at all levels has been duly recognised and to date 17 internal training courses have been organised in which 299 COSATA employees participated. A fur-

ther eleven have undertaken courses overseas varying in duration from three months to one year.

Some ambitious targets are set under the Five-Year Development Plan. It is expected that at the end of the Plan Period (1964-9), the consumer co-operatives would have to expand enough to secure 10 per cent of the country's retail trade, the final targets being 30 per cent to 40 per cent. COSATA's wholesale trade in consumer goods is also expected to rise correspondingly to 10 per cent of the national total by 1970.

Transport Cooperatives

The promotion of road transport co-operatives is another significant feature of co-operative development policy which is designed to foster greater African participation in this important industry and to give a fairer deal to transport workers. Prominent among the pioneers in this new field of co-operative enterprise and reasonably successful as business undertakings, were the Tanga Transport Co-operative Society which ran a fleet of motor buses and lorries on routes and within areas



Fleet of lorries owned by the Tanganyika National Transport Cooperative Society

for which they were licensed by the Transport Licensing Authority, and the Dar-es-Salaam Transport Workers' Co-operative Society which operated a number of taxicabs in the city of Dar-es-Salaam and its environs.

Progress was slow owing to some difficult problems posed by lack of finance and of management skills. This fact did not, however, prevent two major achievements being registered. The first was the formation in 1963 of a transport co-partnership in which three co-operative marketing unions in the southern part of the country and a workers' transport co-operative society in Lindi were equal partners with a leading private firm of road transport operators in the Southern Region. This co-partnership represents a mutually advantageous alliance of the capital resources and managerial talent and experience of the private partner with the business patronage (regular transportation of agricultural produce) that the co-operative marketing unions have to offer and the brawn and skill of the transport workers. This achievement was followed by the launching in January 1965 of the Tanganyika National Transport Co-operative Society Ltd. (T.N.T.C.S.), which is intended eventually to become a merger of all separately existing regional and local transport co-operative societies in the country.

The principal objects behind this step were to eliminate unhealthy competition between transport co-operatives for operating routes and privileges, to iron out inequalities as between different transport societies in the conditions of employment of their workers and by pooling resources, to improve the operational efficiency and augment the strength of the transport co-operative movement which up till then had been considerably handicapped by lack of capital resources and inability to command adequate managerial services. This single national transport society is now operating with a fleet of three tankers, 101 lorries, 100 buses, 50 taxi-cabs and micro-buses and has established branches in eight regions (with projected extensions to six other regions). The Five-Year Development Plan has made provision for financial loan assistance by government to the transport cooperative movement to the extent of £ 300,000.

Industrial Cooperatives

These are craftsmen's or artisanal societies mostly engaged in the building, carpentry and tailoring trades and include a pioneering women's handicraft producers' society in Dar-es-Salaam. These societies constitute the new frontier activities of the Tanzanian Co-operative Movement aimed at its expan-

sion, but forms and methods have taken time to settle and it will be a while before the momentum for expansion could be achieved. The main obstacles to further progress for these societies have been their lack of sufficient capital, inefficient methods of production and marketing difficulties.

Intermediate in classification between the producer marketing societies and the workers' joint productive societies are societies like the mica mining co-operatives in the Uluguru Mountains, Morogoro Region, and co-operatives for the joint felling of timber that exist in regions like the Coast, Mtwara and Ruvuma.

National Cooperative Bank

The Co-operative Bank of Tanganyika was officially opened for business in Dar-es-Salaam and Mwanza on 2nd July, 1962. Throughout its three years of existence, it has received valuable assistance in the form of advances of crop finance from a Consortium of British Banks, the Commercial Bank of Africa and Continental Banks. The British banks have also made available much-needed staff and training facilities. The bank has already seven branches throughout the country, with more to be opened. It offers savings bank facilities which, together with individual current accounts, are available to all and not only to the Co-operative Movement. Under Tanganyika's Five-Year Development Plan and in order to augment the availability of credit, the Co-operative Bank has since 1st September, 1964 been amalgamated with the Agricultural Credit Agency to form a new National Co-operative and Development Bank. The new Bank is, in effect, a holding company with two subsidiaries, the National Co-operative Bank and the National Development

Agency, concerning themselves respectively with normal banking operations and the provision of most types of development credit. It has been planned that during the period of the Five-Year Development Plan (1964-69) Government will make available the total amount of £ 7,500,000 to the Bank for the purpose of financing various important investment projects connected with the processing industry, crop husbandry, commodity distribution, handicrafts and Co-operative Bank expansion. Seasonal crop marketing finance and other short term self-liquidating finance will however continue to be provided by the banking department of the National Co-operative and Development Bank and the commercial banks at normal interest rates.

The banking subsidiary of the new Bank continues to meet the ever-increasing demands of marketing co-operatives which now handle a very large part of the agricultural products of the country. Industrial and consumer co-operatives also receive all reasonable support from the Bank.

Training of staff for the National Co-operative Bank has continued apace. The speed of local training has been quite remarkable — every employee with more than a few months' service has attended at least one local training course. Overseas training of a more comprehensive character is now being provided and it is a matter for satisfaction that two Tanzanians have already been appointed to managerial posts.

Credit Unions

In response to an increasingly important need for a sound co-operative approach to the mobilisation of local resources through systematic savings programmes, the Co-operative Development

Division was charged with the responsibility of forming 400 credit unions under the Five-Year Development Plan. Accordingly, a Senior Co-operative Officer has been specifically assigned to credit union work at Headquarters. With assistance from the Co-operative College and the Co-operative Education Centre at Moshi, educational and training programmes, including organised courses of training, correspondence courses and seminars for credit union leaders, supervisors, officials and members, are being organised.

Progress to date has been encouraging. The total number of registered credit unions has increased from 26 in 1963-64 to 50 in 1964-65. These unions have further grouped themselves into a nationwide Credit Union League of Tanganyika for the purpose of promoting further credit union development, undertaking informational and educational activities and stabilising the financial position of all unions through a systematic pooling of part of their resources. The popularity of these credit unions may be measured by the fact that in some, the membership has grown as high as 400 while savings and loans have exceeded Shs. 150,000 and Shs. 100,000 respectively. Loans are granted both for productive and provident purposes. The grateful thanks of the Government of Tanzania are due to the Credit Union National Association of America and the credit union movement of Saskatchewan, Canada, for providing the valuable services of a resident representative for a period of two years to advise and assist in the development of credit unions in Tanzania. It is a distinctly happy augury for the future of the credit union movement in Tanzania that the services of the same devoted worker have been made available again for another term

with assistance from the United States Agency for International Development.

Cooperative Education and Training

The principal institution for co-operative training in Tanzania is the Co-operative College at Moshi in the Kili-manjaro Region, which was set up by the Government in 1963 as a successor to the East African School of Co-operation at Kabete. It is a residential training institution which provides facilities for the education and training of the professional and voluntary personnel serving in the Co-operative Movements of Tanzania and neighbouring countries. The principal courses of instruction it offers are: (1) a three-month course for primary society secretaries conducted in Swahili; (2) an intermediate-level course also lasting three months but taught in English for inspectors on the staff of co-operative unions and the Government Co-operative Department as well as other management personnel in the unions and the larger primary societies; and (3) a longer (9/10 months) advanced-level course (introduced in 1964) for senior inspectors and co-operative officers of the Government Co-operative Department and for the more experienced co-operative executives. In addition to the above main course, specialised short courses (of two weeks' to a months' duration) will be held from time to time for credit union personnel, co-operative bank employees, consumer co-operative society employees, etc.

Following the enactment of the Co-operative College Act of 1964, the College is now established as an independent institution with its own board of governors. It is establishing itself and rapidly becoming recognised as an international centre for training in Co-operative affairs. In 1964, a total of 399 students

Headquarters of the Kilimanjaro Native Cooperative Union, Moshi



President Nyerere laying the foundation stone of the National Co-operative Centre Building in Dar-es-Salaam, of which the 14-storey tower (on the right) is under construction

drawn from the United Republic of Tanzania and 12 other countries of Africa passed through its portals.

Up till now the College has been generously accommodated free of charge by the Kilimanjaro Native Co-operative Union in part of its fine Headquarters building in the centre of Moshi. But a new Co-operative College is now under construction on a 30-acre site a mile from Moshi at a capital cost of around £ 150,000 provided as a loan by the Swedish Agency for International Co-operation. The main college buildings are designed to accommodate 130 students at a time, enabling a yearly output from all streams of 372 students, 35 of them from abroad.

The Co-operative Union of Tanganyika is represented on governing bodies of both the Cooperative College and the Co-operative Education Centre by its Secretary General.

As regards overseas training, Tanzania has sent since her Independence not less than 150 of her cooperators to various countries.

The Co-operative Union of Tanganyika has paid increasing attention to the important subject of member education. The Union has held several peripatetic short-term training courses in a number of regional centres for secretaries and committee members of primary societies and has also assisted at such courses organised by some regional co-operative unions or by the Co-operative Education Centre at Moshi of which more will be said below. Since April 1964, Government has placed at the disposal of the Co-operative Union the services of the I.L.O. expert on Co-operative education and training, with whose advice and assistance a comprehensive programme of membership education has been formulated by the Union. This programme

was presented to and adopted by the representatives of the Cooperative Movement at an Educational Conference (the first of its kind) held recently in Dar-es-Salaam in September 1965. In support of membership education activities in the field and under an agreement between the Government of Tanzania and a Consortium of Nordic Co-operative Movements, a Cooperative Education Centre directed by a Swedish co-operative educationist was set up in 1964 and has been actively engaged in conducting short term training courses for primary society secretaries and committeemen as well as for educational organisers (called "contact-men") in the co-operative unions. The Centre has also brought out a number of correspondence courses for primary societies and credit unions and on practical bookkeeping which may be used for either individual or group study.

Expansion of Government Cooperative Service

In order to be able to cope with all this present and prospective expansion of the movement, the Co-operative Development Division of the Ministry of Commerce and Co-operatives, which is the responsible government agency for cooperative administration, promotion and development, will be considerably strengthened.

Cooperative Union of Tanganyika

At a certain stage of its evolution, every Co-operative Movement in a developing country needs to set up a top-level organisation that would progressively assume responsibility for organisational, promotional, educational and certain administrative functions associated with the Movement. With the rapid expansion of the Tanganyika Co-opera-

tive Movement after the war, especially with the approach of political Independence, the need for such a national organisation came to be increasingly felt and the Co-operative Union of Tanganyika was formed and formally registered (on 27th November, 1961) with eleven founder organisations. Today the Co-operative Union has 55 member organisations affiliated to it, representing all the 17 administrative regions of the country. Its membership is open to all co-operative unions (established on either a regional or district basis) in the country or such primary or other co-operative societies as are not affiliated to any union. The general aim of the Co-operative Union of Tanganyika is to encourage the growth of the Co-operative Movement in Tanzania and to promote the well-being of its member organisations. Its particular objects are set out in the bye-laws of the Union as follows:

- (a) to represent the movement whenever and wherever necessary;
- (b) to arrange for such audit and supervision of member societies as may be authorised by the Registrar;
- (c) to collect and disseminate information and statistical data relating to co-operation and co-operative societies;
- (d) to concern itself actively with giving publicity to the Co-operative Movement;
- (e) to initiate educational projects among its members and arrange for courses of instruction; and
- (f) to examine carefully all legislation affecting the movement and to provide assistance to member organisations in legal matters when so requested.

In March 1964, the Co-operative Union held in Dar-es-Salaam the first Co-operative Managers' Seminar at which 40 managers of co-operative unions reviewed and discussed the problems of the movement with the officials of the Government Co-operative Development Division and of the national co-operative institutions like the National Cooperative Bank and the Co-operative Supply Association of Tanganyika. Several representatives of the Cooperative Movement of Tanzania have, under the auspices of the Co-operative Union of Tanganyika, gone abroad to various countries either on study tours or to attend training courses and seminars: Among the countries visited by them are the U.S.A., U.K., the Federal Republic of Germany, Sweden, Denmark, Israel, India, the U.S.S.R., Poland, the Democratic Republic of Germany, Czechoslovakia, Yugoslavia and the People's Republic of China.

Personnel connected with the Co-operative Union have contributed to the work of the two adult education institutions in Dar-es-Salaam (the Institute of Adult Education, University College, Dar-es-Salaam, and Kivukoni College) by conducting three ten-week courses on the Role of the Co-operatives in Economic and Social Development and on Co-operative Practice, in addition to giving a number of talks on specific Co-operative topics.

On the publicity side, the Co-operative Union has since July 1964 been regularly bringing out its monthly publication "*Ushirika*" ("Co-operation"), which aims at promoting the interests of the Co-operative Movement by serving as a vehicle of co-operative information and education and as a forum for the discussion of topical co-operative questions and kindred subjects. Broadcast talks on

CO-OPERATIVE MOVEMENT OF TANGANYIKA

WHAT IT IS

WHAT IT DOES



Cooperative stand at the National Exhibition held during Tanganyikan Independence Celebrations in 1961

co-operative subjects are also on Radio Tanzania from time to time.

The annual National Festival at Saba Saba time (7th July, the anniversary of the Tanganyika African National Union Foundation Day) affords a welcome opportunity to the Co-operative Union to publicise, at its exhibition and by means of suitable audio-visual media, the aims and activities of the Tanzanian Co-operative Movement.

In the field of international co-operative relations, the Co-operative Union of Tanganyika had the privilege of acting as host to the Pan-African Co-operative Conference at Moshi in November 1962, which led to the formation of the African Co-operative Alliance with its temporary headquarters in Dar-es-Salaam. On Mr. W. R. Kapinga, the Secretary General of the Cooperative Union,

has been bestowed the honour of serving as the first President of the Alliance. The Co-operative Union is a full member of the International Co-operative Alliance and is represented on the Central Committee of the Alliance by its Secretary-General.

The vital role that the Co-operative Union has been assigned to play in the political life of the nation, apart from its purely Co-operative functions, may be gathered from the fact that it has been given two representatives on the national executive of the Tanganyika African National Union and has a right under the Tanzanian Constitution to participate in the nomination of candidates to fill 15 special seats in Parliament. In keeping with this status, the Co-operative Union has on all appropriate occasions associated itself with

events of national importance.

The biggest project so far undertaken by the Co-operative Union is the erection and establishment of the National Co-operative Centre. The building for the Centre, a superb structure with a 14-storey tower by the side of the headquarters building of the Tanganyika African National Union in Lumumba Street, Dar-es-Salaam, is estimated to cost half a million pounds. When completed, it will house a co-operative supermarket, a department store and COSATA show-rooms in addition to the offices of the Cooperative Union, the Ministry of Co-

operatives, the National Co-operative Bank, COSATA, the Credit Union League of Tanganyika, the African Co-operative Alliance and other organisations.

With a view to helping the co-operative unions and societies to improve the quality of their management and enhance their overall efficiency, the Co-operative Union plans to establish and maintain services of a central and specialised nature, such as audit, higher accountancy and management consultancy. It has also had under consideration plans to acquire a modern offset printing press.

A COOPERATOR FOR 63 YEARS

After sixty-three years in the Cooperative Movement, the eminent Finnish Cooperator, *Dr. Väinö Tanner*, retired at the beginning of this year from his last position, Chairman of the Board of Elanto Society. On the 12th March he celebrated his 85th birthday. We wish him health and happiness for many years to come.

Dr. Tanner first came into contact with the Cooperative Movement through Heinrich Kaufmann and the German Cooperative Wholesale Society, GEG where he worked for some time. On returning to Finland, he became for a time manager of the Turku Poor People's Cooperative, the largest society in the country at that time. In 1908 he joined the Board of the Finnish Wholesale Society SOK, subsequently becoming Chairman.

The whole Progressive Cooperative Movement in Finland has benefited greatly from Dr. Tanner's wise guidance, for it was he who built up the new central organisations after the split in 1916. For 44 years he was Chairman of the Board of KK and a member of the Board of OTK from its foundation until 1962. He was also instrumental in the establishment of the Cooperative Insurance and Housing Societies in Finland.

Dr. Tanner also played an important part in the International Cooperative Movement. As early as 1910 he was a member of the Central Committee of the International Cooperative



Dr. Väinö Tanner

Alliance, and in 1927 he became President, a position which he held until 1946.

After the civil war in Finland in 1926, Dr. Tanner, who had been a Member of Parliament since 1907 and had held, among other offices, those of Minister of Finance and Foreign Affairs, became Prime Minister and for a short period Acting President of Finland. He has published many books on economics and politics including translations of foreign works, as well as his own memoirs covering a long and important period in the history of his country. He has twice received the Rochdale Medal for his services to the Cooperative Movement.

COADY INTERNATIONAL INSTITUTE

by Zita Cameron

CITIZENS of Antigonish (pop. 5,000), Nova Scotia, show no surprise when they meet, on their Main Street, Koreans in pale blue satin trousers and black waistcoats, an Indian woman in sari and sandals, Nigerians in flowing, colourful robes, or a group of students from Basutoland in tribal blankets and intricately styled straw hats. Antigonishers have become accustomed to seeing, in late autumn, groups of people, black, yellow, white and brown, examining — delightedly and somewhat fearfully — the first snow they have ever seen. All these are students of the Coady International Institute.

Since 1960, the Institute has trained 652 students from 76 countries. Six continents have been represented on the student roll. The alphabetical index of countries ranges through A to Z — from Australia to Zambia. The Institute has been described as a “miniature United Nations”. The university (St. Francis Xavier, registration 2,000), of which it forms a part, has been labelled “World College”, and little Antigonish ranks with the greatest cities as a “cross-roads of the world”.

Named after Dr. Coady

The Institute is named after Dr. M. M. Coady, pioneer educator of St. Francis Xavier who dedicated his great physical and intellectual powers to the proof of his creed that all people, regardless of race, religion, economic or social status, are entitled to the full

development of their talents and a resulting “good and abundant life”.

Moses Michael Coady was born in rural Nova Scotia in 1882, educated at St. Francis Xavier and in Rome, where he was ordained Catholic priest in 1910 after earning degrees of Ph. D. and D.D. He furthered his studies in his chosen field, education, at the Catholic University in Washington, D.C. in 1914-15 and returned to teach at St. Francis Xavier. Here ends the ordinary phase of his career. Here began the long evolution of a unique philosophy of education and human rights destined to make him an international figure and to touch the lives of an estimated five million people in America, Europe, Asia, Africa, Australia and the islands, great and infinitesimal, of the world's oceans.

From his youth, Dr. Coady had been influenced by his cousin, Dr. James J. Tompkins—world-famed “Dr. Jimmy”—who took culture and economic training to the miners and fishermen of eastern Nova Scotia. Other men of St. Francis Xavier contributing thought and experience to the developing system were Dr. Hugh Macpherson, Father (later Bishop) J. R. MacDonald and Father Michael Gillis, only living member of the original group, now resident consultant at Coady Institute.

From the meeting of these minds and others, evolved the programme of adult education and economic cooperation, formally launched in 1928, when St. Francis Xavier established its Exten-

sion Department. Dr. Coady was named Director and A. B. MacDonald his assistant.

Adult Education Programme

The mandate given Coady and MacDonald by the university called for a programme of adult education to bring about economic action "in the seven eastern counties of Nova Scotia". This was carried out through community mass meetings, small discussion groups with local leaders, an annual short six-week course on campus, regional short courses, and a yearly Rural and Industrial Conference. As modern means of communication emerged, these were employed in the programme.

The pebble dropped in eastern Nova Scotia sent ripples to adjoining Canadian provinces, the United States, and across the oceans. Contrary to the laws of physics, these ripples did not diminish, but built up into a tidal wave of students, educators, and people concerned with economic and social problems in their respective homelands. They came uninvited, not that they were unwelcome, but because facilities, geared to "the seven eastern counties", were limited. Besides, Dr. Coady and the people at St. Francis Xavier did not realise that something of universal interest was happening here.

What was to be done with these visitors? The Rural and Industrial Conference could not accommodate them all. A few could participate in the short six-week course. The rest were taken to the outposts—to kitchen meetings, community halls, and on tours of the young cooperatives which had grown up as "the economic group action" issuing from the programme. Foreseeing what was to come, Dr. Coady talked, as early as 1937, of "an International House"

where these students from other lands might live, learn, and satisfy their need for knowledge of the Anti-gonish method to take home and apply to their respective environments.

"International House"

Dr. Coady retired as Extension Director in 1952. He continued to write, lecture, and inspire a growing international audience until his death in July, 1959. Four months after his death his "International House" became a reality when the university governors established the International Institute of St. Francis Xavier and named it after him. Monsignor F. J. Smyth, educator and sociologist, was appointed Director. The first class of 23 students from 13 countries received diplomas in May, 1961.

The present Institute building, made possible by a gift from Cardinal Cushing of Boston, was opened in the autumn of 1961, and registration since then has hovered around eighty students for each eight-month diploma course and seven week summer school.

Many Patrons

The Institute is supported financially by student fees, by the University, and by gifts and grants. The Coady International Associates, Inc., established in Boston by St. F. X. alumnus Dr. Malcolm MacNeil, has given consistent support. The gifts of donors and sponsors such as Cooperative Insurance Services, Knights of Columbus, CUNA Mutual Insurance, the Canadian Legion, the Catholic Women's League, Northumberland Cooperative Services, United Farmers of Ontario, Canadian National Railways, scholarship-granting institutions Misereor, External Aid Department and Department of Indian Affairs



Mr. Gordon Smith, Canadian Manager of CUNA (left) presents cheques to the Directors of the Coady International Institute and Extension Department of St. Francis Xavier.

of the Canadian Government, the Anglican Church of Canada, the United Church of Canada, International Labour Organisation, F.A.O. of the United Nations, the Canadian Bishops, a number of religious congregations, mission societies and lay institutes, the Asia Foundation, the L.I.S.C.D. Foundation, the Nova Scotia Teachers' Union, the Canadian Pacific, and a great many individual friends have helped keep the work growing.

Why Antigonish attracts

Students are trained in the techniques and philosophy of the Antigonish Movement, in Cooperatives — producer, consumer, credit and service—in elementary economics and accounting, in communications, sociology, and community development. In addition to classroom lectures, each group goes on a week-long tour of cooperatives in the Maritime Provinces. A five-day Folk School, conducted by the Nova Scotia Adult Education Division, introduces each incoming class to life in the province and starts the group working and living as a unit. Students fulfilling requirements of the eight-month course earn a Diploma in Social Leadership. A certificate is granted on completion of the six-week summer course.

But all this is brochure material, given in leaflets distributed to applicants and other enquirers. A natural question at this point might be: "What is so special about this course that it attracts people from all over the world?" An attempt to give a satisfactory answer must take us back to the early days of St. Francis Xavier Extension and the work of Coady, MacDonald, A. S. MacIntyre and a slowly growing staff of field-workers. What was so special about their programme that it developed to merit world-wide attention and the name, "Antigonish Movement"?

Dr. Coady and his associates did not invent the cooperative system, although Dr. Hugh MacPherson became recognised as "the father of cooperatives" in Canada. These men never ceased to credit—and to imitate—the Rochdale pioneers and the cooperative leaders of Europe who followed them. St. Francis Xavier was not the first university in the world to establish an Extension Department for off-campus adult education. It was the combination of these that made the Extension programme, the Antigonish Movement, different. Here adult education must give rise to economic group action. The education began with whatever the people of a community or area needed to know in

order to make a living. It was to continue through whatever they should know to live a full and satisfying life in accordance with their talents and desires.

Action must follow Education

The evolution of the Antigonish Movement in the minds and at the hands of Coady and his collaborators followed the recognised stages of the creative process: preparation, incubation, illumination and verification. It must be remembered that these stages are not mutually exclusive. Verification of one aspect of the programme may be contemporary with preparation of another. It should be recorded that, where cooperatives are concerned, illumination followed closely upon preparation. To put it simply: if people are to learn willingly, they must see quick, tangible results of that learning. Early in the programme, cooperatives—consumer, producer, marketing, credit unions, housing and others—were seen as the obvious and only answer.

One of the strengths of the Antigonish programme lay in Dr. Coady's recognition of the fact that it does not have to bring about immediate prosperity or instant, dramatic results. Learning, at whatever level, and the resulting cooperative action, gives people an insight into what they can accomplish by working together and helps inoculate them against dangerous philosophies and unworthy objectives. It is the leaven that activates and makes good the whole loaf.

Widespread Influence

But dramatic results are not lacking. A recent study revealed that over five million people in widely separated areas of the world have been influenced to



Five students from Nigeria with the Chancellor of St. Francis Xavier University, Most Rev. W. E. Power, at the close of the Summer School, 1964.

varying degrees by the Antigonish Movement. Since the early thirties, a growing procession of St. Francis Xavier-trained and experienced men has, by invitation, gone to set up and guide similar programmes in every continent except Antarctica. One recent emigré, now directing the Extension Department of the University of Basutoland, Bechuanaland and Swaziland, gave the following information in a letter to Monsignor Smyth: Twenty-five per cent of the members of the legislative assembly of Basutoland are Coady graduates. Nine are cabinet ministers. The Halifax (Nova Scotia) *Chronicle-Herald*, makes the following editorial comment:

“Thus the principles of social justice and self-development, which found expression in the co-operative societies and credit unions nourished by the Antigonish Movement, now are being advanced by a small, but influential band of able spokesmen in an underdeveloped area of the world”.

The editorial continues:

“But Basutoland is not the only emerging nation to send promising students to Antigonish for studies in economics and the dynamics of self-help programmes. Indeed, such is the deserved fame of the Coady Institute that its classes resemble a miniature United Nations, with students representing numerous countries in Asia, Latin America, and Africa, as well as the more highly developed areas of the world”.

A miniature United Nations

There is that "miniature United Nations" again! While this term and "world crossroads" crop up in countless references to the Coady Institute, one term that is never employed is "melting pot". There is no law against it, but a widespread understanding that Coady students are not here to be "westernised", "Canadianised", or in any way "converted" from their native customs, beliefs and ways. Incoming students are advised to bring national costumes, musical instruments, and, if they wish, samples of the handicrafts of their countries. Student concerts, parties, and patriotic gatherings are cosmopolitan affairs. Everybody celebrates everybody else's independence day or national feast—and with thirty-five to forty nations represented in each class, there is no lack of an excuse for celebration.

Set the stage—for Caribbean calypso, for African songs in who-knows-how-many dialects, for Pakistani, Indian, Korean and Latin American "Shows". At the Christmas party, everybody receives a gift and everybody—be he Buddhist, Moslim or uncommitted—joins with his Christian classmates in "Silent Night" and "Come all ye Faithful".

Welcoming the 1965-66 class in September, the Mayor of Antigonish said: "It always amazes me how you people, from so many countries, with such varying cultures and beliefs, get along so well together. If this situation could be extended throughout the world there would never again be war or fear of war". The same sentiment is expressed repeatedly by visitors and observers at the Institute.

Most of the students at the Coady Institute are on scholarships, from their own or the Canadian government, and

from religious, fraternal and philanthropic organisations. Some, often at great personal sacrifice, pay their own way. Recently, an increasing number of Canadian Indians have come, sponsored by our Department of Indian Affairs.

The Coady Family

For students, past and present, and staff members at home and abroad on assignment, Monsignor Smyth has an inclusive term—the Coady Family. Like members of any close-knit family, they write home. As from Ceylon: "Wishing you and your team all success in the great task you are performing for creating more enlightened leadership in the world and promoting international understanding..." This "Coady son" is a Deputy Director of Rural Development in his country. From Malawi, Mauritius, and Korea the letters come—from places on the equator and inside the Arctic circle.

These spontaneous testimonials of appreciation, along with reports of cooperatives established or in the making, contribute to the verification stage of the programme designed by Dr. Coady and his fellow pioneers for the seven eastern counties of Nova Scotia. But this is not the end. Preparation, inspiration and illumination proceed currently in a programme that was designed to be flexible, to grow and adapt to changing times and environments. It must be so—because the Antigonish programme, and its exposition at the Coady International Institute, is concerned with people and the building of men and their institutions. It must proceed on all fronts and grow in all its phases as long as there are people anywhere in the world who need to be helped towards the enjoyment of the "full and abundant life" that is their due as human beings.



OUT OF THE DARK AGES

RURAL ELECTRIC COOPERATIVES
IN THE U.S.A.

by **Robert Amato**

"The United States is a Development Country", Mr. H. A. Cowden, December 1965.

THE introduction of electricity to the rural areas of the United States in the last 30 years has brought prosperity to sections of the country where only hardship was known before. Rural electrification has meant new jobs, better sanitation, more purchasing power, and a standard of living unexcelled anywhere in the world. It has been the driving force in a rural revolution. Now, it is allowing the city dweller and even the suburbanite a place to relax in comfort and is one of the prime factors behind the locating of small industries out of the crowded metropolitan areas.

Modern electric service to rural America has raised farm production and increased farm efficiency, thus reducing agricultural costs and assuring urban people of a plentiful supply of food and fibre at reasonable cost. The many backbreaking jobs which previously

drained the lives of farm people have been eliminated through modern electric machinery. The concept of working from before sun-up to after sun-down is no more. Now farmers have more leisure time than ever before to enjoy the fruits of their labour.

Naturally, with the increased prosperity of the rural areas, other parts of the nation also have prospered. Every year now, more than a billion dollars of electrical appliances are purchased by rural electricity consumers. As a result of this purchasing power, thousands of new jobs in city factories have been created to fill their needs.

Hard work and vision

However, rural electrification in the United States did not occur overnight; it came about through hard work and the vision of dedicated public figures, and materialised largely through the ingenuity of the American farmer. It is amazing to realize that today 98 per cent of America's farms have electricity, while only three per cent had such service in 1923. It is not an overstatement to say that the rural electrification brought this country out of the "dark" ages. Even with all the advances rural electrification has brought, there remains a great deal yet to be accomplished. Although electric lines are in service throughout most of rural America, the job of rural electrification is not complete. If trends remain constant, power demands will continue to double every seven years, and rural electric systems must grow to meet these increased demands.

If you were to single out one particular person most responsible for rural electrification, it would be Franklin Delano Roosevelt, thirty-second Pres-



A cooperative member receives his certificate after training at the Cooperative Research Centre in Saigon.



Arizona Electric Power Cooperative, which serves 50,000 members, recently opened this new power station at Benson.



Through electricity cooperatives household drudgery has been eliminated and the housewife now has a modern, streamlined kitchen such as the one shown above.

ident of the United States. Widespread use of low-cost electricity was his insistent objective.

Electrification in the "New Deal"

President Roosevelt first became acquainted with the high cost of electric service in the rural areas when he was on holiday at his "Summer White House" in the State of Georgia. He was astonished to learn of the excessive rates being charged to rural residents, as compared with urban people. He maintained that "electricity is no longer a luxury; it is a definite necessity". In 1935, he included rural electrification among his relief projects, designed to pull the United States out of the deep depression which had hit the country.

During its first year, the fledgling Rural Electrification Administration met with numerous difficulties. Its slow start was evidence that if any dynamic new breakthroughs were to be made in this field, REA would have to be established as a permanent agency.

In 1936, two pioneers in the field of rural electrification, Senator George Norris and Congressman Sam Rayburn, who later became the celebrated Speaker of the House of Representatives, introduced legislation in their respective bodies of Congress that enabled REA to become a permanent government agency. It is probably one of the most significant and far-reaching pieces of social legislation in the history of the United States. For the first time, rural people had hopes of obtaining electricity service that would allow them to share in the benefits already enjoyed by millions of city residents. It was as if a whole new world had been opened to them.

In order to take full advantage of REA loan funds, individual farmers

banded together to form cooperatives. What they could not do as individuals, could be accomplished by joining together just as they had done in earlier days when neighbours helped each other to build barns and homes. People who had never known each other came together to work towards a common interest—electrification at the lowest possible cost.

Actually, a cooperative is a form of corporate entity, organized under applicable laws of the State in which it does business. The individual members represent every facet of political, religious, and ethnic groups. Although the cooperative is operated without profit, the American farmer believes firmly in, and takes part in, the profit-making, free enterprise system. The farmers realize that, in a country as large and complex as the United States, not every service needed can be provided to everyone at a profit. It is owned and controlled without profit by the members it serves, with each member having one vote in the affairs of the cooperative.

War-time Difficulties

In 1941, the REA continued to expand its operations after becoming a part of the Department of Agriculture. But just as it was reaching its high point, World War II developed. Rural construction was almost halted because of priorities given to industries specifically engaged in war-time production; strategic wire was difficult to obtain even though many poles were already placed in position.

During the war, the functions of REA consisted of examining loan applications, earmarking funds for projects, and helping borrowers make the best use of

available materials. In addition, it made studies to show how electricity helped to increase production of essential food-stuffs and agricultural raw materials.

In 1943, the War Production Board relaxed its restrictions on REA so that farmers near existing power lines could obtain extensions by showing that an electricity service would mean increased production or decreased labour.

One of the most significant changes in the original Rural Electrification Act occurred in 1944, and was known as the Pace Act. Unlike the 1936 Act that specified a loan repayment period of 25 years, with interest rates on loans geared to the rate paid by the government on its own long-term securities, the new legislation allowed greater flexibility. The Pace Act continued indefinitely the loan authorisation which would have expired in 1946. More important, it changed the rate of interest on REA loans to a flat two per cent, abolishing the old, complex interest formula. It also extended the maximum repayment period on all REA loans from 25 years to 35 years.

A unique Feature

With these vital new provisions, the important goal of *area coverage* moved closer to reality. Area coverage, the basic principal of successful rural electricity service, means extending electricity service to everyone who wants it, no matter how remote his location may be within a given area. It is this feature of area coverage that distinguishes the cooperative rural electrification movement in the United States from that of the commercial companies. Commercial utilities, which operate with profit as a goal, would never consent to serving customers who were not profitable to

their stockholders. Area coverage is quite unique.

Of special importance to rural electricity cooperatives is the electric power source. Since most cooperatives merely distribute electricity to their members, they purchase their power in volume at wholesale rates. What cooperatives pay at the source is all important; it represents two fifths of the cost of a delivered kilowatt hour to its consumer-members.

When commercial power companies are the sole source of electric power, cooperatives are naturally at their mercy as far as rates are concerned. It was only natural then that the cooperatives should seek alternative sources of power as a means of competition to the power companies.

Cooperative Generating Plants

The only other sources of wholesale power were government generating plants, but these were available only in certain areas of the country where the government had established power projects. The cooperatives, therefore, decided to generate and transmit some of their own power. Federations of distribution cooperatives built their own power plants, and generation and transmission (G&T) cooperatives went into business.

The G&Ts are often opposed by the commercial utilities since the presence of a G&T may cost the commercial utility lucrative wholesale customers. The commercial companies claim they can furnish distribution cooperatives with all their power needs, but in certain instances this has not proved to be true. In addition, the G&Ts provide a bargaining tool through which the distribution cooperative is frequently

able to obtain a more reasonable price from the private power company. With such low customer density on rural electric lines, cooperatives are forever searching for low-cost wholesale power.

During the post-war years of the late 1940's and early 1950's rural America was impatiently awaiting the electricity service it so vitally needed. Years of good crops and a shortage of consumer goods meant that farmers had money and that the savings of rural people had probably reached the highest point in U.S. history.

At the end of 1946, there were still over two million farm families without electric light and power, and another two million rural establishments—schools, stores and other business and non-farm rural dwellings—without high-line power. Barriers to post-war progress in rural electrification were short supplies of manpower and materials. As a few more years passed, however, more and more consumers became cooperative members. By 1948, more than 40,000 consumers per month were being connected to REA-financed lines, far exceeding pre-war records.

It was during this time that rural electrification began to get a foothold in the United States. Men were returning home from World War II, and new homes were being built across the land. By June 1949, more than 78 per cent of U.S. farms were receiving central station electric power.

During the 1950's, cooperatives continued to dot the countryside, bringing small industries to localities that had previously known only farm life. The drudgery of farm life was greatly relieved through the use of modern machinery, and increased production through electric milking machines, freezers, and other modern farm machinery

transformed the old-style farmer into a modern business leader.

REA'S Silver Jubilee

In 1960, REA celebrated its silver jubilee. At that time, 130,000 additional rural electricity consumers were being added annually. The majority of these were not farmers, but suburban and exurban residents spreading outward from cities, including commuters, holiday-makers, and retired persons. Because of the ready supply of electricity in rural areas, many small industries have moved out to the countryside, where they can usually find an abundance of land, available labour supply, and an acceptable atmosphere.

With the relocation of industry on to rural electric lines, rates for the small individual consumers become less, and as more and more electricity is used, rates can be reduced. Only by securing industrial growth on cooperative lines, or by adding more consumers, can the parity of rates with urban dwellers ever be accomplished.

Statistically speaking, rural electrical cooperatives offer no competition to private utilities in the United States. The cooperatives generate only one per cent of the electricity consumed and distribute only four per cent of the power. At the same time, cooperatives operate more than half of the distribution lines in the country. On the other hand, commercial utilities average \$7,164 for each mile of urban line they service, as compared with only \$460 for the rural electrical cooperatives. As for customers in 1962, the commercial companies averaged 33.3 to only 3.3 for the cooperatives. It can readily be seen that the cooperatives are now serving, and have always served, areas that were un-

wanted by the 'private utilities. Nevertheless, as the population continues to overflow into the outlying areas, private utilities become financially interested.

The pioneering that went into rural electrification from the early 1930's until today has allowed men in this country to acquire techniques and skills virtually unknown in other parts of the earth; and now this know-how is being exported to less developed countries of the free world.

Aid for under-developed countries

In 1962, the National Rural Electric Cooperative Association (NRECA), which represents nearly 1,000 rural electrical cooperatives in the United States, passed a resolution calling the attention of the Federal Government agencies to the potential of the REA pattern of organization and operation in furthering international, social and economic progress. This resolution followed a proposal by Senator Hubert Humphrey (now Vice President) which stated: "It is declared to be the policy of the United States . . . to encourage the development and use of cooperatives, credit unions, and savings and loan associations."

An agreement between NRECA and the U.S. Agency for International Development (AID) was signed at the White House in the office of President John F. Kennedy on November 1st, 1962. A non-profit contract, the agreement calls upon rural electrical systems, through NRECA, to provide technical services, counsel, and related support in the development of cooperative rural electrification, rural industries, and community facilities in the developing countries of the world, as they request it.

As a result, more than 50 rural electrification experts have been sent to 22 countries in Latin America, Asia, and Africa to date. One rural electric cooperative in Ecuador has actually come into being through the AID-NRECA plan, and two others are expected to be in operation soon.

Furthermore, the people of South Vietnam have been helped in the past year by eight rural electrification experts. These men voluntarily took the job of trying to establish rural electric cooperatives in densely populated villages that, for the most part, had never had electric service. The task of providing electricity for these people is fraught with difficulties since the work must be carried on in the midst of war conditions.

At a rural electricity cooperative meeting in Washington on May 4th, 1965, President Lyndon B. Johnson referred to the Vietnam mission in this way: "Tonight, an REA team is in South Vietnam at my request, talking and planning and working with the officials there to find ways to bring the healing miracle of electricity to that poor, war-torn countryside where per capita income is \$50 a year, and where the average person's span of life is 35 years.

"So we must be ready to fight in Vietnam, but the ultimate victory will depend upon the hearts and minds of the people who actually live out there. And by helping to bring them hope and electricity, you are also striking a very important blow for the cause of freedom throughout the world.

"For years, everyone has wondered what there would be to do when all rural America had electricity. Well, I think you now have the answer. You're going to electrify the rest of the world."

COMMENTARY

**Mrs. Gandhi
Prime Minister
of India**

IT was indeed a proud moment for the ICA when Mrs. Indira Gandhi, who has been associated with our Delhi Office as the Honorary President of the South East Asian Advisory Council since its inception, was sworn in on 24th January, 1966 as Prime Minister of India.

Mrs. Gandhi is indeed well equipped for her fight against poverty, disease and ignorance and as a cooperator she will place the emphasis on the cooperative movement as an agency for reconstruction in India. Not very long ago, in her address at the Ministers' Conference on the "Role of Cooperation in Social and Economic Development", Tokyo, Japan, April 1964, Mrs. Gandhi said that it was through the cooperative and village council that the community development programme in India would provide facilities to the rural masses for self-growth and for inculcating among them the desire for change and improvement. The cooperative movement, according to her, offers a method of approach whereby a balance could be achieved between preserving individual freedom and avoiding the excesses of an acquisitive society.

Mrs. Gandhi was born in 1917 and started her public life at a very early age. When only four years old she attended her first Indian National Congress and from the age of twelve onwards, she participated actively in the fight for independence for her country. Her parents were constantly in and out of prison, resulting in a very chequered educational background for her. Her personality, however, bears the stamp of her great father, Jawaharlal Nehru, who tried to provide for her education by sending her letters, written from prison, outlining for her Indian history and culture, and expressing his great belief in humanism. The poet Rabindranath Tagore was a friend who had a great influence on her.

About her close connection with the International Co-operative Alliance's work in South East Asia, Mrs. Gandhi had to say that she "welcomed the setting up of the Regional Office of the International Co-operative Alliance and its Education Centre for they meet a real

need". She stressed that the Centre forms "a link with national cooperative movements helping all our South East Asian countries with technical information and assistance and a valuable liaison with the United Nations Specialised Agencies and other non-governmental international organisations."

Mrs. Gandhi's constant interest in the Regional Office has provided the Centre with valuable guidance in its early formative years and we are sure that her continued interest will inspire it to march forward in the service of the movements in the Region of South and South East Asia.

It is at this point of welcoming the new Prime Minister of India, that we would note with sorrow the passing of Lal Bahadur Shastri, the mildest man in the world of politics, who died leaving, perhaps, the deepest of impressions of any passing politician. The epitaph 'the man of peace' should be his. At all times, Shastri considered human life too precious to be frittered away in strife; his crowning monument is Tashkent and his peace efforts made there. India and the world will never forget him and he will be remembered as the man who died with the words of peace on his lips.

Contact-Man Courses in Tanzania

"Contact-man" courses are an interesting venture in cooperative education organised by the Cooperative Education Centre at Moshi in Tanzania.

In order to find suitable students for this course, Mr. Rune Forsberg had to undertake a journey to the Lake Region with the intention of interesting as many people as possible from the nineteen Cooperative Unions there to send contact-men to the first course. This pre-study policy was successful beyond expectation, as no less than sixteen of the twenty-three participants came from the Lake Region.

The aim was to make the programme as practical as possible. Each of the participants had to deliver a talk on a cooperative subject which was then discussed and criticised by the students. Each contact-man in turn acted as chairman and secretary to the study-circles.

Five local societies were visited during the course, each visit being used as an extra General Meeting with an introductory lecture given by the contact-men. It was interesting to find that credit unions were the most popular subject and in most cases, each visit resulted in the formation of such a union.

The most important decision, however, was, to follow up each course, and contact-men were assured that a newsletter termed "*Guide for Contact-men*" would be sent to them. Observers of the course felt that this new scheme of educating members through the medium of contact-men is an excellent one, at least for the Tanzanian Cooperative Movement, and it may well be that this type of "contact-men" course may prove useful in other areas.

Suggestion for U. N. Specialised Agency on Housing

Suggestions for the creation of a Specialised Agency on Housing were first made in 1960 at a meeting in Vienna of the International Co-operative Alliance. At this year's Helsinki meeting of the Housing Committee of the ICA a proposal for the creation of a non-governmental international cooperative housing corporation was made by the President of the Foundation for Co-operative Housing, Mr. Wallace Campbell.

The need for an expansion of housing to meet the population explosion throughout the world is self-evident and perhaps it is sufficient to say that in the next thirty-five years it will be necessary to build as many new homes as are now in existence in the world and this only to meet the expected increase in the world population. Within this anticipated need, the potential role of cooperative housing is very great. A very substantial part of the new housing built in the world in the next generation should be built on a cooperative basis to extend home ownership as widely as possible and to multiply the opportunities for democratic economic action while providing good housing at the most reasonable price possible.

It is proposed that the national cooperative housing organisations throughout the world act to mobilise technical knowledge, manpower and resources to assist in the development of viable housing cooperative movements in all countries of the world. To achieve this purpose, it is suggested that a special corporation, association or joint enterprise be formed with extensive programmes of technical assistance, development and construction in those parts of the world which request such assistance. As one alternative, the proposed corporation could be composed entirely of cooperative housing organisations, interested in assisting in the expansion of housing in the developing countries. As another alternative, the corporation could be owned in part by cooperative associations and in part by trade unions and other non-profit organisations in-

terested in promoting the development of cooperative housing.

Similar bodies already function in the co-operative field such as the International Cooperative Petroleum Association and the Scandinavian Cooperative Trading Society, and it is proposed that a corporation somewhat similar in character could be established in the housing field.

The proposed International Cooperative Housing Association, as a corporate body with limited liability, would have ownership shared widely among the existing cooperative organisations of the world. It would serve as a clearing house for technical knowledge and manpower, developing a current staff, library and services of value to its members as funds become available. In other words, the organisation could establish an international centre for production and distribution of education and promotion materials, training programmes and materials designed to assist the development of research in materials and techniques, finance and management. The corporation would undertake on contract to provide technical assistance, development skills, financial and legal assistance and, if necessary, actual construction for developing cooperative housing and the eventual establishment of autonomous national cooperative housing organisations within the United Nations family such as the UN Special Funds, the ILO, the FAO, the International Bank for Reconstruction and Development (World Bank), the International Finance Corporation, the International Development Association, another Agency of UN.

Since the proposed International Cooperative Housing Association could serve best as an independent body with limited liability, it is suggested that the Association be brought together with the general endorsement of the Housing Committee of the International Cooperative Alliance, but that the actions of the corporation or association should not be a responsibility of the Housing Committee and that no liability be undertaken by the ICA Housing Committee for the corporation or association. In other words, it is proposed that the new organisation be established with the full knowledge and sympathetic support of the ICA and its appropriate committees, but that the committees should not undertake the responsibility for the acts or finances of the corporation.

Membership of such an organisation would be limited to national or regional cooperative housing associations, non-profit associations devoted primarily to the develop-

ment of cooperative housing, and the trade unions or other membership organisations with a specialised interest in the development of cooperative housing, but with no ulterior motive in the promotion of such cooperative housing.

The financial needs of the corporation would be very small at the beginning. It is proposed that each national association wishing to become a member should contribute not less than \$1,000 towards the capital of the association and that additional investments be made in interest-bearing debentures of the association to provide working capital and that each member organisation should have one vote in electing an international council of the International Cooperative Housing Association and that the Board of Directors of the Association be elected by the duly elected members of the council. It is also suggested that the association files an annual report to the International Cooperative Alliance and invites to annual meetings of the association the officers of the Housing Committee of the ICA.

All proposals here stated are obviously preliminary in nature but the purpose of the proposed new organisation, which is the mobilisation of the technical resources and manpower of the various cooperative housing movements in the world, should be heeded by every cooperator.

The ICA Auxiliary Committee on Retail Distribution

In talking with a great number of people visiting the ICA, or when travelling abroad, I always find that they express their appreciation about being members of the ICA by pointing to the great advantage found in being members of the various Auxiliary Committees. Belonging to such a Committee appears to be one of the most valuable assets. The Auxiliaries gather together the important people in each movement concerned with one particular aspect of cooperation and members find during the various meetings held, that their problems can be solved on an international basis and the exchange of experiences between country and country has proved of great value in their work.

One such Auxiliary Committee is that on Retail Distribution. Its Secretary, Dr. Göran Lindblad, has been circulating the Committee's New Service most effectively and such items of international interest as the Combi-Lift System, Recommendations to the Retail Trade, the Use of computers in the Cooperative Retail Trade, etc., have been greatly appreciated. Also, the "Retail News Letter"

of the Committee, edited by the International Association of Department Stores, is a mine of information. The group activities of the Committee are carried out by Working Parties and Erfa Groups.

The Working Party on Department Stores and Non-Food Shops held three meetings covering such items as the use of part-time employees, shop opening hours, credit sales, shopping centres, work studies and assortment policy. Erfa Groups studied the important topics of the use of computers in department stores, balancing of turnover and staff, staff recruitment and training, a five day working week in the retail trade and stock control. The Working Group on Food Shops dealt with shop structure and siting, quality control of Co-op brands, distribution costs, computers and shop fixtures.

The future work of the Management Sub-Committee will be to arrange even larger conferences than in the past in order to involve many more people from the co-operative movement in an active exchange of valuable experience which can benefit international co-operation.

At the present time, the Committee consists of the following organisations: *Konsumverband* (Austria); *Central Co-operative Union* (Bulgaria); *Ustredni Rada Druzstev* (Czechoslovakia); *Faellesforeningen for Danmarks Brugsforeninger* (Denmark); *Suomen Osuuskappojen Keskuskunta* (Finland); *Kulutusuuskuntien Keskesliitto* (Finland); *Fédération Nationale des Coopératives de Consommation* (France); *The Co-operative Union Ltd.* (Great Britain); *Co-op Nederland* (Holland); *Norges Kooperative Landsforening* (Norway); *Kooperativa Förbundet* (Sweden); *Verband Schweiz. Konsumvereine* (Switzerland); *Zentralverband deutscher Konsumgenossenschaften* (West Germany).

The Management Sub-Committee itself now has a Dane as Chairman and its members are from Great Britain, Sweden, Switzerland, Holland, West Germany and France.

The Secretariat is headed by Dr. Lindblad from Götögatan 19/II, Stockholm Sö, Sweden.

Iran Army Consumers' Cooperative

Sitting in one's office here in London it is not often one gets out into the field, but on the other hand there is much compensation in the visits we receive from co-operators all over the world. It was nice to have a few hours with Mr. Jalil Sassani, General Manager of the Army Consumers' Co-operative from Iran.

From his account, co-operation in Iran is making great

headway and has proved most effective in social and economic activities by utilising the scattered powers in a collective form for the betterment of human life. In Iran, racial, religious, political and class differences clearly do not exist in the cooperative organisations, and unlike any other establishment, co-operative shareholders have equal rights irrespective of the number of shares they hold in their co-operative society. Iranian agricultural and industrial workers, as well as the masses of urban and rural consumers, have found it possible as cooperative units to fight against the demands of capitalists, landlords and other elements who stand in the way of the people making a better living. The rapid growth and profound influence on economic and social life that cooperation produces has also made His Majesty, the Shahanshah extend his protection to the cooperative movement, and in a recent speech he made it clear that the people of Iran must make a maximum effort to form producers', distributive and consumers' co-operatives.

Recently, land reforms were taken seriously in hand and under the Shahanshah's strict orders co-operatives were started to utilise newly available land.

Rural co-operatives have taken the place of the landlords in the villages, and by the end of 1964 over 5,000 co-operatives of all kinds, such as producers', rural consumers', credit and housing, had been established with a membership of 800,000 families. Iran now definitely seems to be on the threshold of a second phase in its co-operative efforts which can be described as strengthening the newly-formed organisations. The next step will be the establishment of co-operative unions and federations.

On the consumer side, a union consisting of more than 32 co-operatives has been established and officially registered. Direct business relations have been established between the union and the rural co-operative unions, thus achieving the greatest aim of the movement, which is the elimination of the 'middleman'. Several items of foodstuffs were purchased directly from the rural unions, a fact which can rightly be considered a landmark in the history of Iran's Co-operative Movement.

One of the largest co-operative societies is the Army Consumers' Co-operative which aims to bring comfort to the families and men attached to Iran's armed forces. In its sixteen years, this society has done much to secure the welfare of its member families. It has campaigned

against high prices and profiteering, and in lean years made abundant supplies available for general consumption from its own stores in order to help keep the cost of living stable. Two stores are now serving its thousands of family members. From all accounts it seems that, with the extension of its agricultural and credit bank and other financial institutions, the way for co-operation in Iran is now set on a fair course.

Nobel Peace Prize Presented to Unicef

“Yesterday is gone, today almost over, and still we have not accomplished what we willed: but for all men, everywhere, tomorrow always holds a promise,

“And surely nothing is so much ‘tomorrow’ as today’s children.

“Perhaps the universal desire that these children have indeed a ‘tomorrow worth having’ prompted the choice of the United National Children’s Fund as the Nobel Peace Prize winner for 1965.”

Unicef’s Executive Director, Henry R. Labouisse, accepted the prize on behalf of the organisation now working in 118 countries. Mr. Labouisse paid great tribute to the late Maurice Pate, former Executive Director of Unicef, and stressed the fact that Unicef faces the most gigantic task of safeguarding children’s interests in the development of the poorer nations and that it is forging a link of solidarity between the richer and poorer countries.

Unicef was created in 1946 to provide urgent relief for the children of war-ravaged Europe, but was soon also given the task of assisting the children of developing countries living in the shadow of disease, hunger, ignorance and poverty. Mr. Labouisse stressed the hard reality that in more than a hundred developing countries of the world today the odds against a child are still overwhelming; in fact, they are 4 to 1 against his receiving any medical attention, at birth or afterwards. Even if he survives until school age, the chances are 2 to 1 that he will get no education at all; if he goes to school the chances are 3 to 1 that he will not even complete the elementary course, and it is almost certain that he will have to work for a living by the time he is twelve. He will work to eat — to eat badly and insufficiently — and on the average his life will end in about forty years.

The developing countries are making a courageous effort to catch up with the industrial ones and to them the word ‘development’ brings to mind new roads, power plants and steel mills, stepped up production in farming

and industry; but 'development' means above all people, not just numbers of people but quality of people. This is the crucial factor in the progress of a country — the development of a child, the adult of tomorrow — and this is the task in which Unicef is sharing along with others, like the Co-operative Movement, who have set their hands to the plough to help their fellowmen.

Blood Banks on Wheels

To possess a well-equipped blood bank on wheels, has always been the wish of the Vienna Blood Donors' Centre. With such a mobile blood bank it would be possible to go even to the smallest shops and factories and to the suburban area of the town where beds would not be available to donors.

However, to provide such equipment needs not only cash, but also experience. The Vienna Cooperative Society therefore suggested to the Red Cross organisation that it would be glad to put its experience at the disposal of the Red Cross and let them use one of the Cooperative exhibition vans and one of its lorries. The two vehicles were furnished with the necessary equipment, and are now used around the perimeter of Vienna to collect blood from donors, more especially from members of the Vienna Cooperative Society.

The shortage of blood available in a large city, particularly around the beginning of the holiday season, is creating concern, and the help of the Cooperative Movement is timely and most useful. In each branch of the Society posters and leaflets are available inviting members to become donors.

J. H. O.

Studies and Reports No. 2.

INTERNATIONAL COOPERATIVE INSURANCE

ICA Insurance Committee — Aims and Activities, by Robert Dinnage

The Insurance Development Bureau by Klas Back

The Reinsurance Bureau, by John Nuttall

Papers given at a course held in Manchester in 1965, under the auspices of the ICA Auxiliary Committee on Cooperative Insurance

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COOPERATION IN SOUTH ARABIA

by **Gumaan Awadh Bin Sa'ad**,
Assistant Cooperative Officer, Aden.

THE first mention of the South Arabian area occurs in the Bible, where reference is made to the merchants of Aden. South Arabia saw all the great empires of the world come and go—the Hittites, the Babylonians, the Persians and the Egyptians, the Greeks and the Romans, while the Arabian Empire itself came into being in A.D.642 and endured for centuries before it succumbed to the Turks. The modern history of South Arabia, however, can be said to begin with the British occupation in 1839, when Captain Haines of the Indian Navy captured Aden Port and acceded it to the British Crown. With Aden there were no less than twenty-four separate states all of which concluded treaties of protection with Britain and came to be known as the Aden Protectorate.

This was the situation until 1959 when six of these States were joined into a Federation. Since then, other states including Aden Colony, joined the Federation and formed what is now known as the "Federation of South Arabia", embracing fifteen of the original twenty-four states.

South Arabia lies at the southern end of the Arabian Peninsula, covering an area of about 114,000 square miles. It has frontiers with the Yemen, Saudi Arabia and Oman, and 750 miles of



Cotton is the white gold of South Arabia

coastline extending from the Red Sea to the Gulf of Aden. The area is made up of the maritime plain range, which cuts across the centre of the area from west to east and rises to a height of 8,000 feet above sea-level, and a plain to the north of the mountain range, which eventually merges into the great desert of Ruba Al-Khali or the "Empty Quarter". The plains in the south and north are traversed by a series of valleys and ravines which originate in the central highlands. With the exception of the fertile plateau in the highlands and lands lying on either side of the valleys in the lowland plains, the country is largely made up of mountains and deserts, the cultivable land being less than 2 per cent of the area. Rainfall is generally scarce and unpredictable—ranging from fifteen inches in the high-

lands to only two inches in the lowlands. Such being the position, the people have to live in concentrated villages and towns in the fertile and well-irrigated districts. Most of the one million inhabitants of South Arabia depend on agriculture, which is largely of a subsistence nature.

Of increasing importance to the economy of the area are the cash crops which have been developed since the Second World War, by far the most important of which is the long-staple cotton. Some 50,000 acres of land are put under cotton annually, producing some 3,200 tons of seed cotton to a value of approximately £500,000. Tobacco comes next with a total annual production valued at about £300,000. Bananas and water melons and winter vegetables are of considerable importance, and in recent years citrus fruits and tropical and sub-tropical vegetables have been introduced. Some 30,000 tons of fruit and vegetables worth up to £800,000 are produced annually.

Fishery Research

Fishing is, perhaps, the greatest single economic potential still unexploited in South Arabia. The blue waters that lap the 750 miles of coastline hold in their depths some of the country's riches in fish and marine life—riches which have a potential of being more than trebled when research and investigation make the ocean give up its secrets. An intensive research project costing £400,000 started last October with the object of developing the fishing industry. This will be carried out in three stages. The first stage will comprise an intensive and expert survey to appraise the size and distribution of fish stock in the Gulf of Aden, movement of plankton and exploratory fishing in the area. The

second and most vital part of the project is the training of fishermen, skippers, engineers and processing personnel. The third stage will be the mobilisation of domestic and foreign capital to develop the fishing industry. There has been, prior to this project, what may be regarded as a revolution in fishing methods; hundreds of fishermen have mechanised their boats and learned how to invest in bigger yields from the ocean. There is now an annual catch of approximately 100,000 tons of fish, about one-third of which is exported mainly to Ceylon, East Africa and Europe.

A Great Challenge

Against such a background, the Co-operative Development and Marketing Department was created to serve as an arm in the general economic development plan. In 1952 a committee was set up to report on the marketing and supply organisations and to make recommendations with a view to ensuring that primary producers received the greatest return and the consumers obtained supplies in reasonable quantities at the lowest possible prices. This resulted in the establishment in 1955 of the Co-operative and Marketing Department, but it was not until 1956 that the Department started work. The challenges were great: subsistence agriculture, widely scattered population, considerable distances, poor communications, internal insecurity hampering settled patterns of marketing, difficult flow of trade through different customs posts, and the proud, independent and at times suspicious nature of the producer impeded the formation of cooperative societies. The expectations were also great: amid the hue and cry for development, the Department was expected to play a leading rôle in transforming the

economic scene. It was expected to stimulate increased productivity, to give active help to organisations of primary producers, to improve marketing channels and to help drag the producer out of indebtedness.

But before it could do so, it had to contend with its own problems of administration and training of staff. The Protectorate was extensively toured and an outline of policy was drawn up to tackle the work. For effective furtherance of the work it has been necessary to treat the colony and Protectorate as an integrated unit and to dispose staff accordingly. Throughout the years some sort of specialisation was evolved in the Department, whereby a member of the staff would deal mainly with one aspect of the work. That is why we now find a separate branch of the Department for marketing, staffed with experts in both fisheries and agricultural marketing, an education branch dealing with training and education of members of societies and staff, an audit branch dealing with the accounts of societies, an administrative branch dealing with office work, and a field staff branch promoting and supervising societies.

Cotton the most valuable crop

The demand for the services of the Department has been heavy and it has only been with difficulty that new projects have been investigated and appropriate organisations set up. During the eight years since the inception of the Department, the cooperative movement has taken shape until it has reached the present stage of development. In terms of figures, the movement appears small in comparison with many other countries, but relatively speaking it is progressing satisfactorily judging by the time and resources at its disposal.



Baling cotton



Weighing cotton at Dathina Cotton Producers' Association

Since agriculture is the main stand-by of the economy of the country, and since cotton is the most valuable cash crop, it is natural that efforts should first be made to organise its marketing. There are now six Cotton Producers' Associations in the Protectorate, the farmers concerned associating together for the joint sale of their crop. To date membership numbers 7,164 with funds totalling £151,026 and 2,500 tons of seed cotton are handled per annum, i.e. more than one-third of the total crop. Three more associations were established a few months ago and will start business next season. There are three cooperative marketing societies dealing in tobacco, dates and lobster, prawn and turtle meat with a membership of 733 and total funds of £10,548. The fish marketing society, which deals in lobster, prawn and turtle meat, is already handling large catches and has a sixty ton capacity cold store and a blast freezing plant which cost £16,000. Most of the produce handled by this society is marketed in the colony or shipped to Europe, especially to Germany.

Need for credit societies

The greatest emphasis is, however, on cooperative credit. This is understandable, since the majority of the producers are heavily in debt. Indebtedness is one of the chronic problems with which we have to contend before we even try to improve the condition of the producer. This is particularly so in the case of fishermen, who, through traditional relations with the village moneylenders and fish merchants, accumulated large debts from which they have no hope of freeing themselves within a conceivable period of time. In trying to rescue the producer, a number of factors must be taken into considera-

tion, and unless a reasonable arrangement is worked out one cannot hope to succeed. Firstly, one has to adjust the age-long relations between producers, produce dealers and moneylenders. In so doing, a source of finance must be provided upon which the producer can rely. Secondly, one has to work out not only a better arrangement than the old one, but convince the producer beyond all possible doubt that it is better. It is not enough to tell the producer to be thrifty, for however thrifty he may be, he will not be able to meet his capital requirements. A source of capital for the farm and the fishing boat is vital once you break away from the traditional financier. This, I regret, has not been possible in all cases. In the absence of finance agencies, and due to the reluctance of commercial banks to give loans to producer credit societies, the government has had to come to the rescue. But as it has heavy commitments in other equally vital directions, it is only able to spare very little.

With these facts in mind, the FAO is providing an advisory service on the mobilisation of domestic and foreign capital. Considerable interest among commercial organisations already exists in the fishing industry and several firms have already invested in businesses dealing with various aspects of the industry—salting, drying, exporting, etc. But it is anticipated that this special project will expand and develop investment in the industry, by awakening world-wide interest.

Hand in hand with this project goes another important scheme for building a fishing harbour costing £ 3,000,000 with all ancillary services e.g. coldstorage (2,000 tons), ice plant (50 tons per day), marketing sheds, training school and survey base, harbour administrative of-

fices including a medical dispensary, electric power, fresh water and bunkering facilities. By this scheme, which will cater for locally based fishing craft and for transient fishing craft, it is hoped to attract foreign capital to finance the producers. Sixty-one Thrift and Credit societies are already operating in the area with a working capital of £ 600,000 circulating in loans among nearly 10,000 members.

Small Consumer movement

So far there is very little incentive to form consumer cooperatives but nevertheless, there are twelve consumer co-operative societies engaged in the distribution of household goods. Three of these are cooperative pharmacies selling medicines and toilet requirements, especially in remoter areas.

One of the chief developments in recent years has been the trend towards multipurpose societies. A number of the credit societies have now embarked on other activities allied to their initial objects. In addition to supplying credit, these societies supply farm requirements, spare parts for water pumping units and distribute diesel fuel and lubricants. Although this trend is recent, it has proved successful and is likely to gain increasing popularity in future.

Better farming, better business, better living

The picture would not be complete without mention of the Central Wholesale Produce Market, a large organisation intended primarily to give the agricultural producer fair prices for his fruit and vegetables. This was established in November, 1959 and had an almost magical effect in doubling the production. An average of 30,000 tons of fresh fruit and vegetables passes an-

nually through the market, valued at approximately £800,000. In addition to this service the market is also carrying on market research and evolving new methods of grading, packing, processing, and passing the information through the farmers' representative in the market to the small farmer in his remote village, thus helping towards better farming, better business and better living.

Co-operative College Paper No. 12

ASPECTS OF DIVIDEND

by T. E. Stephenson

This booklet, recently published by the Co-operative Union Education Department, examines the whole field of dividend. It contains chapters entitled Dividend Survey, Non-Dividend Shops, Dividend and the Tobacco and Cigarette Trade, the Member and the Dividend, etc., and appendices covering a North-Eastern Section Questionnaire, National Questionnaire, Gross and Net Profits in Selected Departments, etc.

The booklet arose from research carried out at a course arranged for chief officials by the Department of Adult Education and Extra-Mural Studies of Leeds University and the Education Council of the Co-operative Union, North-Eastern Section.

Price 2s. 6d. per copy, by post 3s. from the Publications Department

CO-OPERATIVE UNION LTD.,

Holyoake House,

Hanover Street, Manchester 4.

WOMEN COOPERATORS IN THE SOVIET UNION

by Hebe Spaul

“WE have no separate organisation for women — more than half our members are women, so it is unnecessary”.

This was one of the first things I was told when I called at the headquarters of *Centrosoyus*, the Central Union of Consumers Cooperatives in Moscow. However, in the course of conversation, it soon became clear that groups of women, within the various societies affiliated to *Centrosoyus*, carried on activities that are not very different from those carried on by women's guilds and by other women's associations within cooperative organisations in other parts of the world.

Over fifty-two million members

Centrosoyus claims that there are more than fifty-two million members of cooperative societies within the Soviet Union and more than 16,000 societies. Each of the fifteen republics has its own central union, but apart from these major unions there are 150 district unions and more than 1,600 local ones. In every one of these unions, I was told, there is an organised group of women and indeed, connected with every shop belonging to a primary society, there is a women's group.

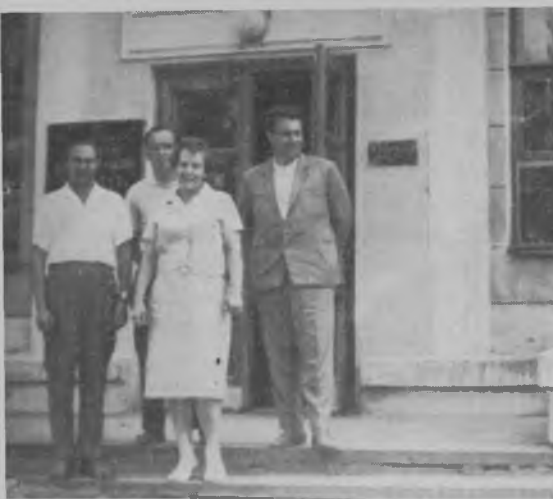
The main work carried out by these groups is to organise lectures and various social activities. Although the lectures, very often on such subjects as child care, are mainly for women, men are not ex-

cluded. Women cooperators have their own sports circles as well as circles on painting, literature and other cultural topics. Occasionally a famous writer or poet will be invited to give a talk or a reading from his works. Dances are sometimes arranged in the evenings. Special evening events for young housewives are popular, specialists of different kinds being invited to help them in their home-making tasks, including general household management. Good cooks will demonstrate how to make cakes and other delicacies for special occasions. How to arrange a table; how to keep your guests entertained and so on, are also popular choices. Pre-marriage talks for girls by qualified speakers are also arranged by the women's groups. If the group wishes to celebrate an anniversary, including some special occasion like a wedding or birthday, it may invite staff members from a cooperative canteen to help in the organisation of the meal.

Sewing, knitting and embroidery groups are popular, but the most popular of all is the cookery group.

Another popular, and perhaps less usual event, is on dress design and colour schemes. An expert will be invited to help each group member present who wishes it, to decide on the colour scheme and style best suited to her build and personality.

In summer time, in rural areas, women cooperators are very active in



The Cooperative Institute in Moscow



making special provision for harvest workers. Many of these workers camp out and can obtain necessities from mobile shops. Mobile canteens take hot meals to the fields. In the running of canteens, cafeterias and restaurants, 85 per cent of the 53,000 persons employed in this work are women. Women rely on these cooperative services to an increasing extent as their use gives them more time with their children and for recreation. Some food is supplied partially cooked, and if collected by the housewife is cheaper than if delivered to her door. Although in the towns school canteens are run by the State, in the villages cooperatives will assist in their organisation. In some schools the older children help to run such canteens as part of the school curriculum.

As might be expected from this, women's groups are concerned with work amongst the children of cooperators. Many societies arrange camps for

children and the work of supervision of these falls upon the women's groups. They usually make themselves responsible for feeding and medical supervision, etc. Many families go to camps in the country at holiday times, and kindergarten and nursery schools are run in certain areas by cooperative societies. In other areas these are provided by the State. Parents pay 25 per cent of the cost but parents of large families are not required to pay anything. During the New Year festivities, women's groups often organise children's parties with decorated Christmas trees.

It might perhaps be mentioned at this point that, although 20 per cent of trading profit is returned to members as dividend, the General Members Meeting will allocate part of the profit to various social needs, including such things as those to which reference has been made.

A popular service in clothing shops is that of providing materials cut to

measure. Women's groups will help in taking measurements so that members can obtain from the stores clothes that are easily made up at home.

Higher Education

There are a number of cooperative colleges and institutes of various kinds in the Soviet Union and a high proportion of the students are women. I was fortunate in being able to visit the chief cooperative college in Moscow. *Centrosoyus* has four higher educational colleges, the other three being in Lvov, Novosibirsk and Samarkand.

The buildings occupied by the Moscow college are old and one block is shortly to be demolished to make way for more modern and up-to-date premises. Of the students more than 57 per cent are women. The course lasts four years. Students come from several of the Republics, apart from the Russian Federal Republic. The Institute has eighteen Chairs and four hundred teachers and instructors. Most of the students come after two years in a cooperative store, or some other cooperative organisation, but about forty per cent come direct from school. In this event, however, they are required to have a higher leaving certificate. Attached to the Institute is a post-graduate school with a hundred students. Fifty of these are residential and the others are correspondence students. The former study for three years and the latter for four years. The correspondence students have one month's leave with pay for residential study. All residential students receive a good stipend of up to Rs. 100 per month. At the conclusion of their studies they must write a thesis which will qualify them for the degree of B.Sc. The students study such matters as study aids for technical institutes; prob-

lems of supply and demand in villages; methods of storing goods, including packaging.

Apart from the full-time and post-graduate students, evening courses are held at the Institute and there are 12,000 correspondence students.

The Institute has four branches in other cities and twelve Consultative Centres where correspondence students can obtain advice. Students can be enrolled in one of five departments. The largest is the Correspondence Department. The others are (1) Economics and auditing; (2) the selling and purchasing of goods, both industrial and consumer; (3) a pedagogical course for cooperative colleges and schools, including auditing; economics, the training of goods experts; (4) cooperation abroad. Included in the curriculum are mathematics, the theory and history of cooperation and political economy.

A good library

The college has a good library over which I was conducted. Naturally, the great majority of the books are in Russian but a small section is devoted to books on cooperation and allied subjects in other languages. There are also reading rooms. The students are supplied with all necessary text books free of charge. There are hostels in the college compound. Although the college caters primarily for Soviet personnel it also accepts students from foreign countries. These naturally include a number from east European countries but there are also some from the developing countries in Africa and Asia. Altogether, there are at present about seventy overseas students.

In addition to these Institutes of higher education, there are 113 special

secondary cooperative schools or technical institutes. These are run by the cooperative unions in each republic. The young people admitted to them may, in some cases, have had an incomplete general education, and if they have had no more than seven or eight years general schooling, they will receive a general secondary education in addition to the special cooperative training. As with the higher Institutes, the secondary schools also provide training by correspondence.

Technical training

So far as the residential students are concerned, a considerable part of the training is of a practical nature and takes place in cooperative organisations. The nature of the training depends upon the speciality which the student has chosen. The emphasis is on goods, technical engineering and economics. The great majority of the students of these secondary schools, or technical institutes, are women — 80 per cent to be exact. Most of them are the children of cooperators. These schools are financed by the unions of republics, territories or regions, but *Centrosoyus* supervises the instructional side.

Apart from these secondary schools there are special cooperative schools for the training of cooks and saleswomen. The students at these schools are almost exclusively women, only about ten per cent being men. The full course in these is three years. The schools also provide nine months training for young people leaving school who are to become junior saleswomen and who work in department stores as part of their training. Short term courses of one year are also provided for those working in cooperative organisations in a specialised ca-

capacity. These are referred to as “enterprise schools” and may be for some special trade such as tailoring, shoe-making, bakery, etc. Short courses of three months are also provided for those already employed in cooperative work and for those who are elected to their Boards of Management for the first time.

Whilst all the training centres mentioned are open to both men and women, there is one cooperative college exclusively for women. This is in Uzbekistan and the reason for its exclusive character is to be found in Uzbek traditions which do not favour co-education.

All students of cooperative colleges and technical institutes not only receive free board and lodging but, as has been mentioned before, they receive a stipend. Those students who get good marks receive an increase of ten per cent in their grant.

Centrosoyus has one technical school in Moscow which it believes to be a unique cooperative training centre in any country. This is a technical cooperative institute for art and decoration, and this I also had the opportunity of visiting. Students, who are expected to have some artistic ability, study how to display goods and decorate shops. All the students come from cooperative organisations and must be recommended by their society. The course lasts for one year and on completion the student returns to work for his own society. A good deal of apparatus for demonstrating good window display and arrangement of goods inside stores was to be seen in the various rooms and workshops.

For top personnel seminars have become very popular. They may last from a few days to a month, their main pur-

pose being to discuss and study new and progressive methods in trade, planning and book-keeping. Those attending seminars are paid their regular wages.

Although a study of coöperative organisations in the Soviet Union reveals differences between them and the older forms of cooperative organisations, I came away with the impression that there are also certain similarities and that there are some developments, particularly those forms in which women are specially active, that cooperators in other countries might study with advantage.

Some 'Centrosoyus' Figures

Number of societies	— over	16,000
Number of Unions		
in the Republic	15
District Unions		150
Local Unions	over	1,600
Number of shops	345,000
(of which 100,000 were built		
during the past 10 years)		
Number of members	— over	52 millions
Number of new large canned		
food factories	—	50
Number of employees	— over	1,800,000
Posts of public control held		
by women	—	600,000

STRUCTURAL CHANGES IN CO-OPERATIVES

The Central Committee of the International Cooperative Alliance decided to consider *Structural Changes in Cooperatives* as a special theme at its meeting held in Helsinki in September, 1965.

At the 21st Congress of the I.C.A. in Lausanne in 1960, Dr. M. Bonqw, President of the I.C.A., discussed the question of Structural Changes in his Paper on "*Cooperation in a Changing World*". Since then, major development have been taking place in many countries affecting both structure and the relationship of Primary Societies and their Apex Organisations. Details concerning these were brought together by the Research Department of the I.C.A. in a special background paper for the Central Committee and the Report on the Committee's discussion just issued should be read in conjunction with that paper.

The Executive of the Alliance recommended to the Central Committee that the special background paper be introduced by Mr. A. Korp (Austria). This account of the discussion begins with the text of his introductory paper which was considered by all who read the original to be a masterly synthesis of the question.

Structural Changes in Cooperatives will also partly occupy the 23rd Congress of the I.C.A., which is to be held in Vienna from 5th to 8th September 1966, as it is intended to bring the background paper up-to-date for presentation to that Congress. There may also be a resolution on the subject in order that the Alliance may declare itself on what is perhaps the most important issue confronting its members.

The Verbatim Report of the Discussion on "Structural Changes in Cooperatives" at the ICA Central Committee, Helsinki, 1965, published by the International Cooperative Alliance, is now available in English at 5s. od. (post free) from:

PUBLICATIONS DEPARTMENT

I.C.A., 11 UPPER GROSVENOR STREET, LONDON W.1.

NATIONAL CONGRESSSES IN 1966

Australia

Co-operative Federation of Queensland	Brisbane	15-17 March
Co-operative Federation of Western Australia		28-29 March

Denmark

Faellesforeningen for Danmarks Brugsforeninger (FDB) ..	Copenhagen	24 May
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Finland

Kulutusosuskuntien Keskusliitto (KK)	Helsinki	3-4 June
Osuustukkukauppa (OTK)	Helsinki	5 June
Yleinen Osuuskauppojenliitto (YOL)	} Helsinki	8-9 June
Suomen Osuuskauppojen Keskuskunta (SOK)		

Great Britain

Co-operative Union	Blackpool	30 May to 2nd June
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Holland

CO-OP Nederland		16 June
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Sweden

Kooperativa Förbundet (KF)	Stockholm	13-15 June
HSB's Riksförbund	Stockholm	17-19 November

Switzerland

Verband schweiz. Konsumvereine (VSK)	Lucerne	17-19 June
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BOOK REVIEWS

Revolving Finance in Agricultural Cooperatives. By Henry E. Erdman and Grace H. Larsen, Mirmir Publishers, Inc., Madison, Wisconsin, 1965, pages xi, 117. \$ 3.50.

This is a little book to deal with such a large and complex subject. The authors are well known for their studies relating to agricultural cooperation. The book is introduced with a foreword by Jerry Voorhis, President and Executive Director of the Cooperative League of the U.S.A., which includes this intriguing sentence: "One only wishes that, in concluding the book, the authors had spoken more freely and fully of their own convictions as to what future developments in this vitally important field should be."

The book consists of two parts, Part I (70 pages) is concerned with the historical development of cooperative revolving funds, while Part II (37 pages) deals with "Revolving Funds and Contemporary Problems in Cooperative Finance."

In Part I the interesting story is told of how

this unique form of cooperative financing came into existence from various embryonic beginnings and how it gradually achieved a strong position in American cooperative business financing practice. This part of the book represents a significant contribution to cooperative literature. The authors introduce the subject by saying:

"Cooperative revolving finance plans take a great variety of forms. In essence, all consist of two parts: (1) Some method of obtaining a flow of capital from members in proportion to patronage and (2) some method of returning the flow of capital contributions in some orderly fashion to those who contributed them. Revolving finance as here contemplated is a plan by which members of a cooperative currently supply capital to the association in some way proportional to the volume of business they do with it, while periodically funds in excess of capital needs are returned to contributors in the order of their contribution." (p. 3.)

Although the revolving fund method of financing did not originate in California it is in this State that it has been most highly developed. The chapter on early California experiments in this form of financing — especially of Sun-kist Growers, Inc. — shows how the revolving fund plan evolved through trial and error to meet the general needs of cooperative organizations. It is now used in some degree by practically all of the agricultural cooperatives in this State, and by a majority of all agricultural cooperatives in the United States.

The authors, in their introduction, express the hope that this publication "may help fill the gap" in cooperative literature "by tracing the development of the revolving fund method of financing and by delineating its applicability to the changing capital needs of farmers' enterprises", but they are apprehensive that readers may find their historical treatment too detailed. The reviewer believes that this concern has caused the authors to restrict themselves too much, especially in the discussion of contemporary problems in the use of revolving fund financing. Tight writing frequently calls for attentive reading, and terseness may endanger comprehension.

This is especially so in this book which attempts both to explain a method of financing and subject it to a simultaneous critical analysis. The result is that the reader is apt to wonder sometimes whether the authors are writing as advocates or critics.

For illustration, the authors belittle the widely-held view that "having a financial stake in a cooperative makes a member more loyal." It is not clear from the context whether they believe that this lynch-pin in the theory of revolving fund financing should be withdrawn. The authors themselves say: "The idea that having a stake in an organization maintains an interest in it contains just enough truth to result in a specious conclusion that such investment should be required." (p. 82) However, in another place (p. 91) they say: "The revolving fund method offers a means of keeping the controlling equity capital in the hands of current users of the cooperative."

The concern of the authors seems to be that the revolving fund method of financing be used in a flexible manner along with other financing methods, and there are abundant indications in the book that the method is used in a variety of ways to supplement other forms of financing.

It seems to the reviewer that the authors place too much emphasis on the possible effect of income tax on cooperative revolving fund plans. The impression is given that income tax legislation may jeopardize the usefulness of revolving fund plans, and yet they say that the thoroughgoing revision of the Revenue Act of 1962 "has not had and apparently will not have

the anticipated dire effect upon existing revolving fund programs or on the initiation of new ones."

The authors close on a cautiously positive note. They find that revolving fund plans "are capable of adjustment and adaptation to permit their continuing usefulness as a system of financing farmer cooperatives. The revolving fund is useful still to agricultural cooperatives . . ."

In view of the strength of revolving fund financing among cooperatives in the United States this statement seems to minimize the importance of this distinctly cooperative way of financing — which has been called the greatest innovation in cooperative procedure since the adoption of the patronage refund theory by the Rochdale Pioneers in 1844.

This book will be useful to those who know something of the problems of revolving fund financing, and it will help keep this form of financing on the track. However, it will not attract the interest of cooperators to its great potentials for cooperative development in many countries throughout the world where this form of financing is unknown.

The purpose of this book has not been to promote the use of this form of financing, but to protect it from abuses. Perhaps another more positive book is now needed to show how this method of financing can be effectively used under varying circumstances throughout the world.

Dr. J. C. Knapp

"Les consommateurs"

by Claude Quin, Jean Boniface and Alain Gausse — Editions du Seuil — Collection "Peuple et Culture", 192 pages, 16 plates, 750 francs. S.C.E.L., 89, rue la Boétie, Paris, 8e.

The consumer may well be the key-personality of the 21st century, although now he is just catching up with the producer in contemporary thinking. In the French Fourth Plan he is even ahead of this, for the Plan lays down that production must be related to requirements and not the other way round.

The book recently published by *Les Editions du Seuil* in the series *Collection: Peuple et Culture*, entitled *Les Consommateurs* ("Consumers") has made a timely appearance. It is all the more interesting since Co-operation plays a considerable part in it and also since it deals with several matters which are of prime concern to our Movement. This is scarcely surprising for it has been edited by our friends Claude Quin and Alain Gausse of the *Laboratoire Coopératif* and Jean Boniface of the *Coopérateur de France*.

The subject matter runs from simple to complex aspects and from an objective and factual stock-taking to an assessment of the solutions needed

The first thing to be considered is the place of consumption in our everyday lives; the total-

ity of the goods at our disposal, classifying them according to quantity and quality; then a look at the historical perspective, their development from agrarian economies of yesterday to the electronic and atomic worlds of tomorrow. From this point of view, we are living in one of the greatest revolutionary eras in human history.

After looking at goods, the book then turns its attention to people, the consumers, in immense variety all around the globe, in different countries, social classes and levels. It then describes how goods have been provided for man's use. How? By trade and commerce, whose development and structures are then examined.

This provides an idea of the problems which confront us. The consumer is faced with an extraordinarily complex array — products, services, advertising in all its forms, State demands — all are thrust at him and against which he is unarmed, uninformed, unorganised, incapable of defending himself, of understanding for himself or of acting. This is the crux of the matter.

One chapter analyses the mysteries of prices in capitalist economies, these prices being fixed rather by competition than by true cost factors. It deals with tax scales, the complexity of the channels operated by middlemen and traces those for vegetables and meat; finally, with all those products which end up in the housewife's shopping basket.

Of course, she is not completely defenceless — the law does offer certain protections; safeguards for health, checks fraud, lays down rules, but the avalanche of technical progress, plus the unscrupulousness of some of the bigger producers, have all but overrun these feeble defences. Natural things, air, water, the products of the soil, all are menaced. Atomic radiation, insecticides, fertilisers, industrial waste products, poisonous fumes etc. are all arousing the greatest anxiety both to-day and for the future. To this must be added the impact of powerful advertising campaigns whose innumerable tricks the too trusting consumer is unable to avoid.

The last two chapters are expressly directed to consumers so that they may take note of what is going on. The remedies, as we know well, have been made known to all through the media open to us — the press, the congresses, the work of the co-operative movement itself, but it is interesting to see a new synthesis offered here, and which can be expressed in two words: inquiry and grouping.

Inquiry means to do everything to dispel ignorance and combat lies. The best example is one offered by our women cooperators and our laboratory, for cleaner and more precise labelling on goods; this campaign has already brought results since legislation on the subject has now been introduced.

Advertising should also be kept within bounds and subject to rules; the fullest information

should be made available to everyone.

But we will not get very far unless consumers themselves organise into groups. The book traces the history of the leagues and associations of consumers, and gives our Movement its proper place in this framework. It demonstrates that the State, which is only now beginning to take an interest in the problem of consumption, does little enough for the consumer, especially if this is compared with the activities of certain other countries.

Much therefore remains to be done before the consumer takes his rightful place, the first place, in social and economic development. This book will be of considerable help in such a development and we wish it every success.

The Cooperative Movement in the World Today,

Hebe Spaul, Barrie and Rockliff, 15 sh.

In "*The Cooperative Movement in the World Today*", Miss Hebe Spaul travels round the world at high speed describing cooperative achievements region by region. There are some excellent illustrations ranging from electric computers in the Finnish Cooperative Wholesale Society to an office in New Guinea complete with typewriter and adding machine, both in operation. Mr. W. P. Watkins, in the foreword, writes that the author is wisely content with description and leaves analysis to the economist and social scientist. He recommends the book as of great value, especially to the young, as an introduction to the international aspects of cooperation. There is a need for students of cooperation to have some knowledge of its infinite variety and of its varying forms in different countries. The need is met in an easily readable way by this book and it will be of great use in study circles in Britain and overseas, as well as in the growing number of cooperative training centres overseas, to give fresh ideas and to open up new horizons.

A short chapter on problems met in cooperative development would have rounded off the book. The general impression created on the reader seems to be that it is all too easy, and that human relations in the operation of cooperatives are usually in a spirit of sweet reasonableness whereas the situation is regrettably, not infrequently, the reverse. This is not to say that apathy, illiteracy, self-seeking, lack of integrity and other adverse elements cannot be overcome. The achievements so well described in the book are proof that they can be.

Cooperative enthusiasts are often accused, not without reason, of wearing rose-tinted spectacles. There is a possible danger that readers of Miss Spaul's book may not appreciate that a capacity to survive discouragement is an essential part of the make up of a cooperative organiser.

B. J. SURRIDGE

THE CO-OPERATIVE MOVEMENT IN THE WORLD TODAY

by Hebe Spaul.

With an Introduction by W. P. Watkins.

Price: 15 shillings.

Published by:

Barrie M Rockliff, 2 Clement's Inn,
London, W.C.2.

This new book by Hebe Spaul replaces her 'Co-operative Movement at Home and Abroad', published in 1947, which has been out of print for some years. The present book tells the story of the development of the Cooperative Movement in every continent. It is not written for the expert and avoids technical details, but its purpose is to show how ordinary people in many different circumstances around the world have used the cooperative method to improve their lot.

Miss Spaul tells the story of Cooperation in clear, simple language, and shows how ordinary people, from the American wheat farmer to the Malaysian peasant, have used the Movement to meet their problems and improve their condition.

The book is indeed written in the ink of first-hand experience and should appeal to cooperative organisations and their members in all countries of the world, as well as being useful and interesting as a source of valuable information.

Affiliated Organisations (continued)

- All Bombay Consumers Cooperative Societies, Federation, Ltd., 3rd Floor, Military Square Lane, Fort, Bombay I.
- National Agricultural Cooperative Marketing Federation, Ltd., 34, South Patel Nagar, New Delhi, 12.
- IRAN: Cherkate Taavoni Masrafe Artèche (Army Consumers' Co-operative Society), Avenue Sevjom Esfand, Rue Artèche, Teheran.
- The Credit and Housing Society of Iran, 20-22 Shahabad Avenue, Teheran.
- ISRAEL: General Cooperative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., P.O.B. 303, Tel-Aviv.
- Affiliated societies and companies (1963): 1,855 in all branches.
- "Merkaz" Audit Union of the Cooperative Societies or Loans and Savings, 44, Rothschild Bd., P.O. Box 75, Tel-Aviv.
- "Haikar" Audit Union of the Agricultural Societies of the Farmers Federation of Israel, 8 Harkrya Street, P.O.B. 209, Tel-Aviv.
- ITALY: Lega Nazionale delle Cooperative e Mutue Via Guattani 9, Rome.
- Confederazione Cooperativa Italiana, Borgo Santo Spirito, 78, Rome.
- Associazione Generale delle Cooperative Italiane, Via Milano 42, Rome.
- IVORY COAST: Centre Nationale de la Coopération et de la Mutualité Agricoles, B.P. 702, Abidjan.
- JAMAICA: The Jamaica Cooperative Union, Ltd., 74½ Hanover Street, Kingston, W.I.
- JAPAN: Nippon Seikatsu Kyodokumiai Rengokai, (Japanese Consumers' Cooperative Union) Tanro-Kaikano, 9 Ichigaya-Kawada-cho, Shinjuku-ku, Tokyo.
- Zenkoku Nogyokyodokumiai Chuokai, (Central Union of Agricultural Cooperatives) 11, Yurakucho, 1-chome, Chiyoda-ku, Tokyo.
- Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fishery Cooperative Associations), Sankaido Building, Akasaka-ta meikomachi, Minato-ku, Tokyo.
- JORDAN, Jordan Cooperative Central Union Ltd., P.O.B. 1343, Amman.
- KOREA: National Agricultural Cooperative Federation, 75, 1st street, Chung-Jong-Ro, Sodaemun-ku, Seoul.
- MALAYSIA: Cooperative Union of Malaya, 8, Holland Road, Kuala Lumpur.
- Federation of Cooperative Housing Societies, 8, Holland Road, Kuala Lumpur.
- Sarawak Co-operative Central Bank Ltd., 3-J. Clifford House, Kuching, Sarawak.
- MALTA: Farmers' Central Cooperative Society Ltd., New Building, Middleman Street, Marsa.
- MAURITIUS: Mauritius Cooperative Union, Dumat Street, Port Louis.

Review of INTERNATIONAL COOPERATION

The official Organ of the International Cooperative Alliance

VOL. 59 — No. 3

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The I.C.A. is not responsible for the opinions in signed articles

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I.C.A. CENTRAL COMMITTEE MEETING AT COPENHAGEN

Congress 1966; Proposals for Congress; I.C.A. Commission on Cooperative Principles; Changes of Rules; I.C.A. Mission to Hungary; New Members; Other Items and Next Meeting.

The Central Committee of the International Cooperative Alliance met in Copenhagen on 2nd/3rd April, 1966. The meeting was held there by invitation of the Danish Movement, which is celebrating a Centenary. The main business before the Central Committee was to make arrangements in connection with the 23rd Congress of the I.C.A., which will be held in Vienna from 5th to 8th September, 1966. In this connection, proposals from member organisations were considered and are to be circulated as part of the Agenda for Congress with an invitation to submit amendments if desired.

The Central Committee will be submitting proposals on its own behalf, covering Structural Changes in Cooperatives and Technical Assistance, as both these subjects will be covered by special papers coming before Congress. In addition, the Central Committee will be submitting a proposal on Peace and another proposal arising from the Report of the I.C.A. Commission on Cooperative Principles. Professor D. G. Karve, who was Chairman of this Commission, addressed the Central Committee in Copenhagen and indicated the background of his Commission's delibera-

tions and the reasons for the conclusions reached. A unanimous report was achieved.

The Report of the I.C.A. Commission on Cooperative Principles will be published as a separate document as well as a Congress paper, and it represents the first considered statement of this important question since the Paris Congress in 1937.

The Central Committee also agreed to propose changes of I.C.A. Rules, which will make it possible for international and supranational cooperatives to become individual members of the Alliance, provided they are otherwise acceptable under the present Rules.

The Central Committee also considered the Report of the I.C.A. Mission to Hungary, which was presented by Mr. J. J. A. Charbo (Holland). This Mission was sent following an appeal against refusal of individual membership to the Federation of Hungarian Cooperative Societies. After a full discussion of the Mission's Report, it was decided, by majority, to grant individual membership to Hungary. Also admitted to I.C.A. membership, as reported to the Central Committee, are:

*Aliança Brasileira de Cooperativas
(ABCOOP)*

*Hutt Valley Consumers' Cooperative
Society, New Zealand*

*Kenya National Federation
of Cooperatives*

ICA MEETING ON FISHERMEN'S COOPERATIVES

THE Agricultural Committee and the Workers' Productive and Artisanal Committee, both auxiliary committees of the International Cooperative Alliance, jointly convened, under the latter's auspices, a meeting of representatives of fishermen's cooperatives at the Alliance's Headquarters in London on February 8th and 9th to review the needs of fishermen's cooperatives at international level and recommend any action considered necessary.

Representatives attending the meeting were Messrs. P. Lacour and G. Bonnassies of the *Confédération des Organismes de Crédit Maritime Mutuel*, Paris; Mr. A. Delfs of the *Raiffeisenverband*; Dr. L. Malfettani of the *Confederazione Cooperativa Italiana* and Chairman of the Agricultural Committee; Mr. G. Bussalai of the *Associazione*

The Central Committee approved a Report covering its work from 1963-1966 and dealt with routine business concerning the Regional Office and Education Centre in New Delhi, the I.C.A. School in 1966, the I.C.A. and the United Nations, as well as other International Non-governmental Organisations, and received the Report of a recent meeting of the I.C.A. Women's Advisory Council.

The auditor's report, accounts and balance sheet of the I.C.A. for 1965 were received.

The Central Committee will meet again on 4th September, 1966, in Vienna.

W. G. A.

Generale delle Cooperative Italiane; Dr. W. Briganti of the *Lega Nazionale delle Cooperative e Mutue*; Messrs. P. Sjøiland and K. Ingebrigtsen of the *Norges Kooperative Landsforening*; Mr. W. Smolenski of the *Central Union of Work Cooperatives, Warsaw*; and Mr. J. Gillberg of *Kooperativa Förbundet*, Stockholm. Mr. S. Remøy of the Food and Agriculture Organisation of the United Nations and Miss M. Digby of the Plunkett Foundation for Cooperative Studies, London, were present as observers. The ICA's Agricultural Secretary was also present. The meeting was opened by Mr. W. G. Alexander, Director of the ICA, who, by general agreement, acted as Chairman.

The agenda consisted of four points: (1) An introductory explanation of the organisation of the ICA and its relationship with other international organisations and consideration of how the fishermen's cooperatives could fit into this international framework; (2) a survey of the present-day position of fishermen's cooperatives in various countries; (3) the type of work to be done for and by these cooperatives at international level; and (4) consideration of their international interests and how best these could be served.

Explaining the organisation of the ICA, the Chairman first stressed the geographically wide membership distribution and the representation of all types of cooperatives among the present 206 million members. He then gave information on bilateral assistance

from and to cooperatives with particular reference to fishermen's cooperatives, and on the Alliance's technical assistance activities in developing countries. With regard, to the very real difficulty existing in these countries of sending cooperators to international meetings taking place in a distant continent, the ICA was watching for the opportunity of creating regional sub-committees which might make the work of its auxiliaries more flexible.

Place of Fishermen's Cooperatives within ICA Organisation

Coming to the subject-matter in hand, the Chairman referred to the 1964 meetings of the Central Committee and the auxiliary committees at Belgrade, Yugoslavia, when it had been established that both the Agricultural Committee and the Workers' Productive and Artisanal Committee had interests in fishermen's cooperatives. With the approval of the ICA Executive Committee, the Agricultural Committee had extended its terms of reference to include fisheries and forestry; but on the other hand, the Workers' Productive and Artisanal Committee already represented the interests of some fishermen's cooperatives and declared its readiness to intensify its work in this field. Having explained the problem which had thus arisen, the Chairman thought that an entirely separate body for fishermen's cooperatives would be premature, but that, at international level, a pattern had been set by the FAO according to which the fishermen's cooperatives would be within the Agricultural Committee's scope. Not wishing to dictate to the fishermen's cooperatives, the ICA had called this joint meeting of the representatives of both interested auxiliary committees with the represent-

atives of the fishermen's cooperatives to enable them to consider all aspects of the matter and express their views on it.

Cooperation between FAO and ICA

Mr. Remøy, speaking next, recalled previous occasions on which the FAO had collaborated with the ICA in the field of fishery cooperatives and referred in particular to the Technical Meeting on Fishery Cooperatives in Naples, Italy, in May 1959.

Recommendations made in that meeting were followed up by the preparation of a handbook on the organisation and operation of mutual and cooperative insurance systems for fishing vessels and gear. The FAO was now considering the preparation of a similar study on the organisation and management of supply and marketing cooperatives, provided funds and qualified consultants could be made available; in Mr. Remøy's view, a start could be made with a few carefully selected case-studies of such successful cooperatives which would then be used as a source of reference and background documentation for training centres and seminars which might be organised to deal with fishery cooperatives. In this connection, he drew attention to FAO's collaboration with the ICA Regional Office at last year's Regional Seminar on Fishery Cooperatives at Ernakulam, India, when the FAO made a staff member available as lecturer and resource person.

Mr. Remøy then discussed various problems which had to be faced as, for instance, those of a financial nature involved in the organising of regional seminars, those concerning the provision of suitable training and instruction for FAO fellowship-holders in the field of fishery cooperatives, and those of finance for investment in necessary facilities,

equipment and working capital. He thought that large prosperous supply cooperatives in fisheries in many advanced countries might extend credit to supply cooperatives in the developing countries for the acquisition of initial stocks required for their start, and that the possibility of establishing branches, later to be taken over by the local cooperatives, might also be considered. Furthermore, a comprehensive survey of the types of fishery equipment, made available through existing supply cooperatives, and another one of existing and potential cooperative demand and supply sources of fish and fish products might lead to effective and increasing collaboration between cooperative organisations in advanced and developing countries.

The last part of Mr. Remøy's speech was devoted to certain trends taking place in world fisheries today which had profoundly changed their traditional structure, and to the impact of this development on the present and future position of the fishery cooperatives in terms of their competitive strength and growth potential.

Survey of National Fishery Cooperatives

Consideration of the agenda's second point was based on a paper summarising the position of national organisations of fishery cooperatives in Burma, Canada, Ceylon, Denmark, France, Great Britain, Italy, Japan, Mexico, Norway, Poland and Sweden, prepared by Mr. E. Mondini, Secretary of the Workers' Productive and Artisanal Committee and circulated to delegates prior to the meeting.

Mr. Mondini stated in his paper that in the countries where fishery cooperatives had reached a certain develop-

ment, the local cooperatives had established one or more national federal organisations, but there were exceptions in some countries where such cooperatives adhered to organisations of other sectors — the agricultural one in general. He listed the organisations of fishery cooperatives of Ceylon, France, India, Israel, Italy, Malaysia, Mexico, Nigeria, Pakistan, Poland and Yugoslavia as members (directly or indirectly) of the Workers' Productive and Artisanal Committee and added that organisations from Canada and Japan had working relations with it. At present, regional and national federations and organisations could be classified in the following six categories: marketing federations for collective purchases and cooperative transformation of products; marketing federations with or without statutory powers; cooperative banks or national and regional federations of credit cooperatives for fishermen; national and regional organisations of fishermen for insurance and reinsurance; national and regional purchasing organisations for fishermen; and national cooperative unions of fishermen for technical assistance, mutual protection and representation before public authorities.

The situation existing in the twelve countries from which Mr. Mondini had obtained the information summarised in his paper, led him to conclude that the most important benefits for fishermen deriving from national cooperative organisations were the technical and economic services of collective supplies, marketing of products, credit and insurance.

International Relations and Aid to Developing Countries

the Workers' Productive and Artisanal Committee, presented a paper on "In-

ternational relations of fishermen's cooperatives and aid to developing countries" and supplemented it with the following comments.

Mr. Lacour's first point was in connection with the value of direct aid to developing countries (i.e. sending experts) and the difficulties in training cooperative officials in these countries. He suggested that more modest programmes be undertaken through some special committee or sub-committee of the ICA; that permanent contacts at international level and between people with the same responsibilities and problems were needed to help fishermen's cooperatives in the developing countries; and that the "liaison bulletin" proposed in his paper — which would make known to all fishery cooperatives in the emerging countries the existence of similar organisations in industrial nations, would reply to their special questions and provide a link between them and specialists in subjects of particular interest to them, and between cooperatives promoting mutual understanding — be strengthened by the addition of material on fishermen's cooperatives and information on the equipment available for supply to them. Mr. Lacour's other remarks referred to the problems caused by college students leaving the cooperative movement after completing their training; the type of fishing equipment French cooperatives could supply to the developing countries, and information, possibly through a special sub-committee, about which equipment would be for sale and where it could be bought; and, lastly, the assistance France could give to the FAO in providing expert managers to set up cooperatives in these countries.

Discussing the two papers, several speakers gave brief accounts of the posi-

tion and problems of the fishery cooperatives in their countries and of the aid they were able to render to the developing countries. On the latter subject, it was pointed out that, in setting up cooperatives in a developing country, efficient results could not be obtained by implanting experience from advanced countries, but by studying the specific elements which under actual ethnological, economic and social conditions could stimulate the development of cooperatives.

Interests of Fishermen's Cooperatives at International Level

As regards the fourth point on the agenda, the Chairman pointed out that several interests of fishermen's cooperatives at the international level, as defined in the general conclusions of the Technical Meeting on Fishery Cooperatives in Naples, concerned exchange of information and advice, training and international working arrangements between cooperatives. He then recapitulated the proposals emerging from the discussions at the present meeting. These, and an additional suggestion by Mr. Lacour to set up a small group of advisers to help the ICA in any inquiries in a specialised field (fisheries, statistics, etc.), were accepted by all representatives.

Finally, an exchange of views followed on the question of whether a separate committee for fishermen's cooperatives or a sub-committee of the Agricultural Committee should be formed. The Chairman thought that the ICA Executive Committee would not be in favour of considering a separate committee before substantial activity on the part of the fishermen's cooperatives was evident. Subsequently, all representatives agreed that a sub-committee of the Agricultural Committee should be

NATIONAL ORGANISATIONS IN FISHERY COOPERATIVES

by **Ermanno Mondini**

Secretary, ICA Workers' Productive and Artisanal Committee.

AT the technical meeting of Fishery Cooperatives, held in Naples in 1959, Miss Margaret Digby reported that in those countries where fishing cooperatives were fairly well developed, they had formed national federations, with the exception of Germany, Finland and Iceland where fishing is included mainly under the heading of "Agricultural Cooperation", and Norway and Sweden where fishing organisations are attached to the Trade Unions. In Denmark, France, Italy, Great Britain and Spain there are a number of organisations of diverse type and objects.

Fishing organisations in the following countries are members of the I.C.A. Workers' Productive and Artisanal Committee: Ceylon, France, India, Israel, Italy, Malaysia, Mexico, Nigeria, Pa-

formed, with the Agricultural Secretary as its permanent secretary, and that a constituent meeting of this sub-committee be held in Vienna preceding the ICA Congress. Representatives expressed their appreciation of the work done by the Workers' Productive and Artisanal Committee in the field of fishermen's cooperatives and paid tribute to Chairman and Secretary for their personal contributions to the promotion of the interests of these cooperatives at international level.

E.S.

kistan, Poland and Yugoslavia. The Canadian and Japanese organisations collaborated with the Committee.

The types of federal, regional and national organisations at present in existence may be divided into the following categories according to a recent FAO classification:

1. Trading federations for collective purchasing and processing of products on a cooperative basis: Burma, France, India, Iceland, Italy, Jamaica, Japan, Malaysia, Sweden.
2. Trading Federations with or without statutory powers: Canada, Denmark, France, India, Iceland, Jamaica, Japan, Malaysia, Mexico, Norway, Sweden.
3. Cooperative Banks or national and regional federations of credit cooperatives for fishermen: Canada (not exclusively for fishermen), France, India, Japan and Mexico.
4. National and regional organisations for fishermen for the provision of insurance and reinsurance: Canada, France, Japan and Sweden.
5. National and regional buying organisations for fishermen: France, India and Jamaica.
6. National cooperative unions of fishermen for the purpose of technical help, self-protection and negotiation with public authorities: Australia, Ceylon, Denmark, France, India, Italy, Norway, Poland, Spain, Sweden, U.K.

Without more exact information it is impossible to give precise details concerning the situation in certain countries. Such information of a national nature as we have been able to obtain is as follows:

Asia

Among Asian countries, JAPAN has the most important and best developed fishing industry established on a regional basis, with federations in the various branches combined in a National Union of Fishing Cooperatives. The fishing credit societies are affiliated to the Central Agricultural Cooperative Bank and to the National Union of Cooperative Fishermen's Associations, which combines all operations; actual fishing, purchase of gear and sale of catch.

There are about 203 federations, grouping some 5,500 societies; the fishermen members are over 1,000,000 and the producer and processing societies count some 34,000 members. Marketing of fish accounts for the highest turnover figure, closely followed by credit business. The Japanese cooperatives run their own insurance and reinsurance organisations.

The Central Cooperative Society in BURMA, founded in 1953, undertakes marketing of the catch of its 300 member societies, as well as some purchasing of gear. In the district of Rangoon alone, trading of fish and other products reached the figure of £2,500,000 and gear supplied £50,000. An ice factory and filleting factory have recently been installed.

In CEYLON the movement has suffered many casualties, only some societies formed since 1959 still being active. Of these 86 are fishing societies, 81 producers and sales organisations and 73 credit and sales societies. The membership is 6,930 and annual turnover amounts to about Rs. 1,500,000. The Ceylon Cooperative Fish Sales Union sells packaged and frozen fish and imports nylon nets and other equipment.

Through bulk buying it has been able to reduce the price by some 30 per cent. This organisation and the Jaffna Fishermen's Cooperative Societies Union, a victualling organisation, are united in the Cooperative Federation of Ceylon, which acts as an advisory body and overseas representative and is affiliated to the I.C.A.

America

Fishing Cooperatives in MEXICO enjoy a special privilege: fishing of crayfish, shrimps and prawns is reserved by law for them alone. From this encouraging basis they have developed a trade worth 80 million pesos a year. The societies throughout the country number 158 (31.12.62) with 30,000 members, some of whom own a share in the fleet belonging to their society while others are sole owners of a vessel.

There are twelve regional federations affiliated to the National Cooperative Confederation, which deals with marketing and credit.

In CANADA there are fishing cooperatives in eight of the provinces, but the largest number is to be found in Nova Scotia, British Columbia and Quebec. The 79 societies have a membership of 9,565 and turnover of \$17,500,000 in fish and fishing gear. In the eastern provinces, due to a tendency towards decentralisation, three large federations are mainly concerned with organisation, education and coordination, whereas on the Pacific coast the fishermen themselves form the membership of the central organisation and there is a separate organisation for the manufacture of fish products.

Cooperation among the fishermen in Canada has proved so successful that many small fishing villages and towns have become true cooperative communi-

ties where everything required for their trade is provided cooperatively: credit, consumer goods, mutual benefit and insurance, etc.

In the U.S.A., fishing on a cooperative basis is not as yet integrated in any form of regional, state or central organisation.

Europe

With certain exceptions, the fishing cooperatives in European countries are on the whole well organised in central federations. Of the Scandinavian countries, DENMARK has the most completely organised cooperative trading federation. "*Dansk Andelsfisk*" combines 39 societies with 2,000 members, some 25 per cent of the total fishing strength of the country, and handles 35 per cent of the oil and fish meal trade. The federation undertakes processing, distribution and sale of fish and fish products both for the home market and export. For the latter it negotiates with the ministry for licences and looks after members' interests vis-à-vis the public authorities.

At the general meeting of the federation a Board is elected from among the fishermen. In its turn the Board appoints a trading expert.

There are fifteen mutual insurance associations covering the fishing fleets one of which, founded as early 1889, covers 85 per cent of the whole Danish fishing fleet.

In NORWAY the Fishermen's Trade Union is the chief promoter of cooperation among its members. There are fourteen societies handling processing, production, distribution and wholesaling. They handle 90 per cent of the catch.

In SWEDEN there are distribution and sales societies and some which supply

fishing tackle and other requirements, but so far they have not formed any collective organisation.

FRANCE has a well developed cooperative fishing industry directed mainly towards providing credit. The Confederation of Mutual Maritime Credit Cooperatives groups 54 fishing societies, three regional unions, 36 local maritime credit societies, two mutual insurance societies, and twelve regional credit societies. This whole "credit" edifice is covered and managed by the "*Caisse Central de Crédit Coopératif*".

The aim of the confederation is to extend cooperation among fishermen and to strengthen the movement and represent it before the public authorities, as well as collaborating with the fishermen's trade unions. It is administered by a Board on which working fishermen are represented as well as managers of fishing cooperatives and representatives of cooperative organisations.

GREAT BRITAIN: In England and Wales there exists a private organisation, "Fisheries Organisation Society", of which the aim is to encourage the formation of cooperative societies among fishermen and to assist in their management. This society also undertakes research and information services and is available for consultation in connection with prices and markets, but it does no actual trading. In Scotland, the Scottish Agricultural Organisation Society undertakes insurance of vessels and crews.

In ITALY there are four national organisations, *Federazione Nazionale Cooperativa della Pesca*, *Associazione Nazionale Cooperativa dei Pescatori*, the Fishing Sector of the *Associazione Generale delle Cooperative Italiane* and *Consorzio Nazionale Cooperativo Pescatori ed Affini*. The first three are

advisory bodies which provide technical assistance and collaborate with trade unions, social, professional and welfare bodies. The National Consortium of Fishing Cooperatives is a trading organisation which sells nets and oil to its members through its own distribution network, as well as fishing tackle, ships' motors etc. It also carries on various complementary activities aimed at increasing the national product in fish and at improving living conditions among fishermen. Fishing societies in Italy number some 490 with 100,000 members engaged in both deep sea and coastal fishing. They also include societies of fishmongers operating both with cooperative societies and the private trade.

Fishing Cooperatives in Poland form part of the Central Cooperative Union and carry on both sea and freshwater fishing as well as fish preserving. The vessels operating in river fishing are collectively owned by the fishermen members. In sea fishing cooperatives the shares are held not only by the crews, but also by other members of the organisation or by local authorities. The fishing cooperatives provide 13 per cent of the national product. Since the special biological conditions in the Baltic Sea are favourable to a rapid expansion of the fish preserving industry, agreements have been concluded with other countries permitting an increase in the volume and variety of production. The Polish organisation also acts as an advisory body and is concerned with social welfare.

Strong national central organisations are obviously of great help in the formation of fishermen's cooperative societies by providing the technical and advisory help essential in drawing up statutes and ensuring management along

REGIONAL SEMINAR ON FISHERY COOPERATIVES

Ernakulam, Kerala State, India, 1965

•
by J. M. Rana

ICA Regional Office, New Delhi

the right lines from the start. They are also able, through bulk buying and marketing of produce, to ensure supplies at reasonable prices for the fishermen as well as a fair return for the catch. In addition, they can provide credit and insurance facilities.



A fishing village in Kerala State

THE ICA Education Centre for South-East Asia during 1965 organised a Regional Seminar on Fishery Cooperatives at Ernakulam, Kerala State, India, attended by participants from Ceylon, India, Japan, Malaysia, Pakistan, Philippines and the Republic of Korea and a few observers from India. The Seminar also had the benefit of expertise from the Food and Agriculture Organisation of the United Nations, Rome, the Canadian-Colombo Plan in Malaysia and the Indo-Norwegian Project in Ernakulam. Mr. R. Prasad, Adviser to the Governor of Kerala State, opened the Seminar, and the opening address was given by Mr. B. S. Murthy, Deputy Minister of Community Development and Cooperation, Government of India.

Common problems

In many countries of South-East Asia, fishery cooperatives are of recent origin and have reached varying stages of development. With a few exceptions in some countries, fishery cooperatives are faced with a number of problems which, in spite of the great diversity of con-

ditions in the region, are common to all and perhaps call for similar policy measures. The Seminar was organised with the object of providing a common platform for cooperators in the region for the exchange of experience in the organisation and development of fishery cooperatives and discussion of their problems for the mutual benefit of the countries.

The countries of South-East Asia are rich in fishery resources. However, except in Japan the industry is not well developed and the production of fish has not been commensurate with the potential resources of the countries. Due to low production and also because of an unsatisfactory distribution system, per capita consumption of fish is very low. In many countries in the region, fish forms an important item in the diet, providing the necessary animal protein. In improving the diet of the population, increasing the consumption of fish is regarded as an important national goal by all in the region.

Primitive Techniques

Various factors account for the inad-

equate exploitation of the fishery resources. The fishing technique employed is in most cases primitive. Except in a few places, landing and harbour facilities do not exist. The warm climate of the region makes storing, preservation and processing facilities of the utmost importance. In recent years, ice factories have been installed and refrigeration and cold storage facilities are made available in some places. However, the facilities in this sphere are few and wherever available, they are very expensive. Transportation presents another bottleneck in the provision of an adequate and cheap supply of fish and fish products to the consumer. The solution of the transport problem involves a great number of factors such as the construction and improvement of roads and railways, provision of insulated trucks and rail cars, as well as sea and river vessels, and supply of suitable containers. Except in a few places, wholesale fish marketing facilities are inadequate, and the trade which is entirely in the hands of middlemen-traders is uncontrolled.

Need for Credit

One of the most important reasons for the poor exploitation of fishery resources is the poverty of fishermen. There are no proper institutions for the provision of timely and adequate credit or supply of the necessary occupational requirements to fishermen. These factors have created a favourable ground for a host of middlemen in the industry, who provide the finance required for both the production and consumption needs of the fishermen. Since the fishermen have no adequate or acceptable security to offer, their catch is mortgaged to the middlemen who are also engaged in the fish trade

and thus control both the financing of the industry and the marketing of fish. The cost of the financial assistance given by the middlemen-traders is generally high, and moreover their activities are associated with an array of malpractices.

Financing of the industry by middlemen has another important limitation. Generally, the middlemen advance seasonal loans to the fishermen to meet their working expenses, but have not evinced much interest in providing financial assistance for the modernisation of the industry. There are, however, a few exceptions. In Malaysia and India some help has been given for the mechanisation of vessels and to provide improved gear. The primary object of the middlemen in providing seasonal finance is to secure an immediate financial gain through the sale of the mortgaged catch during the season. For this reason, the merchants are content to operate in a restricted market and have made no effort to expand the market for fish. In fish processing the role of the middlemen is limited. In Kerala State in India and in the Philippines, a few private traders and companies operate fish processing units. In general the limited market for fish and fish products does not offer incentive to the primary producer to augment his fish output. Thus, production is limited, not only because efficient production techniques are not known and proper equipment not available, but also because the traditional channels of distribution are inadequate.

Emphasis on Cooperatives

The fishing industry became important mainly during the Second World War as a measure to solve the acute problem of food shortage faced by several countries of the region. In recent

Mr. B. S. Murthy, Deputy Minister for Community Development and Cooperation (right) with Mr. J. M. Rana and Mr. M. Radetzki of the ICA Education Centre.



years, in an effort to increase fish production, and to improve the economic position of the fishermen, these countries have launched upon further fishery development plans. In all the countries, emphasis is laid on the implementation of the development plan programmes through cooperatives. Accordingly, intensive efforts are being made to organise fishery cooperatives and develop them on a systematic basis. The cooperatives are encouraged through provision of technical and financial assistance for various purposes such as purchase of transport vehicles, ice and cold storage equipment, processing facilities and for the appointment of trained technical persons to manage the societies. They are also exempt from some of the taxes and receive preferential treatment in many ways, such as in the import and distribution of fishing gear, export of fish products etc. The development plans are comprehensive, and include construction of harbour facilities, development of roads, erection of marketing sheds, and regulation of private moneylending and trading activities.

History and Structure of Fishery Cooperative Movement

In most countries in the region, fishery cooperatives have been in existence for less than two decades. An ex-

ception is Japan, where fishery cooperatives started in 1856. Among the countries in the region, only Japan and the Republic of Korea have special legislation for the development of fisheries and organisation of fishery cooperatives. In Japan, the Fishery Cooperatives Association Law was first enacted in 1856 and was subsequently amended a number of times; the Act now in force was passed in 1949. In the Republic of Korea, the Fishery Cooperative Law was promulgated in 1962. In other countries, there is no special legislation and the fishery cooperatives are being organised under the general cooperative legislation.

The structure of the fishery cooperative movement in most countries of the region is three-tiered. Primary cooperatives covering one or a group of fishing villages form the base. These are organised into federations at the district or the regional level, which in turn are federated into apex organisations at the state or national levels. In some countries, there are also specialised cooperatives at the regional or district (prefectural) levels engaged in processing of fish or other specialised fishing operations.

Primary Fishery Cooperatives

Some available data regarding the number and membership of primary



Japanese fishermen landing a good catch of mackerel

fishery cooperatives in the countries of the region are given below. In the Philippines, during 1957-58, 10 Fishermen's Cooperative Associations were organised. However, by 1960, due to severe competition from middlemen and other difficulties, all the societies disintegrated and were dissolved.

Primary Fishery Cooperatives —
Number and Membership
(Marine and Inland Fisheries)

Year	Country	No. of societies	No. of membership
India	1963	2,729	278,709
Ceylon	1963	239*	5,405
Japan	1962	5,422**	Not available
Republic of Korea	1963	1,968	112,342
Malaysia	1963	77	5,675
East Pakistan	1963	503***	88,912

* Of these, 89 were Cooperative Fishing Societies, 67 were Fishermen's Cooperative Credit and Sales, 91 Fishermen's Cooperative Production and Sales Societies.

** Of these, 4,009 were Local Fishery Cooperatives, 345 Special Type Fishing Cooperatives, 832 Fishery Production Cooperatives, and 236 Marine Product Processing Cooperatives.

*** Majority of these are in the field of inland fisheries.

The main activities of the primary cooperatives include provision of credit, supply of occupational requirements, assembling of fish catch, transportation and marketing. A few of the cooperatives undertake all these functions. There are great variations from the point of view of membership coverage and the extent to which the different functions are underaken by cooperatives. In India for example, the societies are primarily engaged in the provision of loans to the fishermen. In the Republic of Korea, the functions of the societies are mainly training and education of fishermen. In some countries, cooperatives have undertaken certain other activities besides those indicated above. In Ceylon, about 89 fishing societies operate fishing vessels. In India and Ceylon, some cooperatives operate ice and cold storage plants. A few societies in India process fish and a few others have undertaken construction of fishing vessels. By and large, the functions of fishery cooperatives in Japan appear to have the most comprehensive coverage.

Secondary Level Organisation

District (Prefectural) and/or Regional Federations have been organised in all countries in the region. However, it is only in Japan and the Republic of Korea that most of the primary fishery cooperatives have become members of the federations. In these two countries there are also a few regional cooperatives mainly engaged in the processing and export of fish. In other countries, few federations have been organised and the number of primary fishery cooperatives covered by these federations is small. Data regarding the number and membership of federations are as follows:

District/Regional Federations —
Number and Membership

Country	Year	No. of district/ regional federa- tions	No. of member societies
Ceylon	1963	1	12
India	1963	24	not available
Japan	1962	224*	3,056**
Republic of Korea	1963	111***	not available
Malaysia	1963	2	44
East Pakistan	1963	1	12

* Of these, 37 were prefectural federations of fishery cooperatives, 138 county and other federations of fishery cooperatives, 35 credit federations of fishery cooperatives, 13 are federations of marine products processing cooperatives, and 1 credit federation of marine product processing cooperatives.

** Relates to 37 Prefectural federations of fishery cooperatives.

*** Of these, 93 were regional cooperatives, 2 manufacturers' cooperatives and 16 business type cooperatives.

Apex Level Organisations

At the state of national levels, apex societies have been organised in all countries except in Malaysia, where the structure of the movement has yet to be finally evolved. In India, apex societies are organised only at the state level. At present, state level organisations of this type exist in three states, viz. Maharashtra, Gujarat and Bihar. In Japan and the Republic of Korea, all the district (prefectural) and regional federations and primary fishery cooperatives are members of the apex federations. In other countries, the coverage of apex societies is limited and a good number of district federations and primary societies are not members of the apex organisations.

The main functions of the secondary and apex level organisations include provision of loans to primaries, procurement and distribution of occupational requirements and marketing of fish.



Buying fish at a shop belonging to the Gujarat Fisheries Central Cooperative Association

Some of them also provide transport facilities to the primary cooperatives. A few of the federations operate ice and cold storage plants and processing units. In Japan, in addition to the functions indicated above, the Prefectural and National Federations provide facilities for mutual insurance and undertake export of fish products. Similarly, in Ceylon and India, some of the federations have recently undertaken export of processed fish.

Staff Training

In most of the countries there are no specialised institutions for employee training in the fishing industry, but programmes for such training have been initiated in the countries in the region. In Japan, the Fishermen's Cooperative Association School in Tokyo, managed by the Fisheries Education Foundation, trains employees for one year in a course including the basic principles of law and economics necessary for the management of fishery cooperatives. The candidates also receive practical training in book-keeping. The students to be admitted

to the School are selected from among the graduates of high schools and from among employees who have served in fishery cooperatives for more than five years. In the Republic of Korea, employees are trained by the Central Federation of Fisheries Cooperatives. The training covers book-keeping and all aspects of the fishing industry. The Federation has a few instructors who visit societies to guide and train employees in their work. Facilities are also given to some of the employees to take advantage of short-term training courses and seminars organised by other institutions.

In the Philippines the Agricultural Credit Administration maintained a staff of Educational Information Officers for the training of officers and members of cooperatives through in-service training conducted regularly in various fishing areas in order to solve problems peculiar to the locality. Other Government agencies, such as the Bureau of Fisheries (now Philippine Fisheries Commission), the Bureau of Agricultural Extension (now Agricultural Productivity Council), the Presidential Assistant for Community Development and the Cooperative Administration Office, also cooperated to some extent in such programmes. At present employee training is mainly the responsibility of the Philippine Fisheries Commission.

Member Education

In Ceylon, East Pakistan, Malaysia and India there are no specialised institutions for training of fishery cooperative employees, but in some of these countries the employees receive training at the centres established to meet the needs of the cooperative movement in general.

Along with the training of employees, attempts are also being made to develop cooperative member education among fishermen. In Japan, cooperative education of members is provided through the so-called "Master" or "Leader" groups in fishing villages which organise meetings under a trained leader for the exchange of information, knowledge and experience. These groups are steadily increasing and in 1964 there were 1,310 comprising about 53,840 members.

In the Republic of Korea, considerable educational activities are undertaken by the primary societies. Occasionally, these societies also organise recreational activities to promote membership relations. In addition, the Central Federation of Fishery Cooperatives has about 103 trained employees engaged in extension service in the fishing villages.

In Ceylon, the Department of Fisheries under the Assistant Commissioner in charge of Education, provides cooperative education for fishermen carried on through the help of trained cooperative instructors. Recently, a number of study circles have been organised among fishermen.

In the Philippines, till recently, cooperative education of members was mainly the responsibility of the Agricultural Credit Administration. The ACA carried out this work through a few trained educational information officers who toured the fishing villages. The Philippine Fisheries Commission will now be in charge of the further development of this activity.

In Malaysia, till recently no systematic efforts had been made in the field of cooperative education, but the Publicity and Education Section of the Cooperative Department has now been expanded through the recruitment of

more officers who will be specially trained to work in cooperative education among fishermen.

In East Pakistan and also in India, there are no separate arrangements for cooperative member education among fishermen. In East Pakistan, the Extension Cells of the Cooperative Department, which are working in each of the districts, are in charge of cooperative member education of all types. In India, cooperative education for fishermen is imparted by the travelling instructors working with the State Cooperative Unions under the over-all guidance of the National Cooperative Union of India.

Problems of Fishery Cooperatives

Among the countries in the region, the development of fishery cooperatives has been most impressive in Japan. The Japanese Fishery cooperatives can claim a large membership and have undertaken a variety of functions. In other countries, with the exception of a few isolated areas, the coverage of the societies both from the point of view of membership and range of activities is

rather limited. The fishery cooperatives in these countries are faced with a number of problems, mainly lack of adequate financial resources, extreme poverty, illiteracy and ignorance among the fishing community regarding the value of cooperative efforts, lack of loyalty, lack of competent persons to manage the societies, and competition from middlemen. The financial and technical assistance provided by the government has on the whole not been commensurate with the needs of the cooperatives. In a few others, governments have not given the needed support in the matter of preferential treatment for cooperatives such as in the import of equipment and distribution, lease of fishery rights etc. These are some of the factors which have contributed to the limited progress of fishery cooperatives.

But the role of cooperation in the modernisation of the fishing industry has been recognised, and its value is such that high hopes exist that, within two decades, cooperative fishing will have become an important factor in the economies and industries of South-East Asia.

ARNOLD BONNER

1904—1966



There is hardly any one connected with cooperation, abroad and at home, who will not be saddened by the knowledge that Arnold Bonner, Senior Tutor at the Cooperative College, Stanford Hall, Loughborough, is no longer among us.

Born in Littleborough, near Rochdale, Lancashire, in 1904, Arnold Bonner could, through a distant relative, trace his cooperative background back to 1851, the time of the Rochdale Pioneers. Trained as an engineer, his association with cooperative education began when he attended classes in economics from 1924 to 1928, provided by the Workers' Educational Association, under Professor Fred Hall as his tutor, who was Adviser of Studies to the Cooperative Union. Winning a scholarship to Ruskin College in Oxford, where he studied from 1928 to 1930, he gained the Oxford University Diploma in Economics and Political Science with distinction. While at Oxford, he was a member of G.D.H. Cole's famous discussion group of University students, and it was in these discussions that he made his mark and gained much of his early experience.

In 1930, Arnold Bonner was appointed to the tutorial staff of the College and, since then, had devoted his life's work to cooperative education and the study of cooperation in Britain and Europe, especially in pre-war Czechoslovakia, Sweden, Denmark and Germany. He was not only an extremely popular lecturer and tutor at the College, but his services were also greatly in demand for weekend and summer schools and conferences. In 1951, 1954 and 1956, he visited the West Indies at the request of the British Council to carry out lecture tours with a view to stimulating the cooperative activities there.

Arnold Bonner has written several works on cooperative topics, of which the latest, "British Cooperation", is generally considered as the most authentic modern textbook on cooperation. Others are: "Lessons of Rochdale Cooperation"; "What the Rochdale Centenary Celebrates"; "The Cooperative Way to Peace and Social Justice"; and "Economic Planning and the Cooperative Movement".

It was as recently as the past few months that Arnold Bonner took an active part in the work of the I.C.A. Commission on Co-operative Principles of which he was one of the five members.

Paying tribute to Arnold Bonner, the Cooperative College's Principal, Mr. R. L. Marshall, said that he was "a man of cooperative faith, of humanity and integrity, of standards and staunchness in all he did, and of good humour and company". To that must be added that all those who knew him were privileged to work with Arnold Bonner or who were his students and readers of his book "British Cooperation" respected him as a man of the highest professional and human qualities and will be aware of the great loss suffered by the British Cooperative Movement.



DANISH CONSUMER COOPERATION — 1866-1966

by **Otto Riis**,
Editor, "Samvirke"

IN the early evening of 17th June, 1866, 109 people assembled in a small warehouse in the Danish town of Thisted. During the previous winter and early spring the vicar of Thisted, *H. Chr. Sonne*, had lectured to his people about methods and results of consumer cooperatives in Great Britain. Now it was up to his listeners to decide whether they wanted to start a cooperative society modelled on those existing in Britain.

They wanted to. The decision was unanimous. Straight away *Sonne* was elected President, a Customs Officer and

five working men became members of the society's Board by democratic votes.

This was the start of the first consumer cooperative society in Denmark.

Often it is asked: — Why was it that Thisted, of all places, an isolated town, containing 1200 souls, four days by coach in those days from Copenhagen, pioneered cooperation?

Attempts had been made in other places in Denmark, but had failed. Thisted had one advantage over all others. That was the genius of *H. Chr. Sonne*.

Sonne was a servant of the (State)



above and opposite, examples of Danish Consumer Cooperative Stores

Lutheran church. He had a tremendous understanding and sympathy for the underprivileged. Sonne also found that he could not reach the worker population from his pulpit on a Sunday. Therefore he chose a simple warehouse, situated in Thisted's tiny port for his meetings.

There, sitting on sacks and boxes, the working men of Thisted listened to Sonne's words. He told them of the possibility of a better and healthier life for them. Naturally, Sonne added to his social teaching words of the "Good Book". He preached abstinence, but he also showed them the virtues of cash trading and laid stress on the value of savings.

Very rightly listeners asked: — "How can we pay in cash?" By asking himself the same question, Sonne started studying the results of the early British Cooperative Movement.

From May 1866 several of this warehouse-congregation of Sonne's had saved up as much as the value of one man's daily wage.

Immediately after the meeting on June 17th, Thisted Cooperative Society went to work by purchasing and selling rye bread. Heavy profits were cut out, members of the cooperative got a practical lesson in the possibilities of working in cooperation. Within half a year of

its inception a real shop was set up. Thisted consumer cooperative society started selling.

At the same time, Sonne had written a book upon consumer cooperatives. The existence of the society as well as Sonne's book was the spark that ignited the cooperative consumer movement in Denmark.

The Danish soil was fertile.

Since 1814 school education was made compulsory for all Danish children between the ages of 7 and 14. By 1866 there was virtually no problem of illiteracy to deal with. In addition to this, adult education had found a very special development in Denmark through the establishment of Folk High Schools. Here especially, sons and daughters of farmers, got a broader understanding of their nation's life and an outlook which could form their own destiny.

Political Denmark received a free constitution in 1849. The years up to 1866 had been tumultuous: two wars with German states, two revisions of the free constitution. All of this had made clear to the common man that he had a stake in the future of his country as well as in his own future.

Soon after 1866 came the international farm crisis — also strongly felt in Denmark. At the same time a more than 20 year's long political feud started in Denmark between the conservative upper-class and the moderate and democratic people led by the farm leaders.

Such was the soil out of which sprang cooperative shops in the Danish farmland. At the same time farmers began to use cooperative methods in their purchasing, processing and marketing. By the turn of the century coop dairies, shops, slaughterhouse and many other types of cooperatives were found all over Denmark. By the use of cooperative

methods the farmers came through the farm crisis.

It took nearly 30 years to make the various cooperative consumer societies into a movement.

Five years after the birth of the Thisted coop society, Sonne succeeded in forming — at a meeting held in the University of Copenhagen — a cooperative wholesale society. It was a failure. The year was 1888 when the tide turned. Severin Jorgensen, a coop shop-keeper, started by acting first as a buying agent for his neighbour societies. Later this was made a regional wholesale, which covered half of Denmark when in 1896 it was merged with another regional cooperative wholesale into what is now known and respected as FDB.

The period up to World War I was the epoch of cooperative expansion. But in rural areas solely.

The lot of the town workers was a miserable one. When they realised their power, it was used only politically and in the forming of trade unions. These were the tools in the raising of the workers as a class. Around 1908 cooperation was accepted as the "Third Force" in the fight for the workers. Cooperative consumer societies were formed in towns, all served by FDB. Sectarian in many senses, they were no popular movement, but were made by and for workers.

This was stopped around 1916, when 16 cooperative consumer societies in Copenhagen merged into a chain now known as HB (the 50th anniversary of this society occurs on September 1st).

Today's self-service shops, supermarkets and the still bigger super-supermarkets in the service of the consumer were all pioneered by HB.

The last fifteen years have seen a



great expansion in the retail trade in Denmark. The relatively small cooperative consumer societies in the Danish towns were, due to lack of funds, not in a position to adapt themselves to the modern trend. For this reason from 1959 town cooperatives all over Denmark began to merge with HB. Today most town cooperative societies are members of the closely knit HB chain. It serves 320,000 families, turnover this year will reach nearly one billion Danish kroner (roughly £50,000,000).

In Denmark's rural areas the same drive to amalgamation as in the towns was felt. Late in 1964 rural cooperative societies were invited to join a voluntary cooperative chain guided by FDB.

Already 950 societies or more than half have done so. By joining the chain the cooperatives agree to follow a common policy in respect of sales and shop investment, and to purchase from FDB. Each society, however, preserves its independence and its management. By giving six months notice, any member can leave the chain.

The HB chain as well as the societies who are still outside the voluntary chain are also served by FDB. It is hoped that soon the value of working on a chain basis will be recognized by all small Danish cooperative societies.

This recognition will pave the way towards merging of FDB, HB and all other consumer societies into one cooperative society — "Co-op Denmark" — serving all cooperative consumers in Denmark.

PIONEERING SELF-HELP

COOPERATIVE AID TO DAHOMEY

THE story of Cooperative help to Dahomey begins in 1961, when the 730,000 cooperative families in Switzerland decided to give 1 per cent of their yearly dividend for five years to help the people of Dahomey to start cooperative societies. Employees of the Swiss Cooperative Union, VSK, also agreed to give one hour's pay each quarter to the project. It was anticipated that a sum of 5 million Swiss Frs. (approximately £500,000) would thus be raised with which to train personnel, erect buildings, supply machinery and other things needed to set cooperative projects going in suitable regions of the country, with a view to convincing the people of the value of cooperation and teaching them to help themselves.

Dahomey is an agricultural country with a population of some two million people belonging to many different tribes. It has a small seaboard and lagoons which provide fish, but supplies in these are beginning to show signs of exhaustion. The rest of this long narrow country, bordered to the east by Nigeria, to the west by Togoland and Ghana and to the north by the Congo, consists of bush, tropical and humid in the south, dry and dusty further inland. There are about 300 miles of railway lines and a fair system of roads linking

the larger towns of the interior and continuing on into the neighbouring countries. Welfare services are almost non-existent. In the Nikki district, for instance, with some 72,000 people, there is no doctor or hospital; only a few of



the children receive any schooling and not many of these are girls.

Over 90 per cent of the people are peasants engaged in tilling the soil and growing cotton, groundnuts, sorgho-maize and some fruit and vegetables such as tomatoes. The range of crops is very limited and the harvest small and variable. Such commerce as there is, is largely in the hands of the women who bring on their heads a daily burden of fruit, vegetables, eggs and other commodities in daily consumption for sale in the town markets. There are also textiles, many of which are smuggled in from Nigeria.

Dahomey offers the classic pattern of an under-developed country. The peasants work—indeed overwork—their own small holdings; their primitive implements only scratch the surface of the soil, seed is poor and fertilisers and crop rotation unknown. The return is consequently meagre and in a poor season when the rains fail may fall to less than half the average. Lack of knowledge and capital means that economic development is too slow to provide a living for the rising population. Attempts are being made to expand cultivation by introducing new vegetables and grain crops, but a preliminary period of education is necessary to persuade the people to accept new ideas. This the government of Dahomey has undertaken by organising teams for agricultural instruction to travel throughout the country. The instructors are either experts sent out from Switzerland or Dahomeyans trained in Swiss cooperative organisations. Another great difficulty in increasing the crop returns is the need to keep to an exact planting schedule, particularly important in the case of cotton which must be sown just before the onset of the rainy season.



How essential this is, is revealed by the cotton harvest at Gando, which was a complete failure owing to the sowing having been a month too late. In the words of the Minister for Rural Development and Cooperation, Adrien Deg-

bey: "If necessary, the people must even sow at night by the light of their lanterns".

Agricultural Productive Societies

It is among the cotton and groundnuts growers of Bimbéréké and Nikki in the interior of the country that the cooperative projects have made the most spectacular progress. Here are two groups of three societies, each with its own carpark and maintenance centre for tractors and lorries, which are extremely well managed. In Bimbéréké village is the largest and best warehouse built with Swiss funds to house the sacks of cotton and groundnuts grown by the members. In addition, the people have, of their own initiative, built a palmleaf shelter to protect lorries for which there was no room in the carpark.

In 1962 in Nikki the groundnut harvest averaged 800 kg. per hectare which was accounted a good average for Dahomey. Last season the amount had risen to 1,200 kg. per ha., quite an appreciable increase. At Bimbéréké the cotton harvest produced a record for Dahomey—2,500 kg. per ha., thanks to scientific help and advice from the Institute of Cotton Research, lavish application of fertilisers and the use of insecticides supplied through Swiss aid. Indeed, this harvest was nothing short of a miracle for Dahomey; waving gently in the wind were stalks of cotton 2 to 3 metres high, each bearing 30 or 40 perfect pods, something which had never before been seen in Dahomey. Moreover, all the cotton was of top quality which would fetch 34.45 frs. per kg.

Bimbéréké accordingly became the centre of attraction for the people of other parts. At Danri and Gourou the groundnuts gave good results—an average of 1 ton to the hectare, but the

cotton failed completely. The cooperative committees of these villages, taken to Bimbéréké to see the results there, found much food for thought. Their comment on returning home was: "Next year, it's the Bimbéréké folk who will come to see *our* results!".

In addition to working the cooperatively-owned land, the people still had their own small patches to cultivate, and here also the methods learned in the pilot projects have borne fruit in increased and improved crops.

More and better crops gave great encouragement, but if the country was to prosper economically, more land must be brought under cultivation. A system of premiums was therefore devised as an incentive towards clearing virgin bush. For 143 working days a man receives 75 centimes per day by way of subsistence allowance. The whole family shares the work and can clear something like 70 sq. metres in a day, thus using to advantage times during the year when there is little other work to be done.

Fishery Societies

Fishing is the other main industry in Dahomey. In the coastal area there are three societies for which a Central Union has been formed with the help of the Norwegian Cooperative Union, NKL. In January 1965, three flags flew side by side above the crowd gathered at Cotonou; those of Dahomey and Norway together with the rainbow colours of the International Cooperative Alliance. The occasion was the presentation by the Norwegian Ambassador of fishing gear, nets and other equipment to the cooperative fishermen of Dahomey. Hitherto they had had to pay five or six times the proper price to the middlemen-merchants who had cornered



At work in the fields – the old way . . . and the new

the market in fishing gear and other daily requirements; now they had their own source of supply, and their own marketing organisation to ensure that they received a fair price for their catch.

There are between 20,000 and 25,000 fishermen in Dahomey, operating mainly in the lagoons which are a feature of the country where they catch the *telapia*, a fish resembling a small carp. As the lagoons are being over-fished and a valuable source of protein may thus eventually disappear, it was suggested by the FAO expert on the spot that fishing activities should be extended to the high seas. Here, however, the difficulty arose that the fishermen of Dahomey, used only to keeping safely within sight of land on the comparatively quiet waters of the lagoons, were afraid to venture themselves and their fragile craft far out to sea. The people of Senegal are good deep sea fishermen and on friendly terms with Dahomey, so a team was brought in by FAO to teach the Dahomeyans how to fish in the ocean and to give them courage to trust themselves out of sight of land in



motorised sea-going vessels provided by the FAO Cooperative Aid Fund.

From the outset the catches were good; profits for the fishermen rose and the price of fish fell on the home market. Each time a vessel puts to sea, the catch is divided into $8\frac{1}{2}$ parts, 6 for the crew and $2\frac{1}{2}$ to put aside towards replacement of the boat and motor. The skippers of the new boats were elected by the crews from among those men who stood out among their fellows during the period of training by their neighbours from Senegal.

The Cotonou cooperative had fallen on bad times; its 37 members had dropped to 12 with gear for only two boats. Faced with the exorbitant prices charged by the middlemen for equipment, some of the members had tried to smuggle gear from Nigeria and were in trouble with the customs authorities. To these and other small groups of societies the Central Cooperative Organisation, through which good and cheap equipment can be produced, is a source of hope and encouragement.

The "Friendly" Coop.

The people of Dahomey being almost entirely rural, the Swiss Cooperative help has been directed mainly towards improving methods of cultivation and teaching the management of agricultural societies with a view to raising production. Nevertheless, such is the shameless exploitation by the middlemen who control trade in all day-to-day commodities, that some steps have been taken to start consumers' cooperatives. In 1962, the government of Dahomey asked ILO to investigate the possibilities of starting such cooperatives. From the cooperative society of La Chaux-de-Fonds in Switzerland an expert was sent out for three months. As a result, a



small shop called "The Friendly Coop." was opened in 1964, with 74 members and capital of about £450. Stock was provided by French cooperators through the Cooperative Wholesale Society of France. The shop is managed by young members of the Ministry of Cooperation, and offers a fair range of goods at some 6–10 per cent less than the local market prices. Many more villages are clamouring for such shops, so the government has allocated a sum of about £1,300 towards opening others and providing mobile self-service shops to serve the remoter districts.

School Cooperative Societies

"How do our children get better results than we do?" Many Dahomey fathers are asking this question when they see the crops from the fields tilled by their children by the methods taught through the School Cooperative Society.

In some fifty per cent of the state schools in Dahomey the children run their own cooperative society with tech-

COMMENTARY

An Important Date in the History of International Cooperation

THE 23rd I.C.A. Congress in Vienna from 5th to 8th September, 1966 will be one of the most important in the history of the Cooperative Movement.

Congress will consider the Report of a Commission on Cooperative Principles authorised at the 22nd Congress in 1963. The Commission comprised five members and their report—the first of its kind since 1937—is unanimous. Evidence was considered from Cooperatives of all types in most countries.

As well as preoccupation with principles, most national cooperatives are making changes in the structure of their movements, particularly as regards relations between primary societies and their apex organisations. Congress will consider a special study of the structural question. In addition, it will have before it the first review of technical assistance given by cooperators and others to movements in newly developing countries.

Add to this a lengthy report from the Central Committee, a number of controversial proposals from member-organisations, an eagerly awaited presidential address by

nical help and supervision by their teachers and the local agricultural expert. Like their fathers, they grow cotton, maize, groundnuts, fruit and some sugarcane; they keep poultry, sheep and goats. For the girls, there is instruction in dressmaking. In one place the children have saved enough from the proceeds of their crops to present the village with a much-needed well, and in another they have added three new classrooms to their school. Here again, help has come from overseas: the children of a Swiss school cooperative society are sending a hoe and a spade for each hoe and spade the Dahomey children can buy for themselves.

The initial period of five years envisaged for the Swiss project ends at the close of 1966. The agricultural productive and fishery societies are working well and the school cooperatives show great promise. By the autumn it is hoped that there will be some going concerns among the consumers' societies. For the next five year period at present under consideration the approach may be somewhat different; more capital investment may be needed, technical advice and expertise will still be available in the background, but control of the societies will be handed over more and more to the Dahomeyans themselves.

M. H.

Dr. M. Bonow (Sweden), and it will be apparent that the thoughts of millions of cooperators will find expression at the Hofburg next September.

Last meeting of the I.C.A. Principles Commission

The I.C.A. Cooperative Principles Commission held a final series of meetings at the I.C.A. headquarters in London from the 14th-18th February, under the chairmanship of Professor D. G. Karve. Professor R. Henzler, Mr. Howard A. Cowden and Mr. A. Bonner were present, but Professor I. Kistanov was again unable to attend on account of ill health and arranged for Professor G. Blank to attend the meeting on his behalf.

The Commission went over the draft report prepared by the rapporteur, Mr. W. P. Watkins, in accordance with instructions given at the previous series of meetings in December. This report had been completed and dispatched to them at the end of January and it was found possible unanimously to approve a final version of the report.

The I.C.A. Secretariat is now translating and reproducing the Report in the official languages of the I.C.A. and the Chairman of the Commission will present it to the I.C.A. Central Committee through the Executive Committee in Copenhagen at the end of March.

Calendar of Cooperative Technical Assistance

The I.C.A., at its London headquarters, has published a Calendar of Cooperative Technical Assistance for 1966.

The production of the Calendar stems from a Conference held in September 1965 in Denmark. This Conference was called by the Danish Government and the Central Committee of the Danish Cooperative Movement and participants were invited from a number of countries involved in cooperative technical assistance to developing countries on the basis of one Government representative and one representative of the national cooperative movement. In addition, international organisations were represented—the International Cooperative Alliance, the ILO, the FAO and OECD.

The Conference agreed that the ICA could usefully compile a Calendar of seminars to be held in 1966, together with details of new or continuing projects. It was felt that this would provide a useful service and help to eliminate overlap in this field.

This Calendar does not pretend to be comprehensive and the recipients may well know of information which

is not included, and which usefully should be so. In this case, the ICA will be grateful if details of such seminars or projects can be forwarded, for it is the intention to issue supplements to this Calendar from time to time.

This is the first such Calendar to be issued by the ICA and we hope that a Calendar for 1967 can be issued by the beginning of 1967. The ICA will be grateful to receive comments about the form and content of the Calendar in order that it will provide as useful service as possible.

Copies are available from the ICA, 11 Upper Grosvenor Street, London W.1., price, including postage, 5s. Od.

Directory of Cooperative Organisations in South-East Asia

From time to time the I.C.A. receives requests from cooperators and others for information about that part of the world for which the South-East Asian Office of the International Cooperative Alliance is responsible. So far, no up-to-date document provides, in a concise form, information about the major cooperative organisations in South-East Asia. The Directory now published has been produced in response to this demand.

The Directory contains selected information about the structure and work of cooperative organisations at the national level and features Government Cooperative Departments. The countries covered in this Directory are: Ceylon, India, Japan, Republic of Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore and Thailand.

The basic source material for this Directory has been the information available at the Regional Office and Education Centre of the Alliance in Delhi. The information was checked with the national organisations concerned and, although not all of them have responded, it is hoped that the Directory does not suffer from too many inaccuracies.

The I.C.A. hopes to re-issue the Directory at irregular intervals as and when sufficient information is available. The Directory is available from the I.C.A. Regional Office, Post Box 639, 6 Canning Road, New Delhi, 1, India, price Rs. 3.50 (5s. 3d).

Fourth Components Factory of the HAKA

The newest components factory of the Helsinki Central Housing Society, HAKA, on the outskirts of Helsinki, was inaugurated on 15th February, 1966 by the President of Finland, Mr. Urho Kekkonen. The factory, which will produce 1,000 dwellings a year, is the fourth components

factory to be built by the HAKA. Unlike the earlier ones, which are always demolished after the areas in their vicinity have been built upon, it will be permanent. The new factory is well located as regards transport, for components can be transported from it to all parts of Helsinki.

All machinery in the factory, which offers permanent jobs to 70 workers, has been made in Finland. The HAKA has developed its components industry on the basis of six years' experience and in consultation with experts from abroad.

Production in the new factory has been arranged according to the unbroken chain principle. The workers need to move very little as work is done on a production line the speed of which is high, as the hardening of the concrete has been accelerated by means of heat treatment inside a tunnel. In order to save space, three components are placed one on the other in this heat tunnel.

In addition to two production lines, there is a battery mould in the factory for the production of interior bearing walls. It is made entirely of metal; its parts are moved mechanically and it works hydraulically. The concrete is transported from the concrete station to the places where it is needed along elevated railways and packed on vibrating tables on the production lines. Production covers all components needed for the erection of dwelling houses.

On the day when the new factory was inaugurated, the Central Housing Society, HAKA, and the Swedish Housing Cooperative, HSB, in Stockholm, made an agreement to collaborate in the field of community development. This agreement concerns particularly the area of Sundsberg near Helsinki and that of Kungsängen near Stockholm. The purpose of this collaboration is to exchange ideas and experience in community planning and building through a delegation and a working party. The working party is to meet regularly at intervals of two months to deal with questions of current interest. The delegation will meet on the initiative of the working party or on the joint decision of its own chairman and vice-chairman.

Information on the matters dealt with by the delegation will be given by way of recommendations to the bodies responsible for the planning and building of the sites and, as occasion may require, to state and local authorities in charge of the matters concerned.

By separate agreement collaboration may be continued so far as to concern single houses.

The Bechuanaland Cooperative Project

For, the first time in its long history, the British Consumers' Cooperative Movement will join forces with the Oxford Committee for Famine Relief (OXFAM) to combat human suffering by supporting a scheme costing £30,000 to develop the consumer cooperative movement in Bechuanaland.

Bechuanaland borders on the Republic of South Africa and is about twice the size of the British Isles, but has a population of only 500,000. The country will become politically independent this year after being a British Protectorate for 80 years.

Bechuanaland's Cooperative Societies' Registrar, Trevor Bottomley, a well-known British Cooperator, writes: "The development of a consumer cooperative movement in Bechuanaland is urgently required. Bearing in mind Bechuanaland's depth of poverty and its regularly recurring famine conditions, it is essential that the distribution of basic foodstuffs and household necessities should not be dominated by the profit motive".

British cooperators are asked to provide funds to put the small existing society firmly on its feet and establish new societies in each of the main tribal areas.

The sum of £30,000 is needed to provide an experienced supervisor, five local trainee managers, transport and five trading posts with initial stocks of basic foodstuffs, household goods, farm implements and equipment. The scheme envisaged is of the greatest importance to the Bechuana people, enabling them to buy essential foodstuffs at a fair and stable price, which will encourage them and teach them to save. Thus, for the first time in their history, an institution run by themselves will be created, which will eventually give them a genuine stake in the development of their country.

A former dry goods manager of the St. Albans Cooperative Society, Edgar Parnell, will be in charge of the project. He and the Registrar will have in common their experience as students of the College of the British Cooperative Union in Loughborough.

Forty Years in Cooperation

It should not go unnoticed that Director Hans Kutschera has, at his own wish on reaching the age of sixty-five, retired from his strenuous job.

Cooperator Kutschera, a most experienced practitioner of cooperation, has given invaluable service to the Austrian Cooperative Movement dating back to 1923. His field of action has been in accountancy and in plan-

ning the financial activities of the Austrian Consumers' Movement and he was one of the architects of its structural transformation. His achievements were crowned by the production of a four-year investment plan, which only last year he put into the hands of the Directors. It is good to know that, although being miles away from his desk, he has expressed his willingness to be available for advice when needed.

Talking of Austria, we say farewell to "*Schöner Leben*", Cooperators not only in Austria itself, but in many other countries, looked forward to each number of this journal, the illustrated publication of the Austrian Consumers' Cooperative Union.

Its style, lay-out and contents were always admirably presented, and it came as something of a shock to see in Number 2, 1966, Elisabeth Spielmann's letter, telling us that with that number we would see the last of this publication. The primary reason again is cost, and there is naturally a limit to the amount which the Movement can afford to subsidise publications. Another interesting reason given was the strong competition from the national illustrated papers; it seems that when people have to make a choice, the cooperative paper is the loser.

It is a comforting thought, however, that some of the outstanding contributors to the paper will still be available for consultation by former readers who have got to know them so well and value their advice.

All cooperators regret the passing of a good cooperative paper, but rejoice that the Austrian Movement still keeps quite a few going.

An All-India seminar, the first of its kind on the theme *Youth and Cooperation*, was recently successfully concluded. The Vice-President of India, Dr. Rao, addressed over a hundred delegates representing youth organisations from most of the Indian States.

The theme was how to bring increasing numbers of young people into India's Cooperative Movement. The Vice-President stated convincingly that the Cooperative Movement was an ideal channel for constructive activities for the young, who require an inspiring objective and a worth while ideal that can be served with constructive energy.

Cooperation has been accepted by the Indian nation as the best instrument for the establishment of a democratic basis for the people's lives, and with its ethical

Youth and Cooperation ?

and practical attributes, it should attract the young. This meeting in India may point the way in which this could be successfully brought about. Such important questions as "What are the ways and means in which youth can be of effective help?" or "What cooperative activities in particular can be suggested for specific sections for young people?" were asked.

Dr. Rao suggested that young people might use part of their vacation to study the working of village co-operatives. In this way they would learn about the problems of rural areas. Similar contacts could be effected with marketing societies, banks and other institutions which should be open to investigation by the young enquiring mind.

Steps must be taken to popularise the ideals of cooperation among existing youth organisations, and training of young people in the techniques of the Movement should be foremost among the activities of cooperative educational institutions. Attractive employment in cooperative organisations for young people in rural areas might deter many from leaving the countryside. Young people are inspired by ideals and are dynamic and enthusiastic. Their support could be the force which will help to carry cooperation over the bridge from one generation to another.

Consumer Cooperatives and the Young

Via the Czechoslovak Central Cooperative Council came an interesting report on how Czechoslovak Consumer Cooperatives have launched an exciting experiment in order to intensify cooperative work among young people.

In Czechoslovakia, as everywhere else, the question of what to do about young people's leisure time is causing anxiety, bearing in mind that young people today have well-paid jobs and after working hours still plenty of free time. The question of how they spend this leisure is engaging cooperative thinking. This problem also exists in Czechoslovakia, not only in the towns but also in the villages where 60 per cent of all young people up to the age of 26 still live.

Mechanisation of farm work, applicable particularly to the areas cultivated by agricultural cooperatives, has brought about shorter working hours. Young agricultural workers thus have time for relaxation and amusement in which they can do something about their cultural and social life all the year round.

Consumer Cooperatives are among the organisations in

Czechoslovakia which help to create the right conditions for the enjoyment of such leisure time. In 1965 the cooperative representatives signed a mutual agreement with leaders of the Czechoslovak Union of Youth envisaging wide-scale collaboration in the promotion of cultural and social life in rural areas. On the basis of this agreement, consumer cooperatives will make their club rooms and dance halls in their restaurants available for events organised for young people, either completely free or at a minimum charge. Consumer cooperatives also help in Southern Moravia and West Bohemia; others are in the process of being formed. A number of camping sites have also been established in different parts of the country for young people's holiday use. Tents and equipment are supplied by the consumer cooperatives.

Another interesting development is that young people often help the consumer cooperatives in their self-aid schemes by adopting cooperative shops and restaurants; one example is the conversion by local teenagers of a part of the cooperative catering establishment in Opava into a suitable club room, all the work being carried out by the young people themselves. In another place, they built a 'youth cafeteria' to be run by the young employees of the cooperative society concerned.

The activities mentioned and the mutual collaboration between youth organisations and the consumer cooperatives provide also for the recruitment of young people to become office holders in the cooperative movement. There are reports of the recruiting of dozens of teenagers for membership of consumer cooperatives in which quite a number of young people serve as elected members of the shop committees. Cultural and social schemes are not forgotten and groups of the Czechoslovak Union of Youth perform at International Co-operative Day celebrations and in other social events organised by the consumer cooperatives and are also drawn into the annual meetings of members.

Newly-Established Committee of Czechoslovak Young Cooperators

The Committee of Czechoslovak Young Co-operators, composed of youth representatives from artisan-producer, consumer and housing co-operatives, was constituted at the headquarters of the Central Cooperative Council in Prague on 18th January, 1966.

Mr. Karel Kostrik, of the education department of the Central Cooperative Council, was elected chairman of the newly-established body, and Miss Jitka Vojtechová

a liaison officer of the international relations department of the Council, became its secretary.

The main aim of this Committee is to promote interest among young cooperators in Czechoslovakia in collaboration with foreign organisations of young cooperative members and employees, for the purpose of contributing towards better mutual understanding and exchange of ideas. The Committee intends to collaborate with all organisations of young cooperators abroad which are interested in such activities. Accordingly, it will welcome any proposals for initiating contacts with similar organisations in other countries.

The address of the Committee of Czechoslovak Young Cooperators is identical with that of the Central Co-operative Council, Tesnov 5, Prague 1, Czechoslovakia.

Put into a New Language

Much cooperative help goes unnoticed, but a word of thanks must be said to the Austrian Cooperators for the payment of £ 500 to INTERCOOP, Editora Cooperativa Limitada of Argentina towards the publication in Spanish of "*Economic Integration and Cooperative Development*" by the late Thorsten Odhe. The whole cost of the translation of this excellent and valuable book was covered by the donation of the Consumers', Agricultural and Building Cooperative Societies of Austria.

Not enough is done to provide students with co-operative literature in their own languages and the many vernaculars, so the Austrian help is a welcome step in the right direction.

New Editor of Finnish Cooperative Papers

Mr. Martti Larni, editor in chief of the weekly paper '*Me Kuluttajat*' (We Consumers) of the Finnish Progressive Cooperative Movement, retired, due to ill health, on 28th February, 1966. The Board of Administration of the Cooperative Union KK appointed Mr. Ralf Helenius successor to Mr. Larni. Due to reorganisation of the publishing activities, Mr. Helenius was also appointed editor in chief of the publications '*Osuusliike*' (the Cooperative Society) and '*Työtoveri*' (the Co-worker). Mr. Helenius has up to now served as education secretary and editor in chief of '*Konsumenten*' (the Consumer), which KK publishes for the Swedish speaking membership.

Dr. Väinö Tanner 1881-1966

Cooperators all over the world will have learnt with a sense of deep regret of the death on April 19th, 1966, at the age of 85, of Dr. Väinö Tanner, a former Prime

Minister, Foreign Minister and, for some time, Acting President of Finland, and President of the International Cooperative Alliance from 1927 to 1946. Already before 1927, Dr. Tanner was well known for his cooperative career of 25 years' standing. He had first joined the I.C.A. in 1905 as an individual member and became the Finnish Cooperative Wholesale Society's (SOK) representative on the Alliance's Central Committee five years later.

On the occasion of Dr. Tanner's 75th birthday in 1956 and again, only two months ago, in March 1966, on his 85th birthday, having completed 63 years of an extremely active and fruitful life in national and international cooperation, the I.C.A. took great pleasure in paying tribute in its *Review* to this great man of many outstanding gifts and vocations — statesman, politician, parliamentarian, cooperator, leader in peace and war, financial expert, businessman and linguist. Today, it is with sadness in our hearts that we pay homage to Dr. Tanner, now no longer among us. Suffice it to add to what was said on the previous occasions that he will be mourned and greatly missed everywhere not only for his life's work but for his human qualities, his charm, sympathy and spiritual and physical vigour.

Cooperative Specialist as Asian Regional Adviser

Cooperative Movements throughout Asia have been called upon to play an ever-increasingly important role in the implementation of national economic plans arising from the climate created by governments in favour of cooperatives. One reason why policy-makers have often been disappointed is that the cooperative movements have not always been able to attract a sufficient number of leaders and experts of the required character and know-how and therefore the development in Asia remains foremost one of lack of trained people. It is from that weakness that the International Labour Office, in its Regular Programme of Technical Assistance, with the object of giving advice and assistance to government departments, has appointed Mr. Robert Staermose to this important post. We welcome this appointment of an experienced cooperator and educationist in South East Asia, a former Member of the Danish Parliament, principal of the Støvring Folk High School in Denmark and author of a very useful book on Cooperative Book-keeping as an Introduction to Management.

We wish Mr. Staermose success in this very demanding work which he has undertaken.

FISHERY COOPERATIVES AND FAO

PAPER GIVEN AT ICA MEETING ON FISHERMEN'S COOPERATIVES

by **S. Remøy,**

*FAO Fishery Economics and Products
Division*

FIRST, I should like to thank you on behalf of FAO for your kind invitation to attend this meeting. FAO has had the pleasure of collaborating with the International Cooperative Alliance in the field of fishery cooperatives on a number of occasions, and it is our hope that this meeting will serve to cement further the excellent working relations which exist between the two organisations, and possibly also open up new fields for collaboration.

In this connection, I should like to mention briefly some aspects of this collaboration in the past, some of our current work and present thinking on possible projects for the future in this field.

In May 1959, FAO, together with ILO, convened a Technical Meeting on Fishery Cooperatives in Naples, at the invitation of the Italian Government. This Meeting, the first of its kind, was intended primarily for member countries of FAO in Europe and North America, and was attended by some 70 participants and observers from about 20 countries, as well as from a number of international organisations, including ICA. The discussions which took place resulted in a number of recommendations which, together with the basic working papers, were included

in the report on the Meeting. These recommendations were subsequently circulated with a questionnaire to member countries for comments, and the replies studied by a small working group which met for two days in Geneva in October 1960, preceding the Congress of ICA.

A Study on Fishery Cooperatives

One practical example of collaboration between ICA and FAO arising out of the Naples Meeting was the publication of a study on fishery cooperatives to a large extent based on the working papers and proceedings of the Meeting. This book, "*Cooperation for Fishermen*", the first of its kind to deal comprehensively with the various aspects of cooperative organisation and management in fisheries, was commissioned by FAO and prepared by Miss Margaret Digby. The Alliance subsequently offered to publish this book in the three official languages of FAO. Requests which we have received for this publication have shown clearly that there is a strong need for this type of information, particularly in developing countries. Moreover, numerous requests for supplementary and more detailed information on the organisation and management of specific

types of cooperative organisations in fisheries led us to the conclusion that we should try to meet this need as far as possible.

As a first step, a study of the organisation and operation of mutual and cooperative insurance systems for fishing vessels and gear was prepared, and is now being translated into English, French and Spanish. It has been prepared to serve as a kind of handbook, which I hope will be available quite soon.

Supply and marketing

We are now considering the preparation of a similar study, provided we can find the funds and qualified consultants, on the organisation and management of supply and marketing cooperatives, and we would very much appreciate any advice and assistance you can offer us, both as regards possible forms of collaboration on this project and the scope of the study. Personally, I think it might be quite useful to start out with a few carefully selected case-studies of successful supply and marketing cooperatives, outlining the conditions under which they were established, the problems they met, and how these were overcome, and on this basis attempt to define those general guidelines and conditions which usually govern their successful establishment, operation and continued growth.

We also hope that these types of studies will be of considerable value to many of our technical experts in identifying situations suitable for cooperative organisation. Many of these experts may be specialised in another field, but may nevertheless wish to take advantage of cooperative organisation to bring fishermen together and secure their interest and support in carrying

out the task with which they have been charged. In addition, we intend to use this material as a source of reference and background documentation for training centres and seminars which may be organised on fishery cooperatives. In this connection, I should like to mention our collaboration last year with the ICA Regional Office and Education Centre in New Delhi in respect of the Regional Seminar on Fishery Cooperatives, held in Ernakulam, India, to which FAO was able to make available a member of its staff as a lecturer and resource person.

Lack of experienced managers

There is no doubt that lack of qualified and experienced managers is one of the most difficult and critical problems to be tackled in setting up viable fishery cooperatives, and that well planned and well conducted seminars and training centres on the spot could do much to relieve this situation. The question of finance, however, is not always easy to solve. To bring participants and qualified instructors from long distances, to pay per diem and related costs involves considerable sums, and we are therefore somewhat restricted in carrying out any large-scale activities in this field. We hope, however, to locate sufficient funds to organise one or two regional seminars, and we have for this purpose been in touch with certain bilateral sources which have expressed their interest and willingness to collaborate, but nevertheless, so far, have been unable to make any definite commitment. Any advice or suggestions you may be able to give us in this respect, including how costs can be cut, for instance, if well established cooperative organisations could make available instructors, would of course be most welcome.

A related problem which we have to face sometimes concerns the provision of suitable training and instruction for FAO fellowship-holders in the field of fishery cooperatives. We have in recent years had experts on organisation and management of fishery cooperatives in Chile, Dominican Republic, British Honduras and Burundi. Many of our other experts, as mentioned earlier, also come into contact during the course of their work with problems related to the establishment and management of fishery cooperatives. All these experts have to start very early to think about recruitment and training of managers to run the societies which they want to set up, and part of this training consists in giving them the opportunity, under the FAO/TA Fellowship Programme, to study cooperative activities abroad in countries where such organisations are well developed.

However, it is not always easy to draw up a well planned and satisfactory study and training programme. This depends very much on the facilities available and the quality of the training received in these countries. If one could identify a suitable number of fishery cooperatives of different types in different countries — French, English and Spanish speaking — willing to receive such fellowship-holders and give them the instruction and in-service training they require, this would be of great assistance to us, particularly in view of the fact that — judging from preliminary proposals — we may expect several more developing countries to request experts on fishery cooperatives during the next technical assistance biennium.

Investment and working capital

Then there is also the problem of finance for investment in essential fa-

cilities, equipment and working capital. A cooperative cannot be established and operated purely on goodwill and good intentions. Once the necessary groundwork and investigations have been carried out in preparation for its establishment, it needs money, like any other business. A supply cooperative needs a minimum stock of equipment to get started; a marketing cooperative should be able to pay cash to members, and may have to extend credit to buyers. Although many governments in developing countries are eager to promote fishery cooperatives as a matter of policy, capital is scarce and not always forthcoming. FAO can provide a limited amount of experimental equipment to technical assistance experts for their work, but has no funds which can be used to extend grants or loans to acquire facilities and equipment needed to launch a cooperative enterprise. Many project proposals conceived by our experts may, therefore, for lack of capital, come to nothing or have to be postponed indefinitely. During the last week before I left Rome we received two project proposals for the development of fishery cooperatives — one from an expert and the other direct from the government concerned. Once we have had an opportunity of assessing the technical and economic soundness of these proposals, we shall have to start looking around for possible financial resources. As some of you will know, certain possibilities of obtaining finance exist within the framework of the Freedom From Hunger Campaign, but the procedure of finding donors often takes a long time and there are many competitors.

There must be a considerable number of large, prosperous supply cooperatives in fisheries in many advanced countries

today, some of which may also be manufacturers of certain types of supplies. It might be feasible for some of these to extend credit to supply cooperatives in developing countries for the acquisition of initial stocks required to start them, and also to serve as regular suppliers once they have proved to be satisfactory business partners. The possibility of establishing branches which might later be taken over entirely by a local cooperative might perhaps also be worthy of consideration. A comprehensive survey of the types of fishery equipment which could be made available through existing supply cooperatives might reveal interesting opportunities for effective collaboration between cooperative organisations in advanced and developing countries.

A similar survey of existing and potential cooperative demand and supply sources of fish and fish products might serve as a basis for assessing in concrete terms opportunities for increased activity and collaboration in fish marketing — both on the national and international levels — not least between cooperatives in advanced and developing countries. An increasing share of the total world catch (in 1964 amounting to 41 per cent of 51.6 million tons), is now the subject of international trade as a result of modern processing methods which have vastly increased both the types of products available and their distribution range.

Availability of certain highly appreciated species, some of which are now becoming increasingly scarce in many of the traditional fishing areas of advanced nations, as well as lack of a local market which can pay sufficiently high prices for these species, have directed the attention of many fish marketing cooperatives in developing regions to-

wards the export market, and nothing would be more appropriate, I feel, than if their products could be distributed through suitable cooperative outlets in advanced countries where there is a demand for such products.

Cooperation among skipper-owners

Finally, I feel it might be worth while to devote some attention to certain trends taking place in world fisheries today, and to consider the position of fishery cooperatives in relation to these trends. It was generally agreed among participants at the Naples Meeting, according to the report, that the most appropriate and well-tried sphere of action for the cooperative form of organisation was among working fishermen who were owners or part-owners of their vessels, and operated on a relatively small scale, usually in coastal fisheries. This is no doubt true; the scope for action in this field is unquestionably very wide, and much remains to be achieved, particularly in developing countries.

On the other hand, it is also true that an ever-increasing share of the world's catch is now taken on the high seas by large modern fishing vessels, the cost of which is usually beyond the reach of most of the traditional skipper-owners. Moreover, many of the fish stocks now extensively exploited in international waters by a steadily growing number of nations are also those which form the basis of important coastal fisheries. The situation in world fisheries today seems therefore to be characterised on the one side by a highly capitalised and rapidly expanding industrial sector operating internationally irrespective of distances from home ports, and on the other side by the traditional sector more or less occupied with coastal fisheries, the rela-

tive importance of which is on the decline and whose biological resources, moreover, may also in many instances be adversely affected as a consequence of the increased effort and tremendous efficiency in the other sector. The same applies in many developing countries where large modern fleets of fishing vessels from advanced fishery nations cause these countries to be anxious in case their resources are exhausted or severely depleted before they themselves have a chance to develop their own fisheries.

Trend towards larger units

Simultaneously, at sea and ashore, the trend is towards larger commercial units in order to reap the benefit of economies of scale and to minimize the risks inherent in all fisheries.* There is therefore today a tendency for the large-scale fishing companies to grow even larger, in many instances through buying up weaker and smaller companies, and to assume leadership in the industrialisation of fisheries. Some of these, having acquired huge fishing fleets, have found it expedient to engage in processing and marketing operations, and there is also a marked tendency among the large international general food processors and distributors to move in the opposite direction, that is into fishing operations and fish processing. In both cases, the main objective is to gain better control and co-ordination of supply and demand factors, to rationalise and streamline all operations and functions, technical and commercial, from the time fish is caught until it reaches the consumer, with the ultimate purpose of maximising profits

* Due to their size they can obtain capital from a variety of sources for investment and expansion easier and cheaper than small-scale producers, and they are also in a position to offer sufficient incentives to attract highly skilled and experienced management.

and taking advantage of all opportunities to promote growth.

I think, therefore, in view of these trends, which have already profoundly changed the traditional structure in fisheries, in processing and in marketing in the course of a few years, that it is now desirable to review very carefully the impact of this development on the present and future position of fishery co-operatives in terms of their competitive strength and growth potential. If it is considered a desirable policy that they should try to enter into the fast-growing, highly capitalised and large-scale industrial sector, then one must also consider what problems are involved, and how and to what extent these problems could be overcome by utilising fully all available cooperative resources and techniques of collaboration at all levels, in all the various types of economic activities which together represent the cooperative movement nationally and internationally.

BOOK REVIEWS

Aspects of Dividend

T. E. Stephenson. Cooperative College Paper No. 12. Cooperative Union Ltd., Education Dept., Loughborough. 98 pp. 2s.6d.

The latest in the series of papers published by the British Cooperative College is called 'Aspects of Dividend' by T. E. Stephenson. It represents the results of research work undertaken by a group of retail consumer society officials in Yorkshire, England, in conjunction with the University of Leeds, although their statistical researches were eventually national in scope and response.

Dividend on purchases at a uniform rate may be said to be the keystone in the bridge of British Cooperation. It paved the way to successful and expanding trade. It provided an abundant supply of capital by way of dividend not withdrawn and transferred to shares. It distinguished British Cooperative shops from those of their competitors.

A typical consumers' society is really a series of separate businesses and trades sharing a common administration. Although each of these may earn a roughly similar return on capital employed, their returns on sales will vary greatly because average gross profit rates and stock frequencies differ sharply from trade to trade. Since cooperative societies are merely part of the retail trade sector in each case, they cannot expect their gross profit experience to deviate much from the average.

The paper shows a steady decline in gross profit rates, both in total and for separate departments, in six societies in the research group between 1938 and 1962. Expenses also rose in the same period, so net surpluses were reduced. The full effect of this was experienced in grocery departments which represent 40 per cent turnover, 50 societies which pool their surplus and pay it to members at a uniform average rate on total trade have seen this rate decline to a point where its significance both as a trade attraction and source of capital has diminished. For example, average dividend on purchases in 1930 represented anything between one week and ten days' earnings of an adult male employed in manufacturing. In 1960 it represented one or two days' earnings.

The relationship between trade per member and capital per member is examined in detail as is the question of transfers of dividend on purchases to capital. The alarming fact here is

the extent to which minorities hold the bulk of the capital. This makes British consumer societies vulnerable, especially as most capital can be withdrawn on demand or at short notice. The influence of the rate of interest on share capital is not considered. It is inescapable for British Cooperators that they must break with the practice of paying below average rates of interest as they have been doing since 1940. If they do not, they will soon all be short of liquid capital. As they mostly employ capital from employees' pension funds in their societies, the fundamental consumer character of the British Movement will also change.

The study paper opposes pooled dividend as it is inflexible and likely to be at a derisory rate. It favours differential dividends—low or non-existent on food sales, high on non-food sales. It deals in detail with the effect of selling cigarettes in grocery shops. These carry a low gross profit (10 per cent) yet their quick turnover brings down expense ratios. As a large part of the price is taxation, dividend has to be paid on an inflated price. Cigarettes represent 20 per cent to 25 per cent of total grocery sales in British Cooperatives. The price at which they are sold is, at present, fixed by the makers who have nevertheless allowed cooperatives to pay dividend on them. If this favourable position changes, as it could under recent legislation, cooperatives may lose a large part of this trade to price-cutting competitors.

Probably because some limit had to be imposed on their area of research no reference is made to major enterprises where door to door delivery service is given by cooperatives and others. These include milk, bread and coal. In a country which claims a shortage of manpower it is astonishing that these services are provided at all and that they are the subject of competition between different firms. British Cooperatives have had a great success in milk processing and distribution where their share of the total trade is 30 per cent. This service has controlled prices and profits, so that dividend on purchases is a recognised and obvious gain to consumers. Milk sales are about 13 per cent of total sales in the British Movement, but the cost of delivering bottles to every house every day is high in both money and man-power.

This College Paper is of primary interest and importance in Britain. It usefully supplements the considerable work of the late Mr. J.

A. Hough (Cooperative Union) in this field. The fact that it does not add to his work is not a criticism of the present author, but a tribute to his predecessor.

J. GALLACHER

Bases del Ordenamiento Cooperativo de la Economía Social

(*Basis of the Cooperative System in the Social Economy*) Esteban Balay, Buenos Aires, 1965, pp. 610.

With this excellent book, Professor Esteban Balay, the brilliant teacher and promoter of the Cooperative Movement in Latin America, has further enriched the already long list of Latin American works, particularly over the period between 1960 and today. For lack of space, I can only mention some of the more outstanding names: Luz Filho, and Moura in Brazil, Orit and Cisl in Mexico.

This massive work of over 600 pages is based upon a select and voluminous bibliography of some 300 works which is evidence of the extent and profundity of the author's research. The appendices and indices of authors and subjects bear witness to careful editing and preparation which will be of great practical assistance to users of the book.

The book falls into four clearly defined sections. Its plan, development and conclusions are exhaustive both in extent and depth. The author travels with freedom and authority along the most subtle roads of exposition, description and inductive-deductive reasoning, arriving finally at conclusions which are both wise and significant. He takes up a definite stand, as would be expected of a convinced cooperator well aware of the deepest motives underlying all cooperative development.

An admirer of the Founders—and incidentally of the School of Nimes—he reveals himself as a loyal, optimistic and orthodox supporter of the philosophic vision, the doctrine, methods and experiences of the great expounders and organisers; it is no surprise that he places Gide first, followed by Plockboy, King, Holyoake, Owen, Fourier, Fauquet and others, up to Lambert.

The author's aim—which I state categorically—is not to be content with merely defining principles and methods pertaining to the development of orthodox Cooperation, but to give himself entirely, in a spirit of evangelism, to promoting Cooperative ideals until such time as they become an integral part of the national economy. He never ceases to drive home, however, that the promotion of Cooperative principles and the method of their application are governed by a very slow process, corresponding to changes in the evolution and functioning of human society: the process is empirical, realistic, arising out of circumstances.

In Cooperation there are no *a priori* judgments, nothing metaphysical nor miraculous nor dogmatic.

Let me refer briefly to the section entitled "*Estructura Doctrinaria de los Principios Cooperativos*" (Doctrine and Structure of Cooperative Principles) in which, under six chapter headings and 20 subtitles revealing extensive and richly coloured reasoning, dialectics and deep humanism, Balay analyses brilliantly all aspects of Cooperation, since they fully bear out his conclusions and since they do not inhibit the acceptance of open opposition or adherence to the principles being studied by the Special Committee in all congresses held since 1930.

His opposition—to mention only one—is to an interpretation given in the Congress in London in 1934, and he takes the opportunity to reaffirm the orthodox view that "no power in the world can make Cooperation obligatory".

Time and again he reaffirms that the Cooperative system could be neither capitalist nor communist. He regards Cooperation as a democratic economic system to be recommended as ensuring a just and equitable distribution of the social product.

Probably it would be too much to ask that some consideration should have been given to the burning problem of mixed economies and of economic questions which are in the forefront of discussion today.

In conclusion, we recommend this book as a valuable source of information and tool for research and discussion.

Felix de Gaubeca M.

« Les Idées des maîtres de la Coopération ».

(*Ideas of Cooperative Leaders*), Nicolas V. Patras. Published by the author. Salonika, Greece, 1961. 112 pages, Price 60 Drs.

As we all know, the Cooperative idea was not the creation of one man alone, but has evolved progressively from the thought of utopian idealists and social reformers to what it is today, influenced all along by the theories of its various leaders and apostles.

This explains why the Cooperative idea can be expressed in so many different ways, depending on the ideological viewpoint of each of its leaders. For this reason, and in order to understand the modern developments of cooperation, one has to know the whole history of the movement. This Dr. Patras has undertaken in his short book and has dealt with the subject clearly and methodically.

In order to set forth as comprehensively as possible the story of the evolution of Cooperative thought, which, as we have said, is the work of many thinkers, the writer explains the ideas of each of the great masters of the movement, those who are the most original among

them in Britain, France, Germany and Italy, examining various incidents in their lives and detailing their main activities.

Generally speaking, economic thought is closely linked with and influenced by personal activity and personal circumstances; this explains why the author has examined the personal incidents in their lives. More specifically, Cooperation has to be seen in the light of the facts which surrounded its emergence, it being understood that these were the result of ideas. These in turn influenced economic activity in such a way that ideas and facts combine to provide a correct interpretation.

Thus the writer has, in placing each of the great masters of the movement in his proper epoch and in the right setting, and subjecting them to comparative analysis, uncovered the

bases and mutual influences which animated them. Equally, he has demonstrated the antitheses, some of which are very deep down (as for example the problem of State assistance towards Cooperatives, or the refusal of such assistance).

In the epilogue, the author defines the relationships of the ideas of each leader and compares them one with another, drawing the necessary conclusions in order that Cooperation may be better understood, especially as it plays a vital part in the modern economic world.

The work is lucid and its aims are clearly defined. It will be very useful to those who wish to study the theory of Cooperation in a satisfactory manner. It is written with a love of the subject and with scientific exactitude and conscientiousness.

Dr., D. th. Panos.
From the Greek *Cooperator*, Oct. 1965.

THE 35th INTERNATIONAL COOPERATIVE SCHOOL

will be held in Rouen, France, at the invitation of the *Fédération Nationale des Coopératives de Consommation*, Paris, from the 15th to 23rd September, 1966.

The theme of the School will be

DEMOCRACY AND EFFICIENT MANAGEMENT IN THE COOPERATIVE MOVEMENT

a subject which is particularly topical at the present time when many cooperative organisations are re-examining their structure and re-organising their control machinery.

The School will concentrate on the following topics:

- i. **New Functions posing New Management Problems for Cooperatives in the Modern World;**
- ii. **Democracy in the Cooperatives of today;**
- iii. **The Problems of Power and Efficiency in Cooperatives.**

In addition, there will be lectures and seminars on the French Cooperative Movement — Consumer, Agricultural, Producer and Artisanal. At the end of the School visits will be paid to Cooperative organisations in Normandy.

The fee, covering board and lodging, for each participant will be £55. Further enquiries should be addressed to:

**THE EDUCATION SECRETARY
INTERNATIONAL COOPERATIVE ALLIANCE
11 UPPER GROSVENOR STREET, LONDON W.1.**

Handbook for Cooperative Libraries and Archives

A well planned documentation service is essential for every organisation.

This *Handbook* has been planned and produced by the Working Party of ICA Librarians and Archivists as an introduction to the establishment of both large and small libraries.

The clear, short instructions and many *practical examples* will be of help even to the layman in planning a documentation service, and will enable him to avoid many time-wasting and costly "experiments".

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Dr. W. Kellerhals
C. Kamp

Manual for
Co-operative
Libraries and
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Dr. W. Kellerhals
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Manuel pour
Bibliothèques et
Services de Documentation
Coopératifs

Dr. W. Kellerhals
C. Kamp

Handbuch für
genossenschaftliche
Bibliotheken und
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Internationaler Genossenschaftsbund
London

Bhaskar Jashi

Publicity for

INTERNATIONAL CO-OPERATIVE DAY

Saturday, July 2nd, 1966

An illustrated list of the Cooperative Union's range of posters, pelmets, flags, badges and other material for Cooperative Day celebrations is obtainable free of charge from the

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- IRAN: Cherkate Taavoni Masrafe Artèche (Army Consumers' Co-operative Society), Avenue Sevvom Esfand, Rue Artèche, Teheran.
The Credit and Housing Society of Iran, 20-22 Shahabad Avenue, Teheran.
- ISRAEL: General Cooperative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., P.O.B. 303, Tel-Aviv.
Affiliated societies and companies (1963): 1,855 in all branches.
"Merkaz" Audit Union of the Cooperative Societies or Loans and Savings, 44, Rothschild Bd., P.O. Box 75, Tel-Aviv.
"Haikar" Audit Union of the Agricultural Societies of the Farmers Federation of Israel, 8 Harkrya Street, P.O.B. 209, Tel-Aviv.
- ITALY: Lega Nazionale delle Cooperative e Mutue Via Guattani 9, Rome.
Confederazione Cooperativa Italiana, Borgo Santo Spirito, 78, Rome.
Associazione Generale delle Cooperative Italiane, Via Milano 42, Rome.
- IVORY COAST: Centre Nationale de la Coopération et de la Mutualité Agricoles, B.P. 702, Abidjan.
- JAMAICA: The Jamaica Cooperative Union, Ltd., 74½ Hanover Street, Kingston, W.I.
- JAPAN: Nippon Seikatsu Kyodokumiai Rengokai, (Japanese Consumers' Cooperative Union) Tanro-Kaikān, 9 Ichigaya-Kawada-cho, Shinjuku-ku, Tokyo.
Zenkoku Nogyokyodokumiai Chuokai, (Central Union of Agricultural Cooperatives) 11, Yurakucho, 1-chome, Chiyoda-ku, Tokyo.
Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fishery Cooperative Associations), Sankaido Building, Akasaka-ta meikomachi, Minato-ku, Tokyo.
- JORDAN: Jordan Cooperative Central Union Ltd., P.O.B. 1343, Amman.
- KENYA: Kenya Federation of Cooperatives Ltd., P.O.B. 9768, Nairobi.
- KOREA: National Agricultural Cooperative Federation, 75, 1st street, Chung-Jong-Ro, Sodaemun-ku, Seoul.
- MALAYSIA: Cooperative Union of Malaya, 8, Holland Road, Kuala Lumpur.
Federation of Cooperative Housing Societies, 8, Holland Road, Kuala Lumpur.
Sarawak Co-operative Central Bank Ltd., 3-J. Clifford House, Kuching, Sarawak.
- MALTA: Farmers' Central Cooperative Society Ltd., New Building, Middleman Street, Marsa.
- MAURITIUS: Mauritius Cooperative Union, Dumat Street, Port Louis.
- MEXICO: Confederación Nacional Cooperativa de la Republica Mexicana, C.C.L., Av. Cuauhtemoc 60, 5e Piso, Mexico 7, D.F.

Review of INTERNATIONAL COOPERATION

The official Organ of the International Cooperative Alliance

VOL. 59 — No. 4

JULY 1966

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The I.C.A. is not responsible for the opinions in signed articles

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Declaration of the I.C.A.

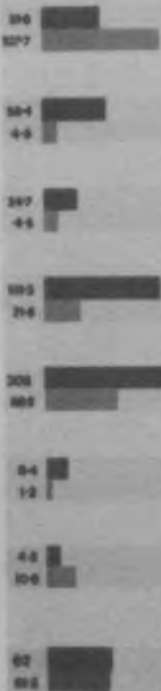
THE INTERNATIONAL COOPERATIVE ALLIANCE, addressing its Affiliated Organisations, comprising 206 million members in 79 countries, on the occasion of the 44th International Cooperative Day :

- AFFIRMS its belief that peace is the basic requirement for economic and social development and that solidarity, Cooperators, regardless of race, colour, creed or political affiliation, should manifest their determination to help their fellow men and women to banish poverty, hunger and ignorance through the use of cooperative self-help;
- DECLARES that it will use the moral force which stems from the hundreds of millions of Cooperators throughout the world, to encourage the work for peace;
- REQUESTS Affiliated Organisations to do their utmost to develop and increase their projects and programmes for rendering aid and promoting trade across national boundaries; and
- ASSERTS that the cooperative form of enterprise has a vital contribution to make in national and international programmes for economic development generally; and especially in the field of production, processing and distribution of foodstuffs the cooperative system of self-help and mutual aid is a paramount means of promoting economic progress;
- ASKS Cooperators to take the opportunity of International Cooperative Day to re-dedicate themselves to the cause of International Cooperation and to seek ways and means of supporting the Development Fund of the International Cooperative Alliance.



SOCIETIES THOUSANDS
MEMBERS MILLIONS

THE COMPOSITION OF MEMBERSHIP ACCORDING TO TYPES OF SOCIETIES IN 1964.



INTERNATIONAL COOPERATIVE ALLIANCE



Countries with I.C.A. Member organisations 1966



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 PRESS RELEASE
 cooperative news service
 Letter From the I.C.A.
 WITH ONE VOICE
 consumer affairs
 Rivivi de la COOPERATION INTERNATIONALE
 cooperative organisations in south east asia

WITH ONE VOICE

THE INTERNATIONAL COOPERATIVE ALLIANCE ON ITS 44TH INTERNATIONAL COOPERATIVE DAY speaks with one voice as to the need for peace as a condition of all progress of mankind. For most of its members, peace prevailed throughout the year, but not without constant vigilance by all concerned, and again, not without suffering for some part of humanity, a fact one must, as a cooperator, always remember.

During this last year, the world remembered with thankfulness the 20th Anniversary of the United Nations, and cooperators with affection also the 70th Anniversary of the foundation of the I.C.A. At the international level, the I.C.A., in the name of its 206 million members representing 59 countries, has been, and is, in close contact with all who have or should have cooperative interests at heart, and the Alliance makes full use of its Category "A" Consultative Status with the United Nations Economic and Social Council, the U.N. Trade and Development Board, and the U.N. Agencies on behalf of all cooperators. Also on behalf of its members, the I.C.A. keeps in touch with appropriate International Non-Governmental Organisations, such as the International Confederation of Free Trade Unions and the International Federation of Agricultural Producers, resulting in joint statements of policy on important world issues, made to the F.A.O. and the I.L.O. Special emphasis has been placed on the continuation and expansion of the World Food Programme and in all suitable contexts the vital role of coop-



eratives in development programmes has been stressed.

Relations between member organisations and the I.C.A. are closer than ever before. In our family there is room for the different points of view as expressed by various national movements. The collaboration is based on tolerance and respect for others' point of view. With its Affiliates in all parts of the world, the Alliance is engaged in matters of the greatest importance to its membership, such as the study and promotion of appropriate Structural Changes in National Cooperative Movements, and the work of the Cooperative Principles Commission set up by the I.C.A. as a result of the 1963 Congress Resolution to examine the present application of the Rochdale Principles and report findings and recommendations.

In the field of technical assistance from cooperative to cooperative, and especially from industrialised to newly developing countries, the I.C.A. on behalf of its Affiliated Organisations is collaborating with all cooperatives, international non-governmental organisations, U.N. Agencies and international funds and foundations. The I.C.A. is building up a central record of past and current cooperative technical assistance and a calendar or newsletter of future planned events, such as the provision of cooperative experts, courses and study programmes, the provision of literature in the languages needed, and all other forms of practical help from cooperator to cooperator.

The International Labour Office, in the summary of its Report on the current state and likely "Development and Trends in the World Cooperative Movement" states in Part IV, Chapter 2, its findings on the appeal of Cooperation to the new generation of today. Cooper-

ators throughout the world will be glad to know that highlighted in this Report may be found some of Cooperation's attractions to the new generation, such as efficient business concentrating not on profit-making alone, the imaginative and inventive services offered in cooperative shops, provision of the latest technical and financial know-how for farmers, opportunities for ordinary people to take responsibility, make decisions, and make a creative contribution to economical life, the cooperative movements' interest in the educational, social and cultural fields, and the integrated character of cooperative organisations as links between different functional groups, with national and international interlocking, appealing especially to those who feel themselves involved in a wider world.

The international stage is set for further collaboration in every known cooperative field and cooperators all over the world are looking forward to their 23rd International Congress this year to consider the path which Cooperation should tread in the years which lie ahead.

J. H. O.

CORRECTION

We regret that in the item "Youth and Cooperation", which appeared on page 152 in the "Commentary" in the May 1966 issue of the Review, Dr. V. K. R. V. Rao was erroneously given as Vice-President of India instead of Dr. Zakir Hussain.

Dr. Rao, who is a member of the Indian Planning Commission, spoke at the All-India seminar which was inaugurated by Dr. Hussain.

Ed.



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NIGERIA

The article and photographs are published by kind permission of the Ministry of Information, Lagos, Nigeria

Cooperative Bank at Ibadan



In a country such as Nigeria where capital accumulation by individuals is slow, cooperation among a number of people in trade, agriculture and industry has resulted in a more rapid development of the economic and social facets of the nation. Cooperative practices are not new to Nigeria. They were well established in communal activities centuries ago, but the first Cooperative Societies Act which provided, among other things, for the registration and liquidation of Societies, the settlement of disputes, and the management of cooperative societies was enacted only in 1935. The first article on the development of cooperative societies in Nigeria was published in Vol. 8 No. 4 (1960) issue of the NIGERIA TRADE JOURNAL. The article below discusses the progress made in the Cooperative movement in Nigeria in the last four years.

Lagos

THE Cooperative movement in Lagos continues to be predominantly financial, and its activities centre around the accumulation and disbursement of savings in the form of loans and investments. To emphasise this specialisation a secondary society, the Lagos Cooperative Central Financing Society, was established in September, 1960, with the primary aim of accumulating the surplus funds of the member thrift societies and channelling them (on loan) to the few productive, marketing and building societies that exist.

Since June, 1962, there has been an extension of the scope of operations of thrift societies. Whereas before, loans to individual members were limited to their respective subscribed capitals (in the form of savings), recently many thrift societies have been converted into thrift and credit societies, with facilities for loans to their members running up to ten times the member's average

monthly savings. Another development within the last three years is the establishment of schools' savings clubs. To date there are six such clubs, comprising entirely students in many secondary schools in Lagos.

Although Lagos Cooperatives are mainly financial, concerted efforts have begun in the last two years to diversify the contents of the movement. Attempts have been made, with moderate success, to organise Lagos market women into consumers' cooperatives; a promising timber marketing society has been established and registered; and negotiation is now in progress in the establishment of a radio factory in association with the Polish Central Cooperative Council. The workers of two Railway thrift societies have jointly financed a provisions shop; a tailors' society is in existence even though not very active, while the Benin Ebony Carvers' Society continues to produce for a wider international market. Other societies like the Motor Owners' Society, Trained

Nurses Association, the Building Society and the Fishermen's Society continue to keep the Cooperative movement in Lagos active.

By the end of March, 1963, membership, and finances of the thrift, credit and other societies in Lagos were as follows:

handled by the cooperative unions amounted to £1,800,000. During the year 1963/64 the Northern Nigeria Marketing Board took over the marketing of coffee, ginger and castor seeds and cooperative unions have become the main licensed buying agents for these crops.

<i>Society</i>	<i>Membership</i>	<i>Finance</i>		
		<i>Savings</i>	<i>Investment— Government and other securities</i>	<i>Loans issued</i>
Thrift societies	6,600	£ 238,340	£ 127,730	£ —
Thrift and credit societies	1,126	37,840	21,900	7,000
Other societies (10)	591	3,018	—	—
Total	8,317	279,198	149,630	7,000

Northern Nigeria

The Northern Nigeria Cooperative movement continues to grow and the number of credit and marketing societies has risen at a phenomenal rate. On 31st December, 1963, there were about 1,800 cooperative credit and marketing societies with a membership of about 140,000 and a share capital of well over £300,000. The number of credit and marketing unions has leaped from seven in 1960/61 to 30 at the end of 1963. Of these, 23 are licensed buying agents for the Northern Nigeria Marketing Board.

During the 1962/63 seasons the marketing unions, acting as licensed buying agents, purchased 24,620 tons of groundnuts, 10,380 tons of cotton, 5,410 tons of palm kernels, 4,330 tons of soya beans, 1,523 tons of benniseeds and 670 tons of cocoa. The value of the crops

The Northern Cooperative Services Limited, a forerunner of an apex organisation, has been functioning for the past two years from the headquarters of the Ministry of Social Welfare and Cooperatives at Kaduna. Its main function until now has been the provision of facilities for the purchase and distribution of produce bags, marketing equipment and other supplies to the unions. Steps are being taken to broaden the scope of this organisation to embrace all cooperative unions and to extend its functions to cultural and business operations.

The Northern Nigeria Government's policy of providing fiscal assistance to cooperative movements by guaranteeing bank overdraft for them continues to be a great impetus to the growth of the movement.

The amount guaranteed by the



Cooperative Bank of Eastern Nigeria Ltd., Aba

Supermarket at Yaba owned by the Cooperative Supply Association ←

Government has been rising every year as the societies grow in number and size. For the year 1962/63 the amount guaranteed was £2.3 million and this amount is now used as a revolving fund.

About a third of it was lent to members through their societies at the beginning of the rainy season to finance the cultivation of their cash crops while the remaining two-thirds went to the Unions, licensed as buying agents for the purchase of Marketing Board produce. Repayment of these loans has been satisfactory, particularly during the year 1962/63.

Plans are in hand for the establishment of a Cooperative Bank for Northern Nigeria. The Government of Northern Nigeria has under its Six-year Development Plan earmarked £2 million for the development of the bank. The function of the bank will be to coordinate more effectively the joint savings and deposits of all cooperative societies in the Region and to take over the financing of cooperative societies'



business operations. The latter function will relieve the Regional Government of the necessity to pledge its credit each year to the commercial banks for cooperative societies' overdraft facilities.

Eastern Nigeria

In Eastern Nigeria, cooperation has been recognised as a most effective instrument for economic advancement. Cooperative societies in the Region

have, as a consequence, developed in most spheres of human endeavour and have attracted more members than hitherto. This is shown in the increased number of societies and membership of such societies which have been registered. The number of societies rose from 1,228 in 1959 to 1,572 in 1964 and membership from 55,295 to well over 80,000 in the same period.

Thrift and credit societies continue to have a dominant lead over all other types. This is because of the extremely useful service performed by such societies and the universality of their membership. Unlike some other types, the credit society is suited to any group of people who engage in productive enterprises, whether they are farmers, traders, craftsmen or salary earners. This all-embracing nature of the credit society is responsible for its extreme attraction and makes it Eastern Nigeria's number one among other cooperative societies. Efforts are now being made to expand the activities of the credit societies in order to provide other services vital to their members. The expansion into multiple functions for example, will reduce costs of operations and the rate of interest on loans and make the societies more attractive.

Although the number of credit societies has grown to more than 1,500, outstanding loans from members amount to as little as three per cent of total advances. The rate of interest is 10 per cent per annum in most societies.

Formation of Credit Unions

To facilitate the operation of the primary credit societies, credit unions and provincial credit unions or associations have been established. These organisations help to build up funds

and ensure the mobilisation of sufficient capital for the use of the credit societies. They also help to ensure proper running and management of their affairs.

The main export in Eastern Nigeria is palm produce. Attempts at cooperative marketing of this product have not been very successful. However, some marketing societies have been established to sell produce for their members. These primary societies have been grouped into unions which in turn form the Eastern Nigeria Cooperative Palm Produce Exporters—a licensed buying agent of the Eastern Nigeria Marketing Board. Palm produce marketing by cooperative societies has been hampered by the existence of numerous competitors in the field—mostly indigenous licensed buying agents—and the complicated system of ownership which results in a long chain of middlemen.

The cooperative marketing of cocoa is done by the Eastern Nigeria Cocoa and Mirror Produce Exporters. This apex cooperative organisation is made up of unions and primary marketing societies. It has, in addition to marketing cocoa, added soya beans, groundnuts and benniseed to the list of produce marketed. The initial efforts have proved quite successful.

The Cooperative Movements in Eastern Nigeria are in the forefront in the race for agricultural revolution. Under the Six-year Development Plan many farmers' cooperative societies have been established. These societies will undertake multi-purpose functions which will make them more useful to their members. In addition they will act as rural savings organisations and facilitate the mobilisation of rural indigenous capital. It is hoped that through the farmers' cooperatives, the lot of the vast majority of the population will be

improved. At the same time facilities will be created for rural savings thereby combing up savings and channelling them for proper utilisation in the development of the country. In addition, all farm settlements, established by the Government for the practice of scientific agriculture and animal husbandry, are being prepared for registration as cooperative societies. This step will ensure that the settlements can become real successes both materially and socially.

In view of the limited number of farm settlements and therefore their employment possibilities and the influence they can wield on the farming community, cooperative community farms have been established as small farm settlements with most of the advantages of the large settlements. All these cooperative efforts in farming are designed to improve agriculture, increase the earning power of the villager and provide employment for young citizens.

Consumer Cooperation

Consumer cooperation had always been restricted to the village cooperative shops with few commodities and a low turnover. In 1962 the Eastern Nigeria Cooperative Supply and Consumer Association was formed by a handful of supply and consumer societies and a few credit unions. In launching this bold venture the members sought to tread on a new path. They planned to import goods on a large scale in order to retail to cooperative societies and individuals at a very low price. After just 20 months of operation they have achieved an enviable turnover of £64,000 for the 1963/64 financial year.

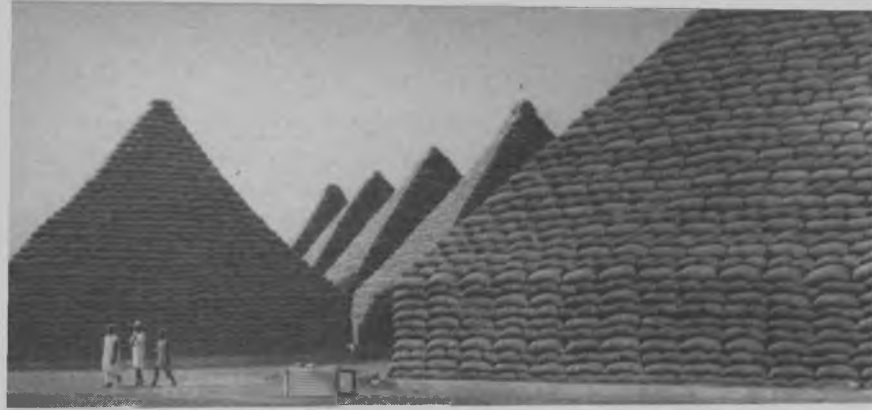
The financing of the Cooperative Movement is done through the Cooper-

ative Bank of Eastern Nigeria Limited, which became a commercial bank in 1962. In spite of this change in name and status which was necessitated by the desire to operate as a bank in the context of the Banking Act, the Cooperative Bank is still owned by the Cooperative Societies in Eastern Nigeria who constitute the bulk of its customers. An overdraft guarantee of £150,000 by the Government of Eastern Nigeria is being operated by the bank for financing marketing societies. A total grant of £60,000 was made by the Government of Eastern Nigeria to the bank to enable it to build premises and expand its operations. By 31st March, 1962, shares of £30,220 and deposits of £43,374 had been paid.

Cooperative societies in Eastern Nigeria have been grouped according to the type of operations they handle. Each group is represented in the Cooperative Union of Eastern Nigeria. Under the new arrangement which took effect in 1961, only the group units and not the societies are members of the Union. The Union is responsible for education, publicity, and public relations. It operates a printing press and owns a mobile film unit.

Cooperative Education

Sound cooperative education has been accepted as a fundamental step in the successful establishment of a healthy and progressive cooperative movement. Previously the staff of the cooperative societies were being trained by the Cooperative College at Ibadan. In 1961 a cooperative college for Eastern Nigeria was established in Enugu in an attempt to ensure that a full and intensive scheme of training could be arranged for both the Cooperative Division of the Ministry of Commerce, Enugu and the



Pyramids of groundnuts
at a cooperative buying
depôt

staff of the cooperative societies. Already two batches of Cooperative Inspectors and Examiners of Cooperative Accounts have been trained. A new Cooperative College is to be built at a cost of £72,000.

Western Nigeria

The Cooperative Movement in Western Nigeria entered a new phase when, in late 1963, the Mid-West State was created and all societies in that State ceased to belong to Western Nigeria. This meant on the one hand that the number of societies in the Region and their membership has fallen. On the other hand it meant also that more money would now be available for the development of existing societies and the establishment of new ones.

Meanwhile the Cooperative Movement has been steadily gaining ground after the necessary reorganisation and what seemed to have been lost to the Mid-West State has been more than gained in new organisations. Two new secondary organisations have emerged, namely the Oyo Cooperative Produce Marketing Union Limited, carved out of the Ibadan Cooperative Produce Marketing Union Limited, and Olode/Igbomina Cooperative Produce Marketing Union Limited, an offshoot of the Ife Cooperative Produce Marketing Union Limited. In order also to enable new grounds to be covered and con-

solidation made, the Government during 1963/64 acquired two power-driven motor boats for use at Epe and Badagry areas for a more effective development of cooperation in the creek areas of the Region. Similarly one new Land Rover was provided for use on the difficult roads of Ondo Province most of which would be impossible to ply by the field staff without a Land Rover. It is also hoped that in a short time a third power-driven motor boat will be provided for use along the creeks in Okitipupa Division of Ondo Province.

Two Women Organisers

The Cooperative Union of Western Nigeria Limited is the life-blood of the Cooperative movement in Western Nigeria. It caters for the education, publicity and overall well-being of the societies. The Union receives annual grants from the Government for the discharge of its obligations as the mother of the Movement. With the increasing need to intensify Cooperative education a Public Relations Department was recently created. This department publishes a quarterly magazine known as the *Western Nigeria Cooperative News*. The department also arranges regular radio programmes. There is a literature committee which designs and publishes useful and suitable educational literature for members and employees of cooperative societies. It also prepares in-



Board of Directors of the Eastern Nigeria Cooperative Supply and Consumers' Association

formation and publicity material for all sections of the Movement. In order to stimulate cooperation among women the Union embarked upon a bold experiment by appointing two women organisers whose main duties are to organise societies among women. The Union is a member of the International Cooperative Alliance, and is represented on the Central Committee of the Alliance. The Union received recently from the Alliance a gift of a mobile film unit which has proved of considerable help in the programme of membership drive and Cooperative education.

The Cooperative Supply Association Limited or C.S.A. represents the consumers' arm of the Movement. It has a membership of over 200 registered societies of all types and over 6,000 individual persons. It operates on a share capital of about £30,000 through a network of 34 selling outlets located in Lagos and the whole of Western Nigeria including the Mid-West State. The C.S.A. also runs one supermarket at Yaba in Lagos and one self-service shop at Ibadan. C.S.A. sells household provisions, hardware goods, spraying equipment and chemicals for cocoa diseases,

and petroleum products, among other things. Its annual turnover is over £1 million.

In order to increase its membership the Association maintains a small staff of membership organisers whose duties among other things are to go out to win new members and persuade old ones to increase their shareholdings in order to reduce the Association's present expensive dependence upon bank overdrafts. The Association employs over 500 workers and runs a woodwork department which is fast building up a reputation for first-class workmanship.

Expanding Banking Activities

The Cooperative Bank of Western Nigeria Limited continues to serve as the central financing agency of the Movement as a whole. When the Banking Act was passed it became necessary for the Bank to be reorganised and registered under this Act. Consequently, it is now able to attract deposits from the general public just like any other commercial bank. Today its share capital is £501,255 with an average annual turnover of over £8 million. Its deposits stand at about £383,000. The Bank has been making efforts to im-

prove its position through increases in its share capital and by offering appropriate incentives for investments.

As a result of its new status, the Bank was obliged to relinquish a large proportion of its landed property. A Trust and Investment Society is to be formed which will, on registration, take over from the Bank such properties as the Bank is not supposed to hold.

The Bank's head office is at Ibadan with branches at Lagos, Ife, Akure and Benin. It plans to open another at Owo very soon. The growth and operations of the Bank can be seen from the statistics below:

	1960/61	1961/62	1962/63	1963/64
Share capital	14,089	20,878	500,951	501,225
Annual turnover	20,061,689	9,290,463	6,642,608	8,029,978
Deposit	374,650	377,253	301,408	382,178
Total assets	2,310,305	2,389,180	1,647,207	1,624,702
Agricultural loans	37,039	7,193	—	1,176
Other loans	125,285	18,334	—	—
Offices	4	5	5	5

those Marketing Unions that were qualified to deal direct with the Western Nigeria Marketing Board as licensed buying agents to do so without in any way impairing its existence and usefulness. Thus, with effect from October, 1960, more than 75 per cent of the Unions have been operating as licensed buying agents while the rest continue to be served by A.N.C.E. As a result of this action cocoa handled by the Cooperative Movement rose from 28,942 tons in 1959/60 to 40,484 tons in 1960/61— a rise of more than 40 per cent.

By 31st March, 1963, there were 707 primary marketing societies federated

A recent development in the Cooperative Movement was the formation of the Cooperative Press of Western Nigeria Limited, with a membership of 212 made up of societies and individuals. Its share capital is £19,845. It does all kinds of printing jobs both for the Movement and the general public and has been operating with reasonable success since it was formed just a little over three years ago.

The Association of Nigeria Cooperative Exporters Limited (A.N.C.E.), the marketing apex organisation of the Movement, remained as the sole exporting agency of all cooperative societies in the Region up to August, 1960, when it became necessary to have it reorganised in a manner to enable

into 21 marketing unions. Of these, 17 are licensed buying agents. These societies cater for a total membership of 114,043 producers. The total value of produce handled was over £3.8 million during the 1962/63 financial year. In addition to marketing, these organisations operate short-term credits to farmers for general farm labour, and for the purchase and maintenance of spraying equipment. Of the £374,334 loans given out during the year as much as £222,585 was recovered by 31st March, 1963.

Growth of Credit Cooperatives

Of late, there has been a very rapid development of credit cooperatives. There are now 220 primary societies and



The Cooperative College at Ibadan

eight unions. Besides, there are 68 thrift and savings societies among wage earners. There were in all 8,549 members at the end of March, 1963, with total accumulated savings of £122,234. In addition, these societies have investments worth £27,071, share capital £26,361, and reserves £12,832. In 1963, loans granted were £182,643 out of which £78,634 was repaid leaving a balance of £104,009, most of which were not yet due for repayment.

The generosity of the Government to the cause of cooperation was again lately manifested in its handsome grant of £140,000 for the building of a magnificent residential Cooperative College. This new college, which was formally opened in October, 1963, was established for the training of Government and Cooperative Movement employees. It has started to train female cooperative inspectors as well and also runs short courses for cooperators.

Since the College was established it has given 21 full sessional, five short training and 13 refresher courses. A total of 1,167 students have passed out of the College. Although the College is located in Western Nigeria it has provided courses for students from all parts of Nigeria and also from Ghana, Sierra Leone, Gambia and the Cameroun. Of the total of 737 students who completed full-time courses in the College 454 came from Western Nigeria, 155 from Eastern Nigeria, 18 from Northern Nigeria, 32 from Lagos, four from Ghana, 11 from Sierra Leone, 12 from Gambia and 51 from the Republic of Cameroun.

Basic academic courses for inspectors, auditors and cooperative organisers lead to the certificate in Cooperative Studies, a certificate recognised by all the Governments of the Federal Republic of Nigeria as well as commercial firms.

FOLKSAM

THE HUMAN ASPECT
IN COOPERATIVE
INSURANCE

A SWEDISH EXAMPLE 1

by **Seved Apelqvist**
General Manager, Folksam Group



Folksam Building

FOLKSAM is one of the largest cooperative insurance societies within the ICA. It is also one of the largest insurance companies in Sweden, with both life and property business. Premiums received by the company in 1965 totalled about SKr. 400 million and administered capital amounted to more than SKr. 1,000 million. (£1 Sterling equals approx. SKr. 14.)

Folksam's parliamentary type of organisation is based on the consumer-cooperative and trade-union movements. These movements exercise a decisive influence on the company's activity and can thus ensure that the interests of policy-holders are duly looked after.

Folksam was founded in 1908. Its activity has greatly expanded, especially since the Second World War. The company's continual endeavour to provide consumers with properly formulated policies at low premiums has resulted in today's position in which every other Swede is insured with Folksam.

Apart from its direct insurance business, Folksam is active in many other social fields. Thus, during the last decade, the company has allocated SKr. 12 to 13 million to scientific research and information concerning questions of health. Let us take a closer look at this special activity.

Rehabilitation

In the countries which were involved in the Second World War, great efforts had to be made to provide war invalids with the chance to return to a normal

life. Thus, in these countries, the so-called rehabilitation work became considerably extended. In Sweden, which was not involved in the war, these problems quite naturally did not receive the same attention. By the beginning of the 1950's, the rehabilitation work was still on a modest scale. However, with the experience gained from its personal insurance, Folksam could note the great difficulties then existing in giving invalids a new start in life.

For this reason, Folksam decided at the time to donate various sums for rehabilitation purposes, which was judged to be a complement to life and accident insurance. It was necessary for invalids to return to as productive and normal a life as possible — both for economic and humanitarian reasons.

One of Folksam's initiatives in this field is the "School of Walking" in Uppsala. The origin of this enterprise was the company's observation from the claims it had to meet that insufficient care was given to those with artificial limbs. People were simply not able to use correctly the artificial limbs with which they had been provided. The result was that Folksam decided to donate SKr. 150,000, through the University of Uppsala, to a "School of Walking" where handicapped persons could learn to use their artificial limbs under expert medical guidance provided by the Akademiska Hospital. The School is also charged with the task of extending our knowledge of leg amputation, analysing the causes of painful conditions, etc. In addition, physiotherapy and practice in walking are tried out in close association

with a workshop manufacturing artificial limbs. Experience here has been favourable and Folksam intends to continue its support of this activity. We can add that the School is open also to those not insured with Folksam.

Folksam's interest in this subject has also led to a unique form of cover, rehabilitation insurance, which provides financial assistance in purchasing the necessary aids or making necessary alterations to flats for the handicapped person to lead as normal a life as possible. Rehabilitation insurance is included in our accident insurance, housewives' insurance, comprehensive householders' insurance and in driver-accident and athletes' policies, covering a total of about two million people.

Questions of health

In 1958, Folksam carried out a nationwide campaign called "Health Year '58" in which public meetings, competitions, films and publicity material were used to advocate healthier living, more exercise, and better eating habits. In 1962, Folksam conducted another large health action. Its aim was the creation of a favourable working environment by adapting man and machine to a mechanisation of modern industrial society. The theme presented throughout the land by conferences, films and publications was "man, machine, environment, exercise". A special department at Folksam has followed up the campaign with health surveys at Swedish companies, which will form the basis of continued improvements in industrial medical care. A group of experts is at present preparing a campaign on mental hygiene in places of work.

Scientific research to which donations have been given includes, for example,

work on noise, the pollution of water and radiation risks.

Road safety

The number of cars per capita in Sweden is among the highest in the world. This has made road accidents a very great problem for our society. As one of the country's leading motor-insurance companies, with about 600,000 policy-holders, Folksam, in cooperation with the Swedish cooperative oil company, has made funds available for the provision of information and research on road safety. In this field too, the company has organised special campaigns. Currently in progress is "H 67", a three-year national-wide campaign aimed at young people, its purpose being to make the change-over to driving on the right in 1967 safer. All youth organisations in the country are taking part.

Important in Folksam's road safety work is the experimental motor repair shop which we acquired in 1963. Efficient methods are used to test new and improved safety devices on cars and, at the same time, a good idea is obtained about the causes of accidents. Quite naturally, this has contributed to greater road safety. Moreover, partly through the use of new methods, the repair shop has been able to reduce the price of repairs by 20 to 40 per cent. This had led to other motor repair shops also rationalising their activities.

Aid to developing countries

As with all other cooperative enterprises, Folksam includes in its programme the provision of financial and technical aid, according to its ability, to cooperative activity abroad, with the

emphasis on insurance business. Thus, Folksam has allocated funds to the promotion of cooperative insurance in the developing countries. Coordination of this work is now largely in the hands of the Insurance Development Bureau, a special body appointed by the ICA Insurance Committee and its Executive Committee.

“Silent need”

Sweden is often called a welfare state. Though this is largely true, it is nevertheless still possible to find poverty and social need in the midst of our welfare. It has been Folksam's wish to draw attention to this fact and we have therefore devoted funds to discovering exactly which groups are outside the modern Swedish welfare society. This enquiry may be seen as one stage in the work, continuously conducted and supported by Folksam, of clearly establishing the individual's need for financial assistance, among other things, in connection with our various insurance policies.



In the “School of Walking” a boy with both legs amputated is taught to walk

A broader view

Of course, one may wonder why Folksam occupies itself with these special forms of social activity. We believe, however, that, if our preventive efforts in this field result in fewer claims being made, the cost of premiums to the individual policy-holder will be reduced. It is thus not sufficient simply to afford the public an opportunity to share the risks of financial loss; we should also attempt to prevent loss, or injury from arising.

But it is not only financial considerations that determine Folksam's activity in this field. In our opinion,

cooperative insurance must not mean just ordinary book-keeping, with money flowing coldly in and out. A cooperative insurance movement must be something more; it must be permeated with living, warm and human consideration, far beyond the limits laid down as necessary by law for the conduct of commercial insurance business. This view of the matter has been the guiding light in our practical work.



TOURISM AND THE COOPERATIVE MOVEMENT

by E. S. Sachs

TOURISM is playing an ever more prominent role in the world economy, in the social sphere of international human relations, and even in the national economies of some countries. This makes it an appropriate object of attention for the cooperative movement.

It is gratifying, therefore, to report a most encouraging response to the circular letter sent by the I.C.A. to member organisations asking for information on cooperative travel facilities and accommodation.

From the replies it is clear that in a number of countries (Australia, Austria,

Belgium, Czechoslovakia, Denmark, Finland, France, United Kingdom, Holland, Iceland, Italy, Japan, Norway, Poland, Sweden, Switzerland and the United States) there are well-established and in some cases flourishing cooperative travel and tourist services. These include package tours, group tours, individual and business travel by train, boat, plane or coach, car hire, seat reservations, baggage and personal accident insurance, and assistance with passports and visas. Every interest and taste is catered for. Practically all the cooperative agencies work in close cooperation with the railways of their countries, the

International Air Transport Association (IATA) and other international transport organisations. Most are affiliated to the International Federation of Workers' Travel Associations.

The replies also revealed that cooperative travel agencies *are* more and *do* more than can be expected from ordinary travel bureaux. They devote a great deal of time and energy to enabling the masses of ordinary working people to travel and enjoy their holidays, and to present the work and achievements of their cooperative movement to cooperators and other visitors from abroad.

Holidays for Everybody

The days are gone when the glorious sunshine of the French and Italian Riviera and the other holiday resorts and spas were the preserves of royalty and the very rich. Not many decades ago, factory hands, miners or transport, shop and office workers could not afford holidays abroad or even at home. Many in Britain even found Blackpool, Brighton and Bournemouth beyond their means. Workers in other countries were similarly situated. Paid holidays were unknown, and those who earned a little more or did enjoy some paid leave spent their vacations at home, or with friends or relatives on farms.

Today millions of workers spend their holidays at the seaside or other holiday resorts in their own countries, and an ever growing number go abroad. But because of the great expense involved in travelling and hotel accommodation, a vacation away from home is still an unattainable luxury for many workers, especially those with families.

Hence it is encouraging that cooperators in a number of countries are

devoting a good deal of attention to this problem.

The Danish People's Holiday Association (Dansk Folks-Ferie) was established in 1938 when a law concerning holidays was passed by the Danish Parliament. The trade unions and Workers' Educational Association took the initiative, but later the cooperatives began to give their support. Health insurance societies and cultural organisations joined in, as did the employers' association.

There is no membership of Folksferie. Its object is to assist the common people in finding good holiday accommodation and resorts; also to help visitors from abroad to spend an enjoyable holiday in Denmark. Every Danish citizen is entitled to holiday accommodation if there is room.

The building of holiday centres is subsidised by the Ministry of Social Affairs, municipalities, private firms and organisations. Bungalows for four, five or six persons may be rented by the week, and when there are more applicants than available accommodation, the allocation is decided by drawing lots. The D.F.F. takes foreign bookings in its modern bungalows before the 15th June and after the 15th of August each year. Between these two dates all bungalows are reserved for Danish citizens and are allotted to families with children at a price lower than the normal charge.

The Swiss Holiday Fund, REKA, was set up jointly by employer organisations, trade unions and cooperatives to provide its 240,000 members a way of systematically saving for holidays. Members can buy travel stamps and travel vouchers at discounts of 5 to 20 per cent in cooperative shops and large Post Offices; these are accepted by all transport carriers, by most hotels and many holiday

homes. In 1965 stamps to the value of 55 million Swiss francs were sold, effecting a saving to members of about $7\frac{1}{2}$ million francs.

In France, the cooperative movement has taken the initiative in welding together the efforts of government and a large number of specialised organisations into what is rapidly becoming a true cooperative holiday and travel sector. Some years ago the Fédération Nationale des Coopératives de Consommation founded the National Leisure Committee (Comité National des Loisirs) for the purpose of uniting under one umbrella various cooperative organisations and other federations associated with the official movement known as Social Tourism. This is a programme for making recreational and holiday facilities available to the broad masses of people who could otherwise not afford a vacation away from the cities.

At the apex of Social Tourism is the governmental Commission for Tourism which administers various government subsidies and makes proposals in this sector for purposes of the national Plan. The Commission helps finance facilities for winter sports, sea-side amusement quays, heated swimming pools, etc. It also encourages an expanding programme of Family Holiday homes, villages and camps, country inns, rural lodgings and youth hostels.

Family Holiday homes are usually hotels with restaurant and child-care facilities and recreational equipment. Prices are low, but guests clean their own rooms and help a bit in the kitchen. Family Holiday villages are clusters of individual cottages. Some are operated on the same basis as the holiday homes; in others lots are assigned in advance for sums covering costs

minus municipal or Departmental subsidies. On these lots families are permitted to build private cottages with a choice of a few standard types of construction. In return for this privilege the families agree to help construct a community hall with recreational rooms, bath facilities and a kitchen. Also the association has the right to acquire the cottages under certain conditions, and to rent out cottages to other families when they are not occupied by the owners.

Family camp sites offer much more than the usual sanitary facilities and snack bar; there are baby-sitters and crèches, restaurants and sports equipment. Reservations are made for a specific period of at least twelve days and families agree to exchange facilities.

There are now close to 300 youth hostels with over 80,000 members, two-thirds of them students, and 45 more are included in the Fifth Plan.

A major problem that confronted the National Leisure Committee in its efforts to promote development of social and cultural leisure activities was related to finance. Although the Commission for Tourism makes available loans and subsidies covering up to 60 or 70 per cent of the funds required, the balance has to be met through self-finance. All too often, inability to raise this balance has meant forfeiture of the opportunity to make use of state finance.

It was this financing problem that prompted the recent creation by the National Leisure Committee of the Cooperative Union for Leisure Equipment (UCEL). The primary purpose of UCCEL is to make investment projects in holiday facilities attractive to financial organisations. This it hopes to accomplish in three ways. One is the setting

ap of a mutual guarantee fund with participation by interested financial organisations including cooperative central banks, credit and insurance societies. Another is to ensure maximum utilisation of equipment financed by such investments by arranging for joint use of facilities and exchange of equipment between the various organisations involved. And the third is to make available to all groups interested in Social Tourism technical advice and research designed to increase the efficiency of their operations. The UCEL has already presented to the Commission for Tourism plans for a Family Holiday village providing 450 beds, and a Family Holiday camp of 150 beds; and consideration is being given to several additional Family Holiday centres.

"The Holiday Fellowship" in Britain, founded over 50 years ago, is a non-profit society owned and controlled by its members whose object is to encourage and provide for the healthy enjoyment of leisure and love of the open air; to further the interests of education, culture and physical recreation; to promote social and international friendships and organise holidaymaking and other leisure activities.

Getting Acquainted

An important task undertaken by many cooperative travel agencies is to arrange special tours for cooperators from abroad to cooperative establishments in their own country.

The cooperative travel agencies in Finland, apart from offering tourists the pleasure of a thousand lakes, vast forests and the excitement of logging and timber floating, specialises in organised educational trips for cooperators and others to inspect some of the mag-

nificent achievements of the Finnish cooperative movement, its educational centres, its large agricultural and forest producers, industrial plants, dairies, slaughterhouses, wood processing factories, sawmills, etc.

The Italian cooperative movement arranges study tours abroad designed to acquaint cooperators with the methods and experience of cooperatives in Switzerland, Scandinavia, Poland, Czechoslovakia, the USA, the Soviet Union, Germany and other countries.

The Foreign Tourist Office of Gromada, which is affiliated to the Central Agricultural Union of "Peasant Self-Aid" Cooperatives in Poland, organises tours to places of historical and cultural interest and caters for all kinds of recreational needs—anglers, hunters, horse riders, yachtsmen, mountaineers and skiers. It also specialises in organising group tours for foreign tourists who wish to become acquainted with the achievements of the Polish cooperative movement.

Cooperative Travel is Big Business

The American Travel Association (ATA), which is a member of the Cooperative League of the U.S.A., has included in its 1966 European tour participation in the I.C.A. Congress to be held in Vienna in September.

ZURK (Zen-Un-Rev-Kanko), the travel agency of the Federation of the Transportation and Agricultural Cooperative Unions of Japan, emphasises promotion of "Industrial Tourism" intended to improve the life, culture and health of the Japanese people, to cultivate friendship among the different strata of the population and to increase productivity.

Some of the cooperative tourist and

IRON HOLIDAYS 1965

PRESENTED BY

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**CENTRO
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COOPERATIVO**

ROMA - BORGO S. SPIRITO, 78

Mainly from — one of RESO's holiday groups in south western Canada



Galleon

HOLIDAYS

for special parties abroad



Groups
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RESO

travel agencies have come into being comparatively recently and still have many hurdles to overcome. Others however are already playing a leading role within their country.

REKREA, the cooperative travel agency of Czechoslovakia, owns 460 hotels and also car camps and log-cabin camps located in the mountains and beside rivers and lakes. The travel agencies of the cooperative movement in Finland operate a large number of the best hotels in the country, numerous licensed and unlicensed restaurants, and holiday places in the country ranging from small cottages to entire villages. GROMADA, the Polish cooperative tourist organisation, has a first class hotel in Warsaw, numerous camping places and other accommodation.

In Sweden, RESO, the travel organisation of the Swedish cooperative and trade union movement, is the largest hotel and travel organisation in the country. It operates 40 travel bureaux and over 20 information offices and embraces more than 80 large non-profit organisations as shareholders. RESO hotels are found all over Sweden, in cities as well as holiday resorts. Under the RESO Village Holiday scheme, vacations can be spent in farmhouses in Southern Sweden, fishermen's cottages by the Baltic or lumbermen's cabins in the North. RESO also operates an international holiday resort with an hotel, restaurant and villas on the Italian coast 125 miles north of Rome.

Popularis Tours, established and supported by the cooperative and trade union movements of Switzerland, is one of the most important travel bureaux of a very tourist-minded country. The business administration for "Airtour Suisse", an organisation of some 40 Swiss travel agencies, has been vested in

Popularis. It has its own holiday village on the Ligurian coast.

In Great Britain, the Cooperative Travel Service has 34 branch offices and a large network of agents throughout the country. As a member of the Creative Travel Agents Conference, it has played a major role in conjunction with several other travel companies in producing, programming and marketing "The Package Tour", thereby bringing holiday travel within the reach of the ordinary man. "Galleon Holidays", the trade mark of the Workers' Travel Association, has offices in London, Manchester, Glasgow, Birmingham and Bristol and a chain of guest houses, hotels and holiday centres in England and Scotland.

Tourism and the Developing Countries

Regrettably, the replies from member organisations to the I.C.A. circular letter show that cooperatives in Asia (except Japan), Africa and Latin America lack the organisation, capital and facilities to show visitors the beauty of their countries, their cultural heritage and their folk art. Of the member organisations, the following stated that they have no travel or tourist agencies: Cyprus, Egypt, Greece, India, Ireland, Malaysia, Nigeria, Pakistan, Persia, Roumania, USSR. Some of these are served by national tourist organisations which receive state support, and most have privately-owned travel agencies.

In 1964, twelve countries produced 82 per cent of total world tourist expenditure and received 65 per cent of all tourist receipts. Tourist arrivals also show a marked disparity between the developed and the developing regions; this is clear from the following figures for 1964 supplied by the International

Union of Official Travel Organisations
(IUOTO):

Asia and Australasia (24 countries)	2,000,000
Africa (13 countries)	1,600,000
Latin America and Caribbean (16 countries)	4,000,000
Europe (27 countries)	77,000,000
Middle East (8 countries)	2,100,000
North America (2 countries)	19,000,000
TOTAL	105,700,000



A troupe of Polish folk dancers

Raising the Maypole on Midsummer's Eve in Sweden



In 1964, 29 countries in Europe and North America had 96 million arrivals; 61 countries in the rest of the world had only 9 million.

Inability to exploit the full contribution which tourism is surely capable of making to development of emerging countries is unfortunate in more than one respect. It deprives these nations of one of the potentially most effective means of earning their own way in the world. Equally serious, perhaps, it means a missed opportunity of making it easier for people from Europe and America to become better acquainted with the people of these countries, and with the problems they are facing. And in terms of sheer pleasure and recreation there can be no doubt that Africa, Asia and Latin America have a great deal to offer the tourist by way of novelty, sunshine, open spaces, scenic beauty and ancient monuments and cultures of much historical interest—to say nothing of respite from the din, dirt and bustle of the city.

All of which raises the challenging issue as to what cooperators might do in the way of financial, administrative and advisory support to the development of tourism in less advanced economies, not as a charity, but on sound business principles.

Is it too Utopian to envisage, for example, investment by a Western cooperative movement in cooperative hostels or camp grounds in an African country? Or help via the I.C.A. in recruiting cooperative experts from an industrialised country to advise on the setting up of a cooperative tourist agency in Pakistan?

Prospects for Cooperative Tourism

An estimate made by the International Union of Official Travel Organisations (IUOTO) shows that the annual world expenditure on domestic and international tourism in 1964 was about \$53,000 million or 5 per cent of total consumer expenditures. The share of domestic tourism was estimated at \$40,000 million. During the 1950–1963 period, receipts from international tourism increased by 331 per cent (\$2,100 million in 1950 and \$9,052 million in 1963). Foreign tourist arrivals during the same period increased by 259 per cent (from 25,281,400 arrivals in 1950 to 90,863,900 in 1963).

These are impressive figures, but they are only a beginning. Tourism is already big business and it is on the threshold of a breathtaking expansion.

At the same time cooperators all over the world are considering structural changes designed to enable them to take advantage of "growth" sectors of the economy.

The response to ICA enquiries on cooperative tourist facilities has convinced us that this offers one of the

most exciting possibilities for cooperative expansion. There is no foreseeable limit to the prospects opened up by the international character and contacts of the world cooperative movement.

The movement has already demonstrated that it can play a major role in helping to ease many of the ordeals connected with travel—worry over visas, passports, transport, reservations, itineraries, and the like. There is far more to be done in the campaign to bring healthful and enjoyable holidays within reach of the ordinary cooperator.

Also it is clear that no other kind of organisation is as well placed as the cooperative movement for bringing together peoples of various nationalities and making it possible for them to get acquainted with each other. Cooperators the world over have more in common, and less that divides them, than political parties. People of different or even similar religions or political persuasions often do not want to mix because of conflicts that divide them, but a cooperator from Manchester, Brussels, New York, Paris, Rome, Warsaw, Lagos or Tokyo will readily mix with a cooperator from any other part of the world.

Indeed, what could be more appropriate than tourism for giving expression to the basic principles and traditions of the cooperative movement—human understanding, brotherhood and self-help? Why not encourage Finns and Poles, Russians and Americans, Arabs and Israelis, Africans and Swedes to meet in Hyde Park, in Rome or Paris, on the Riviera or on the lakes and in the forests of Northern Europe?

The world has some wonderful rivers. Perhaps a group of cooperators from Russia, Germany and France might organise a river tour along the Missis-

sippi, or cooperators from North and South America might cruise down the Volga—or the Ganges, Nile, Zambezi, Rhine or Danube.

Instead of a “Hilton” in every important city, the world cooperative movement might have its “Robert Owen” or “Rochdale”. It could be a posh hotel, or a bungalow, or even a camping ground. But it would bear an international cooperative insignia, and it would be cooperatively owned and operated. It might start as a symbol, but it could end as a thriving cooperative enterprise.

The international community has fully realised the economic and social importance of tourism and travel, and the International Cooperative Alliance has now taken positive steps to make known the tourist, travel and accommodation facilities offered by the cooperative movement. The world cooperative movement might therefore give thought to how it should utilise its existing international contacts and organisation to promote tourism at home and abroad.

This might even lead, eventually, to creation of an I.C.A. auxiliary body concerned with tourism along the lines of existing committees on banking, insurance, agriculture, technical assistance, housing, etc. Or why not an international tourism cooperative designed to coordinate the activities of existing cooperative travel agencies, to ensure the widest possible exchange of information and experience and to stimulate expansion in this field?

Whatever else the world cooperative movement may decide to do with respect to travel and tourism, it is hoped that I.C.A. member organisations and their press will give the widest publicity to the I.C.A. register, shortly to be



On the Mazurian Lakes in Poland

published, on travel, tourist and accommodation facilities offered by cooperative travel agencies. This is at least a beginning.

COMMENTARY

Arnold Bonner Memorial

THE British Cooperative College and the Ex-Students' Association are sponsoring a Memorial Fund for Arnold Bonner, which will be devoted to a suitable project at the Loughborough College honouring his name and service.

It is felt that ex-students would wish to share in such a memorial fund and it has been suggested that about £1 might be appropriate as an individual subscription, but the College would, of course, welcome any amount, be it more or less. After Arnold Bonner's death, many of us are bound to feel with deep sadness that we have lost the service and companionship of a person of exceptionally high quality. Many tributes have been paid reflecting the penetration and range of his cooperative service.

With the loss of this great scholar, the College is deprived of a man with unique teaching ability to whom a multitude of students from many different countries owe inspiration and personal development. Arnold Bonner will always be remembered for his integrity, humanity and strong principles, all qualities through which a teacher influences students far more than merely through communicating to them knowledge and technical skills.

Those who wish to subscribe are asked to send their contributions to: *W. Shearer, C.M.D., Hon. Treasurer, Cooperative College Ex-Students' Association, Stanford Hall, Loughborough, Leics.*, and to make cheques payable to "Ex-Students' Association (Arnold Bonner Memorial Fund)".

Death of Maurice Colombain

Maurice Colombain, who died in Paris on the 25th May 1966, began his career in Strasbourg where he worked with Dr. Fauquet for the improvement of working-class conditions. When the Cooperative Department of the ILO came into being through the efforts of Albert Thomas, he moved with Dr. Fauquet to Geneva where they worked together from 1920 to 1932. The following

year M. Colombain became head of the ILO Cooperative Department, remaining there for fifteen years.

In 1948 he joined the Board of the French Central Office for School Cooperatives and was Cooperative Adviser to the Ministry of Overseas Affairs.

A passion for understanding problems through first-hand experience drove him to travel widely in India and Ceylon, in the Middle East, in many parts of Africa, in Canada and the USA.

In addition to his official positions, Maurice Colombain was active in many sectors of the Cooperative Movement. He was president of the National Committee of the Federation of French Consumers' Cooperatives and a member of the Board of the Higher Council for French Cooperatives and Director of the Institute of Cooperative Studies in Paris.

Monsieur Colombain combined in an unusual manner the thinker and the man of action. In spite of his many administrative activities, he found time to write a vast number of books on Cooperation many of which have been widely translated. For the ILO he wrote *The Cooperative Movement and Problems of Today* and for UNESCO, *Cooperatives and Fundamental Education*.

In the words of Marcel Brot: "Maurice Colombain's life and work will remain a living force wherever human progress is made."

Hans Rudin

After a long and painful illness, at the age of 71, Hans Rudin, former Vice-President of the Board of Directors of VSK and a member of the I.C.A. Central Committee, is no longer with us.

Hans Rudin is remembered by his colleagues as a tireless worker, full of vitality devoted to the cause of cooperation. Back in April 1911, he began his career in the VSK with a commercial apprenticeship. In 1914 he started work in the accountancy section and later transferred to the manufacturing side of the movement. His little spare time was devoted entirely to improving his education and commercial knowledge. This time of his life coincided with the great and rapid development of the Swiss consumer movement and already in 1920 Hans Rudin was deputy chief of the Dispatch Department of the Consumers' Society in Berne and later became manager of the Consumers' Society in Schönenwerd. From 1922 to 1925 he worked in Chur and from 1925 to 1929 at Erstfeld.

On account of his wide experience, in 1929 he was made manager of the grocery society in Zürich where In April 1946 he joined the Board of Directors of VSK, and was instrumental in the establishment of the warehouses at Pratteln and other places.

Before he joined the Board, Rudin was President of the Cooperative Managers' Association where he remained active for many years. He also played a most important rôle in the foundation of the Working Party of Consumer Societies.

From 1950–1954 Hans Rudin was a member of the Administrative Council of the Milling Cooperative of the VSK and also a member of the administration of the furniture cooperative and its President from 1950.

Hans Rudin will be greatly missed by all the organisations he inspired, and for his humanity.

Death of Dr. Hans Dietiker

With the sudden death on the 26th May last of Dr. Hans Dietiker, Director of the Swiss Cooperative College, at the early age of 45, the Swiss Cooperative Movement has lost one of its most outstanding personalities, and many members and students a valued friend and adviser.

After obtaining degrees at the Universities of Zurich and Geneva, Dr. Dietiker was for a short time a teacher in his native Aargau. In 1947 he joined the staff of the Cooperative College at MuttENZ near Basle, and on the retirement of Dr. Faucherre in 1956, he became Director. To the work of his predecessors, Bernard Jaeggi and Dr. Faucherre, Hans Dietiker added a sound grasp of the swiftly changing problems with which Cooperation is faced in the modern world, and the expanding needs in staff training and member education. In an address at the VSK Congress in 1964, he made clear his approach to cooperative education. It was, he said, not only the flower in the Movement's buttonhole . . . but a fundamental and indispensable part of the whole Movement.

This outlook was given expression through closer ties between the College and the trading departments of the Swiss Cooperative Union, VSK, and through greater contact with universities and other adult education organisations. In addition to his cooperative work, Dr. Dietiker was president of the Swiss Adult Education Association and worked closely with UNESCO. To him, however, cooperators were also citizens for whom a much

wider form of education was essential. This he regarded as his second mission, for which he organised courses throughout the country on a wide variety of subjects, and also initiated a programme of leisure activities.

Hans Dietiker will be remembered far beyond Swiss frontiers, for he had many friends among cooperators and educationists in other countries with whose problems he was familiar and with whom he maintained close and continuous contact. As a cooperator, a teacher and a charming companion, he will be greatly missed.

UNESCO - ICA Joint Venture

At its 13th Session in 1964, the General Conference of UNESCO agreed to initiate a new travel grant programme, UNESCO Teacher/Learner Grants for Adult Education, to provide international educational experience for persons engaged in the teaching or administration of adult education within workers' organisations in Africa, Asia and Latin America. The aim of the grants is to help organisations, including cooperatives, to extend and to improve their educational programmes in a practical international setting and to give teachers in such organisations an opportunity of studying and teaching abroad.

A number of grants have been awarded to cooperative officers in the developing countries and individual programmes have been arranged for grantees in countries where cooperation is more advanced. This year, however, there has been an interesting new development involving the ICA and UNESCO in a joint venture. A group of eight cooperators to whom grants were awarded have had a three-month programme under the auspices of the ICA arranged at the request of UNESCO. After a month in Sweden studying the Cooperative Movement and workers' education techniques there, the group arrived in Britain where the Cooperative College arranged a programme at the request of the ICA. The programme was organised to give the Fellows the chance of seminar discussions with opportunity for practice in teaching or the leading of seminars. Study visits were arranged to Cooperative organisations, Universities, Workers' Educational Association activities. Further education, teacher training, technical institutions and colleges were studied. The group also attended the British Cooperative Education Convention and the Congress of the British Cooperative Union, and undertook study tours to the Welsh Agricultural Cooperative Movement and to the Land Settlement

Association. Discussions took place at the Headquarters of the Cooperative Union and the CWS.

The participating Fellows were from India, Korea, Malawi, Malaysia, Mauritius and Nigeria. As they were all English-speaking, it seemed appropriate that the British Cooperative College should be asked to collaborate in this experimental venture. If it is judged a success, the ICA may be asked to arrange further courses, possibly for other language groups.

Cooperation in India — Some recent Trends

Each Republic Day in India is linked with an annual stock-taking and the achievements of the cooperative movement are mentioned, covered by the last three Five-Year Plans of India. With a cooperative history going back more than 60 years, it was only in the post-Independence era, especially since the beginning of the Second Plan in 1956, that cooperation has started making a deep impact on the economy of that country.

Again, not until 1954, when the Rural Credit Survey Committee, appointed by the Reserve Bank of India, reported on the state of the Cooperative Movement, did that Movement make any serious impact in reducing rural indebtedness or meeting a sizeable portion of the demand of Indian farmers for agricultural credit. Perhaps the greatest credit for the progress cooperation has recorded in those years must go to the late Pandit Jawaharlal Nehru, who was the greatest exponent and supporter of the Cooperative Movement in his lifetime. Out of his vision and idealism, cooperation was assigned a very important rôle in India's Five-Year Plans.

Still perhaps a long way off from its goal of occupying a dominant rôle in all spheres of economic activity, the progress achieved by the Cooperative Movement during the last decade is significant. At the beginning of the First Plan, the number of all types of cooperative societies in India was 180,000 rising to 240,000 at the beginning of the Second Plan, 330,000 at the beginning of the Third, and in 1964/65 the number stood at 370,000. There was an increase of total membership of cooperatives of about 360 per cent, in share capital of over 700 per cent and in working capital 600 per cent. A marked progress is also recorded in the field of agricultural credit and a most significant progress in the cooperative field in the last decade has been achieved in the sphere of laying the foundations of an integrated structure of cooperative development.

Significant insofar as the granting of loans to smaller peasants is concerned, the Government of India has already accepted the recommendation of the V. L. Mehta Committee that loans should be advanced not on the basis of *credit-worthiness* of peasants, but on the *purpose-worthiness* of loans.

Spectacular advance has been made in the field of processing in the sugar industry and out of 66 cooperative sugar factories licensed so far, 50 are already in production. Other processing industries are 150 cooperative cotton ginning and pressing mills and some advance has been made in fruit and vegetable preservation and tea and coffee curing.

Benefiting from the experience of the last World War, significant progress can be recorded in the matter of setting up viable consumer cooperative stores. At present, the number of wholesale stores, organised in towns with a population of over 50,000 is at present 250 and of retail stores about 10,000. The great problem of the weaker sections of the community is intimately linked with the revitalisation of India's rural economy.

Attempts have been made with some success to set up dairy, poultry and fishery cooperatives to help the weaker sections of India's population. Also, the farming programme has made advances in a few States, the object being to aid the landless peasants and others with un-economic holdings. Transport cooperatives, labour and construction societies, artisans' societies, rickshawpullers' cooperatives are attempts in the same direction led by a dedicated young leadership, fully trained for its job.

Exchange of Cook and Waiter Cooperative Apprentices

In the sphere of public catering, the general expansion of tourist traffic is reflected in a gradually increasing need for technically qualified staff with practical knowledge of foreign languages. Year by year, this need is felt to an increasing extent by consumer cooperatives, because they have a large number of hotels and restaurants on the main roads and at various holiday centres in all parts of Czechoslovakia. The cooperatives accordingly are paying more attention to the education and training of young people, particularly those working in the combined cook and waiter branch as apprentices.

Although these apprentices become acquainted with special recipes of various foreign dishes and learn foreign languages (mostly Russian, German and English) during

their three years of training at apprentice schools, this does not involve sufficient practice.

Consequently, the Czechoslovak Central Union of Consumer Cooperatives has found it necessary to seek suitable methods of enabling these young people to improve their technical qualifications and intensify their study of foreign languages, especially those spoken by the neighbouring nations. With full approval on the part of the Government Authorities, the Union concluded an agreement with the Hungarian Central Union of Consumer Cooperatives, in 1964, on a mutual exchange of groups of cook and waiter apprentices. On the basis of this agreement, 22 young Hungarian trainees, boys as well as girls, came to Czechoslovakia in the Spring of 1965 for practice at consumer cooperative hotels and restaurants, particularly at places with busy tourist traffic, while 15 cook and waiter apprentices selected by Czechoslovak cooperatives left for Hungary for their training at catering establishments owned by consumer cooperatives in that country. Both the contracting parties were aware of certain difficulties which were bound to arise in this connection, particularly because of differences between the social regulations and other legislation of the two countries. Nevertheless, the necessary arrangements were made to enable the project to materialize, because it was considered most important that the young people should gain as much practical experience as possible, despite the difficulties involved.

The first exchange scheme ended in April 1966, with good results in both the technical and language practice, besides which it also represented a significant step towards closer collaboration of the two national cooperative unions. In view of the success of this first scheme, another one has recently been agreed upon; as a result, the two parties will again exchange 15-member groups of apprentices this year.

Moreover, the successful scheme has aroused interest in the national cooperative organisations of other countries. This year, therefore, the Czechoslovak Central Union of Consumer Cooperatives has also been able to conclude similar agreements with the respective national unions of consumer cooperatives of the German Democratic Republic and Bulgaria, with the result that 22 Czechoslovak youngsters have already left for the G.D.R. and 5 will very soon go to Bulgaria, while approximately the same number of people from these

countries will come to Czechoslovakia for practice at cooperative hotels and restaurants in the near future.

For the time being, all the exchange schemes of this kind have been organised by the Central Union of Consumer Cooperatives. In future however, most group exchanges of apprentices and staff, including workers from other spheres of activity and branches of specialisation, are likely to be organised directly by individual cooperative societies as soon as the latter have gained sufficient experience. In general, it is believed that this method will not only enable young workers and apprentices of cooperative organisations to "internationalise" their knowledge and technical qualifications, but also contribute to closer collaboration and better understanding between the nations of the countries concerned.

Cooperative Participation in the World Exhibition 1967

Among the many exhibits to be featured in the next World Exhibition, to be held in Montreal, Canada, in 1967, under the slogan "Man and His World", will be one from the Czechoslovak Central Cooperative Council, which is hoping to repeat the success it achieved at the 1958 Exhibition in Brussels. At that time, the products of the Czechoslovak cooperatives were awarded three gold medals, one silver medal and a diploma.

Czechoslovak cooperatives have now started to prepare themselves for the Montreal exhibition. They have been entrusted with the task of providing some special items for the interior decoration, fixtures and equipment of the Czechoslovak pavilion and four restaurants, including the popular "Pilsner" one.

As far as the actual cooperative exhibits are concerned, some will be supplied by the well-known "Vamberk Lace" cooperative society, which will display a large variety of products all made of lace, for example, costume jewellery, artificial flowers and bouquets, seamless evening dresses and even slippers for special occasions.

Other exhibits will be provided by the "Granát" cooperative society, renowned for the production of jewellery set with blood-red Bohemian garnets, and by the "Soluna" of Prague with its artistic gold and silver work. A large display of folk-art products, blown-glass Christmas tree decorations and wooden toys prepared by several other cooperatives will also be on show. The "Znak" cooperative society has started to manufacture special badges which visitors to the Czechoslovak pavilion will receive.

A successful account of a primary cooperative organisation active in the field of public transport is not often given and the success of EGGED in Israel is certainly worth noting, especially by those of our fellow-cooperators struggling in the same field of activity. EGGED is a primary cooperative for inter-urban public transport. Its Hebrew name indicates the idea of "association" and in fact, EGGED is an association of many cooperatives which have merged over a number of years, embracing six former bus cooperatives in all.

EGGED runs the total inter-urban public transport in Israel and a great part of urban transport as well. In 1964 it had 5,600 workers and members, 1,670 buses with 81,000 seats. The buses travelled a total of 138,000,000 kms. a year, carrying 310,000,000 passengers. All members are bus drivers, attending a general meeting once every two years. It has a Council of 55 members, a Managing Board of 16 members and a Supervision and Control Committee of five. The Society plays an active rôle in all spheres of Israeli life, and this year's Chairman of its Managing Board was elected to the Israeli Government.

At all times EGGED ensures that its fares are kept low; in fact, the bus fares in Israel are among the lowest in the world. Profits are used for a wide range of social and cultural programmes, sport and rest homes, medical supervision, information and press, training and driving instruction. Summer camps for children of bus cooperative members are run and education for all members is high on the society's list of activities.

J. H. O.

INTERNATIONAL LABOUR CONFERENCE — 1966

THE fiftieth session of the International Labour Conference took place in Geneva from the 1st to the 23rd June, 1966 and under Item four of the Agenda decided upon the adoption of certain proposals with regard to the role of cooperatives in the economic and social development of developing countries. These proposals were drawn up in the form of an instrument adopted as the Cooperatives (Developing Countries) Recommendation, 1966.

A number of cooperators were present at the Conference as delegates and advisers in the Government delegations and there were also a few cooperators amongst the representatives of both employers and workers. The International Cooperative Alliance was represented by the Director, Mr. W. G. Alexander, who was present for the first stages of the work in the Committee on Cooperatives and again during the final stages before the Conference in Plenary Session. Mr. Alexander was present throughout the whole of the 49th International Labour Conference when this draft instrument was drawn up and this year he discussed amendments with leading cooperators present and addressed both the Committee on Cooperatives and the Conference.

The most important additions to the work done in 1965 were as follows:

(a) the introduction of a new clause at paragraph 2(c) of the Recommendation to include among the reasons for the establishment and development of cooperatives their "contri-

buting to the economy an increased measure of democratic control of economic activity and of equitable distribution of surplus";

- (b) the inclusion of a new clause at paragraph 16(2), to recommend that workers' organisations and craftsmen's associations should be encouraged and helped in the implementation of plans for the promotion of cooperatives;
- (c) the adoption of a Resolution inviting the international bodies concerned to collaborate, amongst themselves and with the member States, to the greatest possible extent, for aiding and encouraging promotion of cooperatives in developing countries and
- (d) the adoption of a Resolution, not restricted to developing countries, inviting member States (i) to provide information periodically to the interested national and international organisations, concerning cooperative action in their respective countries, and (ii) "to give due consideration to the idea of international cooperative banking, with a view to increasing the availability of financial aid from international sources for cooperative development".

In this Resolution it was specifically mentioned that "in collaboration with the appropriate international organisations and taking into

account the existing institutions working in the field, Members should accordingly undertake a survey of needs and possibilities, including the feasibility of establishing an international banking institution for this particular purpose".

The degree of unanimity amongst Government, workers, and employers delegates on the cooperative item on the

agenda both in 1965 and in 1966 was so great that there is every hope of an active follow-up of all the points included in the Recommendation and the two Resolutions. The International Cooperative Alliance will study various aspects in the appropriate authorities and auxiliaries of the I.C.A. itself and will then take initiative and collaborate with the I.L.O. as necessary.

BOOK REVIEWS

Coop en Suisse. Regards sur la naissance et le développement du mouvement coopératif de consommation

(CO-OP in Switzerland. Aspects of the origin and development of the Consumers' Cooperative Movement). By Dr. Marcel Boson. Vol. V. of the series "La Coopération dans le Monde". Published by the Swiss Union of Consumers' Cooperative Societies (V.S.K., U.S.C.) Basle, 1965. With detailed table of contents and bibliography. 566 pages.

With the appearance in quick succession of volumes commemorating the centenaries or other important anniversaries of cooperative organisations in various countries, the history of the Cooperative Movement in Europe in the 19th century is becoming known in much more precise detail than formerly. In Dr. Marcel Boson's latest book, written at the request of the Swiss Union of Consumers' Cooperative Societies (V.S.K., U.S.C.) as part of the celebrations of the 75th anniversary of its foundation, the author has made an invaluable contribution to our historical knowledge for which not only his countrymen, but cooperators everywhere with an interest in the origins and development of cooperation in Europe should all be extremely grateful.

A knowledge of how cooperation began and developed is necessary to a true understanding of what it is and can become. Not legend and anecdote, but history which traces chains of cause and effect, which displays the motives for decisions and their consequences, which relates cooperative structures and policies to their economic and social environment, is what helps us most to reach that understanding. Dr. Boson's book is history in that sense. The story which

he has to tell is not new in the sense of novel. Much of the ground which he surveys has already been worked over by earlier writers such as Dr. Hans Müller, Dr. Henry Faucherre and others mentioned in his bibliography. The main phases in the development of Consumers' Cooperation in Switzerland are already familiar. But Dr. Boson has brought his training in the social sciences and his experience as a teacher of Cooperation, besides a clear and incisive style, to bear on his task, with the result that his account has an admirable precision and orderliness. His book is not merely fascinating to read now; it will be essential for purposes of reference for years to come.

Dr. Boson has planned his book in two parts, divided at the year 1890, when the Union of Consumers' Societies was founded. This event was a kind of coming-of-age for the Consumers' Cooperative Movement. It marks the end of its pioneer epoch and the beginning of its career as an established institution and an organised force in the Swiss economy. That the second part should be twice the length of the first is also perfectly just and its importance is even greater in proportion, for it includes a section on the progress of the Union and the affiliated societies in the 20 years from 1945 to 1964 which is, from the standpoint of the Cooperator directly concerned with the problems of today and tomorrow, perhaps the most valuable in the book.

Nevertheless, at the beginning of his history, Dr. Boson has much to say that is illuminating. He shows that the similarity of the German title of the Swiss Confederation, "Eidgenossenschaft", with the word for cooperative society, "Genossenschaft", is much more than a coincidence. It stems directly from the ancient Germanic agricultural associations in cooperative

form which constituted the basis of the economic life of the three First Cantons united in the original Confederation of 1291. It was precisely because these mountain-dwellers understood the power of cooperation in safeguarding their subsistence, that they applied the same idea to the preservation of their liberties.

Moreover, the cooperative strain has persisted throughout the history of the Swiss nation, even if it has not always been evident. It reappears in the early 19th century in the social teaching of the great Swiss educators, Pestalozzi and von Fellenberg, and the former's disciple, Henry Zschokke, and again in the various associations which arose more or less spontaneously in the second quarter of the century as the spread of machine industry made earning a livelihood more hazardous for the working classes. Dr. Bosen adds to the already available evidence that, at this period, it was not in Great Britain alone, but in many parts of Western and Central Europe, that the peoples were groping their several ways along the track which eventually led them to cooperation in its modern forms. In Switzerland, notwithstanding the adoption of the Rochdale system, the ideas absorbed from France and the lessons in organisation learnt from Germany, the Cooperative Movement is really indigenous and has grown, in Charles Gide's phrase, from the very bowels of the people.

Cooperation has not been the only significant, nor yet at all times the dominant element in Swiss society. Often the Movement has had to fight tenaciously to maintain its rights and liberties against actual or potential competitors with vested interests in particular markets. Where these opponents feared that they would be the losers in straightforward business competition, they often resorted to such methods as the price-ring, boycott and stoppage of supplies and, in the years following the world economic depression of the 1930's, to the extension of the competitive struggle into the legislative field.

Most instructive are the 20 pages in which Dr. Bosen describes the long struggle waged by the V.S.K. and the Committee for Inter-cooperative Relations, in which it was joined by the Concordia Union and four Agricultural Cooperative Unions, against the unfair and one-sided restrictions imposed by the Federal Decree of October 1933 which, under the pretext of an emergency, prohibited the opening or extension of any of the modern types of retail distributive enterprise. The purpose of this enactment was avowedly to protect the smaller trading and artisanal enterprises against the competition of large-scale undertakings of all kinds. It was renewed again and again and, for a period, even a small consumers' cooperative which wished to add a third to its two branch shops was treated as a big business or, alternatively,

as a mere branch of the Union V.S.K. The policy of restriction was not finally abandoned until 1945. In addition, there was the so-called "compensatory tax", a levy originally imposed on department stores and later extended to include cooperatives. Its purpose also was not so much revenue as the defence of the interests of the small trader. It is good to be reminded of these old battles, for the vested interests inspired by lucre can still find their natural allies in reaction and corporatism and take full advantage of ignorance of cooperation among both politicians and the public.

The last third of Dr. Bosen's history is concerned with the transformation which the Swiss Consumers' Cooperative Movement has undergone since 1945 and which still continues. It would be an exaggeration to call the beginning of this transformation an awakening. Rather was it a mobilisation of the Movement's reserves of technical competence and financial power, accumulated in the era when the Union was led by Bernhard Jaeggi, Oskar Schär and Maurice Maire, and their re-deployment in more dynamic fashion to enable the Movement to play an expanding role in the Swiss version of the affluent society. The transformation comprised more than the consolidation of the retail substructure through the reduction in the members of primary consumers' societies, the substitution of larger for smaller selling units, the rapid and widespread adoption of self-service, and the reinforcement of the selling front by a large-scale rationalising of warehousing. The extension of the Union's functions from procurement and production to an ever more active role in selling wiped out the traditional boundary lines between wholesale and retail and culminated in 1964 with a revision of rules in which the primary societies accepted the exercise of unprecedented power and authority by the central federation — all in the interests of more effective unity and collaboration.

Nor was the image of Cooperation as a social and humane, as well as an economic, movement neglected. On the contrary, through imaginative and skilfully planned exhibitions, the celebration of International Cooperative Day by the gift of a helicopter for mountain rescues, the comprehensive scheme of cooperative aid for the economy of Dahomey, besides the development of the Union's press and adult educational activity, the Movement has been at pains to demonstrate that Cooperation, if it originates in self-help, is conceived on no narrowly selfish basis but embraces all humanity.

Thanks to Dr. Bosen's clear and readable presentation of a mass of complex material, co-operators who read French and German can now survey the whole panorama of the development of Swiss Consumers' Cooperation and derive encouragement from it to tackle their

own tasks with resolution. A victory for Co-operation anywhere is a triumph for cooperators everywhere.

W. P. Watkins

Cooperative Development in Nepal

B. K. Sinha, Kitab Mahal, 15 Thornhill Road, Allahabad (India), June 1965, P. ix + 128, Price Rs. 10.00.

This book presents a historical review of the Cooperative Movement in Nepal and analyses the problems faced by the cooperatives. In the Development Plans launched by the country, "Cooperation" is given considerable importance and various plan projects are being implemented through cooperatives. The movement in Nepal was initiated in 1956-57, and, at the end of 1962, there were 870 cooperative societies claiming a total membership of 22,960. The movement is mainly agricultural as about 94 per cent of the societies are in the agricultural sector. In the urban sector, a few consumer cooperatives have been organised. The structure of the agricultural cooperative movement is three-tiered with primary credit or multipurpose societies at the base which are federated into a credit-cum-marketing union at the district level. At the national level, under the Cooperative Bank Act of 1963, an apex bank has been organised. At present this bank is largely controlled by the government. However, in course of time, it is planned to pass on its management to the cooperatives.

The part played by the agricultural cooperatives in supplying credit and other services has not been very significant. These cooperatives mainly concentrate on supplying short and medium-term loans. During 1962, the cooperative loans amounted to Rs.41 million as against the estimated annual production requirements of about Rs.300 million. The author discusses a number of deficiencies and shortcomings of the movement and suggests remedies for these

so that the movement can play an increasingly important and effective role in the economy of Nepal.

The Cooperative Development Plans in Nepal are receiving considerable financial and technical assistance from other countries like the USA and India. This assistance has no doubt contributed to increasing the financial resources of the societies and also in undertaking some of the useful activities by the cooperatives. However, there is need to guard against over-dependence on such foreign aid as they might reduce the urge of the people in picking up the job and also in mobilising the local resources. The author, therefore, makes a strong plea for launching a vigorous savings drive and also for training of the personnel. The author also cautions against the tendency of the foreign experts 'to transplant the pattern of organisation and operation of similar institutions of (their) own country'. Such institutions might become alien to the people of the land and fail to produce the desired impact. The need, therefore, for the experts to acquaint themselves with the social and economic conditions prevailing in the country in which they will be working has been rightly emphasized by the author. It is hoped that the aid-giving countries will take a particular note of this aspect of aid.

Mr. Sinha spent about two years in Nepal as Adviser for Cooperation to His Majesty's Government under the Indian Aid Programme for Nepal. He was closely associated with the Cooperative Movement in Nepal and the book bears testimony to his deep insight into the working of cooperatives. The book is a welcome addition to the existing literature on the Cooperative Movement in Nepal and deserves careful study by all those interested in the development of Cooperation in Nepal and also in other developing countries of this region.

P. R. BAICHWAL

AFFILIATED ORGANISATIONS

- ALGERIA:** Société Coopérative Musulmane Algérienne d'Habitation et d'Accession à la Petite Propriété, 8, rue du Cercle Militaire, Oran; also at - 21, rue Edgar Quinet, Algiers, and 9, rue Mathurin Régnier, Paris 15.
- ARGENTINA:** Federación Argentina de Cooperativas de Consumo, Avda. Suarez, 2034, Buenos Aires. Intercoop, Editora Cooperativa Limitada, Florida 32. Oficina 42, Buenos Aires.
- AUSTRALIA:** Cooperative Federation of Australia, Red Comb House, Roma street, Brisbane, Queensland.
- AUSTRIA:** Konsumverband Zentralverband der österreichischen Konsumgenossenschaften, Theobaldgasse 19, Vienna VI. Membership (1964): 442,098; turnover: consumers' societies: Sch. 3,191 mill.; wholesale (G.Ö.C.): Sch. 1,535 mill.; department stores: Sch. 532 mill.; own production: consumer societies: Sch. 379 mill.; G.Ö.C. and subsidiaries: Sch. 423 mill. Bank für Arbeit und Wirtschaft, A/G, Seitzergasse 2-4, Vienna I. Zentralkasse der Konsumgenossenschaft, Theobaldgasse 19, Vienna VI. Österreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, 1, Bösendorferstrasse 7/11, Vienna 10/0. 1965: Affiliated organisations 319 (comprising 207 societies and 112 associations); membership 115,596; dwellings administered 246,663 (comprising 107,229 societies and 139,434 associations); balans at 1964, 26.7 milliard Sch. (divided as to societies Sch. 12.5, associations Sch. 14.2). Österreichischer Raiffeisenverband, Seilergasse 16, Vienna I.
- BELGIUM:** Société Générale Coopérative, 26-28 rue Haute, Brussels 1. Affiliated consumers' societies: 25; membership: 300,000; turnover (1963): Frs. 3,900 mill.; shops: 1,400; Wholesale society turnover (1963): Frs. 959 mill. Société Coopérative d'Assurances "La Prévoyance Sociale", P.S. Building, 151, rue Royale, Brussels. Premiums (1964): Frs. 1,176 mill.; reserves: Frs. 5,000 mill.; insurance funds, life: Frs. 15,000 milliards. Fédération Nationale des Coopératives Chrétiennes, rue de la Loi, 141, Brussels. (1964): 1,336 shops; turnover Frs. 1,303 million; dividends: Frs. 60 million; Savings Bank: 1,930 branches; 388,000 members; deposits: Frs. 7,024 mill.; Insurance Society: 210,000 policy holders; premiums: Frs. 310 mill.; reserves Frs. 800 mill. L'Economie Populaire, 30, rue des Champs, Ciney (Namur). Branches (1964): 466; membership: 83,539; turnover: Frs. 839 mill.; savings deposits: Frs. 496,5 mill.; capital and reserves: Frs. 108 mill. Institut Provincial de Coopération Agricole, 42, rue des Augustins, Liège.
- OPHACO** (Office des Pharmacies Coopératives de Belgique), 602, chassée de Mons, Brussels. Union of 28 cooperative societies owning 360 pharmacies, 68 optical departments and counters, 7 drug stores, 14 wholesale depots. Turnover (1963): Frs. 1,250 mill. Surplus distributed to 400,000 members: Frs. 95 mill. Société Coopérative Fédérale de Belgique, 83-85, rue Vanderschrick, Brussels.
- BRAZIL:** Aliança Brasileira de Cooperativas (ABCOOP), Ave Franklin Roosevelt 39-12°, Sala 1216, Rio de Janeiro C.B.
- BULGARIA:** Union Coopérative Centrale, Rakovski, Sofia.
- BURMA:** National Cooperative Council, 290-300, Lewis Street, (2nd. Floor), Rangoon.
- CANADA:** Co-operative Union of Canada, 111, Sparks Street, Ottawa 4, Ont. A national association of English-language cooperatives the principal members of which are provincial cooperative unions and inter-provincial cooperatives; organised in 1909. Conseil Canadien de la Coopération, rue Dalhousie, Ottawa, 2.
- CEYLON:** The Co-operative Federation of Ceylon, Co-operative House, 455, Galle Road, Colombo 3.
- CHILE:** Federación Chilena de Cooperativas de Ahorro, Ltda., Dieciocho 246, Clasificador 760, Santiago de Chile.
- COLOMBIA:** Cooperativa Familiar de Medellín, Ltda., Calle 49, No. 52-49, Medellín.
- CYPRUS:** Cooperative Central Bank Ltd., P.O. Box 411, Nicosia. Cyprus Turkish Cooperative Central Bank Ltd., P.O. Box 791, Nicosia. Vine Products Cooperative Marketing Union Ltd., P.O. Box 315, Limassol.
- CZECHOSLOVAKIA:** Ustredni Rada Druzstev, Tesnov 5, Prague II.
- DENMARK:** De samvirkende danske Andelskabskaber (Andelsudvalget), H. C. Andersens Boulevard 42, Copenhagen V. Representing 29 national organisations, comprising: consumers' societies, agricultural production, marketing and purchase societies, other production and marketing societies, insurance societies, banking societies. Membership: 525,000 individual members. Turnover (1964): D.Kr. 14,300 mill. Det kooperative Faellesforbund i Danmark, Frederiksborggade 50, Copenhagen K. Affiliated societies (1963): 634; total sales: D.Kr. 1,582 mill.; employees: 12,500; comprises: consumers', workers', artisans', productive and housing societies etc. Faellesforeningen for Danmarks Brugsforeninger (FDB), Roskildevej 65, Glostrup. Affiliated societies (1964): 1848; members: 640,000; turnover: 2,400 mill. D.kr.; wholesale turnover: 1,265 mill. D.kr.; own production: 388 mill. D.kr.

- DOMINICA:** Dominica Cooperative Credit Union League, Ltd., 14, Turkey Lane, Roseau.
- EGYPT:** Société Coopérative des Pétroles, 94, Kasr el Eini Street, Cairo.
- EIRE:** Irish Agricultural Organisation Society, Ltd., 84 Merrion Square, Dublin 2.
National Organising and Advisory Body for Agricultural Cooperatives. Affiliated Societies: 339; Membership: 121,000; Turnover (1964): £ 106 mill.
- FINLAND:** Suomen Osuuskappojen Keskuskunta (S.O.K.), *Vilhonkatu 7, Helsinki 10*.
Affiliated societies (1965): 336; members: 520,092; wholesale turnover: Fmk. 1,054 million; own production of SOK: Fmk. 230 million.
Yleinen Osuuskappojen Liitto r.y. (Y.O.L.)
Vilhonkatu 7, Helsinki 10.
Affiliated societies (1965): 336; members: 520,092; turnover of societies: Fmk. 2,049 million; total production of the affiliated societies: Fmk. 43 mill.
Kulutusosuuksuntien Keskusliitto (K.K.), r.y.,
Mikonkatu 17, Helsinki 10.
Affiliated societies (1965): 97; members 562,350; turnover: Fmk. 1,526,2 mill; own production: Fmk. 238,7 mill
Osuustukkukauppa (O.T.K.), P.O. Box 10,120, Helsinki 10.
Affiliated Societies (1965) 97; turnover Fmk. 862,2 mill.; own production Fmk. 274 mill.
Pellervo-Seura, Central Organisation of Farmer's Cooperatives, *Simonkatu 6, Helsinki*.
(1963): 10 central organisations; 1,102 societies.
- FRANCE:** Fédération Nationale des Coopératives de Consommation, F.N.C.C., 89, rue de la Boétie, Paris VIII.
Affiliated societies (1964): 475; membership: 3,460,000; shops: 9,900; turnover: NF. 3,600 mill.
Société Générale des Coopératives de Consommation, 61 rue Boissière, Paris XVI.
Fédération Nationale des Sociétés Coopératives Ouvrières de Production du Bâtiment, des Travaux Publics et des Matériaux de Construction, 88, rue de Courcelles, Paris VIII.
Confédération Générale des Sociétés Coopératives Ouvrières de Production de France et de l'Union Française, 88, rue de Courcelles, Paris VIII.
Banque Coopérative des Sociétés Ouvrières de Production de France, 88, rue de Courcelles, Paris VIII.
Confédération Nationale de la Coopération, de la Mutualité et du Crédit agricoles, 129, Bd. St. Germain, Paris VI.
Caisse Nationale de Crédit Agricole, 91-93, Boulevard Pasteur, Paris 15.
Fédération Nationale des Sociétés Coopératives d'Habitations à Loyer Modéré, Foyer Coopératif, 17, rue de Richelieu, Paris 1er.
Confédération des Coopératives de Construction et d'Habitation, "L'Habitation", 31, ave Pierre 1er de Serbie, Paris XVI.
- L'Association BâtiCoop, 6, rue Halévy, Paris 9e.
Confédération des Organismes de Crédit Maritime Mutuel, 18 bis, Avenue Hoche, Paris VIII.
- GERMANY:** Zentralverband deutscher Konsumgenossenschaften e.V., *Besenbinderhof 43, Hamburg 1*.
Affiliated societies (1964): 239; membership: 2,556,321; turnover: D.M. 3,540,742,4 mill.
Grosseinkaufs-Gesellschaft deutscher Konsumgenossenschaften m.b.H., *Besenbinderhof 52, (2), Hamburg 1*.
Total turnover (1964): D.M. 1,900 mill.; own production: D.M. 570 mill.
Gesamtverband Gemeinnütziger Wohnungsunternehmen, *Breslauer Platz 4 (22a), Cologne*.
"Alte Volksfürsorge", Gewerkschaftliche-Genossenschaftliche Lebensversicherungs A.G., *An der Alster, (2) Hamburg 1*.
Deutsche Sachversicherung "Eigenhilfe", *Steinstrasse 27, (2) Hamburg 1*.
- GREAT BRITAIN:** The Co-operative Union Ltd., *Holyoake House, Hanover Street, Manchester 4*.
Affiliated Societies (1965): 704. Membership: 13,032,771. Retail Societies' share capital: £ 243,840,861. Retail sales: £ 1,096,376,175.
Co-operative Wholesale Society Ltd., 1, *Balloon Street, Manchester 4*.
Affiliated societies (1964): 785; sales: £ 488,496,661; Bank turnover: £ 7,951,009,359; reserve and insurance funds: £ 40,379,399; total assets: £ 292,445,654.
Co-operative Insurance Society, Ltd., *Miller Street, Manchester 4*.
Assets (1964): £ 369 mill.
Scottish Co-operative Wholesale Society Ltd., 95, *Morrison Street, Glasgow C. 5*.
Affiliated societies (1964): 164; sales: £ 93,720,670; reserves and insurance funds: £ 8,417,093; total resources: £ 19,532,184.
Co-operative Permanent Building Society, *New Oxford House, High Holborn, London, W.C. 1*.
- GREECE:** Pan-Hellenic Confederation of Unions of Agricultural Cooperatives (S.E.S.), 6, *Othonos Street, Athens*.
- GUIANA:** British Guiana Cooperative Union Ltd., Ministry of Education and Social Development, 41, *High and Cowen Streets, Kingston, Georgetown*.
- HOLLAND:** Coöperatieve Vereniging U.A., Centrale der Nederlandse Verbruikcoöperaties, "CO-OP Nederland", *Vierhavensstraat 40, Rotterdam 7*.
Association of Enterprises on a Cooperative Basis, *Bloemgracht 29, Amsterdam*.
- HUNGARY:** Federation of Hungarian Co-operative Societies, *Szabadság 14, Budapest V*.
- ICELAND:** Samband Isl. Samvinnufjelaga, *Reykjavik*.
- INDIA:** National Cooperative Union of India, 72, *Jorbagh Nursery, New Delhi-3*.

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CO-OPERATIVE UNION LTD.,
Holyoake House,
Hanover Street, Manchester 4.

All Bombay Consumers Cooperative Societies, Federation, Ltd., 3rd Floor, Military Square Lane, Fort, Bombay 1.

National Agricultural Cooperative Marketing Federation, Ltd., 34, South Patel Nagar, New Delhi, 12.

IRAN: Cherkate Taavoni Masrafe Artèche (Army Consumers' Co-operative Society), Avenue Sevvom Esfand, Rue Artèche, Teheran.

The Credit and Housing Society of Iran, 20-22 Shahabad Avenue, Teheran.

ISRAEL: General Cooperative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., P.O.B. 303, Tel-Aviv.

Affiliated societies and companies (1963): 1,855 in all branches.

"Merkaz" Audit Union of the Cooperative Societies or Loans and Savings, 44, Rothschild Bd., P.O. Box 75, Tel-Aviv.

"Haikar" Audit Union of the Agricultural Societies of the Farmers Federation of Israel, 8 Harkrya Street, P.O.B. 209, Tel-Aviv.

ITALY: Lega Nazionale delle Cooperative e Mutue Via Guattani 9, Rome.

Confederazione Cooperativa Italiana, Borgo Santo Spirito, 78, Rome.

Associazione Generale delle Cooperative Italiane, Via Milano 42, Rome.

IVORY COAST: Centre Nationale de la Coopération et de la Mutualité Agricoles, B.P. 702, Abidjan.

JAMAICA: The Jamaica Cooperative Union, Ltd., 74½ Hanover Street, Kingston, W.I.

JAPAN: Nippon Seikatsu Kyodokumiai Rengokai, (Japanese Consumers' Cooperative Union) Tanro-Kaikan, 9 Ichigaya-Kawada-cho, Shinjuku-ku, Tokyo.

Zenkoku Nogyokyodokumiai Chuokai, (Central Union of Agricultural Cooperatives) 11, Yurakucho, 1-chome, Chiyoda-ku, Tokyo.

Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fishery Cooperative Associations), Sankaido Building, Akasaka-ta meikomachi, Minato-ku, Tokyo.

JORDAN: Jordan Cooperative Central Union Ltd., P.O.B. 1343, Amman.

KENYA: Kenya Federation of Cooperatives Ltd., P.O.B. 9768, Nairobi.

KOREA: National Agricultural Cooperative Federation, 75, 1st street, Chung-Jong-Ro, Sodaemun-ku, Seoul.

MALAYSIA: Cooperative Union of Malaya, 8, Holland Road, Kuala Lumpur.

Federation of Cooperative Housing Societies, 8, Holland Road, Kuala Lumpur.

Sarawak Co-operative Central Bank Ltd., 3-j. Clifford House, Kuching, Sarawak.

MALTA: Farmers' Central Cooperative Society Ltd., New Building, Middleman Street, Marsa.

MAURITIUS: Mauritius Cooperative Union, Dumat Street, Port Louis.

MEXICO: Confederación Nacional Cooperativa de la Republica Mexicana, C.C.L., Av. Cuauhtemoc 60, 5e Piso, Mexico 7, D.F.

NEW ZEALAND: Hutt Valley Consumers' Co-operative Society Ltd., P.O.B. 5006, Naenae.

NIGERIA: Cooperative Union of Eastern Nigeria Ltd., *Cooperative Bank Buildings, Milverton Ave, Aba.*

Cooperative Union of Western Nigeria, Ltd., *c/o Cooperative Buildings, New Court Rd., Ibadan.*

Lagos Cooperative Union Ltd., *Cooperative Office, 147, Broad Street, Lagos, W. Nigeria.*

NORWAY: Norges Kooperative Landsforening, *Organisasjonsavdelingen, Kirkegaten 4, Oslo.*

Affiliated societies (1964): 956; membership: 330,000; turnover of local societies: Kr. 2,000 mill.; of N.K.L.: Kr. 586 mill.

BBL A/L Norske Boligbyggelags Landsforbund, *Trondheimsveien 84-86, Oslo.*

PAKISTAN: East Pakistan Co-operative Union, Ltd., *9/D-Motijheel Commercial Area, 3rd. Floor, Dacca, 2.*

West Pakistan Co-operative Union, *26, Edward Road, Lahore, 1.*

Karachi Central Cooperative Bank, Ltd., *14, Laxmi Building, Bunder Road, Karachi, 2.*

Karachi Central Cooperative Consumers' Union, *Block No. 53, Pakistan Secretariat, Karachi, 3.*

Karachi Cooperative Housing Societies Union, *Shaheed-e Millat Road, Karachi, 5.*

Karachi Cooperative Institute Ltd., *4. Bandukwala Building, McLeod Road, Karachi, 2.*

Karachi Fishermen's Cooperative Purchase and Sales Society Ltd., *West Wharf Road, Karachi.*

Sind Baluchistan Provincial Co-operative Bank, Ltd., *Provincial Co-operative Bank Bldg., Serai Road, P.O. Box 4705, Karachi 2.*

PHILIPPINES: Central Co-operative Exchange, Inc., P.O.B. 1968, Manila.

POLAND: Central Agricultural Union of "Peasant Self-Aid" Cooperatives, *Kopernika 30, Warsaw.*

The Central Union of Building and Housing Co-operatives, *Ul. Jasna 1, Warsaw.*

The Inyalids' Co-operative Union, *c/o Central Agricultural Union of "Peasant Self-Aid" Co-operatives, Ul. Kopernika 30, Warsaw.*

"Spolem" - Union of Consumer Co-operatives, *Grazyny 13, Warsaw.*

Central Union of Work Co-operatives, *Surawia 47, Warsaw.*

ROUMANIA: Uniunea Centrale a Cooperativelor de Consum "Centrocoop", *Calea Victoriei 29, Bucharest.*

SCANDINAVIA: Nordisk Andelsforbund, *3 Axelortv, Copenhagen V.*

SINGAPORE: Singapore Cooperative Union Ltd. *Post Box 366, Office and Library: 3-J/K Clifforo House, Singapore 1.*

SWEDEN: Kooperativa Förbundet, *Stockholm, 15.* Affiliated retail societies (1965): 338; membership: 1,323,000; total turnover of distributive societies: Kr. 5,083 mill.; total turnover of K.F.: Kr. 3,817 mill. (Kr. 2,660 mill. sales to affiliated societies); own production: Kr. 1,834 mill.; total capital (shares and reserves) of K.F. and affiliated societies Kr. 1,099 million, surplus included.

Kooperativa Kvinnogillesförbundet, *Stockholm, 15.*

Hyresgästernas Sparkasse- och Byggnadsförenings Riksförbund (H.S.B.), *Flemminggatan, 41, Stockholm, 18.*

Affiliated Building Societies: 186; with individual members: 250,000; number of flats administered by local societies: 220,000; value of real estate: 8,000 mil. Kr.

Svenska Riksbyggen, *Box 19028, Stockholm, 19.*

Folksam Insurance Group, *Folksam Building, Stockholm, 20.*

Sveriges Lantbruksförbund, *Klara Ostra Kyrkogata, 12, Stockholm, 1.*

SWITZERLAND: Verband schweiz. Konsumvereine (V.S.K.), *Thiersteinallee 14, Basle.* Affiliated societies (1964): 505; shops: 3,200; membership: 780,000; retail turnover of affiliated societies: Frs. 1,700; wholesale turnover: Frs. 1,100 mill.

Verband ostschweiz. landwirtschaftlicher Genossenschaften (V.O.L.G.), *Schaffhauserstrasse 6, Winterthur.*

Schweiz. Verband Sozialer Baubetriebe, SBHV., *Postfach Sihlpost, Zurich, 1.*

Genossenschaftliche Zentralbank, *Aeschenvorstadt 71, Basle.*

COOP Lebensversicherungs-Genossenschaft Basle, *Aeschenvorstadt 67, Basle.*

International Cooperative Bank Co., Ltd., *Aeschplatz 3, 4002 Basle.*

TANZANIA: Cooperative Union of Tanganyika, Ltd., *Avalon House, P.O. Box 2567, Dar es Salaam.*

TUNISIA: El Ittihad, *26 rue du Portugal, Tunis.*

UGANDA: Uganda Co-operative Alliance, Ltd., P.O.B. 2215, Kampala.

U.S.A. The Co-operative League of the U.S.A., *59, East Van Buren, Chicago Ill. (60605), and 1012, 14th Street, N.W., Washington 5, D.C.*

U.S.S.R.: Central Union of Consumers' Cooperative Societies of the U.S.S.R., "Centrosoyuz", *Ilyinka Tcherkassy pereulok 15, Moscow.* Consumers' societies (1961): 17,500; members: 43,1 mill.; stores: 321,000.

YUGOSLAVIA: Glavni Zadruzni Savez FNRJ., *ul. Knez Mihajlova 10, Belgrade.*

ZAMBIA: Eastern Province Cooperative Marketing Assoc. Ltd., *POB 108, Fort Jameson.*

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COOPERATIVE SELF-HELP IN AUSTRIA

A HISTORICAL REVIEW

By **Andreas Korp**



THE history of the Austrian cooperative movement goes back to the year 1847. At that time present-day Austria formed only a small, but of course the central part, of the large and mighty "Austrian Empire". Since then more than 120 years have passed. During this period Austria has been the scene of dramatic events, which have left their traces in the cooperative movement to the present day. It seems advisable, therefore, to introduce a survey of the Austrian cooperative movement with a short historical review from the cooperative standpoint.

The Austrian Empire, since 1867 known as the Austro-Hungarian Monarchy, which had a population of 38 millions, was in the middle of the last century a real world power. Vienna, the capital, had at that time already 420,000 inhabitants and was a city of far-reaching intellectual and cultural importance. But the population of this State consisted of more than a dozen nationalities; most strongly represented next to the Germans were the Magyars, the Czechs, the Italians, the Poles and the South Slavs. The growth of the cooperative movement coincided with the awakening of national consciousness and the clamour for national self-determination. In Austria a widely extended cooperative movement, as for instance in England or Germany, could not therefore come into being. Rather, each nationality had to write its own chapter in the history of the cooperative movement of the Monarchy.

A hundred years ago, Austria was a typical agrarian society, in which more than two-thirds of the population de-

pended on agriculture. Industrialisation began much later and in a totally different manner from that in England. Whilst the English peasants were driven from the land as early as the eighteenth century and filled the ranks of the proletariat in the factories, the Austrian peasants remained closely linked with the land. They were subjected, however, to the landlordism of the aristocracy and the clergy and had to pay them heavy tribute. The waves of the bourgeois revolution spreading from Paris in 1848 also reached Vienna; but the Imperial canons soon silenced the voice of freedom. The year 1848 was none the less a decisive turning point in the history of our country.

During the revolution the ruling aristocracy noticed with alarm that the rural population, usually so loyal to the Emperor, was seized with discontent. In order to save the monarchy, big concessions were made to the peasants. The oppressive services and payments in kind the peasants had hitherto been forced to make were transformed into long-term loans at a low interest rate, and the feudal rights of the landlords were abolished, although the church and the aristocracy still retained large portions of the land. But in the German-speaking part of the monarchy a legally free, even if economically backward, peasantry arose next to it. Thus one of the essential preconditions for the emergence of rural cooperatives had come into existence. It still took several decades, however, until the peasants systematically proceeded on the road of cooperative self-aid. There are several reasons for this regrettable fact: It took a

relatively long time until the peasants in Austria left the narrow framework of a subsistence economy and strove to create the conditions required for a market economy; the first decades after the "peasant liberation" were relatively free of agricultural crises; the uneasy years began only after the outbreak of the grain crisis in the eighties; and finally it must be stated that it was not until the turn of the century that the peasants were able to liberate themselves from the intellectual and political tutelage of the landlords and struggled through to independent action. Meanwhile the protracted discussions between the adherents of Schulze-Delitzsch (1808—1883) and Raiffeisen (1818—1888) on cooperation in agriculture in Germany had been decided in favour of the latter.

As a result of these conditions the cooperative achievements of the peasants in Austria remained confined within modest limits, as long as Austria was a predominantly agrarian country. The more remarkable is the change afterwards. Today the Republic of Austria is an industrial country with only 20 per cent of its population working in agriculture. This agricultural economy, however, which consists mainly of peasant family farms, is in a position to satisfy the basic food requirements of the people almost completely, in spite of difficulties due to the mountainous formation of the land. This achievement is mainly due to the extensively integrated Austrian rural cooperative movement, which is organised on the basis of the principles of Raiffeisen and is by far the most important branch of the Austrian cooperative movement.

It was by no means an accident that the oldest cooperatives in the present Republic of Austria were founded by

craftsmen. During the March revolution of 1848 the petty bourgeoisie had fought alongside of the students and the workers for freedom and human rights. It had, however, the bitter disappointment that the reactionary aristocracy kept the reins of the state policy firmly in its hands and that the direction of the economic policy went into the hands of the capitalistic-minded bourgeoisie. At that time Austria still stood at the beginning of its industrial development; but from now on the doctrine of "economic liberalism" gained ground with increasing speed. The industrial proletariat was weak in numbers and not organised. The craftsmen, however, had preserved their old traditional organisations and believed they could themselves stem the tide of the economic development if they tenaciously held fast to their guild privileges. It is the great merit of the German pioneer of Cooperation, Schulze-Delitzsch, to have opened the eyes of the craftsmen to the fact that it was completely futile to mourn for the past; he propagated with arduous zeal and overpowering force of conviction the idea of erecting a dam of cooperative solidarity against the capitalistic flood. The appeal of Schulze-Delitzsch was directed to all layers of the working population. His most evident and lasting success was achieved, however, at the beginning of the sixties in the struggle against the strangling lack of trade credits, which soon led to the spreading of a network of credit societies over the whole of Germany on the basis of the "system of Schulze-Delitzsch". In view of the existing close cultural and linguistic links, obviously it could not be long until this example also spread to the German speaking part of Austria. Indeed, the actual history of the cooper-

ative movement on the present territory of the Republic of Austria started with the advance of the Schulze-Delitzsch movement across the Austrian border.

Although this has to be admitted, it can also be shown by the Austrian example that the working people in many countries, independently of each other, found their own solutions, which in many respects must be regarded as cooperative, a long time before the "modern" cooperative movement. It may sound surprising, but it is a historical fact that there already existed at about 1794, in Vienna, marketing cooperatives of master watchmakers, locksmiths and joiners for the promotion of the sale of the products of their members by joint advertising and the opening of joint shops. The foundation of these organisations proves that the statement that the cooperatives are the "children of poverty", is only approximately correct. Without doubt the socio-historical importance of the cooperative movement is due to the fact that it was able to alleviate the misery of large layers of the population. The first cooperatives, however, by no means always came into existence only where the misery was greatest, and their founders were not always among the poorest. The main thing was that a small group of like-minded people organised themselves in the attempt to find a new way to improve their economic position. The example of 1794 is unfortunately an isolated example in the history of the Austrian cooperative movement. Up to now we neither know what became of these craftsmen cooperatives nor can we explain why there is a gap up to the middle of the nineteenth century without any trace of cooperative action.

Only in 1847 did the cooperative

spark light up again. This time it was a master tailor with the name of Joseph Lorber who, in Klagenfurt, proposed the creation of a trade credit cooperative. There is no reason to believe that Lorber was imitating any example from abroad. Apparently, he had closely followed the economic development in England, and he was one of the first in Austria who took up the idea that the "Association" is a means of economic self-aid for the small craftsman. He referred to the example of the rich "English moneybags", who, instead of acting on their own, were founding stockholding companies, and he advised his friends to do the same, although on a smaller scale. Lorber emigrated to America after the defeat of the revolution of 1848, but his adherents kept to his plan. After long efforts they succeeded in 1851 in obtaining the Imperial permission for the foundation of an "Aid-Cash-Society" (Aushilfs-Kassenverein). This enterprise still exists today as a cooperative bank.

The first consumers cooperative in Austria was founded in 1856 by spinning mill workers in the little industrial town of Teesdorf, about 20 km from Vienna. As English specialists were temporarily working in the Austrian textile industry, it is probable that the initiative for this step came from England. Under no circumstances was the cooperative of the "Honest Pioneers of Rochdale" the example; the selling was done at cost prices and dividend was not paid. It was none the less a genuine cooperative with very strict demands on its members. Particularly noticeable is the fact that in Austria, already at a very early date, leading civil servants took up the idea of cooperative self-aid. Thus the "First Viennese Consumers Cooperative of Civil Servants" was founded in 1862

in Vienna by a group of leading railway officials which for many decades played a very prominent rôle in the Austrian cooperative movement.

During the "foundation period" which lasted up to the middle of the sixties, the cooperative idea took root in all kinds of layers of society. The cooperatives confined themselves to daily tasks at hand, the intention of social reform was alien to them. For this reason there were no ideological disputes. It must, however, be added that the police state watched suspiciously for any false political step.

The big turning point came in 1866. This was the year of the war between Austria and Prussia for the hegemony in Central Europe. The defeat at Königgrätz (Sadowa) led also to political changes at home. The Emperor for the first time saw himself compelled to bow to the national aspirations of one of "his peoples"; in 1867 the Magyars achieved the partition of the Empire into two halves, which from then on became known as the Austro-Hungarian Monarchy. In the Austrian part the big bourgeoisie took over the government once and for all. In a new "Fundamental State Law" the rights of the citizens were formulated in the spirit of liberalism — but without the attempt to formulate rules for the living together of so many nationalities and without any intention of recognising that the property-less classes were entitled to equal rights. Nevertheless, it was now at least possible to organise economic, cultural as well as political societies under much easier conditions.

At this historical juncture two ideologies from Germany found their way into Austria: One stemmed from Schulze-Delitzsch, who appealed to the economically weak to trust in their own

strength and to associate themselves for the purpose of communal self-aid in order to hold up their position against capitalist competition. He did not preach the idea of a new form of society, he saw in Cooperation the necessary corrective to fight against the evil social consequences of capitalism.

The ardent prophet of the other ideology was Ferdinand Lassalle (1825—64); with the force of a brilliant agitator he had succeeded in rousing the enthusiasm of large layers of the industrial working class for his idea of the liberation of the working class. Under the influence of the French socialist Louis Blanc he appealed to the workers to create large productivity associations and to become themselves entrepreneurs with their aid. The capital for this purpose was, however, not to be collected by self-aid, but to be contributed by "State aid". In order to safeguard the latter, the workers would have to constitute themselves into an independent political party, fight for the general and equal rights for a direct vote and thus gain the power over the legislative bodies. At a time, when the working class was still entirely excluded from any political participation, such an appeal fell on fertile ground—especially among the most active layers of the working class. It is therefore not surprising that the teachings of Ferdinand Lassalle found, even after his death, an enthusiastic echo when the Austrian workers began to build up educational and trade societies.

But for the cooperative movement it was a misfortune that Lassalle condemned the proposals of Schulze-Delitzsch for a gradual improvement of the social conditions of the working class, lock stock and barrel and especially as he did not have a good word to say for the

consumers cooperatives. Based on his entirely wrong "Theory of the Iron Law of Wages" he denied, with this statement, that every reduction in the living costs would finally only profit the capitalist entrepreneurs, that they have any value at all. The result was that just during the years, when the Austrian working class became conscious of its political importance, a big cleavage formed itself between the adherents of "State help", who put everything exclusively on the political card and the protagonists of self-aid, who devoted themselves to quiet cooperative activity. More than a quarter of a century had to pass before the idea was generally accepted that the struggle for equal political rights and the daily organisational work for a better life do not exclude each other.

This conflict led to an unexpected sympathy of the State for the cooperatives. It came to the conclusion that the political activity of the working class should not merely be violently suppressed, but that it would also be useful to divert it into harmless channels. The cooperative movement seemed to be particularly well suited for this purpose, as it gave the workers the opportunity to be organisationally active, without coming under the influence of ideas dangerous to the State. Of course, this approach was not likely to reinforce the confidence of the enlightened section of the working class in the cooperatives. The benevolent attitude of the government circles contributed, however, on the other hand, to the passing of a well conceived cooperative law which freed the cooperatives from subjugation under the general law for societies and put them on an appropriate legal basis. A sharp contrast to this attitude was the hostile attitude of

the tax authorities, who treated the cooperatives frequently as if they were capitalist enterprises.

By the end of the sixties, the knowledge about the principles of Rochdale was spreading also in Austria; the first practical result was the introduction of dividends for goods bought in consumers cooperatives.

The continuous growth in the numbers of cooperatives, the frequent failures due to bad organisation and lack of experience, the legal insecurity before the cooperative law became effective, and finally the chicanery of the tax authorities, already at an early date painfully conveyed the lack of unified leadership. Thanks to the initiative of Schulze-Delitzsch a cooperative Federation had been founded already in 1859 in Germany. After repeated vain attempts, also in Austria in 1872 at last a "General Federation of Economic and Labour Cooperatives" (Allgemeiner Verband der Erwerbs- und Wirtschafts-genossenschaften) was founded. Due to the lack of an outstanding personality, the Federation only gradually assumed its function as intellectual centre, organiser for the exchange of experiences and as auditing organisation. It began its activities at a particularly critical time, for the crash on the stock exchange in 1873 drew not only many private enterprises, but also some large cooperatives into the whirlpool of bankruptcy.

For many years the "General Federation" fulfilled a beneficial and necessary function for the cooperatives, but in the long run it could not cope with the problems which existed since its inception. Its expectations to become the sole and all-embracing Central Organisation of the Austrian cooperatives could not be realised, as it did not succeed in winning the peasants, as has been point-

ed out already. For a long time the Austrian coöperative movement was overshadowed by the dispute between Schulze-Delitzsch and Raiffeisen. When the victory fell on the side of the latter, the creation of an independent Raiffeisen Organisation was the unavoidable result. Thus the representatives of the petty bourgeoisie in the towns and the civil servants gained the leadership of the "General Federation". The majority of them were progressive-liberal and German-national (deutschnational). The Federation extended its activity to the whole territory of the Austrian part, but accepted only German-speaking coöperators as members. The last decades of the 19th century also brought with the industrialisation of Austria a strengthening of the working class, which led after many persecutions and hard internal struggles to the foundation of an internationally orientated, social-democratic Labour Party. This process of unification was accompanied by the gradual recognition of the usefulness and necessity of trade union and coöperative organisations. Thus with a view to the future, it became doubtful whether consumers coöperatives of the workers would remain in the "General Federation", especially as under the influence of small traders, fearing for their existence, the bourgeois officials became less and less interested in the consumer coöperatives. The result of this "estrangement" was the foundation of a Federation of the Workers Consumers Coöperatives of Lower Austria in 1901, which was followed in 1903 by the creation of the "Central Federation of the Austrian Consumers Coöperatives", where membership was open to all consumers coöperatives of the Austrian half of the Monarchy without differentiating between the nationality of the members.

Thus with the turn of the century the further development of the Austrian coöperative movement followed three distinct directions: the consumer coöperatives organised themselves in a Central Federation which worked in close association with the Social-democratic Workers Party; the agricultural coöperatives based themselves on the peasant organisations, which chose the catholic, conservative circles for the representation of their political interests, and the "General Federation" which remained the organisation mainly of those coöperatives, which aim at the preservation and development of the middle classes in industry and trade. It is not the task of this historical introduction to follow in more detail the further development of these three branches of the Austrian coöperative movement. Its purpose rather is to show which are the roots of economic self-help in this country and to point to the circumstances which helped to form the particular characteristics of our coöperative organisations.

After the dissolution of the Austro-Hungarian Monarchy into its various national components at the end of the First World War, the frontiers of the newly formed Republic of Austria were laid down in the Treaty of St. Germain in 1919. Since that time Austria is a small State with a surface of 84,000 sq.km. and 7 million inhabitants. During almost twenty years of the existence of the First Republic from 1918 to 1938, the Austrian people went through much suffering and hardship. During the first years out of dust and ashes a new State had to be created; the monetary system was ruined by inflation and the economy stood on its head; shortly after the stabilisation followed the world economic crisis and in its wake an army

of unemployed; in 1934 the people were torn into two hostile camps by the civil war. When all this had been overcome, Austria was liquidated as an independent State by the national-socialist dictatorship and incorporated into the Third Reich. These events were for many cooperative organisations sorrowful Stations of the Cross, which ended with the violent oppression of the cooperative ideas under Hitler. The fate of the consumers cooperatives was especially tragic. Already in 1934 they were threatened with the loss of their independent administration and this was only prevented by the solidarity of the agricultural cooperatives which interfered on their behalf. In 1941 however, the National-Socialists gave orders for the dissolution of the consumers cooperatives and the confiscation of their property. When the Second World War had ended, all cooperative organisations had to re-start under most difficult conditions.

That after these events there again exists a widely differentiated efficient cooperative movement in Austria is a proof of the indestructible vitality of the cooperative idea and of the sound economic sense of its people. With gratefully accepted foreign aid, but essentially with its own resources, the Austrian people accomplished an astonishing feat of reconstruction during the last two decades. The cooperatives had an honest share in this: A special rôle was played by the agricultural cooperatives. During the hardest years they guaranteed the necessary food, increased the productivity of agriculture through laborious organisational work and now play a decisive rôle in the solution of the structural problems of agriculture. The agricultural cooperative movement has luckily in its favour that its economic

necessity is generally recognised and that its activity is thus officially supported.

The position of the consumers-cooperative movement is different. Its historically conditioned link with the workers movement on the one hand, is a source of strength which helped it to overcome heavy blows of fate; but on the other hand it is the cause of continuously repeated, unfounded attacks and also disadvantages. It had to work hard for its generally recognised position in the economy, and its prospects for further progress are good.

Yet also for people who work on their own account in trade and commerce, cooperative self-aid has not lost its importance. Proof of this are the numerous Cooperative Trades Banks, and the purchasing cooperatives of the private retailers.

One of the most burning problems is, as it always was, the lack of housing. Therefore the interest of the people in cooperative housing arose already early. In the old Austria, this branch of cooperation was however extremely neglected. And even today it does not play the rôle which it really should play, for due to certain circumstances, but in particular as a result of the decisive influence of public financing of housing, self-aid is of secondary importance. In this sector, moreover, very lively municipal activity is to be noted.

On the whole one can say, however, that the four mentioned branches of the cooperative movement are an important factor in the Austrian economy: The idea of cooperative self-aid has proven itself during a hundred years old, changing history; one can therefore hope that the Austrian cooperators will be able to cope with the requirements of the future.



Warehouse Cooperative at Maishofen

THE AUSTRIAN CONSUMER COOPERATIVES

THEIR NATURE AND PROBLEMS

by **Dr. Andreas Vukovich**

Director of the Federation

THE Austrian consumers cooperative movement with its early beginnings more than 110 years ago had a very exciting history. It had to struggle with great difficulties, such as were not encountered by the cooperative movement of any other country. The most disastrous event in its history was the dissolution of the Austrian consumers cooperatives by the national-socialist government of the German Reich in 1941 and the transfer of all enterprises to the Provision Groups of the Community Work of the German Labour Front. The situation looked very dark when reconstruction was started in Austria after the end of the Second World War. Destroyed and plundered central warehouses and shops, scarcity of commodities and a lack of means of transport, the equipment of the administrative and bookkeeping departments burnt or lost — this was the actual situation. The land and the buildings were formally the property of the German Labour Front. There were no cooperatives and no members. In this situation, after Austria had been first the battle field of the war, and then had been divided into four occupation zones and occupied by the armies of the victorious powers, the Austrian cooperators began with the re-building of their organisation. Next to the many years of

experience and the tendencies already predominant in the past, a decisive rôle in this work was played mainly by the cooperative attitudes and convictions of the active section of those former members, persons of integrity, elected by them and the employees, workers and leading persons, who had been working in the cooperative movement.

The most characteristic tendency of the Austrian consumers cooperative movement which, during the two decades between the First and Second World Wars, came more and more clearly to the fore, was the tendency towards concentration, the merger of smaller cooperatives to larger, more efficient structures, whose sphere of activity consisted mostly of larger territories which formed a geographical unity. Next to the tendency towards the formation of large cooperative enterprises a clear tendency towards the unification of cooperatives could be noted. The division into workers, civil servants and peasants consumers co-operatives or the limitation to certain occupational groups like railwaymen and civil servants etc. was increasingly disappearing. The differences between various political groupings within the Austrian cooperative movement had been gradually more and more overcome by collaboration and corresponding organisational measures.

The idea to unify the entire movement was generally accepted when the Austrian cooperators, under the guidance of the former leading persons of the cooperatives and of the federation, began with the re-building of the cooperatives. Moreover the principle of democratic self-rule was kept to in so far as the members of the consumers cooperatives had themselves to decide if they wanted to retain large cooperative enterprises as an organisational form or if they preferred smaller local cooperatives. The accepted principle that only one consumers cooperative should be active in one territory, was generally adhered to, and therefore the activities of the various cooperatives in Austria do not overlap. The overwhelming majority of members, about 95 per cent, decided for large cooperative enterprises; the remaining 5 per cent were for smaller local consumers cooperatives. As a result of this development Austria has now 25 large cooperative enterprises which comprise whole districts and 37 smaller cooperatives which are confined more to certain localities (especially in Vorarlberg). The dissolved Federation of Austrian Consumers Cooperatives was re-established in May 1946 under the name of "Konsumverband, Zentralverband der österreichischen Konsumgenossenschaften" (Union of Consumers Cooperatives, Federation of Austrian Consumers Cooperatives), after the consumers cooperatives had been re-built in all parts of Austria. The founding day of the Federation in Bad Ischl was also the founding day of another organisation: the "General Austrian Consumers Cooperative" initially meant to be a unified consumers cooperative with regional district management boards for the whole of Austria, but which in practice turned out to be

the Money and Finance Organisation of the cooperative movement and which was re-named "Zentralkasse der Österreichischen Konsumgenossenschaften" (Central Bank of the Austrian Consumers Cooperatives) when the consumers cooperatives in 1955 again obtained the right to accept savings deposits. The members of this Central Bank which is organised on a cooperative basis, are mainly regional consumers cooperatives and a few local consumers cooperatives, which make use of the right to accept savings deposits.

The property of the Austrian consumers cooperatives and all their organisations, as that of the wholesale society, of the production enterprises, the department stores and of the Federation itself, had been transferred to the Community Work of the German Labour Front. According to the Decisions of Potsdam, after the war this property was considered as national-socialist property, and moreover property of the German Reich, which was forfeited in favour of the allies. Although the allies could be prevailed upon to renounce this property, it none the less remained, forfeited according to Austrian law, in favour of the Republic of Austria. Drawn out and difficult negotiations followed for the return of this property to the cooperatives. A special law had to be introduced for this purpose. It was thought advisable first to transfer all property to the "General Austrian Consumers Cooperative" and let the latter afterwards divide it as justly as possible between the consumers cooperatives and their enterprises on the basis of a distribution plan worked out by the Federation, and approved by all cooperatives and cooperative organisations and the Federal Government. The restitution of this property was fixed to take place

on the 1st January 1948. From this date onwards, the individual cooperatives and cooperative enterprises began to work again on their own account and also to accept new members. Now the Austrian consumers cooperatives have more than 456,000 members, considerably more than they had in the years preceding the Second World War. The turnover of the consumers cooperatives amounted in 1965 to 3,472 million Schillings, of the department stores to 596 millions, a total of more than 4,000 million Schillings. This turnover shows also how much the movement has grown in relation to the pre-war years.

The Central Bank of the Austrian Consumers Cooperatives, the members of which are, as already said, the consumer cooperatives themselves, is not only the credit institute of the consumers cooperatives, but also the holding enterprise of the central economic sector, embodied by the GöC, the Wholesale Society of the Austrian Consumers Cooperatives and consisting of wholesale buying, import, own centralised production of the cooperatives, of the cooperative department stores as well as the amenities for customer credits and insurance. The total turnover of the GöC amounted in 1965 to 1,688 million Schillings; the value of the own centralised cooperative production to 421 million Schillings; the value of the own production of the consumers cooperatives to 411 million Schillings. The financing and the granting of credits is the task of the Central Bank, everything connected with the commodity business is the task of the GöC and its subsidiary enterprises.

All Austrian consumer cooperatives, the Central Bank of the Austrian consumer cooperatives as well as the GöC and all its subsidiary enterprises are

members of the Federation of the Consumer Cooperatives. The latter is also the central organisation of the whole movement. It is responsible for all affairs not related to marketing and finances, in particular for the representation of the outside interests of the movement, the decisions on the cooperative policy, the influence on the legislation, the reorganisation of the cooperative member organisations, advice on law and taxes, education, planning tasks, cooperative advertising, expert advice etc.

It is one of the characteristics of the Austrian consumers cooperative movement that it started at an early date, namely during the first decade after the First World War, to establish its own department stores organisation under the leadership of the GöC. This department store organisation developed out of very modest beginnings and initially had to struggle with considerable difficulties. It concentrated itself mainly on the increasingly important non-food goods and made very remarkable progress mainly in the first twenty years after the Second World War. There are now 40 department stores in the whole of Austria, amalgamated in six department stores companies. Quite a few of these department stores are the finest and biggest enterprises in their respective towns. The Federation of the Consumer Cooperatives and the GöC as the representative of the department stores organisation have concluded agreements in favour of collaboration between the consumers cooperatives and the department store organisation. The Austrian cooperative department stores organisation is next to the unified and geographically strictly circumscribed regional consumers cooperatives another form of concentration, which was introduced earlier in

Austria than in most other countries.

In other fields, the Austrian movement followed the example of other countries, but it was in this respect the first in Austria, especially as far as the self-service stores are concerned. The first cooperative self-service stores were opened in 1950 in Linz, Vienna, Graz and Baden near Vienna. In spite of big initial difficulties they were kept going for many years before private enterprise took to this form of distribution. Only many years later, individual private shops and chain stores went over to this system of self-service. After an interval, the self-service system also gradually found its way into the individual Austrian consumers cooperatives, and during the last years in Vienna not only large self-service stores but also the so-called "Consum-Markets" have been established, which were the first super-markets in Austria.

The private traders in Austria, as in other countries, have proceeded to form voluntarily large, efficient chains, by which their competitiveness was considerably increased. Due to growing competition, the consumer cooperatives decided to introduce a policy of differentiated prices in lieu of the mostly uniform prices within one and the same cooperative. This policy is economically justified by the savings in costs of the very efficient modern shops, and enables the cooperatives to be more subtle and elastic in their competitive endeavours to safeguard and increase their market share. It is mainly in larger towns and industrial places with a bigger population density that there is a tendency towards the establishment of further large self-service stores and consum-markets and the closing down of smaller, less efficient shops.

The Austrian consumers cooperative movement has pursued for many decades an active price policy, i.e., it tries in the interest of the consumers to keep the prices as low as possible. Such a policy allows of course only very small dividends. In Austria they amount to 2 per cent, in some cases to 2½ to 3 per cent.

Democratic Structure

The larger the geographic extension of a cooperative, the more difficult it is to give members, living far away from the headquarters, the possibility to attend the general meeting personally, and it is also much more difficult to maintain personal contact between members and the leadership of the cooperatives. In Austria, therefore, at a very early date, the system was adopted of organising membership meetings in the various localities before the actual general meeting and to report on these meetings not only about cooperative activity, but to elect delegates for the general meeting and choose a membership committee, which is responsible for the local affairs of the cooperative and the maintenance of continuous close personal contact with the members.

The women who are elected into this committee form the nucleus of the cooperative women's organisation. In most regional consumers cooperatives special full-time officers were appointed in order to be able to take better care of members. Their task is to look after the proper functioning of the democratic organs of the cooperative and to give adequate attention to the wishes of the members. Thanks to the efforts to make the membership meetings and other events interesting and attractive to the

cooperators, a relatively large proportion of members attend the membership meetings and thus make use of their democratic rights and their right to participate in the decisions. Thus in 1965 on the average 20 per cent of members attended the membership meetings of the consumers cooperatives.

The members are the basis of the cooperatives—in all efforts to increase the turnover and to achieve business success one should not lose sight of this fact! The members should, however, not only profit from the efficient work of the cooperative but should feel closely linked to it by their conviction as cooperators. This is, besides the endeavour for greater efficiency, one of the main tasks the Austrian consumers cooperative movement is aiming to achieve. In face of all tendencies and endeavours inside and outside the movement to efface the actual characteristics of the cooperatives and to put them on the same level with the private business enterprises, it is now more than ever necessary that the cooperatives remain conscious of these characteristics and of the advantages flowing from them. The Austrian consumers cooperative movement is aware of the fact that in view of the modern development trends, in particular the emergence of huge shops and super-markets, it is not possible to confine trade to members. None the less, it is generally recognised that the trade with members has to remain the main task. The consumers cooperatives in Austria have immediately after their re-establishment aimed to make members of as many of their regular shoppers as possible. Thus it was made possible that, in spite of the trade with non-members, on the average 85–90 per cent of the turnover and more comes from trade with members.

Present Problems

Due to the necessity of modernisation, rationalisation and concentration in the cooperative movement, an extraordinarily strong increase of investments, and thus of the demand for capital is noticeable. During the course of their development the Austrian consumers cooperatives have endeavoured to maintain in their sphere the long proven and sound principles that a substantial part of their invested capital should consist of own capital and that the own capital should stand in adequate proportion to the outside capital. To achieve this aim, the cooperatives as well as the economic central institutions every year draw up financial plans and submit them to the decision of the central organs. The percentage of dividend to be paid by the various cooperatives is fixed in agreement with the Federation of Consumers Cooperatives. But generally it can be noticed that the demand for capital is growing much quicker than the accumulation of the own capital can take place. This poses serious problems for the present and the future. Their solution is of the greatest importance, if the cooperatives do not want to rest on their achievements but intend to extend their activities, in particular in the field of non-food goods, which are increasingly in demand.

The question of creating a right balance between the autonomy of the cooperatives and the necessary measures taken by a central leadership is a frequently discussed problem, but very difficult to solve. As far as dividends, investments, the appointment of leading personnel, as well as special offers of commodities are concerned, very useful and unanimous decisions and measures have already been agreed upon, leading

to close collaboration between the co-operatives and their central organisations and a concentration of forces. In other fields, mainly as far as the concentration of buying and the adaptation of the cooperative structure to the requirements of our times is concerned, for some time already efforts are being made which have led to fairly remarkable results.

A particular cause for concern of the Austrian consumers cooperatives is a number of laws, dating partly from the time of former authoritarian regimes, partly from the time of national-socialist rule, and considerably encumbering the free development of the consumers cooperatives. In some instances, the abolition of such laws was attained during the course of the years, but in other instances the struggle has to be continued. It will, however, be much easier to solve all these problems when the efficiency of cooperatives is increased by a sound economic policy and when the members who are the real fundament of the movement, familiarise themselves more than has hitherto been the case with the cooperative ideas and feel themselves encouraged to participate more actively in all affairs of the cooperative movement.

Important Data of the Austrian Consumers Cooperatives and of the "GöC" on the Basis of the Figures for 1965.

General:

Households of members ..	456,200
Number of consumers cooperatives	62
Number of shops	1,584
of these self-service shops	363
Department stores and other stores	69

Persons employed:

in consumers cooperatives	10,881
in central organisations and their enterprises	3,579

Turnover:

Total turnover of consumers cooperatives	S. 3,473 millions
Turnover of department stores and retail turnover of Linzer Würstfabrik (Sausage factory) and Spatenwerke	624 "
Total retail turnover	4,096 "
Turnover of "GöC"	1,688 "

Own production:

Central own production	421 "
Local own production at retail prices	411 "

THE RAIFFEISEN ORGANISATIONS IN AUSTRIA

GROWTH AND PRESENT POSITION OF RURAL COOPERATION IN AUSTRIA

by **Dr. Franz Reinthaler,**

General Secretary of the Austrian Raiffeisen Federation

THE history of the origin and development of modern cooperation is proof of the great sociological importance of the cooperative movement. This is particularly true for Austria and its rural cooperatives. Without the foundation, and the activities, of cooperative self-aid institutions, Austria would hardly have any independent peasants left.

In the second half of the last century, at the time of the foundation of the first Raiffeisen organisation in Austria in the year 1886, it was mainly peasants who sought, and found, aid for the preservation of their economic existence in the cooperative; today, however, the membership of credit societies according to the Raiffeisen system also comprises people with different occupations. As regards other Raiffeisen organisations such as warehousing and milk processing cooperatives etc., their tasks imply a limitation of membership to agriculturists.

All the cooperatives belonging to the Austrian Raiffeisen organisation have undergone changes during the decades since their foundation — partly because they are subject to economic requirements to which they had to adapt them-

selves, partly because they are linked to the fate of the country and its inhabitants.

When the Austro-Hungarian Monarchy, which had contained a flourishing cooperative movement, broke up in 1918, the regions which today belong to Austria—situated in the Danube valley and the Alps and little favoured by nature—had been left behind in their development by Hungary, Bohemia and Moravia. However, Austria was compelled to overcome this deficiency without delay and to provide food for the population independent of imports. To this task, the rural cooperatives made an essential contribution. At the time, however, the Austrian Raiffeisen movement had no central organisation, for the “Allgemeiner Verband landwirtschaftlicher Genossenschaften in Oesterreich” (General Federation of Rural Cooperatives in Austria) which had been founded in 1898 and which, at the end of 1918, comprised 30 Federations and 9,000 Cooperatives, had been liquidated at the same time as the monarchy. It is the great merit of the then general counsels of the rural cooperative movement, Prelate Matthäus Bauchinger, Minister Rudolf Buchin-

ger as well as of several other persons, that the rural cooperatives were preserved during the difficult post-war period and were at last re-united in a unified federation, the "Allgemeiner Verband für das landwirtschaftliche Genossenschaftswesen in Oesterreich" (General Federation for the Rural Cooperative Movement in Austria) which was founded in 1923. At the end of 1923, the Federation already comprised 13 cooperative federations or central unions with approximately 3,000 individual cooperatives.

The restitution of the General Federation was a great success of the organisational work which had to be carried on not only at federal, but also at provincial level. This work was partly very long drawn-out but, on the whole, during the 'twenties it achieved its aim, the constitution of a stable and viable Raiffeisen organisation. In accordance with Raiffeisen's ideas, these endeavours carried on in Austria aimed from the start at obtaining a foothold within the phases preceding or, respectively, following production—credit, marketing and processing. This was done by uniting cooperatives into unions for the establishment of agencies held in common. The expanded activities of these cooperative institutions, in their turn, secured a number of further advantages such as the equalisation of money and capital within and among the regions, wholesale buying of agricultural requirements, wholesale selling of agricultural produce, the processing of primary and raw products to qualities and quantities adapted to market requirements, adequate observation of markets and, among other things, the best possible advice for members on marketing and production.

Crises of the national economy can-

not be avoided but can be mitigated by cooperative concentration. It was partly thanks to efficient cooperative development work that the economic difficulties of the 'twenties could be overcome. By the year 1928, for instance, Austria's wheat production had been doubled, that of barley to three times and that of sugar beet even to ten times the 1918 harvest. Production of milk, rye and potatoes in 1928 already exceeded domestic requirements.

Side by side with the welcome progress of the individual branches of the Austrian cooperative movement during the years following the First World War, in 1928 a problem came more and more to the fore which occupies us once more at the present time. This is the disparity between the prices of agricultural and non-agricultural products. Then as now, the cooperative movement endeavours to solve this problem by giving greatest attention to quality production and to the expansion of marketing and processing organisations. Then as now, we try to solve the problem of price disparity, or at least to mitigate its effects, by means of cooperative enterprises which, from the cooperative supply of primary production to the marketing of the processed product, enable the agriculturist to look after his own marketing interests.

These endeavours were successful because they received support from two directions. On the one hand, economic difficulties played a large part in bringing and keeping the peasants together in cooperatives; on the other, the progress of the rest of the economy revitalised agriculture.

During the period of the world-wide agricultural crisis in the 'thirties, the Amendment of the law concerning cooperatives in 1934 led in Austria to

compulsory federation of Raiffeisen societies and new foundations. This compulsory federation prescribing membership to an auditing federation was introduced for all other cooperatives by the 1936 Amendment of the law concerning coöperatives. Both these amended laws have proved to be of gréat value for the further development of the organisation of cooperatives in Austria.

The events of the year 1938 caused changes in the cooperative organisations of our country which were brought about by the pressure of political measures. After Austria had, in 1945, regained a state of its own, the cooperative movement which, in the intervening years, had been compelled to serve the ends of war economy, was reconstituted in all essentials as it had been in 1938.

In the beginning of 1946, the Raiffeisen organisation at provincial level had been reconstructed much as it is today.

In all provinces of the country there are provincial federations charged with serving their member societies, doing their audit and looking after their interests. Only in Lower Austria, these tasks are being fulfilled, at the behest of the provincial government, by the Agricultural Chamber of the Province of Lower Austria.

In Burgenland, Carinthia, Salzburg and Vorarlberg, there are so-called "mixed federations" which, besides the afore-mentioned tasks, have also to fulfil those of financial and storage centres. In the other provinces, commercial activities have been separated from auditing. These provincial centres are able to obtain, by means of participations, a foothold in the phases preceding or, respectively, following production—credit,

marketing and processing. Only in this way is it possible to pass on market advantages to the cooperative basis—the individual societies and, in the final analysis, the members of these individual societies. This vertical structure from the rural cooperative to the provincial centre finds its optimal economic supplement in the union of provincial centres in specialised federations on a national level.

The foundation of these specialised federations was pursued in 1946 simultaneously with the reconstitution of the "General Federation for the Rural Cooperative Movement in Austria", now called "Österreichischer Raiffeisenverband" (Austrian Raiffeisen Federation). In the same year were founded "Warenzentrale österreichischer Verbände landwirtschaftlicher Genossenschaften (WÖV)" (Commercial Centre of Austrian Federations of Rural Cooperatives) and "Verband österreichischer Viehverwertungsgenossenschaften (VIEHVERBAND)" (Federation of Austrian Livestock Trading Cooperatives), in the following year "Österreichischer Molkerei- und Käseverband (ÖMOLK)" (Austrian Milk and Cheese Federation) and, finally, in 1948 "Österreichischer Verband der landwirtschaftlichen Gemüse- und Obstverwertungsgenossenschaften" (Austrian Federation of Rural Vegetable and Fruit Trading Cooperatives).

Including "Genossenschaftliche Zentralbank Aktiengesellschaft" (Cooperative Central Banking Co. Ltd.) which had been in existence as national apex of financial Raiffeisen organisations since before the war, these new foundations concluded in all essentials the build-up of the third layer of the organisation of rural cooperatives.

At present, the Austrian Raiffeisen Federation comprises the following co-

operatives and members in addition to the 38 provincial and federal centres:

	Number	Membership
Raiffeisen Societies	1,729	653,705
Commercial Cooperatives	200	236,916
Milk Trading Cooperatives	1,276	237,328
Vintner Cooperatives	52	15,912
Livestock Trading, Breeding and Processing Cooperatives	248	106,661
Other Cooperatives	420	170,458
Total	3,925	1,420,980

The volume of business of the financial, commercial and milk trading organisations was in 1966, compared with 1951:

	1966	1951
	(In million Schillings)	
	(72 A. Schillings approxm. = £1. Sterling)	
Raiffeisen Societies and Centres, (as at 31.3.1966)		
Deposits	16,700	900
Credits	14,200	700
Commercial Cooperatives		
Purchases and Sales	12,500	2,600
Milk Trading Cooperatives		
Total Turnover	7,400	1,500

As an integrated European market is coming into existence, the rural cooperative movement in Austria as well as in other countries is facing increasingly growing tasks. That is why the leading men of the Raiffeisen organisation have been endeavouring for many years to create the pre-conditions for fulfilling these tasks by means of long-term planning of a comprehensive expansion of cooperative institutions.

The Raiffeisen organisation thus faces once more, as often before in its history, an ordeal in which it has to show its mettle; the task is to secure the economic independence of the peasants, and also the economic existence of all other occupational middle class groups.

THE BUILDING COOPERATIVES IN AUSTRIA

LIKE the rest of Europe, Austria was characterised by a gigantic process of industrialisation starting in the middle of the nineteenth century. Even a lively building activity, which lay virtually exclusively in private hands, could not prevent stark housing misery created by the inflow of workers into the cities. Before the state, around the turn of the century, began its regulating intervention, building cooperatives had started a development which, in the circumstances, was remarkable and which later found strong support and furtherance in the Housing Laws of 1910. Social building which aimed and still aims at creating healthy dwellings for the less affluent sections of the population on reasonable terms, was at that time identical with cooperative building. Building cooperatives could obtain recognition as being mutual societies, provided they subjected themselves to certain restrictions—in particular the limitation of the dividend to be distributed to members to a maximum of 5 per cent of the paid-up shares, and the assurance that, in case of dissolution of the cooperative, members would not receive more than the paid-up amount of their shares. They were thereby subject to state supervision, but they gained extensive freedom from taxation as well as access to funds for cheap finance from the Housing Fund which had been created by the Law of 22.12.1910. Like other cooperatives, building cooperatives

had their legal basis and the framework for their development in the Cooperatives Law of 9.4.1873 and in the Amending Law of 10.6.1903.

As early as 1916, numerous mutual building and housing cooperatives had been united in a National Federation. In 1928, their amalgamation in a unified Federation led to the formation of the Central Federation of Mutual Building Cooperatives of Austria; the ground for such an organisation had been prepared by the Provincial Unions and the Central Organisation of the Mutual Building Cooperatives for Single and Multiple Dwellings which had been in existence since 1910 and were highly regarded. In 1929, the office of the Federal Chancellor granted the Central Federation the right of auditing. Although the Central Federation was not a compulsory organisation to which all building cooperatives had to belong, it was not far from having such a position, all the more since the Federal Ministry for Social Administration as the highest supervising authority had given all mutual building cooperatives a general recommendation to join the Federation and had suggested having their auditing done by the Central Federation.

Meanwhile, after the end of the First World War, the Federal Law of 15.4.1921 had transformed the Housing Fund into the Federal Housing and Settlement Fund which, for decades, was virtually the only agency for housing



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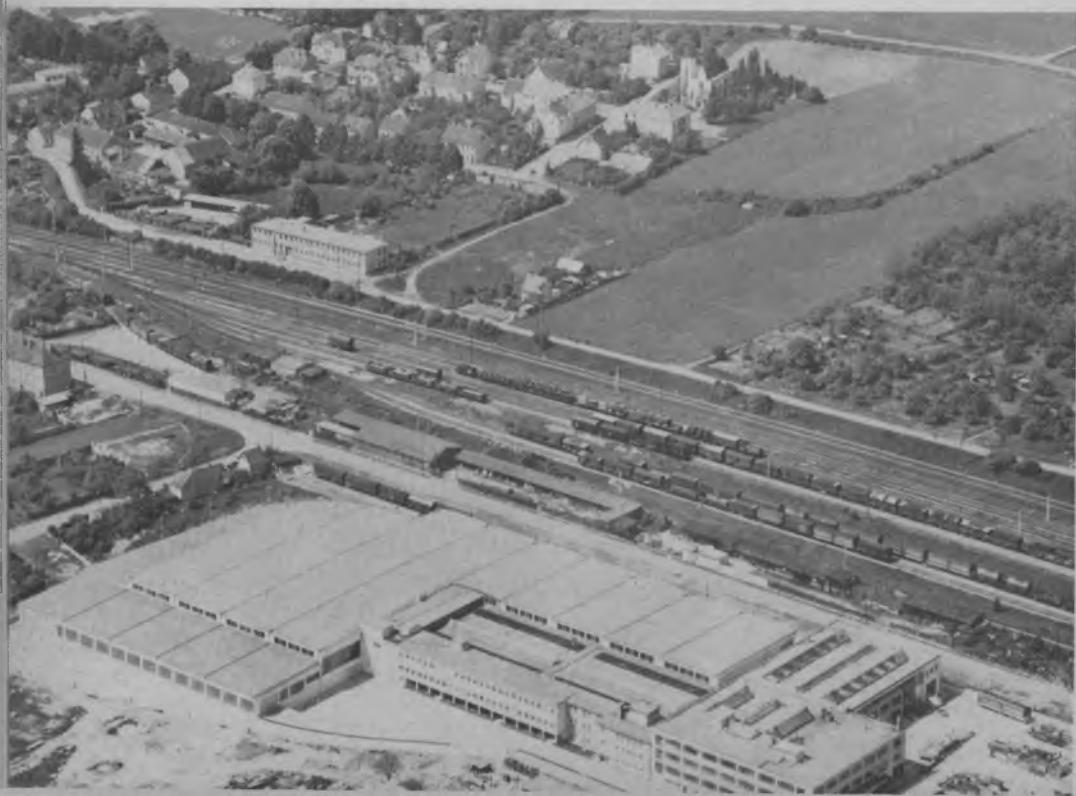
Modern
Cooperative
Store at Leoben



Dairy Cooperative, Salzburg

GöC Industrial site, Vienna

Raiffeisen Bank, St. Martin







finance. During the years from 1921 to 1938, this Fund helped with the building of 15,750 small dwellings the majority of which were built by mutual cooperatives. As at 1.3.1938, out of 180 members of the Central Federation, 140 were mutual building cooperatives, a further 28 were non-mutual building cooperatives, two were limited companies and 10 were associations.

In 1940, the German law concerning Housing Mutuality dated 29.2.1940 was introduced in Austria which changed the organisational basis of mutual building cooperatives. According to this law, recognition as mutual building societies could, apart from cooperatives, be granted to other legal personalities, mainly to partnerships and companies with limited liability and to associations. Since all such entities have to belong to an auditing society, the Austrian Federation of Mutual Building, Housing and Settlement Associations constituted in 1946/47, is not merely a cooperative auditing society in the sense of the auditing regulations. On the other hand, all mutual building associations, even if they are not cooperatives, have to comply in their business activity with the principles of cooperative law. Auditing regulations apply to them as well.

During the first ten post-war years, the number of cooperatives rose from 102 in 1945 to 248 in 1955 since when it has receded to 206 at the end of 1965. Nevertheless, the number of dwellings built or, respectively, administered by cooperatives has grown continuously

from 15,958 in 1945 to 107,183 at the end of 1965. All Austrian building cooperatives totalled 29,131 members at the end of the Second World War while, at the end of 1965, the total had risen to 115,596 members. In view of the size and composition of Austria's population, these figures are remarkable when compared with those of building cooperatives in other countries. It is not surprising that building cooperatives are larger in those provinces which are the seat of numerous industrial enterprises, above all in Vienna, Upper Austria and Styria; in the provinces where agriculture predominates, the numbers and achievements of building cooperatives are lower.

This survey shows that the activity of building cooperatives has gained an ever growing importance for the housing economy. The cooperative principle of mutual economic self-aid is still today the valid principle of housing in the public interest which has to fulfil primarily social tasks. Finally, in order to demonstrate the importance of cooperative building, it should be mentioned that at present roughly one dwelling in 18 is in a house which is or was, or in the case of settlement houses and private dwellings whose ownership has been transferred, owned by a building cooperative. These 107,000 dwellings are approximately equal to the total number of dwellings in the province of Tyrol—that is many more dwellings than in each of the provinces of Vorarlberg, Burgenland and Salzburg.

COMMENTARY

Seminar at Chamarande, 10 th - 17 th July

MR. W. P. Watkins kindly reported on the first international Seminar arranged under the auspices of the I.C.A. Committee for Workers' Productive and Artisanal Cooperative Societies, which was held from the 10th to 17th July at the Château of Chamarande in France. Situated about 35 km south of Paris, the château, a beautiful example of the work of the celebrated Mansard, is now the headquarters of *Construction Moderne Française*, one of the most important workers' cooperative productive societies in the French building industry. The medico-social centre, erected by the *Construction Moderne Française* for its worker-members, was offered to the International Committee for the purposes of the Seminar which was thus enabled to hold its meetings in an environment not only functional, but in every possible way congenial to cooperative work.

The fifteen participants from six countries—Czechoslovakia, France, Holland, Israel, Italy, Poland—were welcomed on their arrival by Mr. A. Antoni, Chairman of the International Committee, Mr. Auguste Mione, President of *Construction Moderne Française* and Mr. W. P. Watkins, Director of the course. The theme chosen for the Seminar was the application of the Cooperative Principles of voluntary membership, democracy, limited interest on capital, distribution of surplus in proportion to transactions, and education in workers' cooperative productive societies today. A lively exchange of ideas and comparison of methods from country to country continued throughout the week. Mr. W. G. Alexander, Director, I.C.A., was present at the concluding discussion and learned at first hand of the success of this first experiment and the unanimous wish of the participants that the Seminar should become a regular feature of the work of the International Committee.

Progress in Co-op Nederland

Last year, 1965, CO-OP Nederland celebrated its 50th Anniversary, and the Movement took several important decisions concerning the future in terms of rationali-

sation and modernisation of CO-OP Nederland. Government permission was obtained for the establishment of a large regional warehouse on the site of the Co-op Productive Works at Utrecht. This warehouse will supply the cooperative retail stores in the centre, as well as in the western part of Holland. It will have a floor space of 18,000 sq.m. It is hoped that it will be ready for operations in July 1968.

On the same site, CO-OP Nederland's biscuit factory has been completely rebuilt and will be EUROCO-OP's first production plant, manufacturing a limited range of biscuits for national cooperative wholesale societies in the countries of the EEC (Common Market).

In Rotterdam, the construction of a 30,000 ton wheat silo as an addition to CO-OP Nederland's flour mill has made good progress. It is hoped to put this silo into operation in the autumn of 1966. CO-OP Nederland also has a new and highly modern printing plant, equipped with the most modern offset rotary press, which is already working.

In its retail section, the cooperative movement reached a milestone in its development when the number of its supermarkets passed the 100 mark. There are already 109 as against 90 in 1964. The cooperative supermarkets in Holland represent only 15 per cent of the cooperative food stores, but they account for just over 50 per cent of the total grocery turnover. The number of self-service stores increased from 149 to 184, whilst at the same time the number of counter-service stores decreased from 491 to 414. The total turnover of the 35 retail societies affiliated to CO-OP Nederland reached the figure of 468 million Florins in 1965.

Partnership between the Consumers' Cooperatives in Strasbourg and Stuttgart

Wonderful evidence for cooperative solidarity was provided by the recent celebrations in Stuttgart, Germany, on the occasion of the signing of the partnership between the consumers' cooperatives of Strasbourg, and Stuttgart.

Both cooperative societies hold roughly the same economic position in their respective countries as seen from the turnover point of view, namely, fifth place. Strasbourg succeeded last year in achieving a turnover of 250 million francs and operates in a radius of 50 km north, south and west of the city. It has more than 500 shops, of which 150 are within the town of Strasbourg itself. The consumers' cooperative of Strasbourg already has some supermarkets and recently, in the university quarter, the largest

supermarket in France was established. Its proudest possession is the wine cellar, completed in 1963, which has room for vats holding five million litres of wine, probably the largest of its kind. The Strasbourg consumers' cooperative has 130,000 members and looks back on 64 years of work.

Stuttgart has one of the oldest consumers' cooperative societies in Germany, which celebrated its centenary in 1964. Its turnover was 110 million DM., with 137 shops, most of them self-service, catering for 70,000 members. In 1964, it completed the most modern bakery and confectionery section, sufficient to supply the whole of Stuttgart. It also has a large wine cellar with a capacity of 2.4 million litres, the largest in the Federal Republic.

In honour of their Strasbourg guests, the town of Stuttgart gave a civic reception, which was followed by a visit to the bakery and to two of Stuttgart's supermarkets, one of which was opened on that occasion. The Stuttgart cooperative society featured specialities from Strasbourg which the sales staff, dressed in the costumes of Strasbourg, showed and sold to the German customers.

Following the festivities, both consumer societies will exchange experience concerned with selling and buying and the use of computers. This autumn, a group of visitors from Stuttgart will go to Strasbourg in order to strengthen the partnership still further.

Cooperation in Ceylon

Mr. Tilak E. Gooneratne, an Advocate of the Supreme Court of Ceylon and at one time the Commissioner of Cooperative Development and President of the Colombo Plan Council 1964/65, has written a little booklet entitled "*Fifty years of Cooperative Development in Ceylon through Consumer Societies*", published by the Lake House Investments Ltd., Lake House, Colombo.

The author is an experienced administrator and had the opportunity of studying the cooperative movement in several countries in the West as well as in India and Israel. He is certainly able to write with deep understanding of the cooperative problems in his own country. The lessons he draws from a study of Ceylon's 50 years of cooperation deserve examination by all who are interested in cooperation in developing countries.

The author is on the side of those who advocate a delicate balance between voluntary and State control, and he realises that the Government Department is not a substitute for a Cooperative Movement. He sees coopera-

tion as an effective instrument of democracy, acknowledges cooperation as an opportunity for practical training for democracy throughout a developing country and stresses the need for participation of a large number of people, through cooperation, in the building up of the country.

Mr. Gooneratne also stresses that never before in its existence has the cooperative movement been called on for as much discipline, hard work, idealism and inspiring leadership.

150 Years Old

On November 21st, 1966, the Sheerness and District Economical Cooperative Society Ltd. will be celebrating its 150th anniversary.

Situated in the county of Kent, England, this society was started by the officers and workmen of His Majesty's Dockyard, Ordnance and New Works at Sheerness. The object of the society was to obtain for its members and their families "a supply of wheaten bread and flour and butchers' meat" and, something quite unusual for Great Britain, "the sale of water was added to its list of activities" soon after its founding.

At the close of World War I, in 1919, the society merged with the Sheerness and District Cooperative Society, forming a group of cooperators, which today have the largest consumer retail organisation in the Isle of Sheppey, providing for its members almost everything necessary to life from the purchase of a needle to a motor car, truly catering for its members' needs from the cradle to the grave.

During its 150 years of life, over £2,000,000 have been returned to the society's members in the form of dividends on purchases and a great deal more as Share Interest, Death Benefit Grants and Educational Grants.

The Sheerness and District Cooperative Society was initially formed to protect the working class consumer in Sheerness from the various monopolies among retailers who forced up prices and whose activities resulted in short measures to the customer and in the selling of adulterated foodstuffs. This happened especially following the end of the Napoleonic Wars when the community was very poverty-stricken.

Sheerness society at present has a membership of 13,600 people in the Isle of Sheppey and an annual turnover of approximately £1,250,000, with 40 shops and departments.

J. H. O.

THE ORGANISATION OF THE COOPERATIVES OF AMERICA (OCA)

PROGRESS REPORT

"...to encourage the development and use of cooperatives, credit unions and savings and loan associations..." in foreign assistance.

Humphrey Amendment to the Foreign Assistance Act of 1961

Background

L ATIN AMERICA is composed of more than 20 nations, has an area of over 20,000,000 square kilometres and is the home of more than 200,000,000 people. While 60 per cent of the people live in the rural areas and 50 per cent work the land, it has been estimated by the Food and Agriculture Organisation that 20 per cent of the inhabitants are underfed and 60 per cent very badly nourished. The yearly population increase is the highest in the world—in some countries more than 3 per cent. "From the Rio Grande to Cape Horn in every second coffin carried toward a grave is the body of a child who could live no longer than five years", reports *WORLD HEALTH*, the Magazine of the World Health Organisation. "Among children aged one to four, half the deaths are attributable to mal-nutrition."

Illiteracy is widespread—ranging from a low of 7 per cent in one country to a fantastic 85 per cent in another. Annual

income averages \$395 per capita—with one country reporting less than \$100 per person. Technical training and leadership are scarce. Lack of credit, lack of communication, lack of storage and marketing arrangements, with massive exploitation of workers by middlemen and large landowners, all serve to stifle progress. Electricity is unknown in many areas. Medical services are very poor. The housing problem is critical, sanitary conditions deplorable. Many people are tired and disheartened.

Because of a desire to help to alleviate these conditions, the Organisation of the Cooperatives of America (OCA) was created in 1963 by a constitutional assembly of Latin American cooperative leaders, aided by the Cooperative League of the U.S.A. and other interested non-profit groups.

Prior to this, several meetings had been held in Bogotá and Medellín, Colombia and Mexico City. The one held in November 1961 at Bogotá was addressed by the Honorable Hubert



Northern Zone
(also including Dominican Republic and Puerto Rico)



South America

H. Humphrey. In his stirring speech urging the creation of a hemispheric cooperative he said:

"Remember cooperatives belong to the people, they serve the people, they are economic democracy in action. They are free peoples' response and reply to collectivisation. Cooperatives are real economic freedom."

The programme of OCA is designed to stimulate and strengthen the development of cooperatives in Latin America; then to form cooperatives into federations and confederations, thence to a Western Hemisphere Confederation. Under an AID-financed project (Task Order 3, Global Contract AID/CLUSA/CSD-267), five OCA fieldmen give technical assistance to cooperatives and those wishing to form cooperatives. OCA, with financial help from both AID and CLUSA, publishes a monthly magazine, "Cooperative America".

In 1963, at the beginning of the AID/OCA collaboration, it was estimated that there were 16,838 cooperatives in Latin America, with 5,698,670 members. But how many were true cooperatives is *not* known. It *is* known, however, that the scope and effectiveness of cooperatives in Latin America vary from country to country, as does the culture of the people, and their degree of true "cooperation" sometimes strays from complete purity.

Ten of the 16 countries which met in 1963 to establish OCA had no national organisations or federations of cooperatives. Therefore the cooperative movement was weak. Many nations were without adequate laws governing cooperatives and supervision of their operations was too often extremely casual.

A majority of the cooperatives now existing in Latin America are in need

of fundamental overhauling. They must improve their financial systems, operations and working conditions. Employees and workers must be trained in modern techniques to improve efficiency. Failures of cooperatives from lack of adequate planning, mismanagement or lack of proper financial structure must be reduced.

Much has been done in these past few months but there is a continuing need for broader education, technical and financial assistance to cooperatives. There is need for much greater integration of the groups at higher levels of cooperative organisation.

What Has Been Done

In February 1963 the office of the Executive Director of OCA was established in Puerto Rico. It is financed solely from OCA membership dues and contributions. This office directs and coordinates the work of the five fieldmen and the magazine, *Cooperative America*.

In March 1964 the office for the Northern Zone was established; on May 1st, 1964 those for the Bolivian Area and Brazil Zone were established. On April 1st, 1965 the Southeast Region began operating. And on June 1st, 1965 the fifth office, the Southwest Region, started to function. The delays in opening these field offices were largely due to clearance difficulties. All offices are now running smoothly.

Since the beginning of the AID/OCA programme 61 cooperatives, including five collaborating members, have joined OCA as single organisations, federations or confederations. Paid dues amount to \$76,000. This figure includes payments by the collaborating members and contributions by the Commonwealth of

OCA Meeting



Puerto Rico. Since many are multiple-membership groups, the total of single cooperatives thus represented in OCA is well over 10,000.

Many more applications for membership are being processed and a still greater number of groups is considering the timing of their applications for membership. Many of these cooperatives are themselves struggling for existence and must weigh very carefully their own embarrassed finances against the proven work of uniting with other groups in their common interest. To promote OCA membership and support, the five fieldmen have made several hundred visits to cooperatives and groups wishing to form cooperatives. This is a continuing operation.

In all countries of Latin America the OCA fieldmen have requested and received advice and assistance from AID Mission personnel and, in turn, have given their own advice and assistance. They are in continuous contact with the AID Missions. They also work constantly with other major international cooperative representatives such as those serving CUNA and FCH.

In 12 countries of Latin America councils or committees have been set up to work with the OCA fieldmen on their

mutual problems. In three additional countries committees are in the process of being formed.

Against the 1963 record of only six existing national cooperative organizations, we find that by the end of October 1965 there were 15 federations, one confederation and two fourth-level national organizations already affiliated with OCA. Here again a great deal of work has been done towards the formation of additional higher level cooperatives.

Considerable opposition has been encountered in the matter of cooperative law. It has been reported that Nicaragua, El Salvador and Guatemala have no interest in developing true cooperative legislation. Nonetheless, in El Salvador OCA is helping to take a cooperative law proposal before the Congress. Chile's 1924 law is kept current by amendment. Honduras has a workable law but Bolivia's, which is reported to be well-conceived, has not been implemented. In Colombia a new cooperative law was passed in 1963. In Peru the 1964 law is good; in Ecuador the cooperative law was suspended by the military *junta* now in power. Chile, Costa Rica, Mexico, Puerto Rico and Venezuela all have cooperative laws. Ar-

gentina passed a new law in 1964 and in Brazil final modifications have been made in proposed new legislation and it will be presented to the Congress.

A socio-economic survey made in Latin America in 1963 recommended the immediate establishment of six training centres. At this time five official OCA institutes are operating—in Brazil, Chile, Venezuela, Puerto Rico and Madison, Wisconsin (ICTC). The two in Brazil and Chile have been organised since the survey was completed. These centres are designed to train new cooperative leaders and to further the education of those already in management positions. Broader programmes are now being drawn up for training in next year's more comprehensive work in Latin America. AID support is given to the centres in Brazil, Chile and Wisconsin.

Here is a small sample of the accomplishments of the OCA fieldmen:

(1) Some 60 training programmes or seminars have been planned, conducted and/or attended by OCA fieldmen. These range in time from a few hours to many weeks and from small groups to groups of several hundreds. For instance, as part of the OCA training course held at Campinas, Brazil, students visited 11 Brazilian cooperatives and the 23 students then passed State examinations leading to certification as teachers of cooperatives. Including this course, 34 training meetings of various types have been held for 933 Brazilians. An OCA-sponsored six-week course for social workers employed in underprivileged neighbourhoods in Lima trained them in cooperative techniques. The first Congress of Housing Cooperatives of America, held in Lima, Peru, was largely planned and conducted by

a fieldman. Already a second Housing Cooperative Congress has been planned and its financing secured. Circuit Training School courses have been attended by the fieldmen. In addition, some lectures are conducted on an annual basis and some are continuous throughout the year.

(2) In the field of cooperative literature, the report of the IIFCOOP Committee was reproduced and distributed in Central America and IIFCOOP was helped to prepare a report on purposes, goals and activities of all cooperatives of the hemisphere. "Carta Organica" was translated into Portuguese and distributed in Brazil. An information leaflet concerning OCA has been printed in Spanish and English. A "Ten Course CO-OP Teaching Outline" has been printed in English and Spanish and is destined to become a best-seller, with 4,500 copies distributed to date. Statistical reports have been compiled, as the result of questionnaires and travels in various countries. Articles have been written and published in "Cooperative America". Thousands of pieces of cooperative literature have been distributed.

(3) Assistance to existing cooperatives or groups wishing to form cooperatives has taken many forms. It varies from the attempt to gain refinancing of a \$1,000,000 debt owed to French banks by a Cattle Cooperative in Panama, through providing drafts of cooperative legislation, through technical assistance in the development of an electric cooperative in Peru, to the organisation of a slaughterhouse for a group of chicken raisers in Brazil. It has taken the form of setting up, in cooperation with AID/Panama, of a pilot project of supervised agricultural credit through

a federation of agricultural cooperatives as a possible forerunner of a national cooperative bank. And it has consisted of an OCA fieldman being elected coordinator of the Second Brazilian Congress of Cooperatives. In all, more than 200 requests for these varied forms of assistance have been received and acted upon. Some have taken a few hours to complete—some many weeks.

In addition, many national, regional and international projects, which might not have been completed outside of OCA have been helped to successful conclusions by the OCA fieldmen.

Latin American candidates for private scholarships to the International Cooperative Training Centre in Madison, Wisconsin, are required to have OCA endorsement in order to receive scholarships.

Interviews have been held and candidates recommended for fellowships to study Israeli cooperatives. Plans have been made with UNICOOP and SODIMAC for exchange of Chilean products for Northern Region products. Arrangements were made for a cooperative leader of the Church Social Secretariate in El Salvador to study in Germany under a housing grant. In cooperation with the AID/Mexico Director, the Director of the Institute of Technical and Industrial Training, Mexico, it was arranged for four cooperative shoemakers from Honduras to train in Mexico. Plans were made for OCA participation in a Stockholm cooperative seminar.

“Cooperative America”

The monthly magazine “Cooperative America” commenced publication in August 1964, under Task Order 3, Global Contract AID/CLUSA/CSD-267. This contract stipulates that the ma-

gazine be produced in both English and Spanish and that not less than 1,500 copies be printed and distributed each month.

Because the magazine is the official organ of OCA and OCA is a relatively new and growing organisation, the objectives of the magazine, proposed by the editor and approved by the Executive Director of OCA, are:

“To give identity and recognition to OCA throughout the Americas, and at the same time seek to enhance cooperative development by serving as a source of cooperative education, information and inspiration.”

In accordance with these objectives—particularly in respect to building an awareness of OCA—it was decided to direct the magazine to a leadership group of those working in, interested in, or otherwise concerned with the cooperative field. Thus the mailing list has been built around directors and officers of cooperatives, government officials of Latin American countries working in offices of cooperative and economic development, USAID personnel, Peace Corps Directors and Volunteers, libraries and information centres and editors of other cooperative publications.

Future Plans

During the latter part of June 1965 a meeting of the OCA Executive Director, the fieldmen, AID and CLUSA personnel and representatives of international cooperatives and other interested persons was held in Washington, D.C. There was a comprehensive discussion of problems encountered and the various methods used to overcome them. In addition, OCA membership goals were set for each area and projections made for leadership training and specific project development. These goals are:

I. New members for OCA	
Primary cooperatives	64
Federations of cooperatives	43
Confederations	
(national organisations)	9
Collaborating members	30
II. New federations and confederations to be established	24
III. Leader-training programmes	29
IV. Specific projects in cooperative Development	40

At this conference the fieldmen were urged to work even more closely with the AID Missions and to integrate their programmes with the aims of the individual AID Missions. They were urged to speed up their OCA-membership recruitment efforts and to encourage, as quickly as possible, the formation in each country of multiple-membership cooperatives to give unity and force to their efforts. They were urged to recruit volunteers to help in their programmes and instructed in the filing of applications for funding or assistance. And finally, the men were urged to redouble their efforts to communicate their activities through local news media and to send all possible action and human interest material to OCA's Washington office for further use.

Conclusion

OCA is making progress in meeting the objectives set out for it under Task Order No. 3. It is:

1. *Promoting*, where feasible, the formation of new cooperatives in Latin America;
2. *Assisting* in developing national federations and confederations of cooperatives;

3. *Steadily building* its own membership;
4. *Providing* technical advice on organisation and management to existing cooperatives and to leadership groups which are in the process of forming new cooperatives;
5. *Providing* information to AID, through the Global Project Office, on accomplishments;
6. *Distributing* the monthly magazine, *Cooperative America*, to a steadily growing number of subscribers;
7. *Acting* as a central clearing-house for exchange of ideas and information on cooperative successes and failures;
8. *Raising* educational, economic and living standards and bolstering the human morale.

Future plans are in line with these objectives. The development of a hemispheric unifying institution invariably is a long and painful process. But the benefits of this programme to the Alliance for Progress and to AID are already tangible. We believe the results shown in the short period of operation of the programme well justify continued AID support.

The I.C.A. has five members within the area. There is a friendly and continuous exchange between the OCA and the Alliance and the conviction is widespread that a strong and more cohesive cooperative movement in the Americas would bring an accession of strength to the Alliance in years to come. OCA is indeed a tremendous stepping-stone to world-wide, international cooperative association in the future.



JOSEPH LEMAIRE 1882-1966

FEW cooperators can have had such tributes paid to them as those expressed on the death last July of Joseph Lemaire, President—one might almost say founder—of the Belgian Cooperative Insurance organisation, "*La Prévoyance Sociale*".

Born in Liège in 1882 of humble working-class parents, Joseph Lemaire experienced in his childhood the poverty and deprivation of a labourer's family in those days. The first ten years of his working life were spent in an insurance office where the experience he gained was later to prove invaluable in his work for the cooperative movement.

Having been brought up by a father who was a keen trade unionist, Joseph Lemaire was naturally also interested in trade union questions. When in 1907, the Belgian Socialist Party decided to form a cooperative insurance organisation, he offered his services and his experience in insurance, working without sparing himself on behalf of the new society which became *La Prévoyance Sociale*. From that time, in the words of a speaker at the funeral: "Joseph Lemaire's life was that of *La Prévoyance Sociale*—*La Prévoyance Sociale* was the life of Joseph Lemaire."

After the First World War, the society began to make progress again under Joseph Lemaire's guidance as Inspector-General, but it was not until he became Director-General in 1925 that it began to expand into the great social institution which it is today.

It was when considering how to use to the best advantage the surplus earned by *La Prévoyance Sociale*, that inspiration came to Joseph Lemaire. Why not use it for the benefit of the nation as a whole?

From then on, *La Prévoyance Sociale* became much more than just a mutual insurance organisation, covering risks and issuing policies. The first venture in the new direction was a sanatorium at Tombeek, called after Joseph Lemaire, opened in 1937 at a time when tuberculosis was rampant in Belgium. After the Second World War, a curative thermal centre for the treatment of rheumatism and heart disease, "*Heures Claires*", was opened in Spa, and a further one subsequently in Ostend. Both these were fully equipped to give patients the benefit of the most up-to-date discoveries in medical therapy. The establishment in Spa has since been extended by the Astrid Centre which includes a pool for underwater therapy treatment of polio and other patients.

Backward and handicapped children are cared for and given training in the Châteaux of Solières, Schepdael and Momignies acquired by *La Prévoyance Sociale*. At Fallais, in a most delightful part of the Belgian countryside, a 15th century château has been converted into a home for old people, and at Tribomont refugees and displaced persons have found a home.

One of Joseph Lemaire's more unusual ideas was to present to the Université Libre de Bruxelles a virological laboratory with an electronic microscope and other equipment.

In the very early days of his work for *La Prévoyance Sociale*, Joseph Lemaire had the idea of expanding cooperative insurance beyond national frontiers. In 1922, he arranged a meeting in conjunction with the ICA which resulted in the formation of the ICA Insurance Committee. He himself acted as secretary until 1946, when he handed over to his son Henri.

There is much more to the story of Joseph Lemaire: for instance, his help for prisoners of war and their families and the aid he gave to the Belgian Resistance at great peril to himself. For his services to the nation he received many honours, the highest being that of *Ministre d'Etat*. But it is by his work for the sick and underprivileged that he will be remembered, work which is the true expression of Socialism and Cooperation.

COOPERATION IN THE CANADIAN PRAIRIE PROVINCES

by **Muriel J. Russell,**

ICA Secretary for Women Cooperators

HAVING accepted very willingly invitations to attend the annual meetings of the Saskatchewan and Alberta Provincial Cooperative Women's Guilds, and the Congress of the Cooperative Union of Canada, which involved a 3½ weeks' visit in March, I had asked whether I could live in the homes of Cooperators during intervals between main engagements. The Canadians took me at my word and arranged an unforgettable programme which allowed me to share with them the atmosphere of their every-day life.

It was interesting that wherever I was accommodated, besides my hostess invariably being a very energetic Guild office-holder, the husband or other members of the family would also be active in the Cooperative Movement as a farmer, Board member, Public Relations Officer or wholesale cooperative employee. My cooperative education, therefore, often extended late into the night or I digested it with my meals!

From the beginning I realised that distance meant nothing to these people. Snow lay thick over the land, and in Winnipeg it was piled 18 ft—20 ft in the streets, but it seemed I was the only one surprised that a group of women who set out from Winkler, 75 miles from town, to attend a reception given on my first evening, were undaunted by a further storm and battled on to arrive in

time for lunch the next day. I soon caught the same spirit and found myself travelling hundreds of miles by train, plane and car, scorning the clock in order to be on time for the next event.

Canada is a land which appears willing to try any form of Cooperation which is likely to meet a special need. Perhaps the origin can be found in the fact that, during the latter part of the last century, people arrived from Europe determined to build new communities. In turning the virgin scrub lands and fighting successive droughts and other hazards of the elements, they recalled that Cooperation was a proven system which, almost unwittingly, they had packed in their emigration kits. The wheat pools with their grain elevators proudly punctuating the landscape, are indisputable evidence of a cooperative scheme which brought economic salvation to the prairies when seasonal disasters hit them in the 1930's.

As I stood by a weighbridge at the foot of an elevator, I tried to assess the thoughts of the young farmer who was registering his truck load of grain, confident in the return he would receive as a Wheat Pool member. Would he ever feel the same sense of pride as a legatee which so obviously shone in the eyes of the older man beside me? This man, along with his contemporaries, had the

faith to lay the foundation of an organisation which revolutionised the economy of the prairies and made itself felt in the markets of the world.

Another example of basic Cooperation adapted to modern living was the Matador farm where, for twenty years, twelve families have successfully farmed together. Two incidents had a special effect on me during that brief Sunday afternoon visit. My host was the President of the farm, who, along with another member, talked seriously and enthusiastically of their achievements. Quite suddenly he left the company—it was his turn to do the chores of the farm, attending to the livestock and securing the farm buildings before the night came. Secondly, there was the recognition of the consumer movement by these farmers. I had been brought to the Matador farm by the General Manager of the Pioneer Cooperative Society, situated 50 miles away. It was obvious they regarded each other's function as an integral part of the right system to pursue.

This integration of interest at local level was evident in many places. The boards of societies often consisted of farmers. Of course, there were critics of this situation who felt an overweight of sectional interests tended to reflect itself in policy. In fairness, I saw little evidence of this in buildings and fixtures. The cooperative supermarkets in many of the growing towns were first-class and reflected the effect of vigorous management. Many societies were only ten to twenty years old. It was fascinating to listen to people explaining how they had personally contributed to the initial capital for a society now proudly operating a supermarket standing on a $2\frac{1}{2}$ acre lot, complete with service and petrol station, lumber yard and car

park. With my English experience behind me, I feared at times they might be in danger of over-capitalisation, but as one Cooperator put it "We are so big in land areas, we cannot help being big in our houses, cars and, in particular, in our Co-op shops".

Developed countries in Europe will certainly sympathise with a common dilemma—their battle with major competitors (often national and international chains) before they have had a chance to build adequate reserve funds. I saw the cross currents at work—the determination to have a modern store "because we must", the fear of "a couple of bad seasons", the promotion of local pride because the next town is 20–50 miles away any way and the advantages and disadvantages of regionalisation or centralisation set against the loss of independence.

In meeting the officials of the wholesale and retail societies, I was struck by the youth of the majority. This was particularly noticeable in a 3-day conference at which they discussed many of the problems just mentioned. Not only were they keen, but they involved their wives. Besides an open invitation to the ladies to any session, there was a special address "The New Look of the Co-ops" given by the General Manager of Federated Cooperatives Ltd., the prairies' Wholesale Society, and a panel of wives discussing the "Role of the Manager's Wife".

Public relations play an important part in cooperative organisation and general managers missed no opportunities to use T.V. and Radio facilities to the full, particularly local stations. At Swift Current, a typical western prairie town where it is common to see cowboys about the streets (the first I met were in the Society's stores!), the General Man-

ager personally directed and compered a 15-minute show every Monday night during the winter. "The Co-op Way" reached viewers living within a radius of 150 miles. His programme was flexible and he aimed at topical matter. Visitors passing through town with particular knowledge of Cooperation were welcomed. New ideas and advice from a Consumer Counsellor might also be a feature, or even a discussion on local affairs which highlighted cooperative concern.

Mention of consumer counselling brings to mind another innovation which the members enjoy. Some years ago, the Saskatchewan Cooperative Women's Guild suggested that consumer advice would benefit them and other women. The office of "Donna Rochdale" was established and is held at present by a first-class home economist. She is assisted by qualified girls and they tour the provinces and, at the invitation of societies, promote intensified campaigns over an agreed period of days. During this time, they use T.V., Radio and the Press, stage demonstrations and exhibitions, or take part in conferences. In other words, they utilise every publicity vehicle available but cleverly avoid direct advertisement. Their approach is subtle, but their information on values and qualities leaves little doubt in the minds of consumers where best to shop. Any reluctance managers may have felt in the introduction of this service is fast disappearing, as it is realised this practical approach pays off in consumer understanding.

"Donna Rochdale" has also appealed to the teenagers with charm courses. In twelve evenings, a group of girls are advised on etiquette, deportment, make-up, hair-styling, diet, dress and other consumer information. I saw the end

product of such a course. A fashion show, "Modes a Go-Go 1966", was staged before an audience of 300 in a hall. The programme, clothes and accessories had been chosen by the 17 girls. The commentary was written and presented by four of their number. The confidence they had gained would be of life-long advantage to them, as they had become aware of the value of their cooperative society in the process. Incidentally, the fashion sales in the Co-op also rocketed.

In Saskatoon, the society employs its own consumer consultant and provides her with a demonstration area in the basement of the supermarket to seat 250-300 people. On winter nights, it is not unusual to have courses proceeding in each corner of the hall covering nutrition, handicrafts or dressmaking. Mrs. Ducey has a daily question-and-answer spot on radio. She is willing to visit homes, as she says—"to advise, not sell". Departmental buyers and managers consult her on merchandising.

Credit Unions are another form of Cooperation which has thrived on the Prairies, once again because they were an answer to the needs of development. Last year, they celebrated their Silver Jubilee in Saskatchewan. No village or town is without its Credit Union office, sometimes a modern, prosperous looking building, sometimes a tiny room in a village main street or even a section in a cooperative supermarket. Interests and personalities are often intertwined with those of the consumer society, but there is no question that either is anxious to lose its identity. They are much more contented to live side by side.

I went to Canada primarily to meet women and to see what they are doing in the cooperative movement. Like women cooperators in so many coun-

tries, I found them much more effective than they will admit to themselves, or even others will give them credit for. As previously mentioned, there are Guilds in Saskatchewan and Alberta and to a lesser extent in Manitoba. Their very existence is a tribute to their determination, as voluntary organisation there is heavily handicapped by weather, distance and the important call of the agricultural cycle. Another competitor is curling—for the uninitiated, a game on ice to which young and old, men and women, are dedicated. Some communities have even built their own cooperative icerink!

In their Guild work, education plays an important part. Of 83 guild branches in Saskatchewan last year, 75 were enrolled in the correspondence course on cooperative information which has been prepared by the Cooperative Union of Canada and is conducted by the Western Cooperative College. Periodically the women go to the College for courses in which they study together with other cooperators.

I could not have wished for a more efficient guide and friend than the Education Convener, Mrs. Lorayne Janeson, who was appointed by the Cooperative Union of Saskatchewan last year. She travels the Province assisting in "workshops" (these are one or two-day schools) and other conferences, and she never fails to enlist the help and interest of the local society officials, P.R.O.'s and fieldmen from the Wheat Pools and the Credit Unions.

Along my route, meetings, rallies and workshops had been arranged. At one place, I asked several farmers' wives how far they had come and their answers ranged from 16 to 57 miles! One carload of six had rehearsed a script based on a cooperative theme on the journey and

presented it during the programme!

The Rainbow Ceremony is a feature of their main meetings which highlights their sincerity of purpose. By the lighting of candles or the wearing of ribbons in the colours of the rainbow they are able to apply symbolically the purposes and aims of Cooperation. It is a most effective demonstration with educational value.

There were certainly not sufficient women offering themselves for higher office and I hope my visit will have helped to encourage them. I am sure I met potential Board members among their numbers. In one town, the all-male Board broke tradition by inviting me to their meeting at which the auditor was to discuss the balance sheet. Their very kind reception of my comments led me to believe that a woman colleague would not be unwelcome; I passed on the challenge to the women!

My conviction is reinforced by the attitude of the Cooperative Union of Canada which appeared anxious that women should not isolate themselves in groups but, wherever practical, should involve themselves in the working of their societies. A very broad hint was given by Dr. A. Laidlaw, the General Secretary, in his "Ladies Day" address in Regina:—"Women Cooperators cannot exert their full influence in the movement just as women. It seems to me that there is something wrong in sex segregation in Co-ops just as there is in sex discrimination. Any form of segregation tends to divide and weaken the cooperative movement as a whole."

I left Canada, exhilarated by what I had seen—it was a new cooperative world opened up to me. Who knows? It taught the world wheat pool organisation; it may yet repeat such a performance in other forms of Cooperation.

THE ROLE OF COOPERATION IN SOCIAL AND ECONOMIC DEVELOPMENT

International Cooperative Alliance

A report of the proceedings of the Regional Conference held in
Tokyo, Japan, 19th - 26th April, 1964.

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AFFILIATED ORGANISATIONS

- ALGERIA:** Société Coopérative Musulmane Algérienne d'Habitation et d'Accession à la Petite Propriété, 8, rue du Cercle Militaire, Oran; also at - 21, rue Edgar Quinet, Algiers, and 9, rue Mathurin Régnier, Paris 15.
- ARGENTINA:** Federación Argentina de Cooperativas de Consumo, Avda. Sudrez 2034, Buenos Aires. Intercoop, Editora Cooperativa Limitada, Florida 32. Oficina 42, Buenos Aires.
- AUSTRALIA:** Cooperative Federation of Australia, Red Comb House, Roma Street, Brisbane, Queensland.
- AUSTRIA:** "Konsumverband" Zentralverband der österreichischen Konsumgenossenschaften, Theobaldgasse 19, Vienna VI. Membership (1965): 456,200; turnover: consumers' societies: Sch. 3,473 mill.; wholesale (G.Ö.C.): Sch. 1,688 mill.; department stores: Sch. 597 mill.; own production: consumer societies: Sch. 411 mill.; G.Ö.C. and subsidiaries: Sch. 421 mill. Bank für Arbeit und Wirtschaft, A/G, Seitzergasse 2-4, Vienna I. Zentralkasse der Konsumgenossenschaft, Theobaldgasse 19, Vienna VI. Österreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, Bösendorferstrasse 7/11, Vienna I. 1965: Affiliated organisations: 319 (comprising 207 societies and 112 associations); membership 115,596; dwellings administered 246,663 (comprising 107,229 societies and 139,434 associations); balance at 1964: 26.7 milliard Sch. (divided as to societies Sch. 12.5, associations Sch. 14.2). Österreichischer Raiffeisenverband, Seilergasse 16, Vienna I.
- BELGIUM:** Société Générale Coopérative, 26-28 rue Haute, Brussels I. Affiliated consumers' societies: 25; membership: 300,000; turnover (1963): Frs. 3,900 mill.; shops: 1,400; Wholesale society turnover (1963): Frs. 959 mill. Société Coopérative d'Assurances "La Prévoyance Sociale", P.S. Building, 151, rue Royale, Brussels. Premiums (1964): Frs. 1,176 mill.; reserves: Frs. 5,000 mill.; insurance funds, life: Frs. 15,000 milliards. Fédération Nationale des Coopératives Chrétiennes, 129, rue de la Loi, Brussels. (1964): 1,336 shops; turnover: Frs. 1,303 million; dividends: Frs. 60 million; Savings Bank: 1,930 branches; 388,000 members; deposits: Frs. 7,024 mill.; Insurance Society: 210,000 policy holders; premiums: Frs. 310 mill.; reserves: Frs. 800 mill. L'Economie Populaire, 30, rue des Champs, Ciney (Namur). Branches (1965): 444; membership: 85,200; turnover: Frs. 890 mill.; savings deposits: Frs. 511.5 mill.; capital and reserves: Frs. 111.5 mill. Institut Provincial de Coopération Agricole, 42, rue des Augustins, Liège.
- OPHACO** (Office des Pharmacies Coopératives de Belgique), 602, Chaussée de Mons, Brussels. Union of 28 cooperative societies owning 360 pharmacies, 68 optical departments and counters, 7 drug stores, 14 wholesale depots. Turnover (1963): Frs. 1,250 mill. Surplus distributed to 400,000 members: Frs. 95 mill. Société Coopérative Fédérale de Belgique, 83-85, rue Vanderschrick, Brussels.
- BRAZIL:** Aliança Brasileira de Cooperativas (ABCOOP), Ave. Franklin Roosevelt 39-12°, Sala 1216, Rio de Janeiro.
- BULGARIA:** Central Cooperative Union, Rue 6 Septemvri 21, Sofia.
- BURMA:** National Cooperative Council, 290-300, Lewis Street (2nd. Floor), Rangoon.
- CANADA:** Cooperative Union of Canada, 111, Sparks Street, Ottawa 4, Ont. A national association of English-language cooperatives the principal members of which are provincial cooperative unions and inter-provincial cooperatives; organised in 1909. Conseil Canadien de la Coopération, 353 rue Dalhousie, Ottawa 2, Ont.
- CEYLON:** The Cooperative Federation of Ceylon, Cooperative House, 455, Galle Road, Colombo 3.
- CHILE:** Federación Chilena de Cooperativas de Ahorro y Credito, Ltda., Dieciocho 246, Clasificador 760, Santiago de Chile.
- COLOMBIA:** Cooperativa Familiar de Medellín, Ltda., Calle 49, No. 52-49, Medellín.
- CYPRUS:** Cooperative Central Bank Ltd., P.O. Box 411, Nicosia. Cyprus Turkish Cooperative Central Bank Ltd., P.O. Box 791, Nicosia. Vine Products Cooperative Marketing Union Ltd., P.O. Box 314, Limassol.
- CZECHOSLOVAKIA:** Ustredni Rada Druzstev, Tesnov 5, Prague II.
- DENMARK:** De samvirkende danske Andels-selskaber (Andelsudvalget), H. C. Andersens Boulevard 42, Copenhagen V. Representing 29 national organisations, comprising: consumers' societies, agricultural production, marketing and purchase societies, other production and marketing societies, insurance societies, banking societies. Membership: 525,000 individual members. Turnover (1964): D.Kr. 14,300 mill. Det Kooperative Faellesforbund i Danmark, Frederiksborggade 50, Copenhagen S. Affiliated societies (1963): 634; total sales: D.Kr. 1,582 mill.; employees: 12,500; comprises: consumers', workers', artisans', productive and housing societies etc. Faellesforeningen for Danmarks Brugsforeninger (FDB), Roskildevej 65, Albertslund. Affiliated societies (1965): 1852; members: 716,000; turnover: 2,583 mill. D.kr.; wholesale turnover: 1,453 mill. D.kr.; own production: 405 mill. D.kr.

DOMINICA: Dominica Credit Union League, Ltd.,
14, Turkey Lane, Roseau.

EGYPT: Société Coopérative des Pétroles, 94,
Kasr el - Eini Street, Cairo.

EIRE: Irish Agricultural Organisation Society Ltd.,
The Plunkett House, 84 Merrion Square, Dublin 2.
National Organising and Advisory Body for Agricultural
Cooperatives. Affiliated Societies: 339; Membership:
121,000; Turnover (1964): £ 106 mill.

FINLAND: Suomen Osuuskappojen Keskuskunta
(S.O.K.), Vilhonkatu 7, Helsinki 10.
Affiliated societies (1965): 336; members: 520,092;
wholesale turnover: Fmk. 1,054 million; own production
of SOK: Fmk. 230 million.

Yleinen Osuuskappojen Liitto r.y. (Y.O.L.),
Vilhonkatu 7, Helsinki 10.

Affiliated societies (1965): 336; members: 520,092;
turnover of societies: Fmk. 2,049 million; total
production of the affiliated societies: Fmk. 43 mill.

Kulutusosuuskuntien Keskusliitto (K.K.), r.y.,
Mikonkatu 17, Helsinki 10.

Affiliated societies (1965): 97; members 562,350; turnover:
Fmk. 1,526.2 mill.; own production: Fmk. 238.7
mill.

Osustukkukauppa (O.T.K.), P.O. Box 10120,
Helsinki 10.

Affiliated societies (1965): 97; turnover: Fmk. 862.2
mill.; own production: Fmk. 274 mill.

Pellervo-Seura, Central Organisation of Farmers'
Cooperatives, *Simonkatu 6, Helsinki.*

Affiliated organisations (1963): 10 central organisations;
1,102 societies.

FRANCE: Fédération Nationale des Coopératives
de Consommation, F.N.C.C., 89, rue la Boétie,
Paris VIII.

Affiliated societies (1964): 475; membership: 3,460,000;
shops: 9,900; turnover: NF. 3,600 mill.

Société Générale des Coopératives de Consom-
mation, 61 rue Boissière, Paris XVI.

Fédération Nationale des Sociétés Coopératives
Ouvrières de Production du Bâtiment, des Travaux
Publics et des Matériaux de Construction,
88, rue de Courcelles, Paris VIII.

Confédération Générale des Sociétés Coopé-
ratives Ouvrières de Production de France et de
l'Union Française, 88, rue de Courcelles, Paris VIII.

Banque Coopérative des Sociétés Ouvrières de
Production de France, 88, rue de Courcelles,
Paris VIII.

Confédération Nationale de la Coopération, de
la Mutualité et du Crédit Agricoles, 129, Bd.
St. Germain, Paris VI.

Fédération Nationale de la Coopération Agricole,
129, Bd. St. Germain, Paris VI.

Caisse Nationale de Crédit Agricole, 91-93,
Boulevard Pasteur, Paris XV.

Fédération Nationale des Sociétés Coopératives
d'Habitations à Loyer Modéré, Foyer Coopératif,
17, rue de Richelieu, Paris 1er.

Confédération des Coopératives de Construc-
tion et d'Habitation, "L'Habitation", 31, ave.
Pierre 1er de Serbie, Paris XVI.

L'Association Bâticoop, 6, rue Halévy, Paris IX.

Confédération des Organismes de Crédit Ma-
time Mutuel, 18 bis, Avenue Hoche, Paris VIII.

GERMANY: Zentralverband deutscher Konsumge-
nossenschaften e.V., Besenbinderhof 43, (2)
Hamburg I.

Affiliated societies (1964): 239; membership: 2,556,321;
turnover: D.M. 3,540,742.4 mill.

Grosseinkaufs-Gesellschaft deutscher Konsum-
genossenschaften m.b.H., Besenbinderhof 52,
(2) Hamburg I.

Total turnover (1964): D.M. 1,900 mill.; own production:
D.M. 570 mill.

Gesamtverband gemeinnütziger Wohnungs-
unternehmen, Breslauer Platz 4, (22c) Cologne.

"Alte Volksfürsorge", Gewerkschaftlich-Genos-
senschaftliche Lebensversicherungs A.G., An der
Alster, (2) Hamburg I.

Deutsche Sachversicherung "Eigenhilfe", Stein-
strasse 27, (2) Hamburg I.

GREAT BRITAIN: The Co-operative Union Ltd.,
Holyoake House, Hanover Street, Manchester 4.
Affiliated societies (1965): 704; membership: 13,032,771;
retail societies' share capital: £ 243,840,861; retail
sales: £ 1,096,376,175.

Co-operative Wholesale Society Ltd., 1, Balloon
Street, Manchester 4.

Affiliated societies (1965): 746; sales: £ 487,859,688;
Bank turnover: £ 9,764,603,821; reserve and insurance
funds: £ 40,791,711; total assets: £ 300,463,985.

Co-operative Insurance Society, Ltd., Miller
Street, Manchester 4.

Assets (1964): £ 369 mill.

Scottish Co-operative Wholesale Society Ltd.,
95, Morrison Street, Glasgow C. 5.

Affiliated societies (1964): 164; sales: £ 93,720,670;
reserves and insurance funds: £ 8,417,093; total resources:
£ 19,532,184.

Co-operative Permanent Building Society, New
Oxford House, High Holborn, London, W.C. 1.

GREECE: Pan-Hellenic Confederation of Unions of
Agricultural Cooperatives (S.E.S.), 6, Othonos
Street, Athens.

GUYANA: British Guiana Cooperative Union Ltd.,
Ministry of Education and Social Development,
41, High and Cowan Streets, Kingston, Georgetown.

HOLLAND: Coöperatieve Vereniging U.A., Cent-
rale der Nederlandse Verbruikcoöperaties,
"CO-OP Nederland", Vierhavensstraat 40,
Rotterdam 7.

Association of Enterprises on a Cooperative
Basis, Bloemgracht 29, Amsterdam.

HUNGARY: Federation of Hungarian Cooperative
Societies, Szabadság 14, Budapest V.

REVIEW OF STATISTICS

A booklet summarising the annual statistics of British cooperative societies in 1965 has been published by the Cooperative Union.

These statistics will be repeated in the comprehensive publication, *Cooperative Statistics for 1965*, which will appear about the end of October, with detailed figures for all British societies.

Review of Statistics costs 3s., by post 3s. 3d., and is obtainable from

COOPERATIVE UNION LTD.,
Holyoake House,
Hanover Street, Manchester 4.

ICELAND: Samband Isl. Samvinnufélagi, *Reykjavik.*

INDIA: National Cooperative Union of India,
72, Jorbagh Nursery, New Delhi 3.

National Agricultural Cooperative Marketing Federation Ltd., No. E-11 Defence Colony (*Ring Road*), *New Delhi 3.*

IRAN: Cherkate Taavoni Masrafe Artêche (Army Consumers' Cooperative Society), *Avenue Sevjom Esfand, Rue Artêche, Teheran.*
The Credit and Housing Cooperative Society of Iran, *20-22 Shahabad Avenue, Teheran.*

ISRAEL: General Cooperative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., *P.O.B. 303, Tel-Aviv.*
Affiliated societies and companies (1963): 1,855 in all branches.

"Merkaz" Audit Union of the Cooperative Societies for Loans and Savings, *44, Rothschild Bd., P.O. Box 75, Tel-Aviv.*

"Haikar" Audit Union of the Agricultural Societies of the Farmers' Federation of Israel, *8 Harkrya Street, P.O.B. 209, Tel-Aviv.*

ITALY: Lega Nazionale delle Cooperative e Mutue,
Via Guattani 9, Rome.

Confederazione Cooperativa Italiana, *Borgo Santo Spirito 78, Rome.*

Associazione Generale delle Cooperative Italiane,
Via Milano 42, Rome.

IVORY COAST: Centre National de la Coopération et de la Mutualité Agricoles, *B.P. 702, Abidjan.*

JAMAICA: The Jamaica Cooperative Union, Ltd.,
74½ Hanover Street, Kingston, W.I.

JAPAN: Nippon Seikatsu Kyodokumiai Rengokai (Japanese Consumers' Cooperative Union), *Tanra-Kaikan, 9 Ichigaya-Kawada-cho, Shinkjuku-ku, Tokyo.*

Zenkoku Nogyokyodokumiai Chuokai (Central Union of Agricultural Cooperatives), *5 1-chome Otemachi, Chiyoda-ku, Tokyo.*

Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fishery Cooperative Associations), *Sankaido Building, Akasaka-tameikomachi, Minato-ku, Tokyo.*

JORDAN: Jordan Cooperative Central Union Ltd.,
P.O.B. 1343, Amman.

KENYA: Kenya National Federation of Cooperatives Ltd., *P.O.B. 9768, Nairobi.*

KOREA: National Agricultural Cooperative Federation, *75, 1st Street, Chung-Jong-Ro, Sodaemun-ku, Seoul.*

MALAYSIA: Cooperative Union of Malaya,
8, Holland Road, Kuala Lumpur.

Federation of Cooperative Housing Societies,
8, Holland Road, Kuala Lumpur.

Sarawak Cooperative Central Bank Ltd.,
3-J, Clifford House, Kuching, Sarawak.

MALTA: Farmers' Central Cooperative Society Ltd., *New Building, Middleman Street, Marsa.*

MAURITIUS: Mauritius Cooperative Union,
Dumat Street, Port Louis.

MEXICO: Confederación de Cooperativas de la República Mexicana, C.C.L., *Av. Cuauhtemoc 60, 5e Piso, Mexico 7, D.F.*

NEW ZEALAND: Hutt Valley Consumers' Cooperative Society Ltd., *P.O.B. 5006, Naenae.*

NIGERIA: Cooperative Union of Eastern Nigeria Ltd., *Cooperative Bank Buildings, Milverton Ave., Aba.*

Cooperative Union of Western Nigeria Ltd., *c/o Cooperative Buildings, New Court Rd., Ibadan.*

Lagos Cooperative Union Ltd., *Cooperative Office, 147, Broad Street, Lagos, W. Nigeria.*

- NORWAY:** Norges Kooperative Landsforening, Kirkegaten 4, Oslo.
Affiliated societies (1965): 904; membership: 347,208; turnover of local societies: Kr. 2,171 mill.; of N.K.L.: Kr. 663 mill.
BBL A/L Norske Boligbyggelags Landsforbund, Trondheimsveien 84-86, Oslo.
- PAKISTAN:** East Pakistan Cooperative Union, Ltd., 9/D-Motijheel Commercial Area, 3rd Floor, Dacca 2.
West Pakistan Cooperative Union, 26, Edward Road, Lahore 1.
Karachi Central Cooperative Bank, Ltd., 14, Laxmi Building, Bunder Road, Karachi 2.
Karachi Central Cooperative Consumers' Union, Iqbal Market and Cold Storage, Soldier Bazar, Karachi.
Karachi Cooperative Housing Societies' Union, Shaheed-e-Millat Road, Karachi.
Karachi Cooperative Union Ltd., 4 Bandukwala Building, McLeod Road, Karachi 2.
Karachi Fishermen's Cooperative Purchase and Sales Society Ltd., West Wharf Road, Karachi.
Sind Baluchistan Provincial Cooperative Bank, Ltd., Provincial Cooperative Bank Bldg., Serai Road, P.O. Box 4705, Karachi 2.
- PHILIPPINES:** Central Cooperative Exchange Inc., P.O.B. 1968, Manila.
- POLAND:** Central Agricultural Union of "Peasant Self-Aid" Cooperatives, Kopernika 30, Warsaw.
The Central Union of Building and Housing Cooperatives, Ul. Jasna 1, Warsaw.
The Invalids' Cooperative Union, c/o Central Agricultural Union of "Peasant Self-Aid" Cooperatives, Kopernika 30, Warsaw.
"Spolem" - Union of Consumer Cooperatives, Gzazyny 13, Warsaw.
Central Union of Work Cooperatives, Surawia 47, Warsaw.
- ROUMANIA:** Uniunea Centrala a Cooperativelor de Consum "Centrocoop", Calea Victoriei 29, Bucharest.
- SCANDINAVIA:** Nordisk Andelsforbund, 3 Axeltovej, Copenhagen V.
- SINGAPORE:** Singapore Cooperative Union Ltd., Post Box 366; Office and Library: 3-J/K Clifford House, Singapore 1.
- SWEDEN:** Kooperativa Förbundet, Stockholm 15.
Affiliated retail societies (1965): 338; membership: 1,323,000; total turnover of distributive societies: Kr. 5,083 mill.; total turnover of K.F.: Kr. 3,817 mill. (Kr. 2,660 mill. sales to affiliated societies); own production: Kr. 1,834 mill.; total capital (shares and reserves) of K.F. and affiliated societies: Kr. 1,099 million, surplus included.
- Kooperativa Kvinnogillesförbundet, Stockholm 15.
Hyresgästernas Sparkasse- och Byggnadsförenings Riksförbund (H.S.B.), Flemingsgatan 41, Stockholm 18.
Affiliated Building Societies: 186; with individual members: 250,000; number of flats administered by local societies: 220,000; value of real estate: 8,000 mill. Kr.
Svenska Riksbyggen, Box 19028, Stockholm 19.
Folksam Insurance Group, Folksam Building, Stockholm 20.
Sveriges Lantbruksförbund, Klara Östra, Kyrkogata 12, Stockholm 1.
- SWITZERLAND:** Verband schweiz. Konsumvereine (V.S.K.), Thiersteinallee 14, Basle.
Affiliated societies (1964): 505; shops: 3,200; membership: 780,000; retail turnover of affiliated societies: Frs. 1,700 mill.; wholesale turnover: Frs. 1,100 mill.
Verband ostschweiz. landwirtschaftlicher Genossenschaften (V.O.L.G.), Schaffhauserstrasse 6, Winterthur.
Verband sozialer Baubetriebe, c/o SBHV., Sihlpostfach, Zurich 1.
Genossenschaftliche Zentralbank, Aeschenvorstadt 71, Basle.
COOP Lebensversicherungs-Genossenschaft Basel, Aeschenvorstadt 67, Basle.
International Cooperative Bank Co., Ltd., Aeschenvorstadt 75, P.O.B. 348, 4002 Basle.
- TANZANIA:** Cooperative Union of Tanganyika Ltd., Avalon House, P.O. Box 2567, Dar-es-Salaam.
- TUNISIA:** El Ittihad, 26 rue du Portugal, Tunis.
- UGANDA:** Uganda Cooperative Alliance, P.O.B. 2215, Kampala.
- U.S.A.:** The Cooperative League of the U.S.A., 59, East Van Buren Street, Chicago, Ill. (60605), and 1012, 14th Street, N.W., Washington 5, D.C.
- U.S.S.R.:** Central Union of Consumers' Cooperative Societies of the U.S.S.R., "Centrosoyus", Tcherkassky per no. 15, Moscow.
Consumers' societies (1961): 17,500; members: 43.1 mill.; stores: 321,000.
- YUGOSLAVIA:** Glavni Zadruzni Savez FNRJ, ul. Knez Mihajlova 10, Belgrade.
- ZAMBIA:** Eastern Province Cooperative Marketing Assoc. Ltd., P.O.B. 108, Fort Jameson.

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The I.C.A. is not responsible for the opinions in signed articles

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MARCEL BROT IN MEMORIAM

The funeral of Marcel Brot took place in Nancy on Wednesday, 26th October.

Mr. Ch.-H. Barbier, who represented the I.C.A. at this moving ceremony, paid the following tribute:

WHEN we are poorer by a friend, our world is no longer the same. The misfortune striking all of us gathered here happened last Saturday, and ever since we have been turning the same questions over and over again in our minds. We simply cannot understand it, we do not want to believe it, we refuse to accept it. But, all the same, we are here now, come from far and wide to pay a last tribute.

In the name of the International Cooperative Alliance, I have the great honour of paying the last respects to Marcel Brot. This is no easy task, since in sorrow, as in dying, we stand alone.

With its 211 million family members,

the Alliance is today a great organisation. Not everyone yet knows what has happened, and many will never know. But many others, all over the world—in India, in Iceland, in England, in Stockholm, in Helsinki, in Switzerland, in Italy, in the U.S.S.R., in Kuala Lumpur, in Belgium, in Bangkok or in Canada—will say in a few days, in a few weeks, in a few months: “So he is dead! . . . I knew him”, or “I saw him”, or “I heard him”. His face, his eyes, his voice will then live again in the most various countries, in the most various households.

Today, his closest friends, those on the Executive Committee of the Alliance, its Central Committee and at its Con-

gresses, are thinking of him. Thousands of cooperators in France and Switzerland to whom he was so close and whom he knew so well are mourning him in sorrow.

What, I have often asked myself, is the source of the unparalleled prestige in which Marcel Brot was held in I.C.A. circles? Which qualities earned him such an important place there? Fine oratory, intelligence, clear-sightedness, quickness of decision, the strength of his faith as a cooperator, vision: all these are qualities shared by other people also, but, nevertheless, there was no one really like him. This was due perhaps to his unique personality, a combination of these remarkable qualities. He had indeed incomparable charm. Never falling into the common mistake of taking himself too seriously, he had retained throughout the years a youthful trait of character and could at times be an "enfant terrible". Witty, even facetious, mocking, he always had a quick answer for over-assertive people, he was prompt to make a witty rejoinder, to silence illogical or contradictory assertions. He was gay and imaginative, and always loyal to his friends.

It may be asked what prompted Marcel Brot to become President of the greatest non-governmental world organisation and I would reply without hesitation: it was his love for peace.

He was attracted by a difficult task: how to reconcile respect for cooperative principles with international cooperative unity? His quest for unity, his efforts to promote an understanding which would secure peace for mankind were constant and untiring. But he would not bargain for such unity and understanding nor accept them at any price. In the Alliance, long before becoming President, he was the promoter of peace reso-

lutions. He would propose, discuss, conciliate, but never give way on the integrity of any principles. Instead, he would exert all his influence, charm and subtlety to make the other party realise that their differences were not insurmountable and that, if only that other party would try and understand his own mind well, he would then share the same principles.

Inherent in Brot's nature was the very feature that our forebears regarded as the characteristic of man: *homo faber*, the craftsman, he who creates with his own hands, who makes tools. It was really no coincidence that our friend was occasionally—very rarely in fact, as he had so little time to spare—a fine "do-it-yourself" man. That he could dismantle a cigarette lighter or a clock and then reassemble the pieces, not only with patience but also with astonishing skill, was because one of his fundamental needs was for order as a principle: everything had to be efficient. Perhaps, in small things, he would at times mischievously enjoy hoodwinking us. But in everything that mattered and was dear to him—such as the formulation of a resolution on peace—he could bring into play the greatest diplomacy to ensure the triumph of reason and humanism. It was thanks to him that, ever since the Second World War, all the Alliance's resolutions on peace, including that of the difficult Prague Congress, were unanimously adopted.

It was at the first Central Committee meeting held after the war—at Zürich, in January 1946—that Marcel Brot was elected a member of the I.C.A. Executive Committee, of which Ernest Poisson had been one of the two Vice-Presidents. Brot was therefore for exactly 20 years at the head of our organisation. He was also on the sub-committee of the same

body and, since the Paris Congress in 1954, on the Technical Assistance Sub-Committee. He played an active and decisive part in every field. That is why, on the death of Sir Harry Gill in 1955, the Central Committee unanimously elected him as President of the Alliance. By virtue of his new office, Marcel Brot presided over two I.C.A. Congresses, in Stockholm in 1957 and in Lausanne in October 1960, after which he resigned—he was then 73—while remaining on our Executive Committee.

Marcel Brot always discharged his presidential duties with great discretion. Although he was the finest speaker of the Alliance and had hitherto been one of the most eloquent, he suddenly said very little, either at Congresses or at meetings of the Central and Executive Committees. He listened or, more precisely, he was always on the watch. Every time the need arose, his voice would be heard in defence of the values underlying the true principles of cooperation, whether against any denigration of those principles through a commercial or simply technocratic attitude of mind, or against the attacks of political ideologies deviating from the paths of democracy.

Here are two examples of his thought, from his inaugural speech at the Lausanne Congress:

“Far from being a weakness, democracy can, on the contrary, be a source of efficiency. Not only does a well conceived democracy delegate great authority to the management through the agreement of cooperators, but the latter, in their turn, contribute to efficiency by controlling the services rendered. It is not, therefore, on an ideological creed but rather on cooperative experience that my conviction is based.”

“We are conscious of contributing in

faith to that peace so much hankered after by us, a peace for the humblest of men and for the smallest of nations, peace within freedom.”

Those are ideas he defended to the end, and we have still fresh in our minds his brilliant and forceful intervention at our last Congress in Vienna—barely six weeks ago, alas!—when, on the question of structural changes in the cooperative movement, a badly-worded resolution proposed that in important matters full powers should be granted to central cooperative bodies.

A British friend who rang me up from London on Monday was telling me, stressing the extraordinary merits of Marcel Brot, that history would probably confirm the importance of the part he played in international cooperation. “He will withstand the test of time”, my friend went on to say, “and one day, he will probably be thought greater than we ourselves now regard him”. Who, among those present here, does not share this certainty?

We all pass on, but the warmth generated by those who are no longer here does not pass; neither does their friendship. Never, for instance, did Marcel Brot forget my father or Fritz Eymann, whom he loved as brothers. And what about me, about all of you? Could we really forget him? Of course not, never! The older we get the more we realise this. Nothing is more real to us than the presence of those who are no more present.

To Madame Brot, to Madame Pousier and to Marcel Brot's relatives, the International Cooperative Alliance extends the assurance of its deepest sympathy and gratitude. Their bereavement is also ours. It is that of all cooperators.

Ch.-H. Barbier.

MARCEL BROT, THE COMPLETE COOPERATOR

IT is hard to write of Marcel Brot so soon after his death. For those who knew him and worked with him, the mind is numbed by the grief of separation and the immense void which his passing leaves. They need time to recover detachment and perspective. Yet for other cooperators, all over the world, who knew Marcel Brot only by name and reputation, by his writings and his reported speeches, it is necessary to write something now in order to convey, however inadequately, some idea of his role and influence and the magnitude of his individual contribution to the progress of Cooperation in his generation.

It may well be that later generations of cooperators, when they come to study the Movement's history in the 20th century, will estimate Brot's contribution even more highly than we, his contemporaries, do, but they may also agree with us that he was one of a select band who may be called complete cooperators because they are able to meet in full measure the demands of the age in which they live and the stage of development the Cooperative Movement has reached. The cooperator of our time—and henceforward—has to live and think and work effectively on three planes: the local, the national and the international. Marcel Brot mastered this art in a supreme degree. For five years, from 1955 to 1960, he was a triple president—of the Union of Cooperators of Lorraine, of the National Federation of Consumers' Cooperatives of France

and of the International Cooperative Alliance.

Many cooperators whom the democratic processes of the Cooperative Movement have brought to its highest offices have served a long apprenticeship. It was not so with Marcel Brot. Cooperative responsibility may be said to have been thrust upon him by chance, if we only knew what chance is. It was an unintentional meeting with destiny in the person of Ernest Poisson on the platform of Nancy railway station in 1919 that made Brot one of the founders of the great regional consumers' cooperative which he served and led for nearly half a century. Yet it is probable that he would have been a cooperator in any event—one of the long line of cooperative doctors stretching from William King to Georges Fauquet and James Peter Warbasse, for whom patients would always be persons and never "cases", for whom health was a matter of social no less than physical well-being, and for whom cooperation was a necessary condition of health in the body social.

Brot became a socialist, while he was still a student of medicine, at a time when many French socialist leaders—the great Jaurès himself, Albert Thomas, to name only two—included cooperation in both their social philosophy and their programme of action. In 1912, a pact was concluded, on the basis of the agreement of the Principles of Rochdale with those of international socialism, between the two wings of the consumers'

Cooperative Movement in France. The way seemed clear for a wide-spread structural change through the replacement of local by regional societies, under the leadership of the new National Federation, but war broke out in 1914. As the civil population was evacuated from the battle area of the Western Front, the activity of the cooperatives closed down. The reconstruction which began after the Armistice gave the opportunity to revive the Movement on the basis of district or regional, rather than local societies. This was the mission which brought Ernest Poisson, General Secretary of the National Federation, to Nancy.

Marcel Brot served in the war as auxiliary doctor in an infantry battalion. No one need wonder why, for the rest of his life, his devotion to the cause of peace was no less deep and fervent than his devotion to cooperation. His immediate task, however, was to build up the new regional consumers' society, with headquarters in Nancy. By the middle 1930s, this society had grown, through amalgamation with less successful neighbours to the north and south, into the great Lorraine consumers' society of today, occupying a zone that stretches across France west of the Vosges from the Belgian to the Swiss frontier.

To manage and develop this widely extended distributive enterprise, Brot had for some 40 years a colleague of consummate ability, Paul Thiriet, as commercial director. His own mission, however, was to ensure that, along with all its business expansion, the society's cooperative character remained unimpaired. It was imperative to keep alive the members' sense of participation in remote places, to safeguard the society's internal democracy by means

of an efficient system of representation and, through appropriate education, to propagate true ideas of cooperation and cultivate correct attitudes among members and employees alike.

A simple incident will illustrate Brot's concern for these things. One day, as he and the present writer were walking in the streets of Nancy, we were passed by one of the Society's vans which bore on its side, besides the society's name, the legend: "Largest association of consumers in France." In reply to a remark on this, he said: "If we did not continually insist that it is an association of consumers, our society would degenerate into a firm." Again, in the frequent discussions on the foundations of democracy in consumers' cooperatives, he would declare that it was only when societies' administrations began to approach the members, not as shareholders, but as users of cooperative services, that they could expect and would obtain the right democratic response from them. Similar concepts inspired the efforts of Brot and his colleagues to arouse the women members of the society to join together in order to express their common sentiments and exert a collective will where their interests as consumers and citizens were concerned. He summarily rejected any attempt to set efficiency and democracy in opposition to one another. There is no opposition, he would say, where democracy is efficient.

In short, everything that might be usefully and appropriately done to convince the membership of his society and the wider public of the region that cooperative societies were not simply commercial enterprises was encouraged and promoted under Brot's leadership. The society bought a disused barracks at Gerardmer in the Vosges and con-

verted it most imaginatively into a home where members' children could enjoy lakeside and mountain holidays. Through such eminent educationists as the late Emile Bugnon, who served the society many years as its President, it became involved with the system of public instruction at all levels, from the rural schools where the pupils ran their own little cooperatives to the University of Nancy where the society helped in establishing the first students' hostel, the Cité Universitaire.

Marcel Brot emerged in a few years as a national figure. In the 1920s, he began to write regularly for *Action Co-opérative*, the press organ of the National Federation of Consumers' Cooperatives. He was elected to the Federation's Council in 1924 and remained a member all his life, except for the war years when the Federation was in dissolution by order of the Vichy Government. Brot thus experienced on the regional and national planes the difficulties and anxieties of the world economic crisis and the long-drawn-out depression of the 1930s, aggravated for the French consumers' cooperatives by the weakness of their central financial institution and the prolonged efforts which became necessary to re-establish it on a sound basis and which were finally successful.

Worse trials and perils were to follow when war broke out again. France was invaded, her armies defeated and her territory brought under military occupation and control. It was Brot's task to hold his society together as well as might be under such conditions and maintain touch with his colleagues in other societies. Poisson, broken in health and deprived of his office as General Secretary of the Federation, died in 1942. When the Federation came to be

reconstituted after the liberation, his mantle fell upon Marcel Brot who was elected as its President. In that capacity, he shouldered the heavy burden of leading and inspiring the revival of the whole consumers' Cooperative Movement, as it sought to regain its foothold and to advance in spite of all the economic and political crises through which France passed in the first decade after the war. The double responsibility of directing affairs from Nancy and Paris, besides maintaining contact with the regions, with other branches of the Cooperative Movement and government ministries, entailed an enormous drain on Brot's physical strength. For a time, his health seemed precarious, but improved again as the Movement visibly surmounted its difficulties. One by one the National Federation resumed its proper leadership functions. The business organisation and methods of the societies improved rapidly as the sections for the exchange of experience became active once again. Technical courses were restarted at headquarters. The special organisation for leisure activities and holidays for cooperators and their children developed a more extensive and varied activity. For each successive national congress, Brot would plan for some broad topic to be specially introduced and discussed with the object of directing the attention of the delegates to important aspects of cooperation or events of significance in the wider world. By such means, he was continually striving to turn their gaze outward and forward.

One of the responsibilities which Marcel Brot assumed as a national leader was membership of the Central Committee of the I.C.A. as a representative of the French Cooperative Movement. His election to the Executive

Committee was in the natural order of things and, within three years, he was chosen Vice-President. He had long been interested, however, in the international aspects of cooperation. He had attended I.C.A. Congresses and taken part in the International Cooperative Schools at Vienna in 1930 and Nancy in 1937, besides the international press conferences convened by the Alliance at Hamburg in 1931 and Basle in 1935. But the Alliance of the late 1940's was different from the Alliance of the 1930's in its composition, its outlook and its resources. Brot found that, just like his regional society and national federation, the Alliance was in need of rebuilding. Above all, its affiliated organisations and their representatives on its governing organs had to recover the habit of working together and cultivate an international-mindedness commensurate with the enlarged role which growing numbers of people expected cooperation to play in the liberation of mankind from poverty, ignorance and fear.

He brought to the Alliance the very qualities, developed to a high degree by his earlier experience, which it needed in its leaders at that time—unshakable cooperative convictions and the courage which belongs with them, a clear understanding of principles, a keen nose for the specious in argument, unending patience and flexibility, tolerance, ready sympathy and generous humanity in dealing with persons. Throughout the 20 years of his service on the I.C.A. Executive, Marcel Brot exerted a steadying and unifying influence in every critical situation in which vital principles and the grand ultimate aims of cooperation were at stake. His differences with his colleagues might at times be acute, but his methods in con-

troversy left no sting behind. His readiness to agree to concessions for the sake of unity caused anxiety at times to those who knew him least. Some wondered at the time of his election as President of the Alliance, whether he would be able successfully to resist the powerful pressures which now and again threatened to divert the I.C.A. from its proper course. They were obliged to admit, when he laid down his office in 1960, that nothing vital had been lost or given away, that the Alliance was well on course and had become in every sense a more cooperative entity, largely because of the mildness and restraint with which he had imposed and maintained his authority.

And after quitting the presidential chair, he continued to exercise the same salutary influence, not only on the committees, but also in Congress itself, right up to the last weeks of his life. In debate, Brot had for loose thinking something like the great orchestral conductor's ear for false notes. Unsound reasoning would nearly always bring him to the tribune and his corrections were masterly, as may be seen in the report of the discussion on the Cooperative Principles at Bournemouth and will be seen again in the report of the discussion on the structural changes at Vienna.

Because of the death of Sir Harry Gill early in his third term of office, it fell to Marcel Brot to preside over the first phase of the I.C.A.'s programme of cooperative promotion in the newly developing countries. He was from the beginning a member of the Technical Assistance Sub-Committee of the Executive. He led the I.C.A. delegation which toured South-East Asia in January 1958 and presided over the Conference at Kuala Lumpur which pre-

pared the way for the establishment of the Regional Office at New Delhi. Wherever the delegation travelled, from Pakistan through India and Ceylon to Singapore and northward again through Malaya, Thailand and Burma back to Bombay, Brot's courtesy, attentive listening and radiant friendliness personified the fraternal spirit which animated the I.C.A. mission and won lasting respect and sympathy for the Alliance. On the way back to Europe, he spent a week touring Israel as the guest of the cooperative organisations of the country. Illness prevented Brot from flying to North America in the spring of 1959, and the Executive meeting, over which he was to have presided at Hamilton, Ont., after joining in the celebration of the 50th anniversary of the Canadian Cooperative Union, had to be abandoned. Nevertheless, he had an opportunity later of visiting both the U.S.A. and Canada, where his conversations with the French speaking cooperators initiated a new era in their relations with the I.C.A.

If it was hard to start writing about

Marcel Brot, it is even harder to stop. But since there must be a conclusion to this article, let it be recalled that, although Marcel Brot has left us no complete statement of his philosophy of cooperation, his colleagues did celebrate the jubilee of the National Federation of Consumers' Societies by publishing an anthology of his short articles, mostly contributed to *Le Coopérateur de France*. These reveal, even more than a formal treatise, how universal a cooperator Marcel Brot was. Like the Latin poet, he was a man to whom nothing human was foreign. As a consequence, he could find cooperative significance in every aspect of human life, draw a moral from a failure to cooperate and point out where cooperation offered a solution to some otherwise insoluble problem. In the article which he devoted to the centenary of Charles Gide, he quoted Gide's last words to Ernest Poisson: "Do not forget me too quickly." There are many friends and colleagues of Marcel Brot who will never forget him, however long they may live.

W. P. Watkins.



23RD I.C.A. CONGRESS

VIENNA, 1966

THE eight hundred cooperators who came to Vienna from more than forty countries to participate in the 23rd I.C.A. Congress had a very active four-day programme, followed by four further days of special tours of Austria and the Austrian Cooperative Movement.

Some of these delegates from national cooperative movements were in Austria for about two weeks in order to attend certain of the meetings of the I.C.A. Separate meetings and conferences were held during the week preceding the Congress by the following Auxiliary Committees: wholesale trading, retail trading, agriculture, fisheries, housing, insurance, workers' and artisans' productive societies, petroleum, banking, women cooperators, and press and education. Only the consumers conference, the consumers' working party, the research officers group and the librarians and documentation officers' working party did not hold meetings at the time of the triennial Congress.

The pre-Congress meetings were characterised by record attendances and a healthy inclination to review the past triennium as quickly as possible in order to discuss plans for the future based on the trend of positive results now being achieved.

The opening ceremony in the Congress Hall of the Hofburg was particularly impressive. Not only was the atmosphere created by the appearance of the historic chamber and the sound of music, but the importance of the moment was emphasised by the attendance of the President of the Republic, the Prime Minister, the Minister for Agriculture, an Ex-Minister and the Mayor of Vienna. After some welcoming words from the Mayor and the Prime Minister, the President of the Republic opened the Congress.

Dr. M. Bonow, President of the I.C.A., in his inaugural address, surveyed the world's economic and social position with special stress on the needs for increased food production to avert

famine, the part to be played in future by family planning, and the vital rôle of cooperatives in every respect.

After the special guests were introduced to Congress, short addresses were given by the representatives of the ILO, FAO and UNESCO, all of whom were persons already well-known to the delegates. International Non-Governmental Organisations, such as the IFAP and the ICFTU, were represented, but did not address Congress.

The Report of the Central Committee provided a detailed review of the three-year period just ended, and points raised in the discussion of the Report were replied to by the Director.

Amendments to the Rules included provision for international and supra-national cooperatives to become individual members of the I.C.A. and for limitation of the number of delegates to future I.C.A. Congresses.

Successful resolutions from member organisations provided for an increase in the membership of the I.C.A. Executive Committee from 14 to 16 persons, for support for the activities of the United Nations Conference for Trade and Development and for international cooperative trading. A resolution on monopolies was referred to the I.C.A. Central Committee for consideration without discussion in Congress and a resolution on cooperative co-partnership was similarly referred to the appropriate I.C.A. bodies. A resolution from the I.C.A. Housing Committee was approved unanimously.

The morning of the third day was devoted to a discussion of the Cooperative Principles which was opened by the Chairman of the I.C.A. Cooperative Principles Commission, Professor D. G. Karve. After lunch, a motion from the floor to close the debate was successful

and a small number of speakers was unable to address the Congress. A number of amendments, including one to postpone any resolution until 1969, was defeated and a resolution of the Central Committee, corresponding to the summarised conclusions of the I.C.A. Cooperative Principles Commission, was passed. The full report of the Commission was included in the Agenda papers.

A lively discussion on technical assistance for cooperatives was introduced by the Director and based on an informative background paper illustrating the actual assistance now flowing. Not all would-be speakers were able to get to the microphone to explain the most recent developments, but the increase in volume of aid since the last Congress in 1963 was apparent. The Central Committee resolution on this subject was approved unanimously and included a request for support of the I.C.A. Development Fund to the extent of 10 per cent of the cost of national assistance.

A two-hour evening session on the third day was held to enable resolutions and amendments from affiliated organisations to be properly discussed and the programme be adhered to in other respects. Thus, the morning of the fourth day was devoted to the subject of Structural Changes in Cooperatives as introduced by Mr. A. Korp of Austria, Member of the I.C.A. Executive Committee, and for which a background paper had also been included in the agenda. The discussion brought out the number of common problems in movements of different types and especially in consumer and agricultural requirements cooperatives in all countries of all continents. This discussion will obviously be followed up by the I.C.A.

PRESIDENTIAL INAUGURAL ADDRESS

THE convening of our Triennial Congress gives the cooperators all over the world an opportunity to assess both the achievements and the shortcomings of our international movement. When we look back on the period which has elapsed since our Congress in Bournemouth in 1963, we have certainly some reasons for satisfaction.

First of all, our International Co-operative Alliance is more and more becoming a truly representative organisation of the world cooperative movement. Since Bournemouth, the total number of members of our affiliated national organisations has increased from 174.4 million in 53 countries to 214.3 million in 58 countries. A clear tendency to get a gradually more diversified membership is also discernible. The problem which in the post-war period has created time and again such strong feelings and difficulties, namely, the admittance of new members, seems now by and large to be settled in a calmer and more amicable atmosphere. When less energy will be absorbed in internal frictions, there will

authorities as being of vital interest to many cooperators.

The I.C.A. Jubilee Triennial Prize was awarded to Dr. A. Ghanie Ghaussy for his book "Cooperation in Developing Countries", and the date and place of the next I.C.A. Congress was referred to the Central Committee for decision.

W. G. A.

automatically ensue better prerequisites for pursuing the central task of the I.C.A., namely, to promote cooperative development in a constructive way in all the various parts of the world.

Bearing the development just mentioned in mind, I think we can also note with satisfaction that the I.C.A., in its relations to the United Nations and its specialised agencies, is to an ever increasing extent being looked upon as the only representative spokesman of world cooperation in all its various forms. To illustrate that point it may be sufficient to mention only a few facts.

The relations with the FAO have been consolidated and expanded into new fields. A practical collaboration in certain concrete projects has been established as is reported by the Central Committee to this Congress. With the ILO also a still closer relationship has characterised the past triennial as far as technical assistance in respect of cooperation is concerned. Only one noteworthy example may be singled out. At the general conferences of the ILO last year and this year, when for the first time cooperation appeared as a main item on the ILO agenda, very important contributions were made by the I.C.A. and many cooperators included in the national delegations. The result is a recommendation bearing upon cooperative development problems in the newly developing regions of the world. It augurs well that this recom-

mentation was adopted practically unanimously by the ILO conference.

An initiative which was taken two years ago has aroused great interest internationally. I am thinking of the joint action taken by the three major international non-governmental organisations representing consumers, workers and farmers throughout the world, namely, the International Cooperative Alliance, the International Confederation of Free Trade Unions and the International Federation of Agricultural Producers. Their common appeal for a renewal and a substantial expansion of the World Food Programme has undoubtedly had a valuable effect on world opinion. It has no doubt contributed to the positive decision by the United Nations organs concerned to establish the multilateral World Food Programme on a permanent basis and with a considerably increased volume. Nevertheless, it is a deplorable fact that twenty years after the war, when mankind is facing an impending danger of world-wide famine, there still does not exist an international machinery able to meet the problem of world hunger effectively on a multilateral basis. This extremely grave situation calls indeed for further and intensified action on behalf of the I.C.A. and other international non-governmental organisations with a similar standing within the framework of the United Nations and its specialised agencies. I shall revert to this fundamental problem later on.

As already mentioned, this Congress gives us an opportunity not only to assess achievements but also to note shortcomings.

The post-war period has in respect of the enormous technological, economic and social changes throughout the world rightly been characterised as



the second industrial revolution. The sweeping changes which are now taking place determine to a very great extent the economic and social milieu, in which cooperation in its various forms has to work in order to protect the economic and social interests of the huge masses of its members. In an exceedingly dynamic society as ours is today, any form of enterprise has to adapt itself to rapidly changing economic and social conditions.

Cooperation is at one and the same time a commercial enterprise and a democratically controlled popular movement. It has therefore to meet a double requirement. Firstly, it must represent the highest economic efficiency in a competitive economic setting. But, secondly, it must also maintain its character of a democratically controlled self-help movement for and by and through the people itself. The double task of fulfilling these two main criteria has certainly confronted the cooperative

organisations in practically all countries with problems which are both formidable and urgent. The question of structural reform and adaptation to new and rapidly changing technical and economic conditions has led to national investigations with far-reaching consequences for the structure and the working methods of various cooperative movements.

The I.C.A. has, within the limits of its very restricted means in respect of finance and personnel, tried to assist in organising a systematic exchange of experiences in the field of structural reforms necessary under modern competitive conditions. But here we come up against the first very serious shortcoming of the international cooperative movement. Not only are the resources for research and exchange of experience through the I.C.A. itself and its auxiliary bodies very limited, but even in most national movements—among which are also economically strong ones—the resources allocated to research and experiments in new working methods and consequential changes in the cooperative structure are apallingly insufficient. We need only note the information given in national and international commercial journals about the huge amounts which, in respect of finance and scientifically trained personnel, national and international private concerns and chain-stores are devoting to research for continuous efficient adaptation of working methods within private trade and production in order to meet modern marketing conditions, to make this fact abundantly clear.

May I now add a few words to illustrate what I think is the second very serious shortcoming within the international cooperative movement. My postulate is that the ability of the co-

operative form of enterprise to play a major part in the solution of some of the world's most threatening economic and social problems, especially the imperative need for an increased food production and a sensible food distribution, is becoming more apparent every day. This problem is, as we all know, especially acute in the lesser developed countries. But in these very countries there are, on the other hand, great potentialities for a rapid and important cooperative expansion in this field, supported as it often is by governmental action within the framework of general economic development planning.

The rôle which the cooperative form of enterprise can play and, according to our opinion, is destined to play to supplement governmental planning can hardly be overestimated. But in order to reach tangible results as rapidly as possible, there must be a great and increasing flow of technical know-how between well established cooperative enterprises, especially in the industrialised part of the world, towards the newly emerging cooperatives in the lesser developed regions of the world.

The I.C.A. itself and the national cooperative movements, especially in the industrialised countries, have a very great responsibility in this respect. They are in fact the only ones which can provide experts and technical know-how. If their knowledge is combined with governmental finance from national organs in the industrialised countries and from international institutions engaged in financial and technical assistance, the impact may be very considerable in a reasonably near future.

The I.C.A. itself has made a beginning by establishing its Regional Office in South-East Asia and an Education

Centre attached to it. We had sincerely hoped to be able to supplement this first effort by similar offices and education centres in Africa and Latin America. But here again we are up against the hard realities of life. The I.C.A. itself cannot without powerful backing from its financially strong national member organisations in the industrialised parts of the world command money, and through money resources in personnel, sufficient to enable this urgently needed expansion of our activities in Africa and Latin America to take place. In view of the dangerous present world food situation, our entirely insufficient action in the field of technical assistance to promote cooperative development in the lesser developed continents is indeed a most serious and deplorable shortcoming.

Congress gives us not only an opportunity to look back. Far more important is to look forward and to contemplate a programme of action for promoting cooperative development in all parts of the world. Very significant aspects of our programme for the future appear on the agenda of this Congress as the main items to be discussed and decided on.

The problems of structural reforms to meet modern conditions have been discussed in a preliminary way at the meeting of the Central Committee at Helsinki on the basis of factual information collected from the national movements. Congress is now provided with an opportunity to deliberate about ways and means, nationally and internationally, to increase both the scope and the speed of those transformation processes, which are urgently needed in our national movements. Above all, there is the problem of creating such institutional forms, through which co-

ordination and integration can be brought about in respect of all our co-operative activity, be it on the local, regional, national or even international level. The policies pursued in various national movements to achieve this goal may differ, but the aim of all the practical measures to achieve coordination and integration is exactly the same: to make the cooperative form of enterprise an efficient instrument to protect the economic and social interests of our members and to influence the economic development in society as a whole in the interest of the broad masses of citizens. In order to attain such results, it will be necessary *not to change* the basic cooperative principles which we all have inherited from the Rochdale pioneers, *but to adapt* them to fit into the modern competitive pattern.

In the industrialised countries, whether they are of the mixed economy type or whether they have a centrally planned economy, the rapid increase in the standard of living, brought about by the new technology, the continuous process of urbanisation and by many other factors, is creating a new milieu for cooperation. The new environment, in which cooperation has to work today, is an entirely different one from the hungry 1840's when the Rochdale society was formed. Cooperation has to implement its basic principles accordingly. It has as a consequence to mould its form of enterprise to meet the requirements of the members under these radically changed and continuously changing circumstances.

Not least, for the reasons now briefly touched upon, it is very timely and appropriate that the Report of our Principles Commission figures on our agenda this year as an extremely important item. We shall have an oppor-

tunity later on in Congress to express our thanks to the Commission and its Chairman for the very valuable services they have rendered to our world cooperative movement.

Without anticipating the outcome of the discussion on the Principles Commission's Report, I think it should be said that the study itself and the ensuing discussion, not only in Congress but throughout the national movements, will focus our attention on the most important aspects of our future cooperative activities and working methods.

Last but not least, there is on our Congress agenda the important complex of problems connected with financial and technical assistance to the cooperative movements in the newly developing countries. We in the industrialised countries may well think that the rapid and continuous transformation of our societies creates some rather grave problems for our cooperative movements, but the difficulties we may have to encounter in the industrialised world are, I would say, fairly insignificant in comparison with all the technical, economic and social problems with which the emerging cooperative organisations in the lesser developed regions of the world have to cope.

Let us for a moment consider the situation in that part of the world. At the World Food Conference held in Washington in 1963, it was clearly demonstrated with an abundance of statistics that more than half the world population is suffering from under-nutrition and/or malnutrition (especially lack of animal protein). This is in itself a challenge to the peoples not only in the developing countries themselves to increase and diversify food production, but also to the peoples in

the developed countries to render massive assistance.

What, however, gives still more reason for grave concern is the future prospect. If we look at the development trends, which are determining the situation in as short a period as one or two decades, the picture is indeed an alarming one. First of all, there is now a rapid and even accelerating population increase in practically all under-developed countries. In a country like India, the population increases by one million every month. If we take the world as a whole, there will be a need for feeding one thousand million more inhabitants in only 16 years from now. The present world population is estimated to increase from roughly 3,000 million to 6,000 million at the end of this century. This staggering rate of population increase is the most fundamental of all factors affecting the future world food situation.

Without entering upon a subject which, from certain religious and political aspects, is looked upon as tabu, or at least as highly controversial, I think the following should be said. There is now a growing awareness of the imperative need to get an action started aiming at a programme for world-wide family planning. Governments and peoples in the lesser developed countries themselves are realising to an increasing extent that there is virtually no possibility at all of solving the problems of economic development unless the present trend of population growth can be radically changed. For that reason, support from the United Nations in the near future must become an absolute necessity.

But even provided that efficient family planning programmes can be implemented with international sup-

port, the great proportion of people of child-bearing age now existing in the lesser developed countries will, according to all statistical forecasts for the next one or two decades, produce a still greater so-called population bulge than the present one. For this reason, all possible means must be used to increase food production, especially in the lesser developed countries, in the immediate future.

The second fact worth noting with concern is the following: In recent years, there has been a tendency towards a slowing down of the economic growth in the under-developed countries. This is especially the case in respect of food production. In Asia, Africa and Latin America, this production has, on the whole, not kept pace with the population increase in recent years, and in many under-developed countries the food production per head is now lower than before the war. Without bilateral food aid, especially from the U.S.A., and some multi-lateral aid, countries like India and Pakistan would already suffer from regional famines; this year, the situation has been especially serious partly owing to unfavourable conditions like droughts.

A third very serious tendency must also be borne in mind. The total volume of aid, even including private capital investment from the rich to the under-developed countries, has tended to decrease in recent years. It has been estimated that, in 1961, the industrialised countries channelled to the lesser developed countries some 0.8 per cent of their total gross national product. In 1964, this figure had shrunk to a little more than 0.6 per cent, and it is feared that there has been some further relative reduction in 1965. Simultaneously, the population of under-

developed countries has grown considerably in relation to that of developed ones. This trend has to be contrasted with the estimate that at least 1.5 per cent per year of the gross national product in the industrialised countries should be transferred to the lesser developed countries in order to enable them to reach the take-off stage when further economic development could be self-sustaining and self-generating. At the same time, many rich industrialised countries and also some lesser developed ones are spending 5 to 10 per cent of their national incomes every year on armaments. For ordinary people all over the world this incongruity between what is spent on financial and technical assistance and on armaments (not to speak of costs for landing human beings on the moon) is indeed very hard to accept.

But, as already mentioned, the most serious problem concerns food. All international economists and other experts are agreed in this respect. Let me quote one of the most outstanding of them, Mr. Raymond Ewell, Professor at the State University of New York:

“The world is on the threshold of the greatest famine in history. Not the world in which we live—but the under-developed world, the three poor continents of Asia, Africa and Latin America. The population in these continents is increasing rapidly and food production is not keeping up with this increase . . .

If these tendencies of development continue it is probable that the famine will reach serious proportions in India, Pakistan and China during the early 1970s to be followed within a few years by Indonesia, Iran, Turkey and Egypt. Several other coun-

tries in Asia, Africa and Latin America risk the same crisis around 1980. Such a famine would be of enormous dimensions and affect hundreds of millions of human beings. If this happens, which appears most likely, it will be the greatest catastrophe in history."

In the post-war period, the FAO, under the eminent leadership of its present Director General, Dr. Sen, has especially focused the world's attention on this impending danger. It has taken a series of initiatives asking for joint international action, such as the Freedom From Hunger Campaign, the World Food Programme and, quite recently, the Food Production Resources Programme. This aims at launching an international assistance scheme to provide agriculture in developing countries with fertilizers, pesticides and other production requisites which may lead fairly rapidly to an increased productivity of the land. In view of the rapid depletion of surplus grain hitherto held in storage in the U.S.A. and some other countries, this programme must be given a very high priority.

At the FAO Conference last autumn, Dr. Sen presented in his introductory address the so-called World Indicative Plan for Agricultural Development. Like other initiatives taken by the FAO in the post-war period, this plan is most commendable. The aim of this World Indicative Plan for Agricultural Development is to give an over-all picture of what is needed to be done and how it should be done to meet the enormous and growing need of food to feed the rapidly growing world population. The only way to avert a world-wide famine affecting especially the lesser developed countries is to evolve a machinery for coordinating national and international

action. This is the real aim of the World Indicative Plan for Agricultural Development, which will be prepared and launched for action, if substantial national and international support can be gained between 1968 and 1969.

The FAO is giving this work a very high priority and, in the biennial budget for 1966-1967, \$2¹/₄ million are earmarked for this purpose from FAO's Regular Budget. However, for completing the task, there is a need for an additional \$2¹/₂ million, for which the member governments of FAO have so far not made appropriate provisions. This means in fact that the Director General of FAO has to approach private funds and organisations for voluntary contributions, which would seem to be a ridiculous position if the background of the world food crisis was not such a tragic one. There must be a strong upsurge of world opinion to make responsible governments realise that a new scale of priorities should be adopted in judging the spending of governmental funds for different international purposes.

The threat of a world food crisis has, as already mentioned, been the preoccupation of the FAO for a long period. FAO's persistency in reminding national governments and all international agencies concerned of the paramount need for concerted international action has, in recent years, produced some valuable results. In planning bilateral and multi-lateral financial and technical assistance programmes, there has been a growing tendency to put much greater emphasis than hitherto on the need to increase agricultural productivity in the lesser developed countries. The World Bank and regional banking institutions are taking an increased interest in collaborating with the FAO to this effect.

At a recent meeting of DAC, the group for technical assistance and development action within the OECD, the need for massive support to agriculture in the developing countries was clearly manifested. Other examples of the same trend could also be mentioned.

These tendencies to bring the agricultural development problems to the fore are of great significance for our international cooperative movement. There is no doubt whatsoever that the application of cooperative methods in order to augment the yields of crops and to step up other agricultural production is accepted to an increasing extent in the lesser developed countries themselves. Cooperative forms of enterprise are the best means to engage the producers in meaningful efforts to increase production and productivity. The provision and organisation of credits at reasonable terms, the supply of farm requisites like fertilizers, pesticides, feeding stuffs and other requirements in combination with the marketing and processing of crops and other agricultural products can best be accomplished to the advantage of both producers and consumers through efficient cooperatives. As the recent FAO study, with which the I.C.A. has been associated, has clearly shown, there must be an integrated approach where land reform, community development, agricultural extension services and, last but not least, cooperation are not isolated from each other but planned and pursued as a combined policy. There is no short cut to increased productivity in agriculture neither in developed nor in lesser developed countries. Determined and sustained efforts are necessary. But even for that reason the cooperative form of enterprise must play an integral part in all realistic development programmes.

This very fact now gives us as cooperators a chance, as never before, to act in collaboration, nationally and internationally, with all those agencies and institutions in both the industrialised parts of the world and in the lesser developed countries themselves which are actively engaged in planning and executing technical and financial assistance and development programmes for food production, processing and distribution. What we as representatives of cooperative enterprises can provide, which no one else can assist with, is the cooperative know-how. Neither governments nor international agencies can assist with this fund of knowledge without tapping the resources of practical experience which, over many decades, have been accumulated within the various branches of our world cooperative movement. But governments and international agencies can provide the other essential element for speeding up the cooperative development process, and that is finance. The combination of cooperative know-how and governmental and/or intergovernmental finance is the necessary prerequisite for the implementation of cooperative development programmes in the lesser developed countries to such an extent that a real impact on agricultural production can be attained and a general betterment of the food supply achieved.

I should, however, like to quote what a Swedish economist, Professor Gunnar Myrdal, said when inaugurating the second FAO World Land Reform Conference this year:

"Time is rapidly running out. To avert world calamity we are under the imperative to accomplish within the coming ten or fifteen years a substantial rise in the yields of land

in the under-developed countries... Speculations and hopes about long-run effects are largely beside the point; it is the short-run that matters."

And Professor Myrdal adds:

"I know of no situation where John Maynard Keynes' dictum that 'in the long-run we are all dead' has more of an almost literal validity."

With the intimate connection between cooperative development programmes and the impending world food

crisis, I think these remarks are very pertinent as a memento also for our deliberations and our future actions.

In my introduction, I have tried to emphasise the importance of the main themes with which this Congress is going to deal. In a global perspective, I think we all realise that our discussions should serve the purpose of acting as guidelines for our world cooperative movement. Bearing this in mind, I am sure that we can all look forward to constructive discussions carried on in an atmosphere of mutual good-will and in a true cooperative spirit.

CONGRESS RESOLUTIONS

COOPERATIVE HOUSING

The 23rd Congress of the I.C.A.,

Finds that the present production of housing having regard to the increase of population, the urbanisation and the demand for modernisation of the housing stock in practically all countries of the world is insufficient to satisfy the present and future need for housing, and that the housing need and housing situation in the countries in process of development is particularly perilous and gives reason for serious concern and constitutes a human and social problem comparable to world hunger;

Notes that difficulties of acquiring suitable land for housing are a great obstacle to an increased production of housing, that the cost for such land has undergone an increase in practically all countries, and that in many places unrestricted speculative gains are made on the fundamental human right of access to land for housing. High land prices are an impediment for the authorities in their efforts to bring about good planning of cities and housing areas and can create unforeseeable difficulties;

Asserts that the lack of short-term and long-term capital for housing is another obstacle. The supply of capital is a crucial problem for the production of housing, perhaps felt more in this than in any other industry. In spite of considerable efforts in different countries with different economic systems, the question of a continuous adequate supply of capital for

housing has not been satisfactorily solved. This problem must be subject to further international studies in industrialised as well as in developing countries;

Observes with concern that the rate of interest for capital, which constitutes a main factor in the price structure of housing in practically all countries, has now reached a higher level than at any time following World War II; that the public measures to make available capital for housebuilding on reasonable terms in most countries are inadequate;

These observations are some main facts having a decisive influence on the supply of housing from the quality as well as quantity point of view. The importance of a good housing policy is evident to all. Consumers of housing should be safeguarded against economic and social exploitation. A reasonable cost of housing is a consumer's interest having repercussions on an improved standard of living and increased private consumption.

The Congress

Urges the United Nations in an adequate way to work for increased understanding of the importance of satisfying the human right and need good housing constitutes;

Expresses its satisfaction with and adheres to the ambitious programme the United Nations Centre for Housing, Building and Planning has drawn up for its activity;

Requests the United Nations to expand its

activities in this field by the establishment of a Specialised Agency for housing, similar to such as FAO and WHO, and that in this United Nations activity special emphasis should be laid on the application of cooperative methods for housing;

Urges national Governments to continue or renew their efforts to solve, on the national and international level, the supply of housing;

Declares that cooperative principles and methods where they have been used on housing have proved to be efficient and have satisfied not only the consumers' needs but also the needs of society itself, and that because of this, cooperative housing should be given opportunities and support to continue its activity, and that hindrances mentioned above should be removed or remedied.

COMPOSITION OF THE EXECUTIVE

The Executive shall consist of the President, two Vice-Presidents, and thirteen other members elected by the Central Committee from amongst its members immediately after each Congress.

INTERNATIONAL TRADE

The 23rd Congress of the International Co-operative Alliance,

Believing that trade without limitation and discrimination is one of the most important factors for the economic development of all countries;

Recalling to mind the attention which is being paid to the question of the development of trade among all countries; and

Bearing in mind the recommendation A 1 (3) of the first Conference of the United Nations on Trade and Development, which contains the guiding principles of international trade relations and economic policies promoting development and the particular importance of cooperative trade as an integral part of the international trade, and as such encouraging and strengthening the Cooperative Movement on the national and international scale;

Has decided to recommend to all the cooperative organisations affiliated to the International Co-operative Alliance and their specialised committees to do everything possible to promote and extend international trade relations, maintaining the principle of equal rights and mutual advantages; and

To recommend to all the competent bodies of the Alliance to collaborate as closely as possible, and support the activities of the United Nations Council for Trade and Development in order to come to an agreement on the prin-

ciples governing international trade relations which is a prerequisite for the development of world commerce.

PEACE

The 23rd Congress of the International Co-operative Alliance, in the name of its 206 million members,

Confirms that the International Cooperative Movement is conscious of its duty to dispel the anxiety of mankind faced with possible destruction by war, and declares its ardent will for world peace;

Further confirms its belief that war today is more hateful than ever before in the history of mankind, and urges all forces of peace in the world to act together, consistently and with energy, so that world peace will be secured;

Emphasises that peace is the requirement for economic and social development and the fundamental condition of all progress of mankind;

Acknowledges the forces of peace operating in the world today; confirms its belief in the work of the United Nations Organisation; salutes the wisdom and humanity of those statesmen who seek to settle international disputes by negotiation and peaceful methods and who reject war as an instrument of state politics in our time;

Exhorts the Governments of the world to accept the rule of international law and give their support, financial and moral, to international peace keeping forces; and

Declares that the moral forces which stem from the hundreds of millions of Cooperators throughout the world are constantly supporting all policies, including test bans on nuclear weapons, for a realisation of the paramount need of humanity for disarmament and peace under effective and practical international control, thus releasing productive resources, now devoted to armaments, for urgent diversion to the task of reducing hunger, want, economic insecurity and the threat of imminent famine which are casting their dark shadows over the world.

VIETNAM

The 23rd Congress of the International Co-operative Alliance, representing more than two hundred million cooperators in all continents,

Expresses its grave concern over the present situation in Vietnam and its possible consequences for world peace;

Supports wholeheartedly the untiring endeavours of the Secretary-General of the United Nations to pave the way for a peaceful settlement of the conflict; and

Urges all parties, directly or indirectly in-

volved in the war in Vietnam, to do their utmost to bring about an agreement on an immediate ceasefire as a first essential prerequisite for negotiations aiming at a constructive and lasting peace for the war-stricken Vietnamese people.

I.C.A. COMMISSION ON PRINCIPLES

The 23rd Congress of the I.C.A. welcomes the report of the Commission on Cooperative Principles as meeting the specification required by resolution at the 22nd Congress.

Congress accepts that, while there can be differences of opinion as to emphasis or degree, the report is a significant statement of cooperative principles in a modern setting.

Congress approves the Recommendations and Conclusions made by the Principles Commission as follows:

i Membership of a cooperative society should be voluntary and available without artificial restriction or any social, political, racial or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.

ii Cooperative societies are democratic organisations. Their affairs should be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies should enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.

iii Share capital should only receive a strictly limited rate of interest, if any.

iv Surplus or savings, if any, arising out of the operations of a society belong to the members of that society and should be distributed in such manner as would avoid one member gaining at the expense of others.

This may be done by decision of the members as follows:

- a. By provision for development of the business of the Cooperative;
- b. By provision of common services; or,
- c. By distribution among the members in proportion to their transactions with the Society.

v All cooperative societies should make provision for the education of their members, officers, and employees and of the general public, in the principles and tech-

niques of Cooperation, both economic and democratic.

vi All cooperative organisations, in order to best serve the interests of their members and their communities should actively cooperate in every practical way with other cooperatives at local, national and international levels.

Congress authorises the Central Committee and its Executive to take note of the decisions of the Congress on the report of the I.C.A. Commission on Cooperative Principles at the 23rd Congress in Vienna and arising therefrom to make such recommendations for changes in the rules of the I.C.A. as may be considered necessary for the next Congress.

COOPERATIVE TECHNICAL ASSISTANCE

The 23rd Congress of the International Cooperative Alliance,

In reviewing its long-term programme of cooperative technical assistance outlined at the 21st Congress in Lausanne in 1960;

Notes that in answer to demands from developing countries cooperative assistance has to an increasing extent been provided in the forms of courses of instruction, study tours, technical meetings, training attachments, pilot and demonstration projects, feasibility surveys, literature, equipment and specialists for planning and for taking up key posts and training counterparts; but in spite of the considerable progress made since the appeals contained in the Resolution on Promotion of Cooperation in Developing Countries of the 22nd Congress at Bournemouth in 1963, the assistance so far rendered is grossly inadequate to meet the immense and urgent needs manifested in the present world situation; therefore

Requests affiliated Organisations to do their utmost to develop and increase their projects and programmes for rendering aid and promoting trade across national boundaries; and

Urges renewed financial support from all movements for the Development Fund of the I.C.A. and where appropriate to a minimum extent of 10 per cent of the value of national cooperative technical aid rendered by cooperatives each year to other countries, so that the I.C.A. may carry its vital work as an International Centre for Cooperative Technical Assistance, equipped to provide all information about past and current programmes, to provide a calendar of forward events, to help with the briefing of experts, to provide occasional items of multi-lateral assistance in order to supplement bilateral operations, and generally to fulfil a central promotional, supporting and coordinating rôle in close collaboration with the

U.N. Agencies and other international bodies, with consequent increase in the effectiveness of the total aid rendered.

STRUCTURAL CHANGES IN COOPERATIVES

The 23rd Congress of the International Co-operative Alliance,

Considering that the International Co-operative Alliance, acting as a forum for national cooperative experience, is constantly engaged in studying and evaluating the structural changes which are taking place in cooperative organisations throughout the world;

Recognising that these studies were given a special impetus at the 21st I.C.A. Congress in Lausanne in 1960 through the discussion on "Cooperation in a Changing World";

Noting that further consideration has revealed the extent to which problems do arise for cooperatives throughout the whole world as a result of the need for structural change, or during the process of such constant change;

Having decided to give special consideration to the changing relations between local cooperative societies and their national organisations, especially in consumer and agricultural cooperative movements, and in particular to methods of assuring the continued application of democratic control;

Finds that the structural form for a cooperative movement depends on the social and economic conditions of each individual country which create differing prerequisites, and on the national legislation which may influence the application of new structural principles;

Stresses the relation of structural problems to the differing aims of organisations and the need for structural change constantly to be brought into line with the Cooperative Principles;

Recognises the interdependence of organisational structure on the one hand and the psychological pattern and level of education of members and leaders on the other hand; along with structural changes of an economic nature there should take place also corresponding improvements in educational programmes, to the end that the values of broad membership and ownership which have heretofore marked the best of cooperatives shall not be lost;

Recommends that the cooperative movement should concentrate all of its forces to ensure maximum efficiency under modern competitive conditions, and at the same time take care that:

i Within the framework of the federal concept it should be guaranteed that important decisions of competent authorities of a national organisation are carried out effectively by all concerned in such a manner that unity of action in such strategic fields as purchasing, marketing, price policy, production, structural development, investment policy and education is ensured. This can be achieved by a system of long-term agreements between primary societies and their regional and national organisations or by institutional forms for a collaboration which will secure a continuing coordinated policy for the whole movement.

ii Where it is the intention to achieve unity of action through integrating cooperatives, in different branches, by successive stages, into national cooperatives, steps are taken to ensure retention of the basic principles of full cooperative democracy.

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ICAB

KONGRESS WIEN 1966



THE COOPERATIVE RESPONSIBILITY TO THE CONSUMER

INTERNATIONAL CONFERENCE FOR EDUCATION AND THE PRESS

MR. Ch.-H. Barbier, last Chairman of the joint Conference, was only able to make a very brief appearance at this Press and Education Conference and the Chair was taken by Mr. R. Kérinec of F.N.C.C., France. He opened the Conference by telling the 89 delegates from 24 countries that Dr. Cornel J. Bock of Z.d.K., Federal Republic of Germany, would be giving a paper on "The Responsibility of the Cooperative Press and of Cooperative Education towards the Consumer" and that Mr. T. Janczyk, President of the Supreme Council of Cooperatives in Poland, would be speaking on "The Tasks of Cooperative Press and Education with regard to Agricultural Consumers".

Dr. Bock began by surveying the role of the consumer, recalling that "we are

all consumers though we do not all think of ourselves as such". He argued that there are no consumers' organisations which cater exclusively for the consumers' interest and nothing else. Consumers' cooperatives integrated consumers effectively into the economy. Consumers needed to collaborate with producers in the economy rather than think in terms of any drive for power or class struggle, and by such means could make a very considerable impact. Consumers' organisations should see themselves as partners in the productive process representing one side of the economy.

The entrepreneur might see the consumer as a passive buyer, the trader might see him as the customer who is "always right" but who, nevertheless,

lacks expert knowledge, and the advertiser might see him as a mass to be manipulated; but he should not be seen as the last receiving drudge of a marketing operation but rather as an independent agent with power of decision, the man who gives the orders.

To some, shopping was a matter of tradition and habit, to others a matter of economy and the critical comparison of prices and quality. Some were concerned with status, prestige and conspicuous consumption and to others again, shopping was a matter of unimaginative acceptance of what was available. "While we needed to respect peoples' traditional requirements and give due place to economy and value and discourage what is flashy and ostentatious or merely mediocre, we should also seek to encourage consumers to call for products which enrich and beautify life, materialise our dreams and aspirations—in so far as we are able to afford them."

Dr. Bock then turned to the position of education and its effect on consumers' cooperatives. The pattern of education and professional training, he said, was changing and adapting itself to changing conditions. Furthermore, an intensification and rationalisation of vocational training programmes and an equilibrium between them and professional requirements were needed for the development of the economy. An expansion of educational and vocational training programmes was particularly important in the consumer cooperatives.

Re-building and capital investment were important; but it was the quality of the people in the consumer cooperatives that was vital. Education and training in cooperatives in a changing society had to give the rising generation a firm grasp of unchanging cooperative

principles and the ideals that inspired the pioneers.

A consumers' cooperative needed to educate its members, as well as its workers, to make them open-minded and knowledgeable consumers with an understanding of economic processes and well informed on market trends. This kind of work should complement the advanced professional training of the staff. An educational programme was one of the principles of the Rochdale pioneers and remained basic in the Cooperative Movement today. Educational centres in Switzerland, Sweden and the Federal Republic of Germany were a fine example to the whole movement.

Turning to the responsibility of the cooperative press, Dr. Bock recalled that, in 1963, there were some 261 cooperative periodicals in forty countries; of these, rather more than half were produced in Europe and had a circulation of 10½ millions. On the other hand, there were only five cooperative periodicals in Africa and Oceania with a combined circulation of about 50,000, while Asia had 33 cooperative papers with a circulation of two millions and the Americas had 78, selling nearly three million copies.

In Europe, many cooperative periodicals were illustrated consumer magazines, like the Danish Movement's "Samvirke", popular publications of general family interest. In Asia and Africa, on the other hand, agricultural supply, marketing and credit cooperatives predominated and their publications tended to be much more concerned with the propagation of cooperative principles and ideas.

At least one of the Rochdale pioneers had been a reader of Dr. William King's "The Cooperator" fourteen years ago



and Dr. Eduard Pfeiffer's "Der Konsum-Verein" had much to do with the growth of the consumer movement in Germany. Today, paper had become plentiful and much reading an effortless pastime. Many could echo Tucholsky's sceptical remark: "It can be true, although it is printed." But the printed word remained today an essential vehicle for the spread of cooperative ideas.

The ideal of production without profit through cooperative democracy had lost some of its impact in a prosperous environment; but cooperative growth influenced the development of private industry and was in turn influenced by it. A certain convergence of ideas was reflected in the cooperative press and a growth of mutual understanding made it difficult for the rising generation to understand the controversies of an earlier age. At the same time, the cooperative press had to fulfil its function of defending the interests of consumers, a task that became more important as the public relations work of private traders improved.

The cooperative press should recognise and consider its role as a media-

tor between consumers on the one hand and cooperative economic enterprises on the other. It needed to conciliate conflicting interests, to plead for common sense and, at times, for compromise—the interests of consumers' societies and their members are, after all, basically the same—but this role did not exclude a proper militancy at times.

Of all interests the consumer interest was the one which came nearest to the interests of the community as a whole, and the cooperative press thus could to some extent speak for the general public, especially when one considered that the idea of being nothing more than a consumer was a fantasy of the mind. Looking after consumers meant taking the interests of other groups into account. To remember and give expression to these connections was one of the most essential responsibilities of the cooperative press. Radical and unrealistic demands served nobody. Where consumer cooperatives were in a position to meet popular demands, the cooperative press could find the best and most convincing examples for its publicity.

The cooperative press should not simply be the mouthpiece of either the

consumer or the cooperative organisation but rather a forum for a lively dialogue and a real exchange of opinions. This was not possible without frankness and a certain amount of criticism of one's own organisation. The editorial boards of cooperative journals could never attain complete independence; but a press tinged with propaganda and advertisement rather than truthful information and the free exchange of opinion was likely to lose its credibility and power of conviction.

As Mr. Riesco had shown, papers and periodicals which form and defend opinion were more respected than others. Moreover, the press and educational work of cooperatives must be considered together. After all, it was the consumer who was most in need of "training" or "protection" in matters such as economics and legislation on food standards and trading practices.

Many organisations, publishers and mass media had taken up the cause of the consumer—but this was all the more reason for the cooperative press to increase its efforts to deal with matters of direct concern to the consumer. Appearance, make up, lay out and readability were, said Dr. Bock, of vital importance.

Cooperative editors had to be realistic about their readers as well as idealistic. Material on subjects such as motoring, television, handicrafts, fashion, records and holidays might help to make more acceptable articles which helped people to shop wisely, but the inclusion of popular material of this kind did not absolve an editor from trying to educate his readers to acquire a better literary judgement and taste. Sometimes simple, factual, enlightening information proved more acceptable than a flood of illustrated entertainment material.

The growth of the consumer test movement was a challenge to cooperatives, as was the growing interest in consumer protection generally and changing attitudes in industry. The cooperative press had a firm economic base and needed to meet the challenge with new and convincing ideas.

It needed to minimise conflicts between business and consumer interests, to synthesise the function of consumption and production, informing consumers on market trends, undertaking research, cooperating in educational programmes, taking up positions on new regulations and legislation and on social and political questions. These matters had been discussed at a meeting of the Press Committee in Hamburg last April and agreement was reached on seven points.

Firstly, the cooperative press forming, as it were, a kind of liaison between the cooperative movement and the general public, lay at the crossroads where they met. Secondly, the cooperative press must therefore reflect both the internal life of the movement and other facts and events directly or indirectly connected therewith. Thirdly, the problems of the consumer and his economic and mental well-being were of interest to the general public as well as to cooperators. The fourth point was that consumer questions, which were of growing importance, thus formed an ideological bond between cooperatives and the public. Fifthly, consumer questions should therefore be given more coverage and be dealt with more thoroughly. In the sixth place, the guiding principle of the journalistic activity of the cooperative press and educational work could partnership between the producer and the consumer and the harmonisation of their interests. And the last point was

that consumers' problems and their treatment in the cooperative press will differ from country to country.

Mr. Janczyk, Poland, then spoke on the tasks of the cooperative press and education services with respect to the rural consumer who is also an agricultural producer. He began by describing Polish rural cooperatives and said that there were some 10,000 cooperative societies with about 11 million members, some people belonging to more than one society. About 70 per cent of farm supplies were bought through cooperatives and 95 per cent of retail trade in the villages was through cooperative shops. Peasant self-aid cooperatives had about four million members. Some societies built houses and others undertook social and educational tasks. Among the latter, the training of the members of the cooperatives in self-government was, he said, of particular importance. Educational programmes were adapted to meet the needs of the farmers, their wives and their families. The supply of fertilisers, chemical sprays, feed and machinery was often accompanied by technical advice, by salesmen or by special instructors.

Cooperatives had set up "Modern Housewife" educational and service centres where domestic repair work, dressmaking, hairdressing, nutrition, hygiene, breadmaking, etc. were taught and there were also lectures on legal and other matters. There were self-governing pupils cooperatives, cooperative farmers clubs, professional correspondence schools and courses and conferences for cooperative staff.

The cooperative movement also published large numbers of guide books, manuals and scientific reports and maintained its own libraries in which these were available. It sent cooperative

material to daily newspapers and to the radio and television and was producing its own periodicals. Two-thirds of the educational material produced by the cooperative movement was for use by rural societies and Mr. Janczyk thought there should be scientific research into its impact.

He concluded by saying that education was a very important part of the general cooperative activity in Poland. The effectiveness of cooperative societies depended very much on their educational programmes which were in turn supported by the trading activities. The press, the training of lecturers, the provision of schools, etc. were undertaken centrally, but the main activity was at the local level. Polish cooperators believed that the exchange of experience internationally in the field of cooperative press and educational work could be most fruitful.

In the discussion that followed, Mr. Brahm Perakash of the National Cooperative Union of India, stressed that his organisation sponsored education and training in many languages; there was education in cooperative principles in schools and universities and in community development projects. Many countries had helped in the training of higher cooperative management, such as Canada, Denmark, Czechoslovakia, the Federal Republic of Germany, the German Democratic Republic, Japan, Roumania, Sweden and the U.S.S.R. There were many courses on cooperation and schools for cooperative functionaries, and it was also necessary to educate the politicians who provided legal and financial support.

Mr. N. Thedin, Kooperativa Förbundet, Sweden, discussed the problems of the cooperative press which were under review by a research committee

in Sweden. One problem was the declining circulation of a popular cooperative journal which had had a sale of 450,000, maintained a high standard and paid its way. Costs were rising; but instead of sacrificing quality, it was decided to increase the number of pages to 56, improve the quality of the paper, place more emphasis on consumer questions and hold the price. As a result, it had to be subsidised by K. F. at heavy cost.

The Swedes, said Mr. Thedin, believed in editorial independence; otherwise, a paper would not be respected and bought on its merits. They believed the cooperative press should represent the interests of consumers even if this meant criticising cooperatives at times. Cooperative papers supported cooperative principles, but criticised cooperative practice when necessary.

If the State-sponsored Consumer Institute produced unfavourable reports on a cooperative product, it would be reported in the cooperative press. Cooperative papers were not allowed to advertise goods not stocked by societies so that manufacturers could not bring pressure on cooperatives in this way. Mr. Thedin noted the growth of consumer test organisations in the United States, Great Britain, the Federal Republic of Germany, Denmark, Israel and elsewhere and regarded them as a challenge to the cooperative movement and the cooperative press.

Mr. R. L. Marshall, Principal of the British Cooperative College, declared that effective cooperative service and consumer education was a condition of cooperative success. He wondered whether lack of interest by cooperators in cooperative services and education was because they were not in fact good enough to merit it. Mr. Marshall recal-

led that Dr. Bock had suggested that one object of cooperative education was to make the consumer conscious, open-minded and economically wise. Like Mr. Thedin, Mr. Marshall raised the question whether cooperative education and the cooperative press should draw attention to cooperative deficiencies and accept the risk that consumers might make a non-cooperative choice, but he did not put forward an answer. He also asked Dr. Bock whether cooperative educationists should not do more to formulate the interests of the consumer and provide access for those interests through the levels and areas on which governmental decision was made and, if so, how this should be done.

Mr. A. Foucher, Fédération Nationale des Coopératives de Consommation, France, emphasised the difference between education and information and asked whether consumers might not sometimes be confused by too much information. Mr. A. Kozlov, Editor of cooperative newspapers in the U.S.S.R., said the Central Union had a large number of educational institutions and a technical school. About 30,000 passed through the schools each year and the programme was being expanded. "Trade and Cooperation" had a circulation of 700,000 and there were many cooperative journals in all the republics in many different languages.

Mr. W. R. Kapinga, Cooperative Union of Tanganyika, Tanzania, said that cooperative expansion in his country depended very much upon education and that there was a great shortage of teachers. Much educational material was mainly concerned with consumers' societies, but the movement in Tanzania was predominantly agricultural. A Commission had recently been set up to study the Cooperative Movement and

its report had laid great emphasis on the education of cooperative officials. There was a Cooperative College which was being expanded and a cooperative education centre providing short courses and seminars and correspondence courses. The Cooperative Union was essentially an educational organisation and had launched a journal two years ago.

Mr. R. Ramaekers, Société Générale Coopérative, Belgium, recalled Dr. Bock's remarks about the cooperative press being a link between the Cooperative Movement and consumers generally. He thought that the cooperative press should concern itself more with the wider world, with questions such as nutrition and the problems of the Common Market. The Belgian cooperators had a review called "The Consumer", but it had been left to capitalists to produce popular paperbacks on economic problems. He thought there might be room for a Cooperative Publishing House serving all Europe.

Mr. M. Radetzki of K.F., Sweden, said he had been working for four years in the I.C.A. Education Centre in New Delhi, which was part of the I.C.A. Regional Office for South-East Asia and was financed by the Swedish Consumers' Cooperative Union. The Centre had concentrated on short regional seminars and conferences for cooperative functionaries. There had been a successful seminar with FAO experts on fishery cooperatives and others on cooperative insurance and cooperative housing with specialists from Sweden. He thought it would be useful if cooperators from other western countries could join in the work of the Centre.

Mr. J. Boniface of the Coopérateur de France, said people in the west were being subjected to a flood of popular

luxuries while others were short of necessities. He thought there was a great educational opportunity here and, with the right kind of perspectives, the cooperative press could have a bright future. Mr. M. A. Gilboa, Hevrat Ovdim Ltd., Israel, agreed with the distinction drawn between education and information. Experience was a great educator and a third of the young people in the Israeli cooperative movement had passed through work camps. They had a cooperative school and a workers' school and an Afro-Asian Institute and were cooperating with consumers' test organisations.

Prof. G. Bragaglia, Federazione Cooperativa Provinciale de Bologna, Italy, agreed with Dr. Bock on the training of the consumer, and the Lega had set up a training centre in 1963 which organised short courses and seminars for the training of cooperative officials on questions such as cooperation among cooperatives, marketing, monopolies and law. The Lega had no state support and had not yet reached agreement with the other two national cooperative organisations. It hoped that it could learn, with the help of the ICA, from the experience of other countries.

Mr. A. Büchert, Faellesforeningen for Danmarks Brugsforeninger, Denmark, said that the supply of international cooperative news had been discussed at a conference of Scandinavian cooperative journalists last summer. He said the news supplied was not always readable and inspiring or even interesting and urged the ICA to increase its coverage of good cooperative news material. He suggested that the ICA should consider producing a news survey which might be called "The ICA Information Key". This would contain brief, readable reports of items of cooperative in-

terest with information about sources and possible illustrations and an indication of the kind of cooperative journals likely to find them suitable. A well-produced monthly or bi-monthly survey would have to be paid for, but Mr. Büchert believed it would be well worth while.

Mr. H. Exner, Konsumverband, Austria, said that, while rebuilding and capital development were important, cooperative success depended basically on the quality of the staff and that educational work was crucial in that connection. Part-time education and training was of vital importance and needed to be sustained. The quality of cooperative journalistic and public relations work needed to be improved. He had learned much from a recent meeting of Swedish public relations experts in Vienna and suggested that the ICA should set up a Study Group on public relations to meet periodically and exchange ideas and so learn from each others' experience.

Dr. A. F. Laidlaw, Cooperative Union of Canada, wished that more Congress delegates had attended the Press and Education Conference, as the subject was so important. Conditions differed, but principles were universal. He thought cooperators should develop closer relations with consumers' test organisations in which women were particularly active. He noted that the new President of the Consumers' Association of Canada was on the staff of the largest consumer cooperative wholesale—Federated Cooperatives.

In Canada, they believed that educational work should be carried out by cooperative organisations themselves, particularly by the central organisations, rather than by specialist bodies. They had access to radio and television and

had adequate resources and the two cooperative colleges—one French speaking and the other English speaking—were growing in influence and importance.

There were two cooperative weeklies with a combined circulation of 300,000 and an agricultural cooperative monthly which also had a large circulation. They were all subsidised; and some publications did not seem to keep abreast technically as effectively as the trading societies themselves did. The Consumer Credit Union's "Everybody's Money" was a successful American-based journal which had a circulation of hundreds of thousands. Canadian cooperatives were putting emphasis on training and education and there were prospects of the larger organisations becoming more and more effective in this field. He also emphasised the importance of the quality of the staff to the success of a cooperative.

Dr. W. Ruf of V.S.K., Switzerland, said that cooperatives had to fight for the goodwill of their customers and agreed with Dr. Bock about the need to study the role of the consumer. Cooperators had to remember all the time that they were dealing with human beings and human relations and he was particularly interested in what Mr. Janczyk had said about work at the local level in Poland. Cooperative educators and journalists had to think in terms of people rather than of vast organisations in which human beings might get submerged.

Mr. R. Helenius of K.K., Finland, supported Mr. Büchert's proposal for a new ICA cooperative news service and hoped it would go before the ICA Executive. Mr. A. Bo, also of F.D.B., Denmark, said he had attended educational conferences since 1948 and sometimes

wondered whether opportunities were properly utilised. The educational directors of Scandinavian cooperative movements met annually and journalists and school principals also met regularly. Last spring, Scandinavian educationists had suggested that the ICA should arrange more conferences for journalists, students and educationists, perhaps meeting together, but with specialised study groups. The Chairman commended Mr. Bo's proposals and suggested that they should be passed on to the ICA Executive or to the Committee for Press and Education.

In replying to the debate, Dr. Bock said he thought that some measure of compromise was inevitable when the cooperative press spoke both for the interests of the consumer and for those of cooperative trading organisations. Mr. Marshall had conceded much the same thing and, anyway, consumer choice was not always wholly rational and based only on economic value for money. He agreed with Mr. Ramaekers that co-operators should be clear about what they were trying to do, but they tended to lag in the field of ideology. A European Publishing House would be desirable, but there were many difficulties. Mr. Janczyk paid tribute to the Swedish cooperative press and agreed with Mr. Thedin that papers should criticise cooperatives when necessary. He agreed with Dr. Ruf about the cooperative press concerning itself with the work of small groups and agreed with other speakers about the need for more international exchange of information.

In summing up the work of the Conference, Dr. J. H. Ollman, Publications Editor of the ICA, stressed the vital importance to the cooperative movement of the free exchange of information and paid tribute to the work of cooperative

educationists and journalists. Co-operators in different countries were learning more about and from each other through the cooperative press, and the ICA would do all it could to help.

Mr. R. P. B. Davies, ICA Secretary for Education, remarked that there were special ICA committees for different kinds of cooperatives, but no special committee for press and education. However, the work of the ICA itself was largely educational and it was much concerned with promoting cooperatives in developing countries. In this it worked with the United Nations and its Agencies.

The ICA had its publications, its Consumer Working Party, its Education Centre in New Delhi. But should it have a broader educational programme? Was it enough to hold the present conference and the annual International Cooperative School or was something more required? Mr. Davies thought that the suggestions of Mr. Büchert and Mr. Bo went some way towards providing an answer.

He also wondered whether the International Cooperative School was adequate to meet the present needs of cooperative organisations. International links were developing in many fields and co-operators themselves were becoming more international in outlook, and Mr. Davies thought that education and management training were fields in which there should be more international activity. He assured Mr. Büchert and Mr. Bo that their proposals would be given the fullest consideration by the Executive. He thanked the conference delegates for the many interesting points and suggestions that had been made.



Dr. L. Malfettani

THE 7TH AGRICULTURAL CONFERENCE

VIENNA, 30TH AUGUST, 1966

THE 7th Agricultural Conference of the I.C.A. was held in Vienna on the 30th August, 1966. The main problems discussed at this Conference were: the contribution to the development of agriculture by cooperative marketing and processing of agricultural products; the future work of the Agricultural Committee; the approval of the constitution of the Fisheries Sub-Committee. In addition, a paper was presented by the General Manager of the International Cooperative Petroleum Association (ICPA) on the ICPA and the relations between the ICPA and the agricultural cooperative movement.

The Conference was attended by 48 representatives from 19 countries and four international organisations. The countries were: Austria, Belgium, Ceylon, Czechoslovakia, Denmark, Eire, Finland, France, Germany, India, Israel, Italy, Japan, Norway, Poland, Sweden, United Kingdom, U.S.A., Yugoslavia. The following international organisations were represented by their observers: FAO, ILO, CEA, Euro-Coop.

The Conference was opened by

Dr. L. Malfettani, Chairman of the Agricultural Committee. The Chief Executive of the Österreichischer Raiffeisenverband, Dipl. Ing. Dr. E. Hartman, welcomed the Conference on behalf of the Austrian organisation, stressing that questions discussed at this Conference should determine the relations between consumer and processing cooperatives. Another important subject to be discussed was integration.

Work of the Agricultural Committee between Congresses

In his opening speech, Dr. Malfettani stated that, since the last Congress at Bournemouth, the Agricultural Executive had five meetings and the Agricultural Committee two. Explaining the work done between the two Congresses, he said that one of the important features of the Agricultural Committee had been that fisheries and forestry were included in its work. The Committee had increased its membership from twelve countries and twelve organisations in 1963 to 24 organisations in 18 countries. However, there were still some agricul-

tural cooperative members of the ICA who were not members of the Agricultural Committee. Explaining the relationship of the international non-governmental organisations, Dr. Malfettani stressed the representation of the ICA at the 13th FAO Conference, where he drew attention to two important problems concerning international agricultural cooperation: (a) the development of the processing industry, established and managed by agricultural cooperatives, and its contribution to the increase of agricultural income and agricultural production;

(b) a more important role of cooperatives in the finance of agriculture. The ICA was also represented at the ILO Conference on the Role of Cooperatives in Developing Countries, where a joint declaration of the ICA and IFAP was presented on this subject. The ICA cooperated very closely with IFAP and ICFTU in supporting the World Food Programme, and the three sister organisations issued a joint statement in this respect.

In the field of fisheries, a Fisheries Sub-Committee was formed the day before the Conference which would give an opportunity to the fishermen's cooperatives of developing their initiative and cooperation at the international level. The Agricultural Committee had also tackled the problems forming the main subjects of discussion at the Vienna Congress, namely, structural changes, examination of cooperative principles and technical assistance.

Speaking on the future work of the Committee, Dr. Malfettani stressed the importance of a meeting of experts on packing and cold storage of fruit and vegetables, which was being arranged, a more extensive publication of documen-

tation on agricultural cooperative movements, and the possible establishment of a service offering business advice to agricultural cooperatives. He also called for regular contacts and exchange of views between the Chairmen of the Agricultural and Wholesale Committees and for the constitution of regional sub-committees of the Agricultural Committee. Very important problems which were to be discussed were the cooperative processing of agricultural products and the study at the international level of the lack of finance for agricultural development.

After his report, Dr. Malfettani gave the floor to the Agricultural Secretary, Mr. B. Zataric, who explained the main points of his paper "The Contribution to the Development of Agriculture by Cooperative Marketing and Processing of Agricultural Products".

The Contribution to the Development of Agriculture by Cooperative Marketing and Processing of Agricultural Products

The starting point of his report was how cooperatives should help solve the problem facing the whole world of famine arising from the fact that world population was growing faster than food production, especially in the developing countries. Unfortunately, the position of agriculture in most of these countries was deteriorating in relation to other sectors of the economy. One of the main reasons for that was the lack of any real incentive for the cultivators to increase their production of basic foodstuffs.

Only recently had agriculture been given more attention in these areas of the world. Mr. Zataric drew attention to the FAO initiative for assistance in a massive expansion of industries related

to agricultural production and food distribution in developing countries. At the 13th FAO Conference, a resolution was approved recommending that the Director-General should encourage industry to increase its investment in developing countries with the aim of manufacturing fertilisers, farm equipment and chemicals and of improving food processing and preservation. An Advisory Committee was created including amongst its members the President of the I.C.A. This campaign provided an opportunity for package deals and projects between governments, private industry and cooperatives for setting up processing industries in developing countries. Mr. Zlataric stressed that, by cooperative marketing and processing, a great deal of capital could be created for the farmers to plough back into agriculture, because in developing countries the biggest share of the price was taken by processors, wholesalers and private creditors.

Explaining the results so far achieved in various countries, Mr. Zlataric tried to classify the experience of various parts of the world. In the advanced countries, the first phase was based on self-help, financed by various means of collecting capital, and then, during the second phase, various methods of integration were used, including contract farming. Other methods were the different treatment of members, the tapping of capital resources and the creation of specific organisations for processing industry which led to structural changes in the agricultural cooperative movement. The main characteristics in all these activities were that State intervention was almost negligible and that nearly everything was based on self-help. Cooperative organisations

grew into business organisations fighting their way through life.

In the second group of marketing and processing undertakings, which prevailed in developing countries and countries with different social fabrics, besides business integration, government policy was integrated with cooperative policy with the aim of increasing agricultural production. Structural changes greatly affected classical cooperative principles, so that the importance of share capital was fading as a substantial element of a cooperative organisation. In addition to this general trend, stress was put in some cases on the local element. In other cases, the apex element prevailed. In some countries, contract or credit control was the instrument for increasing agricultural production, and an important feature was that cooperative organisations were growing from a service for farmers into an organiser of agricultural production of communities or bigger areas. There was a close integration in some countries between government and apex organisations, but, on the whole, still more stress was put on the increase of agricultural production itself than on processing and marketing.

Special attention was given to the Indian example. There, in a relatively short time, cooperative processing became very important for the cooperative movement and also noticeable within the scope of national industry. The factors which contributed to this success were close cooperation between governments and the cooperative movement and the specific method of financing. There was massive government support in the way of guarantees helping not only the cooperatives but also cooperators to become the shareholders of factories.

The fourth group of countries consisted of those which did not concentrate as much on processing as on taking the wholesalers' business into their hands; they were now at the stage of entering the processing and retail trade.

Problems which cooperative movements were facing in setting up processing industries were the lack of sound economic projects and of finance which was aggravated by bad cooperative management in many cases. There was also an insufficient coordination between governments and cooperative movements in policy matters.

At the end of the paper presented by Mr. Zlataric, there were recommendations on paragraph 24 to cooperative movements both in developed and developing countries, inter-governmental and non-governmental organisations, and international financial agencies. They were urged to increase their activity and coordinate their work so as to help countries and cooperative movements which needed further development of marketing and processing, especially in regard to experts, products, capital, training and legislation. However, stress should be placed on self-help and mutual understanding.

In his address to the meeting, the FAO observer, Mr. S. Remoy, stressed that cooperatives in all countries of the world had not reached the stage of accepting the orthodox type of cooperative; thus, all forms of cooperatives, including those where State initiative and support were needed, ought to be studied. Not only new forms but also new areas of agricultural cooperation were introduced, including the use of production elements such as land, other natural resources and the means of production. He stressed the excellent cooperation between the FAO and the

I.C.A., especially in the field of fisheries. In this industry, the situation was characterised on the one hand by a highly capitalised and rapidly expanding industrial sector and on the other by the traditional sector more or less occupied with small-scale coastal fisheries. The large organisations were buying up smaller companies and, in addition to the already acquired huge fishing fleets, they were entering into the processing and marketing operations. On the other hand, large international food processors and distributors moved in the opposite direction, namely, into fishing operations. As solutions to many problems in fisheries could no longer be found within the national framework, the Fisheries Subcommittee had before it a very important task.

Mr. K. Gordon, the ILO observer, said that the ILO had been concerned for the last 46 years with all questions relating to cooperative promotion and development. In the field of technical assistance in the two years 1963 and 1964, the ILO assigned nearly 50 experts to various countries. At present, the ILO is undertaking a study of pre-cooperative and para-cooperative types in collaboration with the I.C.A.

Mr. C. W. Fulker, from the Cooperative Wholesale Society, United Kingdom, said that the CWS was a very successful farmer, showing a return on capital employed in farming at a level of 18 per cent. The key to this success was the willingness to pay for first-class managers. In Southern Ireland, there was a society called Milicho, comprising dairy cooperative societies. Half of the share capital of this society was owned by farm cooperatives and the other half was owned by chocolate producers in England and Wales, including

the CWS. The production of bacon from English, Danish and Irish pigs provided another field of cooperative activity of the CWS. Farmers took their share of the profits of the bacon produced. He was not in favour of long-term contracts because, in his view, these did not suit the consumer who was becoming a deciding factor. He did not agree with some aspects of the work of the marketing boards which were compulsory cooperative societies. He stressed the fact that there were some regional cooperative societies in England which were developing very rapidly and that there was a danger of their becoming capitalistic in outlook. His advice was to pay more attention to good grading for agricultural products and to sell goods on commission. Substantial decreases in prices of fertilisers could be achieved if they were bought in bulk.

Mr. H. Yanagida from the Central Union of Agricultural Cooperatives, Japan, said that, in order to meet new demands for food-stuffs, especially protein, agricultural cooperatives made every possible effort to increase their production. They had not only to provide technical advice but also to supply the farmers with the necessary equipment. They established grading centres at the local and provincial level. Since this was done, the work of cooperative processing of agricultural products had become more intensive; 94 per cent of the rice was handled through agricultural cooperatives, in the case of meat it was 35 per cent, for eggs 54 per cent and for fruit and vegetables 13 per cent.

Mr. V. N. Puri, from the National Agricultural Cooperative Marketing Federation Ltd., India, said that 300,000 cooperative societies in India covered 30 million people. In the past ten to

fifteen years, marketing as an activity had developed substantially, but, in spite of this, the benefits which cooperative marketing brought to the farmers did not offset the ever increasing prices of fertilisers necessary for the production of crops. Recently, the Government started to help cooperatives in marketing and processing, which resulted in a very favourable development in the sugar industry. He welcomed the proposal to set up sub-committees on a regional basis and thought that this would benefit the South-East Asian region.

He advocated the setting up of a technical service within the scope of the I.C.A. by means of which rich countries could offer help in the form of various types of projects and the sending of experts. Regional sub-committees could be useful for this, but in setting up these, not only the regional but also the historical element should be taken into account. Here he pointed out the similar pattern of forms of cooperative organisations in the countries of the British Commonwealth. In their efforts to evolve a method by which production, marketing, processing and distribution were linked together, they were considering how best to integrate the credit given by various State agencies for the marketing of the produce of the farmer, which led them to the next step, the integration of processing and storage with marketing and, finally, with consumers. For this purpose, very specialised managerial talents were needed, and he proposed that the I.C.A. should play an important role in this field, possibly by setting up an agency which would make available to the various countries of the world the facilities which they needed. Talking about international trade, he thought it would be an advantage to

have some kind of inventory of products which were marketed in different regions, indicating the needs of consumers and the surpluses of producers. Help to the farmers in developing countries should also be given through cheaper fertilisers and agricultural requisites being a pre-condition for higher and more efficient agricultural production.

Mr. K. F. Svardstrom, from Sveriges Lantbruksforbund, Sweden, stressed that farmers were very interested in the stabilisation of markets, which was a pre-condition for long-term planning of agriculture. This support from the market was necessary so that the farmer might know how to plan his production. He pointed out that, in an attempt to attract customers to supermarkets through lower prices, margins had sometimes been cut too fine, and that it might in some cases be necessary either to reduce the price to the farmer or increase the price to the consumer. He thought that whoever had the ability to control the processing also controlled the profits. In addition to this, agricultural processing managed by farmers helped them to get a better understanding of what products were in demand.

Dr. A. Laidlaw, of the Cooperative Union of Canada, said that cooperatives in Canada had developed into the largest agricultural cooperatives in the world, especially in the marketing of grain and wheat. In spite of a great variety of cooperatives in Canada, the existence of strong agricultural cooperatives was not necessarily a guarantee for the success of agriculture. They had to adjust themselves to rapid changes in the economy and to work closely with governments. The problems which agricultural cooperatives in Canada were facing were: 1. how to reconcile mar-

keting boards with the marketing cooperatives; 2. how to reconcile the large and the small farmers; 3. the trend of marketing cooperatives taking over the service of supplying farmers with their requisites. The lessons to be learnt from the development in Canada were: it was better to start immediately with a centralised type of cooperative structure than to try to federate small units. Secondly, it was better to start with the concept of the multi-purpose cooperative and, thirdly, farmers should consult with consumers if they wanted to get the best out of the market, because the cost spread between producer and consumer in the distribution of food was getting wider.

Mr. V. Magnani, Lega Nazionale delle Cooperative e Mutue, Italy, said that, in order to be able to have a cooperative structure which would allow modern forms of marketing, it was necessary to have, de jure and de facto, a position where farmers would have a total say over their produce. To achieve this, modern equipment was needed. In Italy, the marketing of milk was the first step from which higher forms of marketing and processing had developed and major cooperatives had been created. This had also led to an increase in the farmers' income and the standard of living. Efforts were made to have long-term contracts between agricultural cooperatives, second degree cooperatives and consumer cooperatives, which made a more rationalised agricultural economy possible. Forms of joint structures and joint managements of producer and consumer cooperatives were to be considered. However, this integration process should be carried out by democratic methods. He welcomed the Committee for South-East Asia and thought that it was worthwhile

considering a sub-committee for Europe.

Mr. J. Kaminski, from the Central Agricultural Union of "Peasant Self-Aid" Cooperatives, Poland, said that, in the last five years, the value of agricultural production in Poland had increased roughly by 30 per cent. At the same time, the value of production in the food industry had increased by 24 per cent. Most of the agricultural products were marketed by cooperatives. Farmers made contracts with cooperatives concerning the sales of agricultural products and supplies of farming requisites. In marketing, the exchange of information had as much value on the national as on the international level.

Mr. A. Mayr, Confederazione Cooperativa Italiana, Italy, said that the problem for cooperatives was to see that prices were right and competitive. Transport and modern techniques used today necessitated the coordination of production on a world-wide scale in order to meet the world-wide needs of the markets. In this connection, the Agricultural Committee of the I.C.A. could give useful guidance. Cooperatives must work hard to reduce costs of production. The process of vertical integration between producer and consumer cooperatives had to be more precisely defined. They had to agree about the share which each of them was to have in vertical integration. The present time was a time of great evolution in this respect, and the study of the Raiffeisen principles might help in the solution of many problems.

Dr. L. Strobl, Österreichischer Raiffeisenverband, Austria, said that, during the excursions under the auspices of his organisation, the important progress in vertical integration going on in Austria would be seen.

Mr. J. Nepomucky, Ustredni Rada Druzstev, Czechoslovakia, said that the FAO and ILO should not only make plans and promise help, but should also organise help in conjunction with representatives of the developing countries concerned. Three years ago, a resolution was adopted in Czechoslovakia saying that the I.C.A. must take concrete steps to organise the production and marketing of agricultural products. It should help to organise the millions of workers in developing countries to enable them to form units which would satisfy the demands in these countries. When he had visited African and Asian countries, he was able to see that there was great need for assistance.

Mr. F. Owen, Cooperative League of the U.S.A., recommended to the Agricultural Conference that a programme relating to the developing areas of the world should be established and that the Chairman of the Agricultural Committee should be authorised to proceed with the implementation of paragraph 24 of the report of Mr. Zlataric. He thought that a team of I.C.A. technical assistance advisers should be set up which could go to countries at the invitation of their cooperative leaders and governments in order to help in the planning of cooperative development programmes. That would be the first step; the second would be to bring together the resources available in the I.C.A., its member organisations, and the FAO and ILO, as well as any other sources of assistance which could be brought to bear on the problems in the developing areas of the world. Agriculture was the basic problem in most of the developing areas of the world. Thus, section 24 should be implemented and an I.C.A. advisory commission established and made available to the devel-

oping areas of the world.

Dr. F. Cortesi, Confederazione Cooperativa Italiana, said that the second green plan was placing great emphasis on cooperative education and staff training. The government would pay half the salaries of cooperative managers and their assistants in the early years and would bear the whole cost of some of the most expensive equipment, such as refrigeration plants and slaughter houses. Despite some progress made by cooperatives, the state and private sectors were very active in economic competition.

Dr. S. K. Saxena, Director of the South-East Asian Regional Office, said that his Office had made an inquiry among the cooperative movements in that area into the assistance in cooperative processing industries. Most of the answers revealed a lack of economic analysis of the projects. This resulted from two factors: there were no specialists with adequate technical, economic and financial knowledge and, secondly, the contact of the South-East Asian cooperative movements with business organisations and business expertise was very poor. The Office was trying now to transplant the experience which existed in some areas to other parts of South-East Asia. Further, the office staff was working out some kind of basic models which were being sent to cooperative organisations as guidance for a more thorough economic aspect of their project. In addition to a previous seminar, another one would be held in December of this year under the title "How to Start a Cooperative Processing Plant". Talking about processing cooperatives, he said that their contribution to solving the problem of unemployment was very important.

Mr. A. Toukabri, Tunisia, said that

in Tunisia mutual credit societies had been set up to enable the small farmer to finance his undertaking and increase his production. This led to the modernisation of the farming economy and attempts were now being made to deal with the important problems of processing and marketing. He thought that paragraph 24 of the report was of vital importance for the work of the Agricultural Committee.

Mr. M. A. Gilboa, Hevrat Ovdim Ltd., Israel, mentioned that all milk in Israel was marketed and processed by cooperatives. The same applied to grapefruit and wine. Cotton, fish and most vegetables were 80 per cent covered by cooperatives. On the whole, cooperatives in Israel controlled almost 70 per cent of agriculture, and for some products almost 100 per cent (citrus fruit). They had failures in grading and in the coordination between the central and regional supply cooperatives. With these comments, he thought the report was a realistic document and believed that agriculturalists could gain a higher standard of living by combining agriculture with industry.

With these remarks, the discussion on this report was closed.

The Agricultural Secretary asked for permission that the recommendations based on paragraph 24 of the report should be either accepted as they stood or that the meeting should give the Chairman the authority to take into account all the important suggestions made and amend the recommendations accordingly. The Conference agreed with the latter proposal.

The I.C.P.A. and the Agricultural Cooperative Movement

The report on this subject was given by Mr. Wayne M. McCann, General

Manager of the I.C.P.A. He stressed that petroleum was the life-blood of agriculture in many countries and that there were probably no other organisations today which were pouring more money into the provision of fertiliser facilities than the major oil companies. The most important supplies of the I.C.P.A. were lubricating oils, greases and fuels, but recently it had started to work with tyres, anti-freeze and other petroleum related commodities. It had also entered the field of the distribution of fertilisers and believed that here there was a potential for expanding the relations between the I.C.P.A. and various agricultural cooperatives. Experience showed that, when fertilisers moved from a surplus country to another one, this was done not between cooperatives but mainly through brokers or companies which were not cooperative organisations. Mr. McCann thought that the I.C.P.A. would work with the cooperatives which distributed fertilisers and other agricultural chemicals. First, it could find fertilisers of the right type and quantity and, secondly, the cooperative organisations which purchased the fertilisers should be convinced of the benefits they would obtain from handling these fertilisers internationally through the I.C.P.A. There was a great potential economic strength in the cooperative movement. The total turnover of the cooperative organisations affiliated to the I.C.A. was larger than that of the ten largest world corporations.

The Establishment of the Fisheries Sub-Committee

The report on this question was given by Mr. P. Lacour, who was elected Chairman of the Fisheries Sub-Committee the day before. He said that, besides

setting up a Fisheries Sub-Committee, a Fisheries Executive was set up, consisting of two vice-presidents (Italy and Japan) and representatives from Canada, Ceylon, Eire and Poland. The programme of the Sub-Committee was to train fishermen in the developing countries and to analyse concentration in the fisheries industry at the international level. This involved sending out detailed questionnaires in order to establish what kind of fishermen's cooperatives existed, what were the needs of the developing countries and what the resources of the developed countries. He stressed that fishing was of great importance in helping to solve the problem of famine throughout the world and thanked the FAO for the assistance given to the fishermen's cooperatives at the international level. He thought that larger economic units must be created for the sake of efficiency. He drew attention to the French experience, where the fishermen's cooperatives were modernised by a formula enabling a group of people to own modern fishing vessels and equipment, but caution was necessary in this respect because fishermen's cooperatives were faced with fierce competition. The French fishermen's cooperatives helped African countries over the last ten years by setting up training courses and schools in these areas. The Fisheries Sub-Committee, in order to help transplant experience from developed countries to developing countries, had agreed on a gradual approach to the setting up of an International Business Advisory Service for Agricultural and Fishermen's Cooperatives (IBASAC). The meeting agreed with the report of Mr. Lacour and approved the setting up of the Fisheries Sub-Committee.

Mr. W. G. Alexander, Director of the

I.C.A., thought it was very encouraging to see the progress of this Committee. However, further support was necessary and was coming in steadily. It would be useful if also the old-established agricultural cooperative movements from Europe could join the Alliance, although some of them already worked very closely with it. The Agricultural Conference in South-East Asia next January might lead to the setting up of a Sub-Committee for South-East Asia, which could be an Agricultural Sub-Committee of the I.C.A. This pattern could then serve as a useful form for future development in Africa and Latin America. Regional grouping in Europe might also require some adequate cooperative forms within the Agricultural Committee. The formation of the Fisheries Sub-Committee was a good example for tackling the problems of various industries. Special meetings, such as the Fruit and Vegetable Conference in Palermo, might bring useful results. After that Conference, a new trade between Cyprus and the Federal Republic of Germany had been established.

The Agricultural Committee had excellent relations with the IFAP. Ties should be strengthened with other organisations, like the CEA, and more practical cooperation should be coupled with long-term programmes jointly with the United Nations agencies. A regrettable fact in the work of the Agricultural Committee was the poor help it had received in the preparation of the documentation on structural changes in the field of agriculture. The discussion on processing showed that structural problems might be very important for integration in agriculture: non-cooperative organisations could never become cooperatives, but cooperative organisa-

tions could make use of other forms of organisation and still remain cooperatives. This was the case of contacts being established by cooperatives and other organisations in order to tap resources for investing in cooperative processing industries. This development was important because the farmers being pressed to modernise their own farms were not able to finance processing industries themselves.

In the financial field, the I.C.A. could do much more, and Mr. Alexander pointed to the World Bank/FAO joint activities. Recently, the World Bank was very active in financing agriculture, and a substantial loan was made to Tanzania, entirely for the development of the cooperative movement. Yet, the I.C.A. and its auxiliary committees must have on their side a body which would be able to put forward proposals to the World Bank in the field of finance of agricultural development. There was a definite need for the Agricultural Committee to form its view on these topical problems. For example, the ILO Conference, which was held this year, not only passed a resolution about cooperatives for the developing countries, but it also passed a resolution, approved by all governments present at the Conference, inviting member states "to give due consideration to the idea of international cooperative banking with a view to increasing the availability of financial aid from international sources for cooperative development". The resolution added that: "In collaboration with the appropriate international organisations, and taking into account the existing institutions working in this field, members should accordingly undertake a survey of the needs and possibilities, including feasibility of establishing an international banking in-

stitution for this particular purpose.”

With this, the Agricultural Conference ended.

Agricultural Committee Meeting

The Chairman, Dr. Malfettani, submitted some items of the agenda for which the approval of the Agricultural Committee was necessary. The first item was the approval of the Constitution and activities of the I.C.A. Sub-Committee for Agricultural Cooperation in South-East Asia. Both were unanimously approved and would be submitted to the Agricultural Conference in South-East Asia in January next year for consideration.

Based on the Constitution and activities of the Agricultural Committee, the Vice-Chairman of the Agricultural Committee and the Agricultural Exec-

utive were to be elected during Congress time. The Agricultural Committee expressed its confidence to the present Chairman, Vice-Chairman and Agricultural Executive and elected the same team for the next term:

Chairman — Dr. L. Malfettani, Italy.

Vice-Chairman — Mr. M. Mustonen, Finland.

Members: Mr. J. Nepomucky, Czechoslovakia;
Mr. J. Efer, Israel;
Mr. C. W. Fulker, United Kingdom;
Mr. P. Reymond, France.

In addition, Mr. P. Lacour, the Chairman of the Fisheries Sub-Committee, was approved as an ex officio member of the Agricultural Executive.

CONSTITUENT MEETING OF THE FISHERIES SUB-COMMITTEE

DR. L. Malfettani, Chairman of the Agricultural Committee, opened the meeting and expressed his satisfaction about the formation of the Fisheries Sub-Committee. This had been an old idea stressed at earlier ICA meetings, and a definite decision was taken on that subject at the meeting of the fishermen's cooperatives in London in February 1966. Dr. Malfettani proposed that the meeting elect a Chairman from among themselves; consequently, Mr. P. Lacour, France, was duly elected.

Establishment of the Fisheries Sub-Committee and Acceptance of Constitution and Activities of the Sub-Committee

Mr. B. Zlataric, ICA Secretary for Agriculture, explained that all organisations present, members of the ICA but not of the Agricultural Committee, had been accepted as its members by the Agricultural Executive, and thus it was now possible to form the Fisheries Sub-Committee which was then agreed upon.

Explaining the Constitution and activities of the Fisheries Sub-Committee, the Chairman hoped that the ICA would take charge of the Secretariat of this Sub-Committee. This was confirmed by Mr. W. G. Alexander, Director, and the meeting agreed that "the Secretary of the Agricultural Committee may also serve as the Secretary of the Fisheries Sub-Committee". The meeting accepted the suggestion of Dr. A. F. Laidlaw, Canada, that this should be so until the Sub-Committee accepted a budget. Mr. Alexander suggested that the Sub-Committee should have two Vice-Chairmen and four members, as well as the Chairman, and this was approved. He also thought that, although there was no special definition of fishermen's cooperatives, they should be cooperative organisations which were involved primarily in fishing. The Chairman confirmed that this Committee should deal primarily with the questions of fisheries and questions which primarily concerned the fisheries industry. After this discussion, the Constitution and activities of the Fisheries Sub-Committee were adopted.

The Fisheries Sub-Committee thus elected was as follows: Chairman: Mr. P. Lacour, France; Vice-Chairmen: Mr. J. Saito, Japan, and Mr. G. Rossi, Italy; Members: Mr. K. Harding, Canada; the Cooperative Federation of Ceylon; the Irish Agricultural Organisation Society Ltd., Eire; and the Central Union of Work Cooperatives, Poland. Mr. Lacour explained that, in the Sub-Committee, organisations were being elected, not persons, and that these organisations had the right to nominate their representatives.

The floor was then given to Mr. S. Remoy of the FAO. He said that the actual Constitution of the Sub-Committee



Mr. P. Lacour

tee showed that the seeds sown in London previously had been planted at the right time and in the right kind of soil. As in London, he stressed again FAO's very constructive collaboration with the ICA in the field of fishermen's cooperatives and mentioned that tasks which formed the basis of future collaboration between the ICA and FAO were also included in the agenda to be discussed at the present meeting.

Future Work

Mr. Zataric explained that the Memorandum on the Agenda distinguished two types of future work of the Fisheries Sub-Committee: (a) general framework and (b) what could be done in the next year or two. The following was agreed upon as being the general framework of the Sub-Committee:

1. *Exchange of information and advice:*
 - a. Collection of statistics, legislation, classification, etc., concerning fishermen's cooperatives;
 - b. Publication of a liaison bulletin which, in addition to I.a., would promote mutual understanding among fishermen's cooperatives all over the world.



2. *Training:*

- a. Exchange of fishermen's cooperatives' personnel between different countries;
 - b. Fellowship training abroad for fishermen's cooperatives' personnel;
 - c. Preparation of various courses for purposes of staff training (managers, etc.);
 - d. Production and publication of technical material.
3. *Economic cooperation and consultation at the international level:*
- a. Promotion of cooperative marketing of fish and related activities (processing, transport, cold chain, etc.);
 - b. Improvement in supplies of equipment and other requirements;
 - c. Other methods of improving the fish industry (production, consumption, mutual insurance, government policies, etc.);
 - d. Assistance to fishermen's cooperatives in developing countries (especially in marketing, development projects, training, etc.);
 - e. Representation of the ICA in inter-governmental organisations and agencies of the United Nations (especially FAO).

Discussion followed on (b) dealing with the current affairs of the Sub-Committee. Concerning documentation on fishermen's cooperatives in the world, it was decided that, for the time being, no special fisheries bulletin would be issued, but that the Agricultural Cooperative Bulletin would devote more space to the fisheries problems. The participants of the Conference agreed to contribute material whenever possible.

Mr. Alexander proposed that questionnaires should be dealt with in the

form of a directory, as had been done, for example, in the case of technical assistance, banking, etc. The second part of the directory should deal with organisations which were not members of the ICA.

Mr. C. W. Fulker, Great Britain, stressed that there were no strong fishermen's cooperatives in England because there were two big monopolies. Most of the white fish was sold as frozen fish, and the public was turning to fish-fingers and fillets. If this type of production could be increased, it might find a market in England. He suggested that the Secretary should get in touch with the manager of fish marketing at the C.W.S. and interview him about the opportunities of marketing fish in England for fishermen's cooperatives of other countries.

Mr. G. Bonnassies, France, thought it would be useful to add to the directory a short description of cooperatives which would be of practical importance for the users of the directory. The idea of such a directory having been accepted, the proposed questionnaires were discussed.

Questionnaire 1. It was agreed that fishing could not be treated as agriculture, and that the future development of fishing should take into account especially the breeding of fish, which was important in Canada, and oyster breeding, etc. Account should also be taken of over-fishing of waters, fishing on the high seas, and of international agreements which could stop the depletion of certain types of fish.

Mr. A. Delfs, Germany, suggested that the share of cooperative products in the total fishing industry should be clearly stated in the questionnaire. Questions concerning arrangements for storage should be added. He was also

interested whether the Raiffeisen Organisation, as a non-member of the ICA, would get the questionnaire for answering. This last question was answered in the affirmative by Mr. Alexander.

Mr. Remoy expressed the readiness of the FAO to cooperate with the ICA in finding a common denominator for statistical data and other points arising from the questionnaire.

Questionnaire 2. Mr. Bonnassies agreed with the questionnaire, but suggested that certain items should be replaced by more general questions.

Questionnaire 3. It was agreed that the countries which wanted help should indicate the language in which courses should be held. Mr. Bonnassies suggested that the sector of help should also be specified. Mr. Lacour and Mr. Bonnassies urged that more details were needed about types of catches.

Dr. Laidlaw stressed the important trend in the fisheries industry from small-scale enterprises to large-scale enterprises. He was in favour of large centralised cooperatives instead of small units. The analysis of this question should be considered as a very important task of this Committee, and it was suggested by Mr. Lacour that that was a potential item for the next meeting's agenda.

Mr. J. Saito, Japan, explained that they had two types of fishermen's cooperatives in Japan—small and large—and offered to the meeting a pamphlet on this subject.

The representative of the Lega explained that there was a lack of experience in processing, marketing and packaging, and that the local sources to develop these services were not suf-

ficient, especially in the fishermen's cooperatives entering the field of deep-sea fishing and the modern field of pre-packaging, including deep-freeze installations.

Mr. P. Kelly, Eire, referring to Dr. Laidlaw's statement, said that steps should be taken to train staff and managers, who would be able to carry on the integration process in the fisheries industry.

Other Questions

Discussing the International Business Advisory Service for Agricultural and Fishermen's Cooperatives (IBASAC), the meeting agreed that a gradual approach should be taken, and the draft proposal for IBASAC was accepted as a model to be adopted. However, in the first stage, a number of well-established and efficiently managed fishermen's cooperatives were welcome to act as consultants in business problems to the inexperienced ones, and IBASAC could here act as a clearing centre between them.

Talking on this item, Mr. Remoy said that the FAO, having completed the Handbooks dealing with Cooperative Fishermen and Mutual Insurance, now contemplated issuing a book on marketing and processing of fish products. The first part of this book would contain case studies and the second would summarise general principles and conditions. His suggestion was that the FAO should propose an outline for case studies and that the members of the Sub-Committee should then comment thereon and make suggestions regarding consultants for the second part of this book. In addition, Mr. Remoy suggested a study on large-scale operations. As this was a difficult study, the right man was needed for the task, and the

DISCUSSION ON THE REPORT OF THE BANKING COMMITTEE

MR. A. R. Glen, Canada, President of CUNA International Inc., and delegate of the Cooperative League of the U.S.A., said that cooperative banking was the fastest growing sector of the international cooperative movement. In North and South America, cooperative thrift and credit societies, or credit unions, were busy building a new international organisation which would use the most modern techniques of communication and the electronic processing of information.

They were hoping to mobilise surplus funds and to make them available not only in the Americas but also in South-

East Asia, Africa and anywhere else where help was needed. The new organisation would help the rapid transfer of funds and the credit unions of North and South America were interested in what had been said about the structure and functioning of the International Cooperative Bank in the report of the International Banking Committee.

They believed that international cooperative banking services might not be effective if the traditional forms of banking were followed. The international cooperative movement should be bold and imaginative instead of conservative like most bankers. Cooperators needed to think ahead and not be influenced too much by traditions, to make themselves aware of the needs of the people they served and to lead rather than to follow.

FAO would consult the Sub-Committee on that question.

Mr. Lacour thanked Mr. Remoy and asked him to get in touch with the Secretariat for the realisation of the projects.

Mr. Alexander confirmed the ICA's readiness of future cooperation and said that, if it was difficult for the FAO to find finance, the Freedom From Hunger Campaign should also be approached.

Date and Place of Next Meeting

In agreement with the Chairman and the ICA Secretariat, the next meeting of the Fisheries Sub-Committee would be fixed later, but should be, if possible, at the same time and place as the next meeting of the Agricultural Executive.

Mr. W. Sommerhof, Chile, said that an international congress in Bogotá in 1961 decided to establish an integrated cooperative banking system in Latin America. Cooperatives had been responsible for only a small part of the development taking place in Latin America. A congress at Monte Video in 1963 proposed that cooperative banks should be established in Latin American countries to provide credit and give technical advice and that there should also be an Inter-American Bank to obtain international credit and channel it into Latin American cooperatives and cooperative banks.

There were now 54 cooperative national banks or financial institutions in Argentina, Chile, Ecuador and Puerto Rico and others were being established. With the help of the Cooperative League of the U.S.A. and other cooperative organisations, these had joined together to form SADA which, for the time being, would be concerned with providing national banks with technical assistance, representing their interests internationally and with promoting new organisations rather than with supplying finance. Thanks were due to AID and to the Fund for International Development for financial and technical assistance given. Dr. Saxena had said that special importance was attached to capital formation by cooperatives in South-East Asia and this was also true in Latin America. It was hoped to work closely with the ICA and its member organisations.

Mr. C. Pedersen, Denmark, drew attention to a resolution carried by the ILO Conference in the summer of 1966. This had recommended governments to encourage the development of international cooperative banking, but Mr. Pedersen did not think it was likely to have very much effect. Cooperative movements should, however, be aware that the resolution had been carried and be prepared to advise any governments that might wish to act on its recommendation. Any action would need to be coordinated with the work of the ICA, its Banking Committee and the International Cooperative Bank. The President remarked that Mr. Pedersen had been among those attending the ILO Conference.

Mr. W. G. Alexander, Director of the ICA, said there were some important issues on the international level concerning cooperative thrift, cooperative

credit and finance for cooperatives or through cooperatives for their members. CUNA International Inc. was to hold a conference in Jamaica in October to which cooperative thrift, credit and banking organisations had been invited. He would be giving a paper as would Dr. Bonow.

The ICA Banking Committee and the International Cooperative Bank in Basle would both be represented at this conference which would be considering the structure of the cooperative thrift, credit and banking movement at the international level and relations with governments, the World Bank and organisations subsidiary and ancillary to the World Bank.

The International Development Association had just lent \$5 millions for the development of cooperatives in Tanzania. Developments of this kind made it necessary for cooperators in this field to think about structure and policy. The Director General of the ILO had not yet recommended action on the resolution that had been mentioned by Mr. Pedersen. The ICA would be in touch with Mr. Orizet of the ILO on the matter. The Executive had prepared a request for advice from the Banking Committee and the new Central Committee would have to consider it. It would be passed on to the Banking Committee which would later report to the Central Committee on cooperative thrift, credit and banking at the international level.



REPORT OF THE INSURANCE COMMITTEE

MR. R. Dinnage, Great Britain, reporting to Congress, said that delegates already had a report of the work of the Insurance Committee during the previous three years and he proposed to give an account of the meeting held the previous week. Ninety delegates representing 25 of the 56 societies belonging to the Insurance Committee had attended.

It had begun by paying tribute to Josef Lemaire, of *La Prévoyance Sociale* of Belgium, who had founded the Insurance Committee in 1921 and who had died a few weeks before the meeting. Karl Ericsson of Sweden, the only other surviving founder member of the Insurance Committee, had died shortly afterwards. But their work had been sound and had developed in many ways. The meeting decided unanimously to establish a new international company to be called All Nations Incorporated with its headquarters in Columbus, Ohio, U.S.A.

It was agreed that the member companies of the Committee should take up shares in the new company. They would thus be able to help insurance and other cooperatives in developing countries with capital as well as with technical assistance and advice. All Nations Inc., together with the Loan Guarantee Fund set up at the Bournemouth Conference would act as a guarantor for loans made by a U.S. bank. The Board of Directors of All Nations Inc. would be the members of the Insurance Executive Committee and the initial capital of the company was \$300,000, of which one-third would be paid up.

The International Insurance Development Bureau, under the chairmanship of Mr. K. Back, Sweden, examined proposals made for the establishment of new insurance societies which were always willing to receive trainees. It worked closely with the Reinsurance Bureau Sub-Committee which had been



set up in 1949 and which handled a premium income of £4 millions a year and was expanding.

Cooperators in developing countries needed to remember that it took time to accumulate substantial funds for investment through cooperative insurance. The problems of cooperative insurance in developing countries had been outlined at the conference by the manager of the successful cooperative insurance

society in Malaysia. Cooperative insurance societies had found it difficult to operate motor car insurance at a profit, but progress generally had been good, and the International Insurance Committee was anxious further to increase the number of cooperative insurance societies and to ensure that they were closely associated through the I.C.A. Insurance Committee.

CONFERENCE ON HOUSING COOPERATIVES

VIENNA, 31ST AUGUST, 1966

THE Chairman, Mr. S. Kypengren, Sweden, opened the Conference by saying that the need for housing was greater than ever in spite of greater recognition of this need and of the endeavours of governments and international agencies, but cooperative housing was making a growing contribution to solving the problem. He welcomed the delegates to the Conference and in particular those from the developing countries.

The resources of the Committee were limited and conditions differed greatly in different countries, but it was important to study developments and learn from each others' experience. The Committee and its Executive had been meeting more frequently, and collaboration with U.N. Agencies and other inter-governmental agencies had further developed. The number of organisations represented had increased and there were more from Europe as a whole and

more from Eastern Europe. Attention had been given to closer relations with cooperative housing organisations in developing countries.

U.N. Agencies had been recommending cooperative housing and this method was appreciated in developing countries. Some member organisations of the Committee had formed an association which was specially concerned with helping cooperative housing in developing countries. A meeting of the new organisation would be attended by U.N. representatives.

Mr. A. Kimml, Austria, welcomed the delegates on behalf of his organisation. Dr. M. Bonow, President of the Alliance, said that the rapid increase in the population of the world made the provision of adequate housing vitally important, especially as people were moving into the towns on a large scale in the developing countries where the population increase was greatest. Coordinated action was necessary by U.N. Agencies and national governments both in developing countries and in the industrial ones. Help from the latter to the former was essential if a catastrophe was to be avoided. The housing resolution prepared by the Committee for the Congress had been unanimously accepted by the Executive and Central Committees of the I.C.A. Finally, Dr. Bonow congratulated Mr. Kypengren on his success in arousing the interest of the U.N. in cooperative housing.

Report of the Housing Committee

Mr. A. Johnsson, Sweden, the Joint Secretary, then read the report of the Housing Committee, and Mr. J. Brüggemann, Germany, thanked Mr. Kypengren, Mr. Johnsson, the Housing Committee and the ICA for their work

during the last three years and for preparing the Conference. He urged that the Housing Committee and the ICA should do all they could to induce the U.N. to pay even more attention to the possibilities of cooperative housing.

Dr. S. K. Saxena, of the ICA Regional Office in South-East Asia, mentioned the report of the discussion at the Seminar at Kuala Lumpur in 1964 and suggested that another seminar might be held which would concentrate on cooperative housing. He also said consideration might be given to cooperative housing projects for the five million people who were being repatriated from Ceylon to India, or those connected with the Mekong River Valley Project. An adviser on cooperative housing who could concentrate on one or two countries might be able to do useful work.

Mr. Johnsson then read the housing resolution on the agenda of the 23rd Congress of the I.C.A.

Mr. W. Campbell, U.S.A., said the main proposal for a specialised agency on housing in the resolution had been put forward in Vienna by the Housing Committee six years ago and endorsed by the ICA Congress, the Cooperative League of the U.S.A. and the AFL/CIO, but unfortunately the U.S. State Department had adopted a negative attitude on the grounds that the U.N. had insufficient resources, and this had influenced other countries.

The Cooperative Movement in the United States had opposed the Government's view and had urged that the U.S. Congress should support the creation of such a U.N. specialised agency. The State Department had argued that there was insufficient demand for such an agency from developing countries, and it was therefore up to countries in need to press the point.



Mr. Campbell urged delegates to press their governments to demand a specialised housing agency at the next meeting of the United Nations so that it could give more effective publicity to the need for more housing. The points in the ICA Housing Resolution could have a significant impact at the United Nations.

Mr. Johnsson then presented his paper on the influence of structural changes in the economy on cooperative housing. Important economic changes were taking place both in eastern and western Europe and in the developing countries. Governments were intervening more in housing, but it was not given sufficient priority in the developing countries. The Executive had discussed the effect of monetary changes on the financing of housing programmes, and information had been exchanged. There was also the question of the possible integration of cooperative housing with other forms of cooperative activity, such as that of the productive and the wholesale societies.

Dr. E. Bodien, Federal Republic of Germany, said that there had been a

slowing down of housing programmes in western Europe in the last few years and that this had been accompanied by a fall in the purchasing power of national currencies over a rather long period. The German mark, for instance, had lost 60 per cent of its value in 15 years in spite of being a "hard" currency; and the franc and the yen had depreciated even more, as had the lira, the kröner and the pound. Even the U.S. dollar and the Swiss franc had declined in value to some extent.

The falling value of money handicapped the development of housing cooperatives. Maintenance and building costs were increasing and this made rent increases inevitable, a development which was not welcome to tenant members of housing societies. The problem needed serious study which could be undertaken without involvement in political controversy.

Mr. Brüggemann said Dr. Bodien had been right to link the question of the financing of cooperative housing with the fall in the value of money. There had been immense housing activity in Europe and particularly in Germany;

but in Germany, the cooperative share had been declining by about 2 or 3 per cent a year. It might be necessary to modify initial contributions to housing cooperatives.

German housing cooperatives had mortgages of from 30 to 50 years and needed to reform their structure and take account of the continuing fall in the value of money in order to promote interest in cooperative housing. The problem also arose in the developing countries. Housing cooperatives might be able to cope more effectively with economic problems by increasing their size; other organisations were strengthening their position by merging into larger units. The supply of building materials might be organised on a cooperative basis and cooperative credit organisations could help with the financing of cooperative housing. A new cooperative institution for the promotion of credit had been set up in the Federal Republic.

Mr. A. Kerspern, France, said that the social contribution of cooperative housing needed to be reviewed and that it might even be necessary to allow higher interest rates to be paid on cooperative shares in order to meet the situation arising from the fall in the value of money. It had been thought at a symposium at Liège that this would not conflict with cooperative principles. Housing cooperatives had to be able to mobilise cooperative savings in order to be able to deal with any decline in state support for housing. Small savings were fundamental to housing and housing cooperatives should, like the Raiffeisen organisations, be supported by savings and loan cooperatives which would help to maintain their independence.

In France, some years ago, Mr. R. Robert's association had initiated a

cooperative union which served as the main cooperative for housing, with the help of the Central Bank of Cooperative Credit. Housing cooperatives received more state support than others, and if they needed help in the field of savings and loans, so did other cooperatives. In France, regional cooperative unions were supported by mutual credit funds and associations which made it possible to channel funds where they were most needed and thus make finance available for building. At the same time, it was imperative that the individual cooperator should feel himself truly associated with the work of his society or the management of the building in which he was living. Therefore, concentration in some fields needed to be combined with decentralisation in others.

Canada, Denmark and Malaysia

Dr. A. F. Laidlaw, Canada, said that agricultural marketing societies, credit societies and cooperative insurance were well developed in his country, but cooperative housing had made relatively little progress. This was partly because housing legislation was designed to encourage individual ownership, while a failure of building cooperatives in the thirties still made some doubtful about housing cooperatives. Cooperative housing tended to be squeezed between the demand for occupying ownership on the one hand, and public ownership on the other. Investment in individual ownership offered the prospect of considerable capital gains, whereas investment in the shares of housing cooperatives did not. Finally, there was no strong central organisation in Canada to encourage the development of cooperative housing. Progress was, nevertheless, being made. There were housing cooperatives beyond

the Arctic Circle and students' housing cooperatives at universities showed great promise.

Mr. H. Heie, Denmark, said that, in his country, housing cooperatives and non-profit housing associations had for thirty years been required by law to establish building funds. The Government had recently decided that these funds could be used to help finance housing cooperatives. It was also seeking to level rents and, in the case of non-profit housing, 70 per cent of increases in rent had to be paid into a National Housing Fund, administered by a federation which was taking over the responsibility of financing new housing with the help of state guarantees.

There was a well developed market in bonds in Denmark and, with the rapid expansion of housing, interest rates were now as high as 10 per cent, although the Government was making loans available for non-profit housing at 6½ per cent. The picture was confused, especially as housing organisations tended to finance themselves from retained earnings. There was room for more cooperation between cooperatives, especially, as had been said at the Workers' Productive Conference, between housing cooperatives and building and construction cooperatives.

Mr. G. S. Dass, Malaysia, said that the number of housing societies in his country was growing in spite of limited government support. Several hundred houses had been built and some huge projects were planned, but finance was a problem. Raiffeisen type cooperative credit societies and a new cooperative insurance society had helped, but inadequate finance remained a problem and there was a danger that the enthusiasm of members might fade. New legislation had made land more easily

available and Mr. Dass wondered whether the ICA Housing Committee might be able to help—perhaps with finance from other countries. He thought private funds might be made available somehow.

In replying to the debate, Mr. Johnson said that the value of money seemed likely to fall in spite of increasing production and that this raised problems for housing cooperatives in which money was tied up over long periods. These problems had been discussed in national movements and it would be useful if they could be studied over the next three years.

On structural changes, Mr. Johnson said that many cooperative housing bodies were being reorganised and further studies undertaken. In Germany, „Accounting Agencies” were being established to support the small housing cooperatives actually owning properties. Concentration was taking place rapidly in many fields and cooperators had the right balance between increased centralisation and rationalisation and cooperative ideas of self-management.

The Danes had been successful in organising increased technical services and in building up their national organisations so as to be able to render increased support to the constituent members. The problem of capital gains resulting from occupying ownership was a complicated one and was related to the general monetary problem; an adequate solution had not yet been found. In some countries, cooperative credit organisations had been useful in providing finance for housing, but little had been done on the international level. There was the International Cooperative Bank, but very considerable capital was needed for housing. The problem of raising international funds to support

cooperative housing in developing countries, such as Malaysia, was being studied, as was also the possibility of national governmental funds being made available for the same purpose.

Information and Education

On the following day, Mr. V. Joergensen, Denmark, presented his paper on information and education in the cooperative housing movement. He said Denmark was rather weak on information and education in the field of cooperative housing, yet there were 500 cooperative housing societies in the country. Those who administered these societies needed to be well informed on Danish housing legislation, as it changed so frequently.

Cooperators also needed to be well informed about legislation on building and planning, economic and technical administration and the general management of housing. Large organisations had to adapt themselves to life in an electronic age; smaller ones needed well trained officers and caretakers. The latter were in touch with tenant members and could increase their understanding of basic cooperative ideas.

Education and training could be carried out at seminars lasting a week or a weekend or at national or local conferences or meetings. Education of members had been rather neglected in Denmark in the past; they must be told that good living was a consequence of cooperative housing and that they needed to know more about how cooperative housing worked. The general public also had to be kept informed; inadequate publicity and lack of information were some of the reasons why cooperative house building had declined by half after legislation in 1958. The Conservatives had been trying to curb co-

operative building for ten years and a propaganda campaign all over Denmark was putting the case for cooperative housing.

Tenant members were kept informed by folders giving information and advice on furnishing and other matters. A periodical, with a circulation of 175,000, went to members, libraries and three hundred army reading rooms and also to members of political parties. There were evening classes and correspondence courses, called "study circles", on a small scale in Denmark—and on a much larger scale in Sweden—as well as housing exhibitions which were often well supported, even in smaller towns.

The cost of propaganda for housing cooperatives was met partly by members, but also by subscriptions to the periodical and from advertising revenue. Courses and seminars were paid for by those taking part.

Mr. Ambrosius, Germany, said that, a few years ago, some new educational institutions had been set up. There had been special courses on housing and about rights and duties in relations with public authorities. This had proved most useful and improved members' sense of security.

Mr. Brüggemann said that the Housing Committee had a threefold task to perform: to keep the public well informed, advertising, and the educational and training work. Members of cooperatives, trade unions and national parties must be informed about the Committee's work. In Germany, weekly and monthly information bulletins were provided and seminars were arranged. Publications were sent to university libraries and used by the press.

Advertising was very important as was the education of members and the training of staff. Vocational training schools

helped with staff training, and there was also a special cooperative school for apprentices. It was important to interest young people in cooperative housing, especially those from the universities. The law on cooperative housing was so complex that it was difficult even for experts to interpret it. It had, therefore, to be made as clear as possible to members.

Dr. W. Ruf, Switzerland, said it was very important to keep members informed. A successful series of courses in his country had aroused much interest. There were many local monthly and quarterly publications as well as some with larger circulations. Government support for housing was declining, and increased support from members through credit banks depended on adequate educational programmes.

The U.S.A. and Sweden

Mr. Campbell said the Cooperative League of the U.S.A. had helped to draft legislation and regulations on the insurance of mortgages for housing cooperatives. Housing cooperatives had to provide information bulletins with particulars of their occupation agreement and other contracts and information about members' opportunities and responsibilities. Education was an essential part of the cost of cooperative housing.

The Foundation for Cooperative Housing issued a monthly bulletin for officials and others. The National Association of Housing Cooperatives published a quarterly journal which went to officials of its cooperatives and to those of the United Housing Foundation. The latter was building a block of flats in the Bronx, New York City, which would have 15,000 dwellings and house, perhaps, 60,000 people. It had a full-time educational director, with the

task of educating 15,000 people before they moved in. With four evening sessions for a hundred people, this meant six hundred meetings. There was to be closed circuit television and on one channel there would be cooperative announcements and news of developments. Co-op City would have its own supermarket, several shopping centres, credit unions, nursery schools and other cooperative services and facilities.

At the same time, educational programmes were being decentralised. The Foundation for Cooperative Housing had six regional offices and federations of housing cooperatives were formed in groups of states which arranged their own educational programmes.

Mr. Johnsson said that both Swedish organisations had periodicals which gave information to the public. HSB had a journal which appeared ten months out of twelve and had a sale of 435,000. It contained information about developments in cooperative housing generally and was produced in association with the tenants' movement. Another journal, with a circulation of 4,500, covered political questions and matters such as town planning.

Both organisations in Sweden also used television, though Swedish television was run by the state and advertising was not allowed. It was, however, expensive to devise programmes on housing cooperatives' activities and problems. HSB also ran a school for the training of the elected managers of primary tenants' cooperatives, local societies and the national organisation, as well as for staff training. The cost was considerable, but it was covered by members' subscriptions. Advertising and good publicity made the ideas of cooperative housing well known to a broad public, and articles in the journal of

the building workers trade union helped to keep their members informed.

In replying to the debate, Mr. Joergensen said the Danes were sending a study group to Sweden shortly and might also send one to Germany. They had also set up an inter-Scandinavian information group. He thought readers of the periodical of the Danish housing cooperatives would be interested in an article about how television was used by housing cooperatives in America.

Finance and Legislation

The Conference then turned to the question of financing cooperative housing and the legislation on which it was based. Mr. M. Thiercelin, France, said that French laws were based on Roman law and were therefore detailed and strict. Housing cooperatives had been handicapped by not having special legislation, but a new draft law was being studied by the French cooperative movement which would make it possible for the value of shares in housing cooperatives to be reviewed. This could help investment in cooperative housing. New associations of cooperatives as well as cooperatives for "leisure" were being set up.

France had been able to build 300,000 to 400,000 houses a year, but many of these were blocks of flats or groups of such blocks and this had raised problems. In July 1965, a new law had provided for the formation of housing cooperatives on such settlements. Cooperators were able to ensure that the law drew an adequate distinction between self-managing tenants' cooperatives and cooperatives engaged in building.

Last year, a large French bank had built about 125,000 dwellings. The people who lived in them wanted a say

in their management and a Tenants Council was set up which almost amounted to a tenants' housing cooperative. It was a pattern that was likely to be followed in other places.

In December 1965, a new law had been passed on low rent buildings of a kind which had been demanded by cooperators for a number of years. Another law for buildings let at an economic rent without state support was likely to come into effect in 1966. Housing cooperatives were of three kinds: those which financed the building of houses to be bought individually by members; those cooperatives that continued to own the building and let it out; and, finally, tenants' cooperatives. Fortunately, there seemed to be scope for the expansion of cooperatives that let out buildings to their members and this could be supported by the state.

When a member of a housing cooperative took up a share, he entered into a contract defining his rights and obligations and his relations with the society. Shares were not transferable but could be inherited on death, and the terms of the contract could be reviewed. They were indeed likely to be reviewed as a result of increases in building costs.

In 1965, the French Government had set up a central fund for financing organisations providing houses at low rents covering 85 to 95 per cent of the cost of erecting low rent buildings over a period of thirty years at $4\frac{1}{4}$ per cent. For 45 years, the interest would be 2 per cent. Cooperative credit banks helped and individual loans could be made to cooperators, but the increasing cost of land raised problems and credits granted by the state might not be enough.

Serious problems had to be faced in connection with the development of

cooperatives that were without state support. The population of France was increasing by 800,000 a year, though the rural population was declining. About 600,000 new dwellings were needed each year and it was calculated that half the houses that would be needed in 1985 had not yet been built. The scale of the problem made it essential for housing cooperatives to be able to go ahead without state support. The Inter-Cooperative Housing Union had recently been established by housing cooperatives and had linked them with credit cooperatives which would help finance them.

The resources of cooperators had to be mobilised by setting up mutual credit funds alongside housing cooperatives which were still largely dependent on state help, varying from year to year, but were likely to have to find other sources of finance.

Britain and Germany

Mr. P. R. Elderfield, Great Britain, said that housing cooperatives had made relatively little progress in the United Kingdom because of lack of expertise; but they might soon have giant organisations promoting cooperative housing in blocks to house 15,000.

Cooperative housing had advantages over local authority housing. Houses were better maintained, the maintenance costs were less and the members had a share in the ownership. He thought it had been shown by a research team that racial tensions and juvenile delinquency were less when houses were owned in common. People worked together on cooperative housing estates instead of developing a peasant mentality. Cooperators should fight for public funds to be made available for cooperative housing.

Mr. H. Scheffler, Federal Republic of Germany, said that, in his country, the rents of housing cooperatives were fixed so as to cover costs and, therefore, dividend payments to members were not possible. Reserves were needed and cooperatives should be able to buy land. Sometimes old buildings had to be pulled down because they were no longer financially viable. Tenants of flats should not be able to dispose of their rights at a premium.

Mr. Brüggemann suggested that the discussion of finance and legislation should be ended and that the Executive should be asked to prepare a thorough documentation on the question for the next conference. The Chairman, Mr. Kypengren, agreed that enough had been said to provide a basis for useful discussion by the Housing Committee and, perhaps, at a new conference.

Mr. Kerspenn said that there was competition between different sectors of an economy for savings—particularly family savings. State subsidies for housing were declining in France and those concerned with housing were faced with the task of finding new ways to raise finance.

France did not have a flexible mortgage system like Britain and the U.S. It was easier to raise capital by issuing shares than by raising a mortgage. But it should be possible to channel small savings into cooperative housing, especially if cooperatives were allowed to pay a somewhat higher return on capital. This did not involve any abandonment of cooperative principles. The cooperator should also be able to recover his original investment.

Cooperative Housing in Developing Countries

Mr. M. A. Gilboa, Israel, then read a

paper on behalf of Mr. Lavon. Mr. Lavon recalled a lecture on "Housing for the Millions" he had given to an ICFTU/IFBWW Conference in Brussels in October 1964, when he said the International Cooperative Housing Committee should investigate the desperate housing shortage in many countries—a situation which could lead to revolutions and threatened the world socialist movement. The International Cooperative Housing Development Association was now being set up and, with adequate resources and effective leadership, it would be possible to provide housing for tens of millions of people.

There was talk of aid to developing countries, but the rapid increase in population and migration of peoples to cities were threatening a catastrophe in spite of such aid as had been given. The problem was not only one of finance but also of education and skills and of the development of local building industries.

It was necessary to begin in a small way. Israel had been sending people to developing countries, and a housing drive in the developing countries would be a way of utilising the pent-up energies and idealism of youth in the western world. The socialist movement should face this challenge; such pioneering work would be of great help to western youth as well as to the people they helped.

At one time, more than 700,000 people had come to Israel and had been temporarily housed in wooden huts and even in tents. Recently, thousands of refugees from Algeria and workers from Morocco, Spain and Portugal had been housed in such transitional dwellings in France. The Government was now

taking steps to provide permanent dwellings.

A recent report submitted to Ministers of Labour of the "Alliance for Progress" showed that there was a shortage of from 15 to 19 million dwellings in Latin America. If provincial towns were included, half the people of Latin America were in need of housing. At the same time, population was increasing and people were moving to the towns so that current building fell far short of needs. In Asia, outside China, something like a hundred million dwellings would be needed in the next ten years, and the situation was much the same in Africa.

Methods of building were changing all the time. Plastics were being increasingly used and experiments of moon landings might show the way to develop inexpensive mass building from synthetic materials. One-storey buildings of synthetic materials could be put up in days or even hours with unskilled labour at relatively low cost. They might not last long, but could make an important contribution to immediate need. Big companies should be encouraged by cooperators and by governments to experiment further with such materials. With a deep understanding of the nature of the problem, the acquisition of professional know-how and the exploitation of locally available materials, success could be achieved.

The International Cooperative Housing Development Association

Mr. Campbell said he had been impressed by the way in which Israel had absorbed twice as many immigrants as there were people already living in the country and housed them better too. The idea of an International Cooperative Housing Development Association had been put forward eighteen months

ago. Seven national organisations had agreed to put up funds in April 1966 and the Association had been launched in Washington the following July.

By the year 2000, said Mr. Campbell, it would be necessary to build as many new homes as had been built since the beginning of time. The cooperative housing technique was the most efficient social instrument to meet the need. Government help would be needed for the expansion of cooperative housing, but as thirty million cooperative families in the U.S. paid many times as much in taxation as was spent by the Government on internal development, the money asked by cooperators for cooperative housing would in fact be coming from their own pockets.

There were some cooperative failures and it was important to draw upon the experience of the most successful housing cooperatives in the world, such as those of Sweden, Germany, France and Israel. This technical experience should be made available in developing countries through the United Nations and cooperative organisations. Those who had formed the International Cooperative Petroleum Association twenty years ago had had fewer resources and less experience, but they had succeeded. As Mr. Cowden had said: "Dream no small dreams; they have not the power to stir men's souls." The ICPA was a precedent and the challenge was to go forward with cooperative housing in the same kind of way.

Many people in Panama lived in mud huts with mud floors and thatched roofs; but cooperative experts had designed simple houses with concrete floors at a cost of \$300 each which were being made available to the people with the help of cooperative credit unions at \$30 down payment and \$5 a month

for the cost of the house. Cooperative housing organisations like HSB in Sweden, with the help of savings institutes, could change the housing picture in the world.

Dr. Ruf said the paper by Mr. Campbell was the most important one in the whole conference. There had been discussions and reports, but to do something practical, an organisation was essential. The constitution of the new organisation had been registered.

A sum of \$1,000 was not very much to ask, but it would be sufficient. It was a question of using the means which the United Nations and other bodies as well as national governments put at the disposal and trying to channel them into cooperative organisations. He was glad that further contributions were to be voluntary and that no organisation was to be required to invest capital. There was no reason for voting against an organisation which required such a modest sum, but unfortunately the Swiss were not yet members.

Dr. Laidlaw said that he had had experience of public housing on the Board set up in Canada under the National Housing Act as well as experience of cooperative housing. He thought all countries were under-developed as far as housing was concerned except, perhaps, Israel. Some of the worst housing conditions were in the industrially advanced countries. Problems were created by housing being regarded as an industry instead of as a social need like health or education services. Housing was sometimes cut back when there was full employment and expanded when there was a threat of unemployment, but what would happen if health or education services were treated in this arbitrary way?

Was it fair to say that public housing

was for the poor, individual ownership for the rich and cooperative housing for those in between? Was it sound for people to say, as they did in Canada, that a family should not spend more than 25 or 27 per cent of its income on housing? Research was needed to show whether people were sacrificing recreation, culture, education and health to pay for housing. Housing experts were sent from Canada to developing countries, but they were not always expert in the kind of housing that was needed. The Housing Committee and the ICA had a great responsibility in ensuring that cooperative housing in the developing countries was the right kind of housing.

In replying to the debate, Mr. Lavon, Israel, suggested that the cooperative movement should act as an element of fermentation and should use means which existed but were not properly exploited. Cooperators had experience, and a small investment could have important results. The cooperative movement had a social task to fulfil and, if the plans were sound, the finance would be forthcoming.

Mr. Campbell said that one very practical action by Mr. Lavon had been to bring a cheque for \$1,000 from Israel for the initial capital of the International Cooperative Housing Development Association. The Foundation for Cooperative Housing did work in Latin America, but never went into a country except by request. The I.C.H.D.A. would also only go into countries by requests, but there had been plenty of requests from developing countries to the United Nations for help with cooperative housing. The U.N. Centre for Housing, Building and Planning only had 21 or 22 professional people on its staff—housing cooperatives often had

larger staffs. It was often unable to respond to requests because there was no one to turn to, and the United Nations had therefore encouraged the formation of this private, non-governmental organisation.

Mr. M. Palacin, Argentina, congratulated his old friend Mr. Campbell on his paper. He said he had been active in the cooperative movement for fifty years and that the problem of housing was the first problem of humanity. The Chairman then thanked Mr. Lavon and Mr. Campbell for their papers and the other participants for their contributions to a useful discussion.

Housing Cooperatives and Collaboration with U.N. Organs

Dr. Ruf, in presenting his report on collaboration between housing cooperatives and U.N. organs, said that part of the problem had been dealt with the previous day when the question of the creation of a special U.N. Housing Agency had been discussed. In 1960, a committee had been set up under ECOSOC in Washington to deal with this question and, later, a standing committee had been set up and expanded to include regional committees in Africa, Asia and Europe. The ICA had the opportunity to collaborate as a non-governmental organisation and he had the honour to represent the ICA in Washington and Geneva.

Many matters had been discussed and one important question was whether ICA representatives should accept the offer to participate in discussions without having a vote. There were people in the cooperative housing movement who would be willing to study material that was sent to them and draw attention to anything that might be of ad-

vantage to the cooperative movement. As the ICA was recognised by the United Nations, it was thought that it should take part in surveys that were made. This had been done, but without very positive results. Only a few organisations had answered questionnaires and it had not been possible to reach firm conclusions. A clearer picture could have been given with more detailed statistics. If the ICA wanted to participate actively, more research would be needed.

Dr. Ruf said his report was only an outline. It was necessary to harmonise trends and this involved detailed statistical study. When results were obtained, documents would be made available to organisations concerned and to the general public. It was up to delegates to tell the secretariat in what documents and in which countries, for instance, they were most interested. The Secretariat also wanted the names of people willing to undertake studies in certain fields. There was a 400-page survey of the social task of housing, but there was no one to summarise it. People able to do this kind of work two or three times a year should come forward.

Members of the Committee should tell the Secretariat in what fields they were interested and in which working groups in New York and Geneva they wished their representatives to participate. Many working groups were active in the technical, social and other fields and it was necessary to make a choice. There was much material on the work of ECOSOC on finance and development and on aid to flooded areas. Experts and specialists were needed and they should say whether they were prepared to take part in working groups. Dr. Ruf said that he and Mr. Townsend would be glad if such experts

could take their place in some of these working groups as it would make it possible for the ICA to be associated more closely with the work of these groups. Cooperatives might be able to offer solutions to some of these problems.

The Chairman and Mr. Johnsson, the Joint Secretary, thanked Dr. Ruf for his introduction to his report and for his continuous work in the United Nations in Geneva. Mr. Johnsson went on to say that it had not been possible for more information to be supplied to member organisations because the resources of the ICA and the special secretariat were limited. The ECE itself had been having difficulties with translation facilities and much documentation was at present only available in English.

Mr. H. Moncrieff, Cooperative Planning, Great Britain, said that he was an architect and town planner and would be prepared to summarise papers on the design, construction and layout of dwellings. His only language was English, but he had travelled abroad; he had qualified Indians and Pakistanis working in his office.

Mr. S. Roy, India, said that all countries except, perhaps, Sweden were developing countries as far as housing was concerned. Requirements differed—for instance, large windows were necessary in India. Experience in cooperative housing should be pooled and used for the benefit of developing countries. A practical programme should be drawn up for individuals, groups and societies to come together.

The Chairman, Mr. Kypengren, thanked those who had taken part in the discussion. The suggestions in Dr. Ruf's paper would be regarded as recommendations for future work by the Housing Committee and also by the affiliated organisations. It was up to those or-

organisations to give their support to the work done in collaboration with the United Nations bodies, and he hoped the Executive would have the support of these organisations in this.

In summing up, the Chairman said he wanted to comment on the question of the collaboration with the Committee on Workers' Productive and Artisanal Societies. Joint sessions had been held with that Committee and, in its report to Congress, it had stressed the need for close collaboration between housing societies and workers' productive societies. The Committee had also said that it could not understand why such collaboration could not be considered equally indispensable in the international sphere. The Secretariat of the Housing Committee had taken all possible steps for the renewal of joint meetings which had, in the past, proved

very useful. Perhaps the intervention of the ICA would be useful and he proposed to raise the matter at Congress.

A joint session with the Workers' Productive and Artisanal Committee had been held in 1960. He had talked with Mr. Antoni and there had also been discussions between the secretaries of the two committees. He hoped that it would be possible to draw up lines for future collaboration. Technical questions covered a wide field and, if collaboration was to be effective, it would have to be over a limited field. The question was being dealt with on the international level and effective work could also be done on the national level. Mr. Kypengren ended by thanking the Austrians for their hospitality and also the delegates who had attended the Conference.

CONFERENCE ON RETAIL DISTRIBUTION

VIENNA, 2ND SEPTEMBER, 1966

MR. K. Nielsen, Denmark, was Chairman of the meeting which opened with the minutes of the previous meeting and the report on activities being approved. The General Secretary, Dr. G. Lindblad, Sweden, said that contributions had been for the whole of 1966 and the financial report covered only the first half of the year. Expenses in the first half of the year had been little more than a third of income, but in the second half of the year, it was estimated that expenses would be rather higher.

Mr. A. Vukovich, Austria, suggested that contributions might be redistributed, but the Chairman said that the existing system, though not perfect, was the best that could be found. New detailed proposals would be considered, as long as they did not mean loss of revenue. Following a question by Mr. Ch.-H. Barbier, Switzerland, the Chairman added that contributions were based on ability to pay rather than turnover or any other specific criterion.

The Chairman reported that two Working Groups had been set up, one

for food and the other for the non-food trade, and that the work of the latter was supplemented by two ERFA Groups. As the people concerned were largely the same and as the groups were small, it was proposed to abolish the two ERFA Groups. Mr. J. Jalava, Finland, agreed with the proposal but thought that there should be even more streamlining. The Chairman said that the Management Sub-Committee thought that it was useful to have active groups in the food and non-food trades, though the dividing line between the two was not so clear as it had once been. It believed that conferences of 100 to 150 people should be held every other year like the successful ones that had been held in Stockholm and Copenhagen, and it was hoped to hold such a conference in 1967. Such conferences enabled people doing the same kind of work to exchange experience. The idea of the ERFA Groups was also to bring such people together, but it was necessary to clarify methods and aims. The meeting agreed with the view of the Management Sub-Committee on the programme of work.

The General Secretary then introduced a paper on problems facing the cooperative movement in retail distribution. He said that Document 24, which had been circulated, showed that the number of self-service stores in Western Europe had increased from 1,100 in 1950 to 8,300 in 1955, 46,000 in 1960 and 126,000 in 1966. In the last three years, the total number of self-service shops had increased by 18, 17 and 14 per cent; but the number of cooperative self-service shops had increased at only about half that rate, at 10, 8 and 8 per cent. This might not be as bad as it seemed, since in some cases, as in England, several small self-service shops

were being replaced by one large one. In 1950, cooperative societies owned 64 per cent of all self-service shops, but by 1965 the proportion had fallen to 14 per cent. Why were cooperative societies falling behind when they had pioneered self-service? Cooperators in each country should examine the problem.

Supermarkets were defined in different ways in different countries but it would seem that the number of supermarkets in western Europe was increasing even more rapidly than the number of self-service shops. The number of cooperative supermarkets was also increasing rapidly and remained a fairly constant proportion of the total number of supermarkets. Sweden set an example to other countries in replacing small self-service shops by supermarkets. In 1965, there were 3,906 cooperative shops in Sweden, less than half as many as in 1952 and 13 per cent fewer than in 1964. It was planned to reduce the number to 1,000 by 1975, though members were often opposed to reductions in the number of shops.

More people were shopping on Saturdays and more shops were remaining open for at least one evening in the week. Time and a half or double time would have to be paid for evening work, but packaging could be done during the day and, if labelling and advertising were accurate, queries would be few, and relatively few workers would be needed in the evening.

There were few part-timers in Finnish cooperatives, but, in 1959, the Swedes were recommending that one-third of the workers should be part-timers in food shops and there was probably a larger proportion in department stores. Other cooperative stores had had as many as 42 per cent part-timers and in



some American department stores as many as 55 per cent of the staff were part-timers.

The Swedish cooperative movement employed twenty time-study engineers for retail work and had spent £120,000 on research for their piece-work rate system. So far, only the Danes were following the Swedish example in time-study. There were some fifty computers in use by cooperatives in western Europe and there was also the IBM impact system for wholesalers. The Committee, however, had not yet been able to reach a decision about which system was likely to be most suitable for cooperatives.

The first management correspondence course started by the Committee on Retail Distribution had been circulated in 1965. The second course would be circulated in 1966 and 1967 and would be used in developing and other countries in training shop managers, supervisors and inspectors and also general managers, staff managers and sales managers in larger organisations.

There were 128 department stores in Sweden in 1965, more than twice as many as five years before, while sales at 1,626 million kroner had increased

from 460 million kroner. In addition, 104 "Hallbutiker" had sales of 279 million kroner in 1965. Non-food sales could be expanded very quickly.

The margin on food sales after tax was likely to fall to about 1 per cent, as had already happened in the United States, and it was thus important to increase volume and to expand into non-food sales. In some countries such as France, Holland and Norway, non-food sales by cooperatives were very small, whereas no cooperatives excluded food sales. Cooperative department stores were important in Sweden and Britain, but sales through such stores amounted to only .07 per cent of the total in western Europe. Dr. Lindblad said that a large conference on the retailing of things other than foods by cooperatives had been approved by the Management Sub-Committee.

He thought a survey of the cooperative position in non-food sales in various countries would be useful. Some countries, such as Germany, had too many department stores in some areas, though there were possibilities in new shopping centres outside cities. The siting of new shops and shopping centres was important, as was mail order

competition. The Danish "Comus" shops were an example to be studied, as were such matters as discounting, self-service and assortment policy.

Should there be food sold in department stores? Should one concentrate on staple goods or fashion articles? There was also pricing policy, price levels and competition with low service and self-service stores. Customer relations were also important—advertising, displays, exhibitions, campaigns, shop inaugurations, etc. These matters were to be discussed by a Food Working Group in Geneva in October. There were also staff problems—employee purchases, welfare schemes, education, wages, etc. and supply problems.

Surveys had been made and questionnaires answered by liaison officers and members of Working Parties and ERFA Groups. No. 24 was on the number of self-service shops, No. 17 on dividends, No. 20 on discounting in western Europe, and another on the prepacking of meat was to be discussed. Such surveys made it possible to forecast trends and there could be useful surveys on matters such as supermarket development, overhead organisation by retail societies, member influence and dividend policy.

The problems facing the cooperative movement differed in different countries, but the main problems were common to most countries. There were probably about 50,000 cooperative shops in western Europe and investigations on problems which they shared in common would only cost each shop one penny. Reports on problems arising in western Europe could also be valuable in eastern Europe and developing countries.

Mr. O. Sagmeister, Austria, welcomed the proposal for a Non-Food Conference in 1967 and thought it might be com-

bined with an exhibition of furniture items for self-service non-food shops. He had heard that supermarkets only became economic when they extended to 800 square metres or so and said that computers were being introduced by Austrian cooperatives. Dr. Vukovich suggested that it would be useful to study the relation between the size of shops and the efficient use of manpower and said that German translations of documents would be welcome to many cooperators.

The Chairman said that the Management Sub-Committee would deal with questions that had been raised. Turning to future activities, he said that there would be a Food Working Party in Denmark at the end of the month, another meeting in the spring in Sweden and a Geneva meeting of the Food Working Party. A big Non-Food Conference was being planned and might be held in Switzerland. Mr. J. F. van Netten, Holland, suggested that the Non-Food Conference should be held in the autumn of 1967 in Holland.

The General Secretary said that costs for 1967 were estimated at 150,000 Swedish Crowns and would be allocated in the old way unless someone could suggest a better one. He hoped that observers from Canada, Italy and Belgium would decide to become members.

The Conference then re-elected Mr. C. Hilditch, Great Britain, Mr. H. Horlacher, Switzerland, Mr. van Netten, Netherlands, Mr. R. Schoneweg, German Federal Republic, Mr. C. Veverka, France, and Mr. K. Nielsen, Denmark, to the Management Sub-Committee. Mr. Hultman, K.F., Sweden, was elected in place of Mr. R. Gjers.



THE COOPERATIVE WHOLESALE COMMITTEE'S ACTIVITIES 1964-1966

SIR Leonard Cooke, Great Britain, introduced the report of the Cooperative Wholesale Committee, of which he had been Chairman, to the Congress. He said that, in accordance with the resolutions at Belgrade in 1964 and at Helsinki in 1965, positive action to promote international inter-cooperative trade had been taken and the year under review was one of experiment and development.

The heads of cooperative wholesale societies and their buyers had helped the Wholesale Committee to sponsor inter-trading on the importing side either by means of joint purchasing or by the greater use of existing buying offices operated by members in foreign countries. This trade had amounted in 1965 to \$4,250,000 and was a small proportion of the cooperative wholesale trade, but was four times as much as in

1964; the 1966 figure was likely to be bigger still.

About half the inter-cooperative wholesale trade had been in commodities other than food, and transactions had ranged throughout the world from California to Hong Kong. The results achieved were perhaps less important than the progress made and the potential for the future. He was glad having had something positive to say in his last report to Congress and extended his best wishes for the future success of the ICA and for that of the Cooperative Wholesale Committee under the Chairmanship of Mr. E. Groes of Denmark. The President thanked Sir Leonard for his services to the ICA and the Committee for its contribution to the increase in inter-cooperative trade.

CONFERENCE OF WORKERS' PRODUCTIVE SOCIETIES



AFTER the Chairman, Mr. A. Antoni, France, had opened the Conference, the ICA Director, Mr. W. G. Alexander, said that he thought the successes of workers' productive societies should be given more publicity. There had recently been seminars in South-East Asia with trade unionists and co-operators participating, and another was to be held in Denmark.

He had noticed that, in Britain, some amendments to the Law were foreseen in the near future which would encourage greater participation by workers in the running of their own businesses and would, in fact, encourage cooperative ownership. He felt sure that the Cooperative Union and the Cooperative Productive Federation would be arranging a seminar in Britain, probably with the help of the French societies.

Mr. Alexander thought that workers should look to the ownership and running of their own businesses to a much greater extent than ever before; both the need and the opportunity would be greater. The ICA Agricultural Committee would look after farming, fishing and forestry cooperatives; and there might

be specialised sub-committees for doctors and dentists or for service societies like taxi drivers and dockers, but the main burden would fall on the Productive Societies Committee which would receive full support from the ICA. Miss M. Digby of the Plunkett Foundation for Cooperative Studies had just produced a survey of industrial cooperatives for the Economic and Social Council of the United Nations, and Mr. J. M. Texier was carrying out another survey for the ILO which would cover pre-cooperatives and para-cooperatives. The ICA would be co-operating with other organisations to produce an up-to-date guide and directory of workers' productive societies throughout the world.

Mr. Antoni welcomed the Director's statement and was sure that Mr. M. Thiercelin, Director of the French Centre for the Development of Cooperation, would be pleased to cooperate with the ICA in spreading knowledge of the successes of productive societies, as he had already done with Mr. Texier and Miss Digby.

He also welcomed the proposed guide



Mr. A. Antoni

and directory. This idea had already been approved and might be combined with the comparative survey of relevant legislation on which the French organisation had been working.

The Report of the President

Mr. Antoni went on to give a summary of his report on workers' productive societies. Copies had already been circulated in French and would be available in English. He was sorry that it only covered France, Israel, Italy, the Netherlands, Poland and Czechoslovakia and particularly regretted the absence of reports from Britain and Mexico.

The strength and success of workers' productive societies were more important than numbers. They were growing in size in all countries and, consequently, needed more capital and more adequate educational and training programmes.

In France, the number of societies had declined from 501 to 483 in the last three years, but their turnover had increased from NF 700 millions to NF 1,200 millions, a growth rate of 10 per cent a year which was faster than

that of the capitalist sector. Long-term capital was raised through the Central Cooperative Credit Agency and short-term capital through the Bank of Producers' Cooperative Societies. But it was also necessary for members to contribute more capital and for stronger societies to help weaker ones with capital. Advances by the Bank of Producers' Cooperative Societies had increased by 23 per cent between 1964 and 1965. There had been a slight slowing down in the rate of growth of the societies affiliated to the Confederation of Building Cooperatives but prospects were nevertheless good. Mr. Thiercelin would be giving a report about doctors', architects' and other service cooperatives.

Israel, Italy and the Netherlands

In *Israel*, a few workers' societies had failed, sometimes for lack of adequate capital, but the total number had increased from 201 to 212 in the last three years. Sales had increased from £1 224 millions to £1 353 millions, and membership and capital employed had risen proportionately.

There were 30 transport cooperatives, 68 cooperatives in the service field and 114 in production. The Israeli Cooperative Centre and Histadrut had carried out a number of studies to help strengthen and expand existing cooperatives, and established societies and Hevrat Ovdim had contributed to a special development fund.

It had been found that young people liked to join existing cooperatives in groups rather than as individuals, and to launch new ones of their own when possible. There were prospects of converting a number of state enterprises and also a number of concerns run by Histadrut on a capitalist basis into cooperatives. Participation in management

proved important in arousing the interest of workers; participation in earnings alone was not enough. A number of Kibbutzim were farming out activities, such as the repair and maintenance of farm machinery, to workers' cooperatives. A Cooperative School had been established in 1964.

From *Italy*, there had been a report only from the Confederazione delle Cooperative, which was affiliated to the Lega, and not from the other two organisations of workers' productive societies. The Confederazione had societies active in building and related fields, in transport and related activities, in manufacturing and in services. Although a few societies engaged in building had been wound up as a result of curbs on demand, which were now being relaxed, new societies had started in manufacturing so that there were still about 1,200 affiliated to the Confederazione, with sales of 120 billion Lire, 70 per cent of which were by societies engaged in building.

The Confederazione had set up a body of technical inspectors to improve standards and established a study centre, both of which had been most valuable. Seminars and courses had also contributed to the training programme. Mr. I. Curti of the Confederazione then gave some more information about its work.

Mr. Antoni then turned to the 16 workers' societies in building, printing and the service industries in the *Netherlands*. They were helped in financing by a system of mutual guarantees and cooperated closely with the trade unions and with agricultural and other cooperatives.

Poland and Czechoslovakia

In *Poland*, there were 2,869 workers'

productive societies employing over half a million workers, the number having increased by 9 per cent in three years. They were active in construction, in services and in manufacture, and sales had increased by 5.8 per cent in 1964 and by 8.3 per cent in 1965. The size of societies was increasing.

About a fifth of the workers in productive societies, that is about 60,000, were in engineering and the same number in the clothing industry. They exported through an agency called Coopexim to 98 countries, and the proportion of output exported increased from 8.6 per cent to 12.3 per cent in three years. The service industry societies, such as service stations for motorists, were expanding as were societies engaged in building and transport. Educational and youth activities were also growing.

In *Czechoslovakia*, said Mr. Antoni, there were 420 workers' productive societies in 1965 with 137,000 members and sales of 6 billion crowns. As in *Poland*, there were societies for handicapped workers. In *Czechoslovakia*, they employed 16,000 such workers.

There had been an expansion of societies concerned with the maintenance and repair of motor cars and other service industries, and manufacturing societies were increasing their range of products and growing in size.

Other countries, such as *Britain*, *Mexico*, *Ceylon*, *Nigeria*, *Switzerland*, *India*, *Sweden*, *Denmark* and *Yugoslavia*, had also provided information from time to time, but were not covered by the present report. Mr. Antoni thought that further exchanges of information between workers' productive societies would be useful, but the resources of his organisation were limited.

Denmark and India

Mr. H. Heie, Denmark, then spoke of the work of the Danish productive societies. There were some 70 societies engaged in building and about half their work was done for 350 housing societies which were responsible for 35 per cent of new housing in Denmark. There were 36 workers' cooperative bakeries, 76 cooperative canteen societies, 12 fuel cooperatives, and societies engaged in the manufacture of shoes and clothing, in printing and in publishing, as well as one society producing steel sinks.

The sales of workers' societies affiliated to the Central Union amounted to about £105 millions in 1965, more than twice as much as in 1959. The expansion had been mainly in construction societies, with sales having increased nearly four-fold in five years.

The workers' productive societies in Denmark had close associations with the trade unions, and some of the latter invested in cooperatives, as the Bricklayers' Union had done. In 1953, a Cooperative Fund was established. Trade unions and wealthy cooperatives invested in this Fund and helped to finance the development of productive societies. There was also a Cooperative Credit Institute which issued bonds, some of which were taken up by the Workers' Pension Fund and this, too, helped to finance the development of productive societies.

Mr. Brahm Perkash, India, said that, in his country, cooperative productive societies made an important contribution to the solution of the problem of rural unemployment. Many of these were concerned with spinning or weaving on a small scale and were linked with urban mills. There were some 51,000 of these handicraft produc-

tive societies in 1965 with a membership of three-quarters of a million.

There were also 5,000 cooperative farming societies with a membership of 100,000, and artisan societies ancillary to agriculture as in sugar mills. Furthermore, there were about 1,000 transport cooperatives, 220 printing cooperatives, forestry and labour cooperatives.

The Government provided capital for many of these workers' productive societies and, in some instances, managerial assistance and subsidies. Loans were sometimes available at 5 per cent interest which compared with the 9 per cent paid by agricultural societies, while interest rates generally were often as high as 12 per cent. Workers' productive societies were affiliated to the national cooperative organisation which helped with training and education.

The Secretary's Report

Mr. Antoni, the Chairman, then dealt with the report of the Secretary, Mr. E. Mondini, which had been circulated and which covered the period since the Conference at Bournemouth in 1963. Mr. Antoni had been elected President and the Dutch and Polish organisations had been established for many years, were now 24 organisations affiliated to the Workers' Productive Committee.

There had been a decline in the total number of societies, but an increase in their total membership, as societies were growing larger. The main expansion was in transport and ancillary industries, building, textiles and clothing, manufacturing and services, while there was also growth in societies of doctors and other professional people, such as actors. It was hoped that there would be further progress in the study of the role of workers' societies in the developing countries.

It had been agreed at the Bournemouth Conference that nine monographs on productive societies which had been prepared should be synthesised and published, and the French organisation was undertaking this work. Some progress had been made in the preparation of material on comparisons between legislations affecting workers' cooperatives in different countries, and it was hoped that this could be published in conjunction with the directory and guide mentioned by Mr. Alexander. Mr. Heie intervened to remark that there were few special laws governing cooperatives in Scandinavia, whereas there were many in the Common Market countries.

It was thought that it would be simpler for information about workers' societies to be included in the ICA Bulletin and other publications than for these societies to produce a Bulletin of their own.

There had been a meeting in Lausanne in 1963 about cooperation between housing cooperatives and workers' productive societies engaged in building. Further action was needed in this respect. Mr. Mondini had been very active in bringing new organisations into the ICA and arranging for the exchange of information. Mr. Antoni thanked Mr. Mondini for his work on behalf of the conference.

Service Cooperatives

The Conference delegates then proceeded to discuss workers' societies providing services. Reports on developments in this field had been prepared and would be circulated.

Mr. Simonetti, Italy, said that, in his country, most service cooperatives simply provided services, though a few were of a quasi-industrial type. Among the

purely service cooperatives were hairdressers, porters, street sweepers, butchers, tree fellers, airport staff, car park attendants and watchmen. The latter had been established for many years, cooperated with the police and were particularly well organised in Genoa.

Some watchmen's cooperatives specialised in fire hazards and other cooperatives in window or office cleaning. There were also cooperative laundries, cooperatives of divers and for rescue services. Mr. Curti said that his organisation was affiliated to the Lega and had 24 cooperatives of butchers and stockyard workers, 14 concerned with office and house cleaning, 8 working in the tourist field and others concerned with lifeboats, hairdressing, etc.

Mr. L. Smrcka, Czechoslovakia, said that there were 162 different kinds of Service cooperatives tended to be more. Many of these were concerned with repair and maintenance, some being ancillary to the building industry. There were some 7,000 workshops operated by service cooperatives, some undertaking repairs of cars, electrical appliances, shoes, watches and clocks. In all, some 40,000 people were employed in service cooperatives, nearly one-third of the number employed by all productive societies, and sales amounted to about 130 million Czech crowns a year and were increasing by about 10 per cent annually.

Mr. B. Trampczynski, Poland, said that, in his country, there were 170,000 people employed in service cooperatives at the end of 1965. This was nearly twice as many as there had been three years before, and these cooperatives were expanding faster than producers' cooperatives generally. The trade unions had helped with training and in other ways. Service cooperatives tended to be more

specialised in the towns than in the countryside, where services might be combined with production in some way.

Mr. Thiercelin said that service cooperatives had developed later in his country than agricultural, consumer and workers' productive societies. Service cooperatives were expanding like the service industries generally, sometimes in keen competition with capitalist concerns. They required relatively little capital, but were not cooperating and helping each other as much as they might.

Mr. Heie said that they had a chartered Accountants' Society with 100 members and an Architects' Society of comparable size. There were cooperatives concerned with window cleaning, cooperative restaurants, a laundry, stevedores, etc., but some of these service cooperatives were consumer societies. He thought workers' productive societies had developed further in France than in Scandinavia, partly because trade unions were weaker in France.

Mr. M. A. Gilboa, Israel, said that doctors, architects and other professional people were not organised in cooperatives in his country, but they might try to form such societies.

At the end of the Conference, the Chairman suggested that it would be better for the Secretary to give some thought to the subject of the next seminar than for a decision to be reached at once. "Commercial organisation" would be a possible subject for a seminar, or even for a conference. Workers' productive societies in the Common Market countries might arrange a meeting, perhaps in Brussels, on problems arising in these countries.

Mr. Curti suggested that a future seminar might deal with relations between productive societies and trade

unions and that, at a meeting of the Committee, trade between productive societies in different countries might be discussed. The Chairman agreed that these possibilities should be considered.

Mr. Trampczynski suggested that the importance of the differences between workers' productive societies engaged in building and cooperative housing societies should be considered when the principles of cooperation were to be discussed. The Chairman said that the relations between the two kinds of society were important and that some progress had been made in resolving problems that had arisen.

The Conference agreed that the next meeting should be held at the same time as that of the Central Committee of the ICA.

REPORT OF MR. A. ANTONI TO THE CONGRESS OF THE I.C.A.

After paying tribute to the late President Mr. Charial, Mr. Antoni, France, the new President, said that, while the total number of workers' productive societies had remained about the same during the previous three years, they had increased in size, membership and turnover and had expanded into new fields such as drama, medicine and law. There were now 53,000 workers' productive societies with about 4,500,000 members, many of them young.

A Seminar on the Application of Cooperative Principles had been held in July at Chamarande, near Paris. There was an atmosphere of mutual confidence which had been helped by the presence of Mr. Alexander and Mr. Watkins.

Another seminar was being planned. New perspectives were being opened up by the expansion of the service industries, and cooperatives had to play their

part. The cooperative movement needed to show that it held the solution of the problem of human relations in industry.

The Dutch productive societies had put forward a resolution which urged that means should be found to enable the workers of cooperative productive enterprises to become co-partners and also to decentralise from the cooperative movement all productive activities of cooperation.

The productive societies had decided to withdraw this resolution as there was no time for it to be debated adequately. But the resolution could be improved and Mr. Antoni urged that the matters

it raised should be given full consideration. On the new statement of principles, Mr. Antoni only said that they should be broad enough to cover all new activities and precise enough to maintain the popular and democratic character of cooperative organisations. Cooperation was not a mere technique of production or distribution, but the great means through which to reconcile, in every branch of human activity, human freedom with technical development. Though cooperative progress was at times remarkable, it would be pointless if cooperators did not agree to pursue together this ultimate objective.

INTERNATIONAL COOPERATIVE PETROLEUM ASSOCIATION

MR. Wayne McCann, General Manager and Secretary-Treasurer of the International Cooperative Petroleum Association, gave an account of its work to the Agricultural Conference in Vienna on August 31st. At the I.C.P.A. Annual Meeting, the retiring President's report to the Association was presented.

The I.C.P.A., which was first proposed by Mr. H. A. Cowden at the Paris Congress of the I.C.A. in 1937, was the only trading cooperative operating on an international basis. It was founded in 1947 after having been approved at the Zürich Congress of 1946. The I.C.P.A. now had 37 member organisations in 24 countries and, though there were no new members during the past year, the Cooperative Supply Society of Greece became a full member. The Association was governed by a Board of eight and had its headquarters in New York.

Sales in the year ending April 1966 amounted to \$5,018,940 compared with \$6,981,824 the previous year. Net savings before tax amounted to \$125,195 compared with \$229,201 and, after taxation, additions to reserve and 3 per cent interest on capital and allocations to education, \$81,179 had been distributed in patronage refund to members in proportion to purchases. About three-quarters of the sales made in the year ending April 1966 were made to member organisations in Egypt and Ceylon; 40 per cent of the patronage refund, or dividend on purchases, was paid in cash and the rest in Common Stock certificates or deferred patronage refund certificates.

Extensive additions to the Association's blending plant at Dordrecht, Holland, were reported, such as new storage facilities, making the plant one of the most modern and efficient lu-

bricating oil blending plants in Europe. Shipments had been made from the Dordrecht plant to the Société Générale des Coopératives in France and to Denmark. The Swedish member organisation, OK, which had affiliates in other Scandinavian countries, had become the biggest distributor of petroleum products in Sweden and had just bought a new tanker, the biggest in its fleet. The Dutch farm cooperative Cebeco had become a large distributor of fuel oils and lubricants and now reached every farm in the country.

The Egyptian member organisation, Société Coopérative des Pétroles, was now the biggest supplier of petroleum in that country. It had recently built a lubricating oil blending plant financed out of patronage refunds from the I.C.P.A. Bunker fuels had been supplied to American and European ships using the Suez Canal, and the I.C.P.A. planned to expand its bunkering activities and to provide facilities in many ports.

The I.C.P.A. was the sole supplier of lubricating oils to Ceylon. Its member organisation in Ceylon, the Ceylon Petroleum Corporation, was planning to build its own blending plant in the near future.

Lubricating oils were sold by the I.C.P.A. in most European countries and in countries such as South Africa and Australia; they would probably soon be shipped to cooperative organisations in Cyprus and Chile and to East Coast cooperatives in the U.S.A. Oils for heating purposes were likely to be supplied soon to housing cooperatives in New York City.

American cooperatives belonging to the I.C.P.A. were mainly concerned with supplies of crude oil from outside the U.S., whereas European members were more interested in problems of distribu-

tion and marketing. The I.C.P.A., American member, the National Cooperative Refinery Association, the Swedish organisation OK, and the Dutch cooperative Cebeco, in association with an American independent oil company, were for some time seeking supplies of crude oil in Libya. The group, did not, however, receive any concessions.

Like other major oil companies, the I.C.P.A. had recently been expanding in fields other than supplies of lubricant and fuel oils. It had supplied substantial amounts of fertiliser. Mr. McCann hoped that what he had said at the Agricultural Conference in Vienna would encourage more agricultural societies to obtain supplies of fertiliser from the I.C.P.A. rather than from brokerage companies. The Association had also increased its sales of other products such as tyres, anti-freeze and motor accessories and had recently sent a substantial shipment of tyres to its German member organisation, H.G.K. of Düsseldorf.

Although sales and dividends on purchases in the year ending April 1966 were slightly lower than in the previous year, the Association was able to make deliveries in new areas and the new blending plants in Holland and Egypt and the one to be built in Ceylon would increase their capacity to meet the needs of cooperators throughout the world. The I.C.P.A. had technical and commercial know-how, and as Mr. Carlsson had told the ICA Congress, technical advice was important in the developing countries where increased food production was so vital.

At the annual meeting of the association on September 3rd, Mr. Arvid Carlsson, Sweden, and Mr. Herman Kramer, Holland, were re-elected Directors, and Mr. Wayne McCann,

WOMEN COOPERATORS' ADVISORY COUNCIL CONFERENCE

VIENNA, 1966



THE Women Cooperators' Advisory Council held its Conference at the Hofburg, Vienna, and was attended by 106 delegates from 22 countries. Mrs. Mary Lonsdale of Great Britain opened the Conference and Dr. Andreas Vukovich welcomed the delegates on behalf of the Austrian cooperators.

The Chairman read a letter from Mr. R. H. Gretton of the FAO, in which he emphasised the important role which women could play in the development

of rural cooperatives thereby helping to increase food production. He welcomed the work of the Women Cooperators' Advisory Council.

Mrs. Zofia Staros then spoke about the work of women in agricultural cooperatives in Poland. Mrs. Staros, who is Vice-President of the Supervisory Council of the Central Agricultural Union of "Peasant Self-Aid" Cooperatives in Poland, began by saying that women had not yet won full equality with men, but nevertheless much progress had been made in Poland and the Cooperative Movement had an important role to play in the emancipation of women.

Polish Cooperatives

In 1945, she said, the big estates in Poland had been broken up and the land distributed forming over 800,000 new peasant farms and enlarging others. Only 4.2 per cent of the farms were of more than 33 acres and they occupied only 16 per cent of the agricultural land. Large cooperative farms only farmed about 2 per cent of the agricultural land.

Before the war, 60 per cent of the people had earned their living in agriculture and 6 or 8 per cent of the sales of farm produce were conducted

General Manager, was re-elected Secretary-Treasurer. Mr. Carlsson was elected President in succession to Mr. Howard Cowden, U.S.A., and Mr. Mahmoud Fahmy, Egypt, succeeded Mr. Carlsson as Vice-President.

Mr. Robert Taylor, Great Britain, retired from the Board of the I.C.P.A. and also from the Scottish Cooperative Wholesale Society. Mr. Ralph Booker, of the National Cooperative Refinery Association, U.S.A., and Mr. Ernst Buhmann, H.G.K., Federal Republic of Germany, were elected to the Board as new members. Mr. K. Alvapillai, Ceylon, Mr. Ronald Byrom, Great Britain, Mr. R. G. Orsini, France, and Mr. André Vuilleumier, Switzerland, remained members of the Board.



through cooperatives. Consumers' cooperatives accounted for only 3 or 4 per cent of the retail trade. Now, five million people had moved to the towns and only 38 per cent of the people were engaged in agriculture. Seventy per cent of the produce of farms was marketed through cooperatives and half the retail trade of the country was done by cooperatives.

Mrs. Staros said that more than a quarter of the four million members of the "Peasant Self-Aid" rural purchase and supply cooperatives were women. So were over a third of the 1,625,000 members of savings and credit cooperatives, a fifth of the 300,000 members of market garden cooperatives and more than a sixth of the 890,000 members of dairy cooperatives.

Partly as a result of war losses and the migration of men to the towns, there were many women working in Polish agriculture. Many women were managing farms and they were active in the rural cooperatives. Societies had encouraged women to join and take part in cooperative activities and to hold office by a system of family membership. The wives and grown-up daughters of farmers were allowed to join cooper-

atives with the same rights and voting power as other members and yet pay only one-fifth of the normal entrance fee.

Though the Government ran many agricultural schools and training courses, all cooperatives in Poland and particularly the agricultural cooperatives were very much concerned with training their members, many of whom were women. There were courses, demonstrations, visits to model farms and scientific institutes, apprenticeships in model farms etc., many especially organised for women. The dairy and other cooperatives employed expert instructors and there were also competitions and shows. Cooperatives undertook spraying, grading and other services for farmer members, many women being employed in these services.

Women were naturally very concerned with the home and family and, last year rural cooperatives ran more than 5,000 courses in sewing, cooking, food processing, book-keeping, etc., in which some 460,000 women took part. Refrigerator washing machines and TV sets were made available by rural cooperatives through a form of hire purchase; and the purchase and supply cooperative

provided Modern Housewife Advice Centres which arranged courses and lectures by professional people, maintained libraries and organised amateur dramatics.

The supply and purchase cooperatives also helped housewives by maintaining cooperative bakeries, self-service laundries, child care centres, playgrounds and children's clubrooms, circles for photography and other spare time activities.

School Cooperatives

The children had been running their own cooperatives in their schools involving the school shop, propagating fruit and vegetables, and breeding pigeons or silkworms. The public health services were good, but they were supplemented by health cooperatives which employed doctors and dentists and usually had a dispensary, X-ray apparatus and their own laboratory; 246 health cooperatives were already established and eighty more would be opening soon. Rural sports' associations were also supported by cooperatives.

There were some 7,000 women on cooperative supervisory councils and more than 700 on boards of management; and the number of women playing an active part in cooperatives was increasing.

Women's sections were active in all cooperatives but were regarded as a temporary institution. They organised special activities, membership campaigns and women's conferences; but it was believed in Poland that, when women were fully emancipated and playing an equal part with men in cooperative activities, there would be no need for separate women's sections.

Mrs. Staros believed that women operators in other countries could

learn from Polish experience. There should be campaigns to increase the number of women cooperators and they should be encouraged to take part in economic and educational activities and to hold office in societies. Cooperatives should therefore pay attention to women's problems. Cooperative unions should also give adequate recognition to the work of women in the Cooperative Movement.

There was a lively discussion on Mrs. Staros' paper.

Consumers in the United States

In the afternoon, the main speaker was Mrs. Esther Peterson, Special Adviser on Consumer Interests to the President of the United States, who spoke on "Consumer Affairs with Special Reference to the Requirements of Youth".

Mrs. Peterson said that, as well as being an adviser on consumer affairs, she was Assistant Secretary of Labour for Labour Standards and had been active in the Trade Union Movement in the U.S.A. Both professionally and as a mother she was interested in people. America was sometimes regarded as a young country with some of the immaturity and impetuosity of youth; but it was now older as a nation than many other countries and was learning, growing and changing.

The average age of people in the U.S. was only 28 and half of its people were under 25. People were marrying younger and were assuming other responsibilities earlier.

The Cooperative Movement had made great contributions to social advance in America. The requirements of youth really knew no national boundaries any more than basic human needs

like food and shelter. The tradition that the woman's place was in the home was being shattered. Women found themselves increasingly active in the local community and in the outside world. A new sense of partnership was developing.

Her grandparents had come from Denmark and had taken four months to walk from Nebraska to settle in Utah, but she often flew twice the distance in four hours. Industrial development was much more rapid than social development and it was hard for people to change their ways of thinking and their ways of doing things. Technological development had raised material living standards, but it had also brought problems.

Wealthy nations should not be using their strength to make themselves more wealthy. Pope John had said that the ultimate criterion in economic life should neither be the interests of individuals or organised groups nor unregulated competition or excessive power on the part of the wealthy, nor the vain honour of the nation or a desire to dominate. It was rather that economic undertakings should be governed by justice and charity as the fundamentals of social life.

Americans were striving for justice and charity in their economic undertakings and, if they did not always succeed, their intentions were good. As President Johnson had said, great nations should help to improve the life of all men regardless of country, race or culture. The tools to eliminate hunger, poverty, disease and illiteracy were available for the first time in history, and all nations should work together for the benefit of all consumers and especially the young and the generations yet unborn.

Consumer Rights

President Kennedy had been young and interested in consumer issues and, in 1962, he had enumerated four basic consumer rights. Consumers had the right to *safety*, the right to be protected against the marketing of goods that were hazardous to health or life. America had many laws and regulations for consumer protection, but it was hard to keep pace with the development of new products. Secondly, consumers had the right to *be informed*, to be protected against fraudulent or misleading information, advertising or labelling, and this was receiving much attention in America. Thirdly, there was the right to *choose* between a variety of products at competitive prices and, where this was not possible, government regulations and assurance of satisfactory quality and service at a fair price were necessary. And in the fourth place, consumers had the right to *be heard* and to have a voice in the councils of government. She sometimes found it rather hard to make the voice of the consumer heard in the corridors of power.

The voice of the consumer needed to be heard in the U.S. by the Government, by agencies and by Congress. President Kennedy had passed legislation to extend consumer rights and had created the Consumer Advisory Council. President Johnson had established the President's Committee on Consumer Interests of which she was Chairman. It was composed of people from the Administration and from twelve major agencies concerned with testing, agriculture, marketing, information, justice and the Post Office. In addition, it included twelve prominent citizens not representing any group but interested in consumer matters.

Campaigning for the consumer had

been a little tough at times in the rough and tumble of the American market place. Doubtful practices were given publicity and curbed if possible. When she was young, her father had told her not to talk to the converted but to those who disagreed with her; and that was what she had been doing. One handbill had said that the mention of her name made some people shudder.

Her committee had to fight side by side with enlightened business leadership and consumer organisations against the selfish minority which defrauded and deceived customers, operated unfair prices or engaged in other sharp practices. There had been good cooperation from large organisations which were setting an example to others.

American consumers were well served and most of them had adequate incomes, but they did not always think of themselves as consumers, although everybody was one. The diversity of consumers sometimes made it difficult for them to speak with a clear voice, whereas special interest groups were well organised and able to make themselves heard.

Protecting the Consumer

There were many good laws in America, but they needed to be improved and administered and this required a good deal of voluntary effort. About a fifth of the people of America were poor and special programmes were needed to help them. The American population had increased from four million to a hundred million during the nineteenth century and rapid economic expansion with little regulation had led to excesses. But already in 1872, Congress had begun to pass laws to protect the consumer. There were laws against fraud, the anti-trust laws, laws to prevent company mergers leading to mo-

nopoles. Many consumer-directed laws had been designed to prevent monopoly and price fixing.

Whilst large-scale operations brought increased efficiency in both production and distribution, public opinion disliked huge power concentrations and these were being investigated. The Supreme Court recently stopped the merger of two big food chains as being against the interests of the consumer.

The Packaging Bill

The labelling of goods was usually accurate and this helped to protect the consumer, but there was a lively debate going on about a Packaging Bill which was before Congress. This insisted that the package should tell not only the truth but the whole truth.

Weights and measures regulations needed to be brought up to date so as to make comparisons between rival brands easier. It was difficult to compare prices when packages were all kinds of odd weights. She and her son had been shopping with a slide rule and had been able to show how very difficult comparisons often were. The Packaging Bill had been approved by the Senate by 79 votes to 6; the legislators knew that voters were keenly interested in consumer matters.

Packages saying a price had been cut by a few cents caused confusion and made comparison more difficult. Some said customers liked to figure things out, but she had not yet met a woman who did. Meat, eggs and poultry were inspected and graded and fruit and vegetables were well cared for; but laws on labelling and on weights and measures needed to be modernised.

Labels on clothing needed to show the composition of the textile or the

percentage of wool. Standardisation was needed in sizes and terms such as "water repellent" needed to be adequately defined. In this field, Americans could learn from other countries. Deceptive or misleading advertising was illegal, but advertisers had tremendous power and there were many problems. There had been legislation on air and water pollution, on housing, health insurance for old people, federal aid to schools and on dangerous drugs.

People needed to understand the pitfalls of buying on credit and on this an important Bill had been drafted. Another Bill before Congress on the safety and reliability of drugs was sure to be passed. There were new safety regulations about new kinds of containers. It had been a tough fight to get Congress to approve a Bill ensuring safety features on cars, but it had been done. Other legislation was being prepared on road safety and congestion.

Some members of Mrs. Peterson's Council had been arguing that there should be a Department of Consumer Affairs supplying information to help consumers judge products in spite of conflicting advertising claims. In some countries, governmental agencies were already testing goods.

The Consumer Assembly of 1966

Mrs. Peterson said that her Council worked not only with Congress and with private industry but with many voluntary organisations such as the Cooperative League, the National Consumers' League, the American Credit Union League Movement, the Rural Electric Cooperatives, the Group Health Association of America and with citizen groups of retired persons, church groups and women's organisations. All of these

represented the voice of the consumer to some extent, but few were purely consumer organisations.

This year, there had been a conference at which representatives from organisations, including cooperatives, trade unions and women's groups, had discussed consumer problems. The Consumer Assembly of 1966, as it had been called, had given real substance to the consumer movement in the United States. Many of the organisations had been interested in state legislation affecting consumers.

Consumer protection was particularly important for young people, and solid consumer education was needed in schools. Her Council was working through the new Office of Education, through the Education Bill and through conferences up and down the country to get consumer education incorporated in consumer courses. American education had traditionally prepared children to be producers rather than consumers and the new emphasis would mean a great deal. The teenage market was huge — sales to teenagers might be around \$3,000,000,000 a year. Pressure from advertising was great and young people had to be well informed and know how to buy wisely.

The problem of Poverty

The problem of poverty had been receiving much attention from the President and from Congress. An extension of the Fair Labour Standards Act had just been passed which brought the national minimum wage up to \$1.60 an hour and which brought in eight million people who had previously been excluded. Many of these had worked in laundries, cleaning, dishwashing or similar occupations and their liv-

standards would be raised as a result of the new legislation.

Government funds were being made available to set up consumer programmes in the poverty areas. There were 139 consumer education programmes in various parts of the country and the number was growing daily. Poor people were helped to make better use of limited resources, as through neighbourhood credit unions, organised with the help of the credit union leagues and the Government. Buying clubs, like small-scale consumer cooperatives, helped housewives to buy more cheaply and wisely. Counsellors were giving financial advice to help protect people against slick salesmen, whilst qualified lawyers assisted people to understand their legal rights as consumers.

Education helped in the prevention of fraud and in the judgement of the quality of goods. New stores were being opened in the housing areas where they were needed. New laws and the better enforcement of old ones also prevented deception and fraud. Some consumer groups had conducted rent strikes and sometimes women had got together to boycott certain stores, or to lower bus fares. These processes had not always been peaceful and, as everyone knew, there had been riots in certain areas.

Mrs. Roosevelt had often talked about the common bonds of humanity which united the nations of the world. These bonds needed to be held in times of tumultuous change; and James Baldwin had expressed the need in a beautiful way: "For nothing is fixed for ever and for ever and for ever — it is not fixed. The earth is always shifting, the sea is always changing, the sun does not cease to grind down rock; generations do not cease to be born and we are responsible to them because they are the

only witnesses they have. The sea rises, the light fails, lovers cling to each other and children cling to us; but the moment we cease to hold to each other, the moment we break faith with one another, the sea engulfs us and the light goes out."

The work of the Women's Department

The next morning, following an encouraging address by Mr. W. G. Alexander, Director of the ICA, Mrs. Muriel Russell, Secretary of the Women's Department, gave a survey of its work.

A number of suggestions were contributed by delegates for the future activities of women cooperators and these were referred to the Council. An appeal for peace on behalf of all women cooperators, and in particular for peace in Vietnam, was also referred to the Council.

A letter of thanks was sent to Mrs. E. Tas-Callo of Holland, the first Chairman of the Council, who had resigned earlier in the year. Miss Pippa Harris of UNESCO told delegates of UNESCO's draft programme for 1967—1968, emphasising projects for women, such as the gift coupon scheme and the literacy programme in developing countries. At the end of the conference, Mrs. E. Staiger, Germany, moved a vote of thanks to the Austrian Movement and to everyone concerned in organising the conference.

The International Cooperative Women's Guild

The last Congress of the International Cooperative Women's Guild was held in Vienna on September 2nd, 1966. The I.C.W.G. had been founded at Basle

in 1921, but its work had been hampered by limited resources and it was decided at Vienna forty-five years later that it could be carried out more effectively by the Women Cooperators' Advisory Council of the ICA.

The first Cooperative Women's Guild was founded in England in 1883, as women cooperators believed that women had insufficient influence in cooperative societies. At the same time, most of the members of many consumers' societies were women and it was thought that separate women's organisations could play a useful role in the cooperative movement, particularly in social and educational activities, as, indeed, they had done. Cooperative women's organisations were formed in many countries and were in touch with each other even during the Great War — a joint protest against the war was published in 1916 by women cooperators from Austria, England, Holland and Switzerland.

One of the leading Austrian women cooperators in the war years was Frau Emmy Freundlich — who edited the family paper published by the Austrian cooperative movement — a member of the Board of the Austrian Cooperative Union and later on the Central Committee and on the Executive of the International Cooperative Alliance.

It was largely on the initiative of Frau Freundlich that 36 women from the guilds of seven countries came together at the ICA Congress at Basle in 1921 and formed the International Cooperative Women's Guild. Frau Freundlich became President and Miss Margaret Llewellyn Davies of England the first Secretary.

The I.C.W.G. was launched with great enthusiasm. At its Ghent Congress in 1924, there were 100 representatives

from 16 countries and, at the 1927 Congress, there were lively debates on pricing policy and on food purity. Miss Davies was succeeded as Secretary by Miss Honora Enfield and she in turn by Mrs. Theo Naftel. By the Paris Congress in 1937, the menace of Nazism had become clear; the staff of the I.C.W.G. and its indomitable President, Frau Emmy Freundlich, spent the war years in London working for the further development of cooperation in the post-war world and on problems such as housing and education.

The Post-War Years

There was optimism at the Congress at Zürich in 1946, but Frau Freundlich died in 1948 and with her death the links between the I.C.W.G. and the ICA became looser. Mrs. Ella Egli-Guttinger of Switzerland became President and was succeeded by Mrs. Cecily Cook, who had been Secretary of the English Guild. Vera Semens became Secretary and later Liisa-Maria Piila of Finland. There was an important discussion on "Health and Food Additives" at the Stockholm Congress in 1957, but Mrs. Cook died suddenly in 1962 and the Guild was not able to cooperate as closely as it had once done with the ICA.

At its last Congress in Vienna, Frau Etti Widhe, Austria, gave a moving account of the life and work of the I.C.W.G. It had done much to spread the cooperative idea, to improve the position of women by educational work and to promote international peace — the main objects for which it had been founded. It had united cooperative women's guilds that were organised in different ways in different countries, and its resources had been very limited. At its meeting in Vienna in 1966, the I.C.W.G. officially wound up its affairs.

DR. ANNA WÖSSNER RETIRES



AT the end of October, the ICA statistician, Dr. Anna Wössner, retired. For almost 40 years, she has watched the Alliance grow, seen its frontiers expand and the type of membership societies become ever more diversified.

Dr. Wössner came to the Alliance from her native Switzerland in 1927. She was, however, no stranger to the Cooperative Movement, for she is a third generation cooperator, her father and grandfather both having been presidents of their local societies. In choosing a cooperative theme for her doctoral thesis at the University of Zürich, she was thus carrying on the family tradi-

tion. It was as a result of this thesis on the Swiss Cooperative Movement, of which Bernard Jaeggi thought very highly, that Dr. Wössner joined the staff of the Swiss Cooperative Union, VsK, in Basle. Through VsK she made the acquaintance of Henry J. May, then General Secretary of the International Cooperative Alliance, and was subsequently invited to come to London to work as a translator in the ICA.

Finding very little in the way of records relating to the membership of the Alliance, Dr. Wössner set about collecting data which were eventually issued as *Statistics of Affiliated National Organisations*, the first six volumes of

which cover the period 1927—1949, with the exception of the war years. Since 1950, the Comparative Statements have appeared in stencilled form. They cover all aspects of the ICA membership and give an indication of how it has broadened in the range of activities covered, and the changing emphasis from mainly European to non-European countries.

Dr. Wössner's work in the Alliance extended far beyond mere statistics, however, since she had a share in most of the departments. At the outset of the Second World War, she kept the German edition of the "Review of International Cooperation" going single-handed until the Alliance was forced to discontinue it, and she helped in many ways to keep the rainbow flag flying during the dark years. From time to time, she contributed articles to the Review on cooperative developments in

different parts of the world and, after the war ended, she was able to collect sufficient material to compile a report on how the Movement had fared during the war.

The many acts of kindness to her colleagues in the past on Dr. Wössner's part should not go unrecorded. Some who were refugees, owed much to her courage and persistence in championing their cause; others, sick or in difficult circumstances, always found her ready to listen and help.

The many friends abroad whom Dr. Wössner made when she acted as Registrar at ICA Congresses, and her colleagues, past and present, at 11 Upper Grosvenor Street, wish her long, happy and active years in which to follow her many interests and cultivate her garden.

M. H.

AFFILIATED ORGANISATIONS

ALGERIA: Société Coopérative Musulmane Algérienne d'Habitation et d'Accession à la Petite Propriété, 8, rue du Cercle Militaire, Oran; alger - 21, rue Edgar Quinet, Algiers, and 9, rue M. thurin Régnier, Paris 15.

ARGENTINA: Federación Argentina de Cooperativas de Consumo, Avda. Suárez 2034, Buenos Aires. Intercoop, Editora Cooperativa Limitada, Florida 32, Oficina 42, Buenos Aires.

AUSTRALIA: Cooperative Federation of Australia, Red Comb House, Roma Street, Brisbane, Queensland.

AUSTRIA: "Konsumverband" Zentralverband der österreichischen Konsumgenossenschaften, Theobaldgasse 19, Vienna VI. Membership (1965): 456,200; turnover: consumers' societies: Sch. 3,473 mill.; wholesale (G.Ö.C.): Sch. 1,688 mill.; department stores: Sch. 597 mill.; own production: consumer societies: Sch. 411 mill.; G.Ö.C. and subsidiaries: Sch. 421 mill.

Bank für Arbeit und Wirtschaft, A/G, Seitzergasse 2-4, Vienna I.

Zentralkasse der Konsumgenossenschaft, Theobaldgasse 19, Vienna VI.

Österreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, Bösendorferstrasse 7/11, Vienna I.

1965: Affiliated organisations: 319 (comprising 207 societies and 112 associations); membership 115,596; dwellings administered 246,663 (comprising 107,229 societies and 139,434 associations); balance at 1964: 26.7 milliard Sch. (divided as to societies Sch. 12.5, associations Sch. 14.2).

Österreichischer Raiffeisenverband, Seilergasse 16, Vienna I.

BELGIUM: Société Générale Coopérative, 26-28 rue Haute, Brussels 1.

Affiliated consumers' societies: 25; membership: 300,000; turnover (1963): Frs. 3,900 mill.; shops: 1,400; Wholesale society turnover (1963): Frs. 959 mill.

Société Coopérative d'Assurances "La Prévoyance Sociale", P.S. Building, 151, rue Royale, Brussels. Premiums (1964): Frs. 1,176 mill.; reserves: Frs. 5,000 mill.; insurance funds, life: Frs. 15,000 milliard.

Fédération Nationale des Coopératives Chrétiennes, 129, rue de la Loi, Brussels.

(1964): 1,336 shops; turnover: Frs. 1,303 million; dividends: Frs. 60 million; Savings Bank: 1,930 branches; 363,000 members; deposits: Frs. 7,024 mill.; Insurance Society: 210,000 policy holders; premiums: Frs. 377 mill.; reserves: Frs. 800 mill.

Économie Populaire, 30, rue des Champs,

Wavre (Namur).

Branches (1965): 444; membership: 85,200; turnover: Frs. 890 mill.; savings deposits: Frs. 511.5 mill.; capital and reserves: Frs. 111.5 mill.

Institut Provincial de Coopération Agricole, 42, rue des Augustins, Liège.

OPHACO (Office des Pharmacies Coopératives de Belgique), 602, Chaussée de Mons, Brussels.

Union of 28 cooperative societies owning 360 pharmacies, 68 optical departments and counters, 7 drug stores, 14 wholesale depots. Turnover (1963): Frs. 1,250 mill. Surplus distributed to 400,000 members: Frs. 95 mill.

Société Coopérative Fédérale de Belgique, 83-85, rue Vanderschrick, Brussels.

BRAZIL: Aliança Brasileira de Cooperativas (ABCOOP), Ave. Franklin Roosevelt 39-12°, Sala 1216, Rio de Janeiro.

BULGARIA: Central Cooperative Union, Rue 6 Septemvri 21, Sofia.

BURMA: National Cooperative Council, 290-300, Lewis Street (2nd. Floor), Rangoon.

CANADA: Cooperative Union of Canada, 111, Sparks Street, Ottawa 4, Ont.

A national association of English-language cooperatives the principal members of which are provincial cooperative unions and inter-provincial cooperatives; organised in 1909.

Conseil Canadien de la Coopération, 353 rue Dalhousie, Ottawa 2, Ont.

CEYLON: The Cooperative Federation of Ceylon, Cooperative House, 455, Galle Road, Colombo 3.

CHILE: Federación Chilena de Cooperativas de Ahorro y Credito, Ltda., Dieciocho 246, Clasificador 760, Santiago de Chile.

COLOMBIA: Cooperativa Familiar de Medellín, Ltda., Calle 49, No. 52-49, Medellín.

CYPRUS: Cooperative Central Bank Ltd., P.O. Box 411, Nicosia.

Cyprus Turkish Cooperative Central Bank Ltd., P.O. Box 791, Nicosia.

Vine Products Cooperative Marketing Union Ltd., P.O. Box 314, Limassol.

CZECHOSLOVAKIA: Ustredni Rada Druzstev, Tesnov 5, Prague II.

DENMARK: De samvirkende danske Andelselskaber (Andelsudvalget), H. C. Andersens Boulevard 42, Copenhagen V.

Representing 29 national organisations, comprising: consumers' societies, agricultural production, marketing and purchase societies, other production and marketing societies, insurance societies, banking societies. Membership: 525,000 individual members. Turnover (1964): D.Kr. 14,300 mill.

Det Kooperative Faellesforbund i Danmark, Frederiksborggade 50, Copenhagen S.

Affiliated societies (1963): 634; total sales: D.Kr. 1,582 mill.; employees: 12,500; comprises: consumers', workers', artisans', productive and housing societies etc.

Faellesforeningen for Danmarks Brugsforeninger (FDB), Roskildevej 65, Albertslund.

Affiliated societies (1965): 1852; members: 716,000; turnover: 2,583 mill. D.kr.; wholesale turnover: 1,453 mill. D.kr.; own production: 405 mill. D.kr.

DOMINICA: Dominica Credit Union League, Ltd.,
14, Turkey Lane, Roseau.

EGYPT: Société Coopérative des Pétroles, 94,
Kasr el - Eini Street, Cairo.

EIRE: Irish Agricultural Organisation Society Ltd.,
The Plunkett House, 84 Merrion Square, Dublin 2.
National Organising and Advisory Body for Agricultural
Cooperatives. Affiliated Societies: 339; membership:
121,000; turnover (1964): £ 106 mill.

FINLAND: Suomen Osuuskappojen Keskuskunta
(S.O.K.), Vilhonkatu 7, Helsinki 10.

Affiliated societies (1965): 336; members: 520,092;
wholesale turnover: Fmk. 1,054 million; own pro-
duction of SOK: Fmk. 230 million.

Yleinen Osuuskappojen Liitto r.y. (Y.O.L.),
Vilhonkatu 7, Helsinki 10.

Affiliated societies (1965): 336; members: 520,092;
turnover of societies: Fmk. 2,049 million; total
production of the affiliated societies: Fmk. 43 mill.

Kulutusosuuskuntien Keskusliitto (K.K.), r.y.,
Mikonkatu 17, Helsinki 10.

Affiliated societies (1965): 97; members: 562,350; turn-
over: Fmk. 1,526.2 mill.; own production: Fmk. 238.7
mill.

Osuustukkukauppa (O.T.K.), P.O. Box 10120,
Helsinki 10.

Affiliated societies (1965): 97; turnover: Fmk. 862.2
mill.; own production: Fmk. 274 mill.

Pellervo-Seura, Central Organisation of Farmers'
Cooperatives, Simonkatu 6, Helsinki.

Affiliated organisations (1963): 10 central organisations;
1,102 societies.

FRANCE: Fédération Nationale des Coopératives
de Consommation, F.N.C.C., 89, rue la Boétie,
Paris VIII.

Affiliated societies (1964): 475; membership: 3,460,000;
shops: 9,900; turnover: NF. 3,600 mill.

Société Générale des Coopératives de Consom-
mation, 61 rue Boissière, Paris XVI.

Fédération Nationale des Sociétés Coopératives
Ouvrières de Production du Bâtiment, des Tra-
vaux Publics et des Matériaux de Construction,
88, rue de Courcelles, Paris VIII.

Confédération Générale des Sociétés Coopé-
ratives Ouvrières de Production de France et de
l'Union Française, 88, rue de Courcelles, Paris VIII.

Banque Coopérative des Sociétés Ouvrières de
Production de France, 88, rue de Courcelles,
Paris VIII.

Confédération Nationale de la Coopération, de
la Mutualité et du Crédit Agricoles, 129, Bd.
St. Germain, Paris VI.

Fédération Nationale de la Coopération Agricole,
129, Bd. St. Germain, Paris VI.

Caisse Nationale de Crédit Agricole, 91-93,
Boulevard Pasteur, Paris XV.

Fédération Nationale des Sociétés Coopératives
d'Habitations à Loyer Modéré, Foyer Coopératif,
17, rue de Richelieu, Paris 1er.

Confédération des Coopératives de Construc-
tion et d'Habitation, "L'Habitation", 31,
Pierre 1er de Serbie, Paris XVI.

L'Association BâtiCoop, 6, rue Halévy, Paris

Confédération des Organismes de Crédit Mu-
tuel, 18 bis, Avenue Hoche, Paris VIII.

GERMANY: Zentralverband deutscher Konsumge-
nossenschaften e.V., Besenbinderhof 43, (2) A
Hamburg 1.

Affiliated societies (1964): 239; membership: 2,556.7;
turnover: D.M. 3,540,742.4 mill.

Grosseinkaufs-Gesellschaft deutscher Kon-
genossenschaften m.b.H., Besenbinderhof 43,
(2) Hamburg 1.

Total turnover (1964): D.M. 1,900 mill.; own pro-
duction: D.M. 570 mill.

Gesamtverband gemeinnütziger Wohnungs-
unternehmen, Breslauer Platz 4, (22c) Cologne.

"Alte Volksfürsorge", Gewerkschaftlich-Genos-
senschaftliche Lebensversicherungs A.G., An der
Alster, (2) Hamburg 1.

Deutsche Sachversicherung "Eigenhilfe", Stein-
strasse 27, (2) Hamburg 1.

GREAT BRITAIN: The Co-operative Union Ltd.,
Holyoake House, Hanover Street, Manchester 4.

Affiliated societies (1965): 704; membership: 13,032,771;
retail societies' share capital: £ 243,840,861; retail
sales: £ 1,096,376,175.

Co-operative Wholesale Society Ltd., 1, Balloon
Street, Manchester 4.

Affiliated societies (1965): 746; sales: £ 487,859,688;
Bank turnover: £ 9,764,603,821; reserve and insurance
funds: £ 40,791,711; total assets: £ 300,463,985.

Co-operative Insurance Society, Ltd., Miller
Street, Manchester 4.

Assets (1964): £ 369 mill.

Scottish Co-operative Wholesale Society Ltd.,
95, Morrison Street, Glasgow C. 5.

Affiliated societies (1964): 164; sales: £ 93,720,670;
reserves and insurance funds: £ 8,417,093; total resour-
ces: £ 19,532,184.

Co-operative Permanent Building Society, N
Oxford House, High Holborn, London, W.C.

GREECE: Pan-Hellenic Confederation of Inter-
Agricultural Cooperatives (S.E.S.), 6, Otf
Street, Athens.

GUYANA: British Guiana Cooperative Union,
Ministry of Education and Social Development,
41, High and Cowan Streets, Kingston, George

HOLLAND: Coöperatieve Vereniging U.A., Cen-
trale der Nederlandse Verbruikscoöpera-
"CO-OP Nederland", Vierhavensstraat 40,
Rotterdam 7.

Association of Enterprises on a Cooper-
Basis, Bloemgracht 29, Amsterdam.

HUNGARY: Federation of Hungarian Coope-
Societies, Szabadság 14, Budapest V.

ELAND: Samband Isl. Samvinnufélag, Reykjavik.

INDIA: National Cooperative Union of India,
12, Jorbagh Nursery, New Delhi 3.

International Agricultural Cooperative Marketing
Federation Ltd., No. E-11 Defence Colony (Ring
Road), New Delhi 3.

IRAN: Cherkate Taavoni Masrafe Artêche (Army
Consumers' Cooperative Society), Avenue
Savom Esfand, Rue Artêche, Teheran.

The Credit and Housing Cooperative Society of
Iran, 20-22 Shahabad Avenue, Teheran.

ISRAEL: General Cooperative Association of
Jewish Labour in Eretz-Israel "Hevrat Ovdim",
Ltd., P.O.B. 303, Tel-Aviv.

Affiliated societies and companies (1963): 1,855 in all
branches.

"Merkaz" Audit Union of the Cooperative Soci-
eties for Loans and Savings, 44, Rothschild Bd., P.O.
Box 75, Tel-Aviv.

"Haikar" Audit Union of the Agricultural Soci-
eties of the Farmers' Federation of Israel,
8 Harkrya Street, P.O.B. 209, Tel-Aviv.

ITALY: Lega Nazionale delle Cooperative e Mutue,
Via Guattani 9, Rome.

Confederazione Cooperativa Italiana, Borgo
Santo Spirito 78, Rome.

Associazione Generale delle Cooperative Italiane,
Via Milano 42, Rome.

IVORY COAST: Centre National de la Coopération
et de la Mutualité Agricoles, B.P. 702, Abidjan.

JAMAICA: The Jamaica Cooperative Union, Ltd.,
74½ Hanover Street, Kingston, W.I.

JAPAN: Nippon Seikatsu Kyodokumiai Rengokai
(Japanese Consumers' Cooperative Union),
Tanra-Kaikan, 9 Ichigaya-Kawada-cho, Shinkjuku-
ku, Tokyo.

Zenkoku Nogyokyodokumiai Chuokai
(Central Union of Agricultural Cooperatives),
1-chome Otemachi, Chiyoda-ku, Tokyo.

Zenkoku Gyogyo Kyodokumiai Rengokai (Na-
tional Federation of Fishery Cooperative Asso-
ciations), Sankaido Building, Akasaka-tameiko-
chi, Minato-ku, Tokyo.

JORDAN: Jordan Cooperative Central Union Ltd.,
P.O.B. 1343, Amman.

KENYA: Kenya National Federation of Coopera-
tives Ltd., P.O.B. 9768, Nairobi.

KOREA: National Agricultural Cooperative Fede-
ration, 75, 1st Street, Chung-Jong-Ro, Sodaemun-ku,
Seoul.

MALAYSIA: Cooperative Union of Malaya,
8, Holland Road, Kuala Lumpur.

Federation of Cooperative Housing Societies,
8, Holland Road, Kuala Lumpur.

Sarawak Cooperative Central Bank Ltd.,
3-J, Clifford House, Kuching, Sarawak.

MALTA: Farmers' Central Cooperative Society
Ltd., New Building, Middleman Street, Marsa.

MAURITIUS: Mauritius Cooperative Union,
Dumat Street, Port Louis.

MEXICO: Confederación de Cooperativas de la
República Mexicana, C.C.L., Av. Cuauhtemoc 60,
5e Piso, Mexico 7, D.F.

NEW ZEALAND: Hutt Valley Consumers' Co-
operative Society Ltd., P.O.B. 5006, Naenae.

NIGERIA: Cooperative Union of Eastern Nigeria
Ltd., Cooperative Bank Buildings, Milverton Ave.,
Aba.

Cooperative Union of Western Nigeria Ltd., c/o
Cooperative Buildings, New Court Rd., Ibadan.

Lagos Cooperative Union Ltd., Cooperative
Office, 147, Broad Street, Lagos, W. Nigeria.

NORWAY: Norges Kooperatve Landsforening,
Kirkegaten 4, Oslo.

Affiliated societies (1965): 904; membership: 347,208;
turnover of local societies: Kr. 2,171 mill.; of N.K.L.:
Kr. 663 mill.

BBL A/L Norske Boligbyggelags Landsforbund,
Trondheimsveien 84-86, Oslo.

PAKISTAN: East Pakistan Cooperative Union, Ltd.,
9/D-Motijheel Commercial Area, 3rd Floor, Dacca 2.

West Pakistan Cooperative Union, 5, Court
Street, P.O.B. 905, Lahore.

Karachi Central Cooperative Bank, Ltd.,
14, Laxmi Building, Bunder Road, Karachi 2.

Karachi Central Cooperative Consumers' Union,
Iqbal Market and Cold Storage, Soldier Bazar,
Karachi.

Karachi Cooperative Housing Societies' Union,
Shaheed-e-Millat Road, Karachi.

Karachi Cooperative Union Ltd., Cooperative
House, Shaheed-e-Millat Road, Karachi 5.

Karachi Fishermen's Cooperative Purchase and
Sales Society Ltd., West Wharf Road, Karachi.

Sind Baluchistan Provincial Cooperative Bank,
Ltd., Provincial Cooperative Bank Bldg., Serai Road,
P.O. Box 4705, Karachi 2.

PHILIPPINES: Central Cooperative Exchange Inc.,
P.O.B. 1968, Manila.

POLAND: Central Agricultural Union of "Peasant Self-Aid" Cooperatives, *Kopernika 30, Warsaw.*

The Central Union of Building and Housing Cooperatives, *Ul. Jasna 1, Warsaw.*

The Invalids' Cooperative Union, c/o Central Agricultural Union of "Peasant Self-Aid" Cooperatives, *Kopernika 30, Warsaw.*

"Spolem" - Union of Consumer Cooperatives, *Grazyny 13, Warsaw.*

Central Union of Work Cooperatives, *Surawia 47, Warsaw.*

ROUMANIA: Uniunea Centrala a Cooperativelor de Consum "Centrocoop", *Str. Brezoianu 31, Bucharest.*

SCANDINAVIA: Nordisk Andelsforbund, *3 Axeltorv, Copenhagen V.*

SINGAPORE: Singapore Cooperative Union Ltd., *Post Box 366; Office and Library: 3-J/K Clifford House, Singapore 1.*

SWEDEN: Kooperativa Förbundet, *Stockholm 15.*
Affiliated retail societies (1965): 338; membership: 1,323,000; total turnover of distributive societies: Kr. 5,083 mill.; total turnover of K.F.: Kr. 3,817 mill. (Kr. 2,660 mill. sales to affiliated societies); own production: Kr. 1,834 mill.; total capital (shares and reserves) of K.F. and affiliated societies: Kr. 1,099 million, surplus included.

Kooperativa Kvinnogillesförbundet, Stockholm 15.

Hyresgästernas Sparkasse- och Byggnadsföreningars Riksförbund (H.S.B.), Fleminggatan 41, Stockholm 18.

Affiliated Building Societies: 186; with individual members: 250,000; number of flats administered by local societies: 220,000; value of real estate: 8,000 mill. Kr.

Svenska Riksbyggen, Box 19028, Stockholm 19.

Folksam Insurance Group, Folksam Building, Stockholm 20.

Sveriges Lantbruksförbund, Klara Östra, Kyrkogata 12, Stockholm 1.

SWITZERLAND: Verband schweiz. Konsumvereine (V.S.K.), *Thiersteinallee 14, Basle.*
Affiliated societies (1964): 505; shops: 3,200; membership: 780,000; retail turnover of affiliated societies: Frs. 1,700 mill.; wholesale turnover: Frs. 1,100 mill.

Verband ostschweiz. landwirtschaftlicher Genossenschaften (V.O.L.G.), Schaffhauserstrasse 6, Winterthur.

Verband sozialer Baubetriebe, c/o SBHV., Sihlpostfach, Zurich 1.

Genossenschaftliche Zentralbank, Aeschenvorstadt 71, Basle.

COOP Lebensversicherungs-Genossenschaft Basel, Aeschenvorstadt 67, Basle.

International Cooperative Bank Co., Ltd., Aeschenvorstadt 75, P.O.B. 348, 4002 Basle.

TANZANIA: Cooperative Union of Tanganyika Ltd., *Avalon House, P.O. Box 2567, Dar-es-Salaam*

TUNISIA: El Ittihad, *26 rue du Portugal, Tunis.*

UGANDA: Uganda Cooperative Alliance, *P.O.B. 2215, Kampala.*

U.S.A.: The Cooperative League of the U.S.A. *59, East Van Buren Street, Chicago, Ill. (60605 and 1012, 14th Street, N.W., Washington 5, D.*

U.S.S.R.: Central Union of Consumers' Cooperative Societies of the U.S.S.R., "Centrosoyus", *Tcherkassky per no. 15, Moscow.*
Consumers' societies (1961): 17,500; members: 43.1 mill.; stores: 321,000.

YUGOSLAVIA: Glavni Zadružni Savez FNRJ *ul. Knez Mihajlova 10, Belgrade.*

ZAMBIA: Eastern Province Cooperative Marketing Assoc. Ltd., *P.O.B. 108, Fort Jameson.*

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