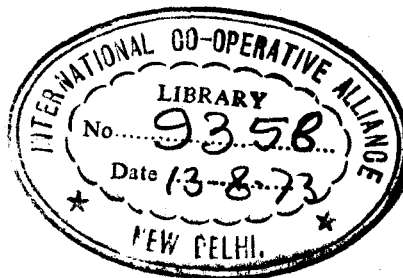


R E P O R T
O N
ICA TEACHERS' EXCHANGE PROGRAMME, 1971-72

by

Mr P. S. Parmar
Lecturer
All India Cooperative Instructors'
Training Centre
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New Delhi
India



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ICA

Programme organised

by

INTERNATIONAL COOPERATIVE ALLIANCE
Regional Office & Education Centre for South-East Asia
43, Friends' Colony, New Delhi-14
INDIA

I.C.A. TEACHERS' EXCHANGE PROGRAMEE 1971-72

Report by

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In the year 1972 National Cooperative Union of India sponsored my name for inclusion in the teachers' Exchange Programme of the I.C.A. I was selected by the I.C.A. as a Cooperative teacher to go to any one of the South-East Asian countries and gain experience of the cooperative movement of that country, exchange ideas and give lectures in the receiving countries. I feel, it is my duty to thank the National Cooperative Union of India and the I.C.A. Regional Office in New Delhi, who accepted my candidature for undertaking a study-cum-teaching assignment in the Republic of South Korea.

My assignment in South Korea was for 5 weeks from 27th April to 30th May 1972. During this period I was supposed to work in close collaboration with the cooperative movement of that country. I was attached with the National Agricultural Cooperative Federation of Seoul. This organisation, I am happy to note provided me all sorts of assistance and also arranged the services of one gentleman as translator, who stayed with me all through the period of my stay with N.A.C.F. and also went along with me on tour outside the city of Seoul. This arrangement helped me in gaining first hand knowledge of the cooperative activities and also conveying my feelings to the connected persons in the movement.

For a short period I associated with the activities of Agricultural Cooperative College of N.A.C.F. In the College too, I received all necessary guidance and help on my assignment

and let me record my deep appreciation of those who associated and helped me in my work. I express my sincere thanks to the Dean of the College and the Manager of the Education and Guidance Department in NACF who were always ready to help me. I am also thankful to two gentlemen Mr Lee-Un Young in NACF and Prof. Kim who did every thing to make my stay comfortable and assignment easier on tour and in Cooperative College respectively. I am really grateful to all the officials of the NACF and the Cooperative College who were so helpful and cooperative that they created homely atmosphere away from home and tried to help me in every possible way. I wish to thank all people in the Cooperative movement of Korea who directly and indirectly assisted me on my assignment.

I am happy to mention that besides working with the Cooperative College I was given a chance to visit, the Cooperative Institutions in the interior of the country. This provided me an opportunity in seeing the work of these organisations and understand their problems and programmes. This helped me to understand their approach towards various problems. I had a chance to visit different Cooperative organisations at all levels which gave me clear view of the way, how Cooperatives can solve the problems of the farmers. All these visits proved helpful in learning the field situations and gave a chance to discuss the problems with the people on different positions in the movement.

Objectives of the programme

1. To watch and understand the Cooperative movement in the receiving country for self development.
2. Exchange the experience gained in the sponsoring country with that of receiving country.
3. To discern the impact of the Cooperative movement on the life and activities of the people as also on the economy of the nation.
4. To pin point the defects if any and find solutions thereof, if possible.

5. Accept good features and bring them back and make efforts to introduce them in the Cooperative Structure of the home country, if possible.
6. To make efforts to bring the two countries closer for understanding each other more thoroughly and promoting permanent good will for peace and prosperity.
7. To plan and promote the trading link between the two cooperative movements if practical, useful and necessary.

The Republic of Korea

Korean peninsula is approximately 1000 k.m. in total North South length and 216 k.m. wide approximately from east to west. Korea is approximately equivalent to great Britain in size. The area of Republic of Korea is about 98 thousand sq. k.m.

The Republic of Korea has a very big coastal line on both sides of the country studded with many islands. The country has mountaneous region with very few scattered small patches of plain area. The rivers are mostly shallow short and swift being on the mountains. The main source of irrigation is rivers or rain water. The climate of the country is moderate neither purely marine nor continental; it is in between the two. Korea has four seasons, hottest months are July and August, the coldest December and January. The rainy season begins in June and ends in August. The Republic of Korea is divided into nine provinces and two important cities. Seoul is the largest city with a population of 6 million situated in the north part of the Republic of Korea and is the seat of the government. Pusan the second largest city with a population of nearly 2 million is in down South on the sea shore and nearer to Japan. All over Korea only one language is spoken, written and read. The population of Korea is about 31 millions of which 15 million is farm population and 16 million (50.4%) non farm population.

Korean Agriculture :

The big strides in the manufacturing industry seem to over take the agricultural development, this sector still occupies a very important place in the national economy. In the year 1970 the farm population comprised of about half of the total population and agriculture provided 26.4% of the Gross National Product. The fast changing agriculture and the social set up of this small country gives clear impression of the very bright future ahead of the hard working people of Korea. Although poverty was not absent yet acute poverty could not be seen even in rural areas. The income of city people is much higher than those of the rural people the result is that the flow of rural population to cities is very large which really is a disturbing phenomenon. Per capita income is about 850 U.S.\$, which speaks volumes for the determination of its people.

Agricultural Cooperatives in Korea :

Cooperation among Korean farmers is flowing in their veins from centuries as is the case with other Asian countries. In earlier times they organised mutual help associations called "Kae" or "Hyang", quite similar to the pattern of modern cooperatives. The modern cooperative movement in Korea dates back to the establishment of the Local Association in 1907.

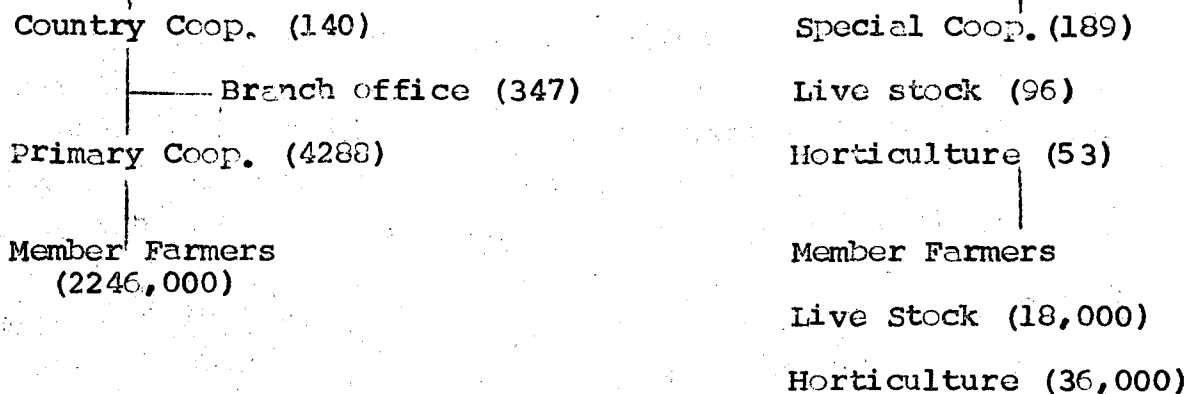
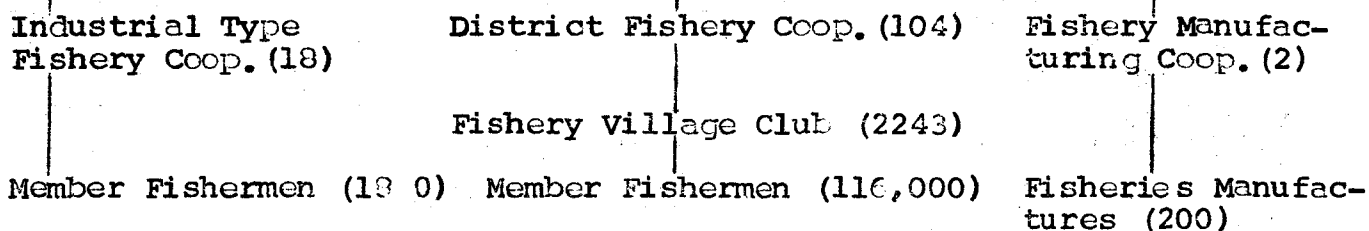
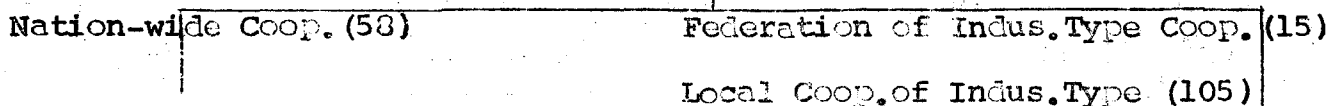
Agricultural cooperatives in Korea were established to ensure a balanced development in the national economy in increasing agricultural productivity and improving the economic and social status of farmers. Agricultural Cooperatives conduct business such as supplying needed commodities to member farmers, marketing farm products, credit service for production and living improvements etc. In fact, agricultural cooperatives are related to all the economic activities of the farmer. Nearly 93% of the farm population is member in the agricultural cooperatives. These cooperatives have contributed very much to the development of agriculture in the Republic of Korea.

Since their reorganisation in 1961, the activities of agricultural cooperatives have been firmly connected with government policies, which emphasised the increase in agricultural production and enhancement in the income of the farmers. Loans granted by agricultural Cooperatives usually account for over 90% of the total loans given to the agricultural sector by all kinds of banking institutions in the country. Fertilizer is distributed only by agricultural cooperatives and they supply about 80% of the chemicals used by farmers. Their marketing business has helped to improve the agricultural marketing system and stabilize the prices of farm produce. In addition, extension activities have helped in modernising farming methods and the way of life in rural areas has improved.

Comparative Study of the Cooperative Structure in two countries - INDIA & KOREA

Agricultural Cooperatives in Korea are multi-purpose cooperatives. From the Primary to the National level, vertically they are organised on three different levels. Ri-dong (village) cooperatives at the village level, gun (Country) cooperatives at country level. Horizontally they are classified into two groups : general purpose Cooperatives and Special purpose Cooperatives. Individual Cooperatives on each level have independent legal entity. However, the National Federation and the gun Cooperatives are entitled to conduct banking business on the basis of the Bank Act and therefore, gun Cooperatives are considered "Branch" office of the Federation as far as their banking business is concerned.

The chart will explain the horizontal and vertical structure of the Cooperative movement.

STRUCTURE OF COOPERATIVES IN THE REPUBLIC OF KOREA(A) AGRICULTURAL COOPERATIVE :NATIONAL AGRICULTURAL COOPERATIVE FEDERATION (NACF)PROVINCIAL BRANCH OFFICE (9)(B) FISHERIES COOPERATIVE :CENTRAL FEDERATION OF FISHERIES COOPERATIVESPROVINCIAL BRANCH OFFICE (10)(C) SMALL MEDIUM INDUSTRIAL COOPERATIVES :CENTRAL FEDERATION OF SMALL MEDIUM INDUSTRIAL COOPERATIVES

SMALL MEDIUM INDUS. BUSINESS MEMBERS (2386)

(D) CREDIT UNION :LEAGUE OF CREDIT UNIONS

Credit Unions (639)

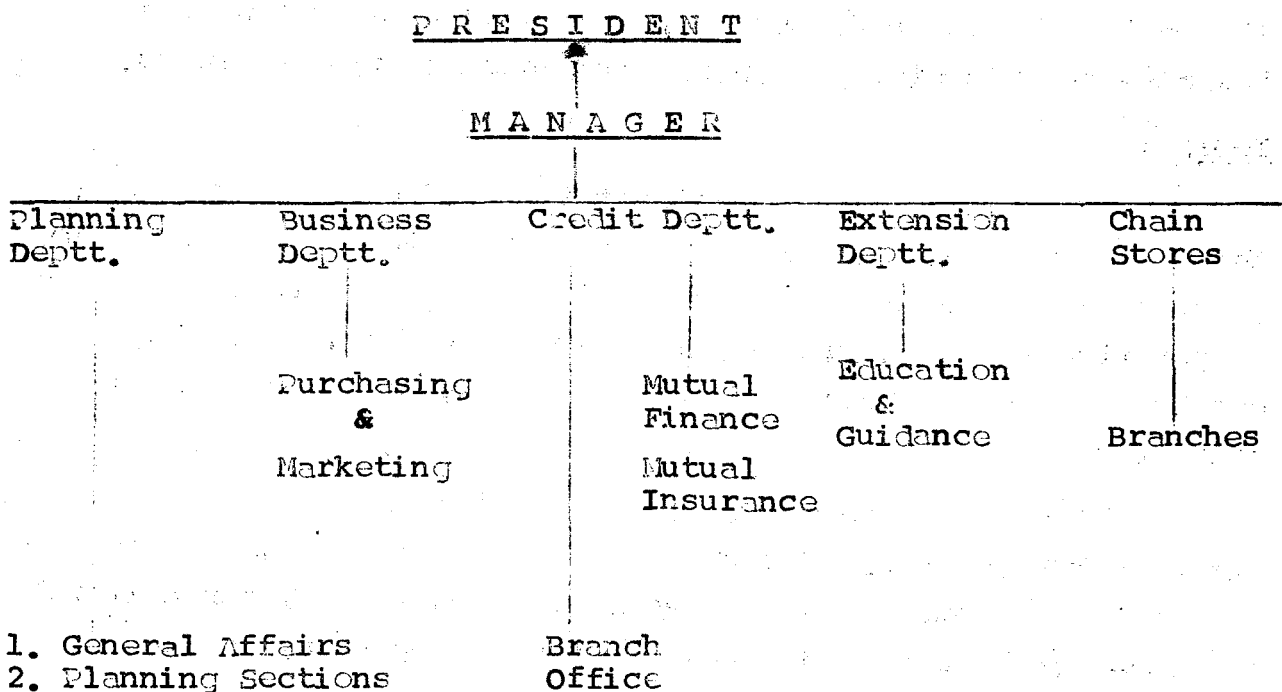
Members (118,000)

A. Ri/Dong (Village) Cooperatives :

The Ri/Dong Cooperative is a primary unit of the agricultural cooperative organisation in Korea. There can be two types of cooperatives at the Primary level one for the general farmers and the other for special type of growers or live-stock raisers. In the second category we may say the Commercial type of farmers are included.

Ri/Dong Cooperatives of Korea concentrate their efforts in performing various services together to get the maximum benefit from the organic links among them. This type of organisation was formed to meet the problems of the present situation, where most of the farm households are not yet commercialised and are still engaged in subsistent farming. This organisation proved effectively useful in operation. In the special type of Cooperatives only those persons who have special activity in agriculture can claim to become members but in Ri/Dong cooperatives, any farmer who has his own residence in the area and doing agriculture can become member.

Org. Chart



B. Gun (Country) Cooperatives

The Gun Cooperative is a type of local Cooperative Association which is formed by the Ri-Dong Cooperatives at the county level. The gun Cooperatives can open its branches where it is necessary, within its jurisdiction and according to legal provision. This may also open sub-branches if needed. On seeing the structure it appears that the National level Federation for Agricultural Cooperative have a very prominent place in the Cooperative movement. It has a wide net work throughout the country. It is significant to note that dairy activity has also been sponsored by the N.A.C.F. which is paving the way, to increased milk production and additional income to the farmers. I could see two such dairy organisations one is being run with the help of German collaboration and doing good service.

C. National Agricultural Cooperative Federation

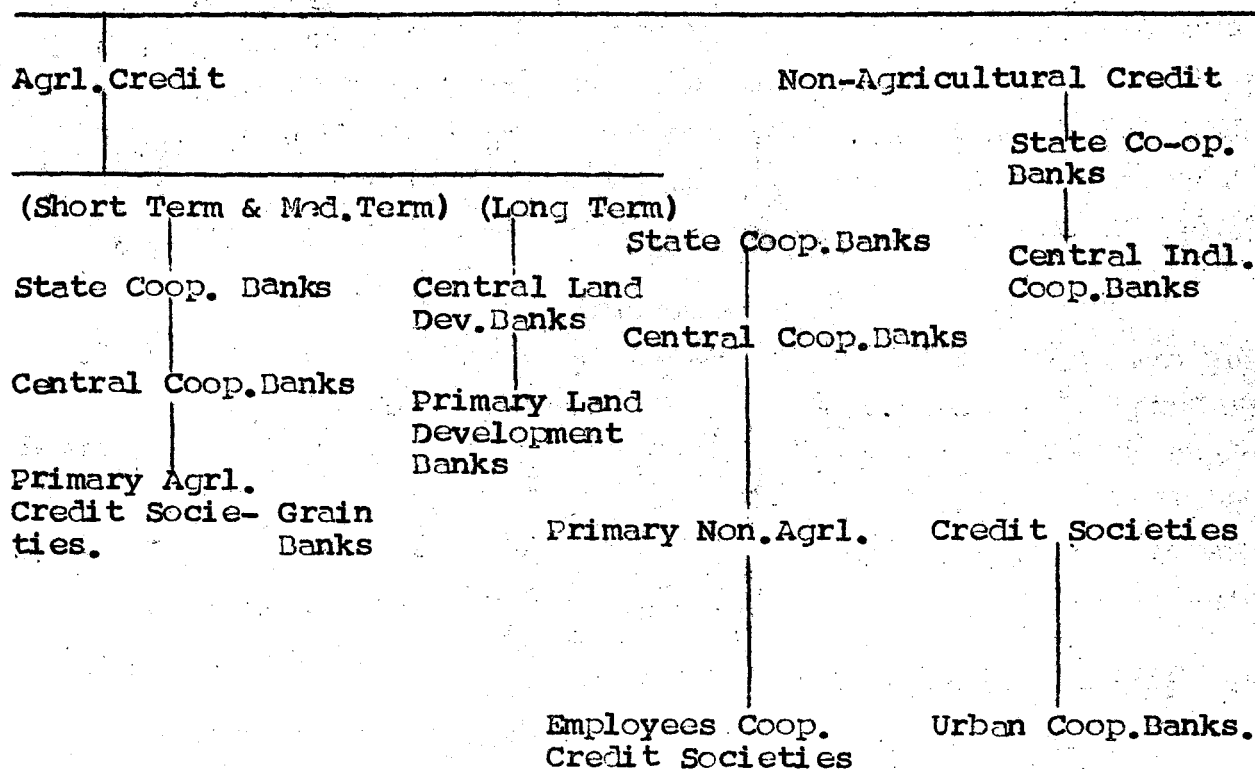
The National Level Federation is composed of the gun Cooperatives and special purpose Cooperatives. This federation has the entire country as its area and is responsible to promote the common interest of its members. It is located at the capital of the country i.e., Seoul and is operating its business through nine provincial branches in nine provinces.

INDIA :

India, the vast subcontinent is divided into more than 18 provinces. The Cooperation is a state subject and every province has independent legal provisions to promote the cooperative movement in its territory, therefore, diversity can easily be seen in the way of work of cooperative movement in each province.

The Cooperative credit movement in a Province is a three tier structure. For the purpose of our convenience the cooperative movement can be divided into two parts, agricultural and non-agricultural. Vertically it is three tier, horizontally two tier structure.

Credit Structure



A. Primary Cooperative Society :

At the village level the Primary Cooperative Society is composed of farmer members which provides the necessary services to its members. It works independently electing its own board of management. In its services are included the supply of credit, fertilizer, insecticides, machinery, consumer goods etc. This provides short and medium term finance at 9½% rate of interest to farmers.

B. Central Cooperative Banks :

The Central Cooperative Banks or Central Financing Agencies are formed of member Primary Cooperatives and located at the district level. The district is an administrative link having a population half a million, it may be less or more depending upon the region where it operates.

The purpose of this organisation is to provide, finance to Cooperative Primary Societies at a reasonable rate of interest. All affiliated primaries, according to set procedure are eligible to obtain finance from this Bank between 6 to 7% rate of interest. In order to avoid delay and long distance journey to obtain loan from the bank, the Cooperative bank may open branches at convenient commercial or administrative points in the District. The Societies in that area may avail of this facility from these branches.

This Bank has its own general body which is the supreme authority in so far as the bank business is concerned. It can further elect its board to manage the affairs of the bank. Sub-committees for different activities can also be formed in order to facilitate the work. The board and the president are all honorary workers. Further, the bank will have its paid staff for running its business activities.

C. State Cooperative Banks :

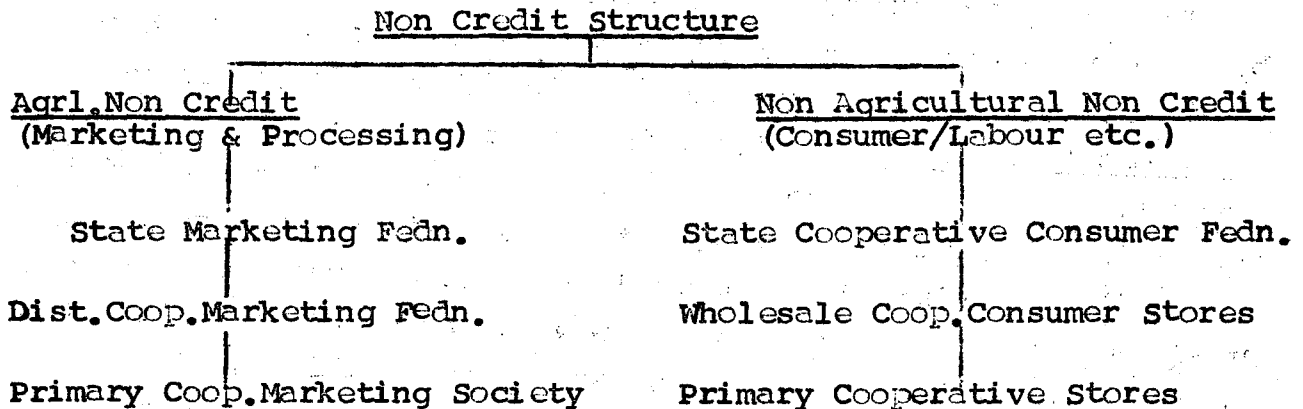
At the Provincial level all the central cooperative banks in the province form a federation for safeguarding their interest and feeding them with credit.

This organisation is also autonomous and manages its work through the elected Board of directors. General body is all powerful to decide any action concerning its business. This apex organisation in the province maintains liason with the Reserve Bank of India, the national bank in the country. From here it arranges funds to be lent to its constituents in the province at a very nominal rate of interest, about 4%.

The Central Cooperative Banks receive funds from these institutions according to their limit sanctioned. The repayment is adjusted to the time of harvesting the crop so that recovery becomes easy and smooth.

On the Non-Agricultural Credit side at the Primary level Urban Cooperative Bank and Employees Cooperative Credit Society receive financial support from the Central Coop. Banks.

In the industrial sector in some states (Provinces) there are separate institutions for helping the Industrial Cooperatives.



On the Agricultural non-credit side the structure is also three tier. Agricultural Non-Credit side have marketing and processing Cooperatives etc. The structure rises from the primary level to the provincial level making three storeys at Primary, District and State or Provincial level down level institutions federating into upper level institution.

On the Non-Agricultural Non-Credit side the prominent activity is of consumer cooperatives. Here too, the system is also three tier. At the base level consumer cooperative stores, at the central level the wholesale consumer stores and at the State level State Cooperative Consumer Federation. This structure has become the base of criticism because of the loyalty of the members and inefficient working conditions. Serious thinking is developing to change it to unitary type of system to make it more utility oriented.

The National Agricultural Cooperative Federation, Seoul,
(The Republic of Korea)

There is a three tier structure of cooperatives in the Republic of Korea upto national level. The National Agricultural Cooperative Federation is an affiliation of Gun Cooperatives and special purpose Cooperatives. The entire

territory of the Republic of Korea is its jurisdiction, the head office is located in Seoul and it serves the whole country through its nine provincial branches. The N.A.C.F. received government support freely and works as an agency for procurement of rice and other commodities of the government. It decides the prices of agricultural commodities which is accepted and by the Government as the floor prices in the market. The head of the N.A.C.F. is the President who is all time paid person. The nomination of the President is done by the President of the Republic of Korea. Although it may not sound good in view of the Cooperative Movement philosophy, yet it is business like approach to pay the President for its services. The nomination of the President of a Cooperative by the Government head might also seem inconsistent with the cooperative way of doing things, it is as it should be under the prevailing conditions in this country. The Federation is fully aware of its responsibilities towards member cooperatives. It is very keen to develop the agricultural and cooperatives on sound lines in order to serve the country in a better and comprehensive way. The result of all the efforts are visible in the rural and urban areas to a visitor who looks for achievement.

The effective way of work of N.A.C.F. at all levels does not provide an occasion to find any deficiency in its work. It must be perhaps due to affective education system and a group action ensured at different levels.

In the field of agriculture, the N.A.C.F., working according to the laid down policies of the govt. is conducting a wide range of business activities to ensure increase in agricultural production, to improve the social and economic status of farmers. The Agricultural Cooperative in the Republic of Korea are engaged in supplying the farm production materials, marketing of farm production, agricultural credit, insurance, education and research.

Loans granted by agricultural cooperatives account for about 90% of the total loans granted to agricultural sector.

Fertilizer is distributed only through cooperatives and about 80% of the farm chemicals is supplied by the Cooperatives. The Marketing business done by the cooperative has helped in improving the agricultural marketing system and stabilize farm production prices. Education and guidance activities have helped in modernisation of farming methods. The following activities are taken up by the N.A.C.F.

1. Purchasing

Fertilizer, farm chemicals, farm implements, feed stuffs, seeds, seedlings, breeding livestock and others.

2. Marketing

General marketing, Sweet Potato, melting barley, corn, soya beans.

Cash Crops : Major cash crops handled by N.A.C.F. include Cocoon, rape seed, flex, stalk and seed, ramie, and castor bean marketing of farm sideline products - the most common items are strew goods, straw rope and bags, etc.

Sale of Farm products to Military Forces :

The N.A.C.F. provides some necessary kitchen goods to the military like, meat, eggs, vegetables, soyabeans dried red pepper, etc.

Marketing Centre Business :

N.A.C.F. operates in five major cities its marketing centres. The operation of these has improved a lot and more facilities are provided by it to the provinces.

3. Foreign Trade

The export and import activity of N.A.C.F. has increased and they deal in vegetable, fish, rice and milk.

4. Utilization and Processing :

Transportation, Feed Mixing, warehousing, and artificial insemination.

5. Credit and Banking :

Loans granted, deposits received government loans handled foreign exchange service provided.

6. Mutual Insurance :

Life insurance, damage insurance and fire insurance.

7. Guidance, Education and Information :

Managerial guidance, farm guidance, guidance for live stock development, guidance for special cooperatives, education and training, information and publication.

8. Research

Study of agricultural economy and cooperative movement, study of agricultural marketing farm management studies, agricultural outlook and survey on prices, wages and public charges in rural areas.

Farm Guidance :

The system of farm guidance is prevalent in almost all the Agricultural countries. In some countries this is done by the government agencies and in a few like Japan by Cooperative Societies. Farm Guidance activity is very important so far as helping and guiding the farmers is concerned. The agricultural advisory and technical services to the farmer might be done by the Cooperative Societies, if it is financially sound. In Japan these services are undertaken by the Cooperative societies efficiently and the result of all this is that farmers are improving their performance. In other developing countries of Asia this service is done by the extension service agencies of the government.

The main purpose of writing about farm guidance is that the Cooperative should develop sufficiently enough as to include this activity in their affairs and can coordinate with the government agencies for bettering the lot of the farmer and increasing agricultural production for the good of the nation as a whole.

The most important task of agricultural Cooperatives is to help farmers in increasing agricultural production and in improving marketing conditions for them. The guidance activities of the agricultural cooperatives are inter-related.

In Japan societies formulate scheme after due consideration and put them for operation. All the farmers are asked to discuss and take up steps for implementing the scheme. After proper care items to be produced are selected. The society organises members into small groups for effective implementation, according to the farming pattern already decided by the survey completed earlier. Each member of the group worked out the individual production programme on the basis of the regional production programmes of major items selected.

Then the society would select the major items for increased production and make shift from the traditional agricultural management to the profitable and commercial to strengthen its bargaining power in the market. Naturally the programme for improvement becomes necessary. This all results in better coordination between the Village Administration, Prefectural Government, Extension Office, and Prefectural Union of Agricultural Cooperatives; ultimately boosting up the farmers economy and increased production.

Farm Guidance in Republic of Korea

In the Republic of Korea the farm guidance activity is not carried out on a wide scale. The society where this activity is tried out is near the city of Seoul. Nearness to city necessitates the raising of the live stock along with rice and commercial crop. The cooperatives of the area formulated a development plan by the encouragement of NACF and the department extension of the government. Eight commodity wise projects were established. Each group was supported by a leader a subject matter technician all on a voluntary basis. These groups organised their activities on the joint control of blights and insects, Cooperative procurement of required material, joint sales of their products etc. The Cooperative played a role of coordinating agency between all the project groups. It made arrangements for funds, material, marketing, information, etc. This all helped in increasing the income of the farm house holds.

The farm guidance activity here meant the services of integrated approach to harmonize and coordinate all the activities of agricultural cooperatives to benefit the producer farmer. In other words the rural development can be achieved much faster with coordinated approach.

Here I express my apprehension that this farm guidance activity as taken up in Japan will not be easier to implement under Indian conditions as societies are smaller in size and financially weak.

Cooperative Education and Training :

Cooperatives strongly felt the need for education since its beginning in 1961. These activities are carried out at every level of agricultural cooperatives. At the central level the NACF and at provincial level its branches conduct education and training courses for its employees according to their requirement and NACF organised courses for school teachers, local leaders, 4th class staff in order to acquaint them with cooperative ideas and principles. More than 2000 trainees of this type participated in these programme in 1970.

Local cooperatives also provide member education and training courses for educating the people. The Cooperative College also conduct courses for agricultural cooperatives. For further intensifying the educational efforts the NACF brings out a magazine "New Farmer" which is very popular and its monthly sale exceeds 2,00,000 copies. Educational films and audio-visual aids are also shown in the rural areas from time to time.

NACF also undertakes farm guidelines and the dairy improvement activities in the villages. Some support has also been given to the selected handicrafts. The NACF also runs a pilot dairy farm for improving the breed of cattle and milk production.

Study Circle Activity

Recently the NACF in its education and guidance department engaged an official to collect material from different sources and plan the study circles. First on pilot basis and later on, if the experiment succeeds, such activity would be taken up on a large scale in the country. I was also asked to give guidance and if possible some literature for guiding the study circle activity, I had one article written by Mr. Rana on study circles, which I passed on to them and further exchanged views, how we took up the activity which had to be abandoned due to lack of enthusiasm among the participants. My own impression about the study circle activity in the Republic of Korea is that it would succeed because of the support of the NACF and congenial rural atmosphere. As also Mr Lee, Poo Young the manager of the guidance and Education Department with his dynamism and keen interest would definitely lead the scheme to a sure success.

Agricultural Cooperative College

Apart from the good and commendable work which the NACF is doing in the Republic of Korea in the field of Agriculture and Cooperation, the other most effective and outstanding work is to run the Agricultural Cooperative College. The College campus is spread over an area of 42.2 hectares. On the campus there are buildings for administration and educational purposes, and 5 dormitories with a capacity of 350 persons, dining hall and a library. A new building is coming up for housing 150 more men.

The College has beautiful surrounding befitting the education and also for agriculture. It has its own farm modern equipment, poultry, Cocoon farm, workshop facilities for practical guidance to students. The College has big play-ground. For outside trip, the college has buses which are also used to transport the staff to the college from the city and back to Seoul.

The College was first established as Agricultural Cooperative College in the year 1961 by KUNKUK University Foundation and was taken over by the National Agricultural Cooperative Federation in the year 1966. In the same year, the NACF established Training Institute for training the regular employees of the Cooperative Movement.

In this education centre three Institutions are merged. Agricultural Cooperative College, Staff Training Institute, and Member Farmer Training Institute. Money to support the College and the Staff Training Institute comes from the NACF budget, but the Member Farmer Training Institute is fully subsidized by the government.

Triple Roles of the Centres

This educational Institute is serving in three distinct fields; training course for farmers in charge of a rural development programme, educating the cooperative staff committed to the development of the Cooperative Movement. Finally refreshing and reorienting the present staff to maintain the present running cooperatives.

The backbone of the Korean economy is agriculture. To develop Agriculture is the responsibility of the Government and the NACF Cooperatives being the main source of feeling the agriculture, needs special attention. Young men with dashing spirit, skill and knowledge can steer it properly and in right direction. If young pioneers with skill and knowledge are inducted, the movement can certainly play a very significant role. The college is trying to build up a cadre of such young, energetic and dedicated young men. The college has got a very correct approach to agricultural development. The youth in the early years inspired into the movement would serve whole-heartedly to achieve success.

Programme of Study

This college offers 2 years diploma course in Agricultural Cooperatives. Every year 100 young men are accepted for this course.

Qualification for entry :

1. He must be a son of member farmer.
2. He must be a high school graduate, must have passed the college entrance examination, enforced by the Government.
3. He should have been recommended by the country level President of his area.
4. He must have passed the entrance examination of the college.

Different type of courses are held for different people according to requirement and the experience of the participants.

The course for the freshmen is on the pattern of college where semester system is followed. In this, variety of subjects including the knowledge of English, Philosophy, Korean culture etc. are taught. Later on much emphasis is given on Cooperative and allied matters.

There is a great scope for the development of the Cooperative College. Here I don't wish to belittle the importance of the college but my intention is to suggest a way to widen the horizon and give new image to the college. This can very easily be done by the active association of the N.A.C.F., of course more funds are needed to develop. It will broaden the scope and bring the college on the map of International Co-operation. More staff

from other countries and International Cooperative Organisations can be added in order to augment the strength of the present staff transforming the present institution into a Agricultural Cooperative University, with a separate International Wing on Cooperation, with English as medium. Here the participants could be invited for variety of courses from different South-East Asian countries. Government of Korea might be requested to meet the additional expenses of these participants and the staff. For the residence of these participants there should be a separate hostel wing. One wing for teaching techniques might also be developed.

Faculty Members:

The College has a staff of its own and also supporting staff from N.A.C.F. and the other educational Institutions for different subjects is also invited. The head of the Institute is the dean who is helped by a team of teaching and administrative staff. The staff is well qualified and experienced. Many special lecturers are invited from the local universities. This provides an occasion to come in close touch with other educational institutions. Though the staff of the Institute and the College are separate yet they work at both the places. The members

of the faculty do not seem to have acquired training in the methodology of teaching, their experience fills the gap and this arrangement works well. The use of visual aid is also very important in such an Institute. The effective use of black board makes good the gap of Visual aids. Audio-visual aids are effectively used in language classes.

At present there are 13 regular members on the teaching side and 11 visiting teachers help the faculty members.

Fees and Expenses:

Tuition	Free of charge
Room	Free of charge
Meals	Won 6500 P.M. or \$17
Books	Won 1,0000 or \$26

Services:

One medical expert looks after the medical requirement of the participants and one Professor guides in moral lessons in the evening. He also assists them in their progress in the college and tries to solve the problems related to their college life.

Cooperative Stores:

The college is running a Cooperative Store for the benefit of students. It is one of the of store to create the spirit of self-help among the students, as also to provide them daily necessities at the campus, as the city is far off. All the students are members in this cooperative. This is a very small cooperative and not very popular. This can be further developed with the active participation of the students.

During my stay with the Cooperative College I gave lectures to the participants, discussed various points of mutual interest with the faculty members and also organised a film show on the socio-economic and cultural activities in India with the help of the Indian Mission in Seoul. Let me admit it proved useful and provided insight into the latest developments and achievements in the country.

STUDY TOUR:

I visited a number of cooperative organisations among them were included general and special type of organisations and also several branches of N.A.C.F. I would confine my article to only special type of Cooperatives and deal with the information obtained from there.

WOMEN COOPERATIVES:

Very interesting example of women cooperative activity came to my notice during my short stay in the Republic of Korea and I had a chance to visit the site of the activity of this cooperative society while (India) on tour. Although our country can boast of many good examples of Women Cooperative Society yet the activities of the only women cooperative in Korea is worth the praise it deserves. This is located at Suwon provincial headquarter and an hour journey from Seoul. The hard work put in by the pioneers is bearing fruit and it will definitely flourish in future to the advantage of its members.

The founder member Madame Lee who is a moving spirit behind this cooperative society, previously worked in the N.A.C.F. She was advised to take up the work of educating and guiding the women folk in Suwon area. On receiving such an advise she resigned and devoted her time in the country-area to spread the gospel of cooperation. She was able to organise a women cooperative society in 1969. This society serves the interest of the consumers in urban areas and producers in the rural areas. It gives more margin on the produce in the rural areas, to the producers, at the same time arranges to supply to the consumers at a reasonable rate in the urban areas, reducing the margin on handling and removing the middle-men. This has enhanced the social status of the women members and also increased their income.

There are 58 consumer women members from the urban areas and 52 producer members from the rural areas in this society. The nearest city of Suwon with a population of two lakhs serves as a supporting city to the activities of this women cooperative society.

This cooperative society has also organised one association by the name of Korea Consumers Affairs Research Association. The purpose of the K.C.A.R.A. is to carry out extensive research and action programme in the fields of Women's economic activities, house-hold economy consumers cooperatives and other consumer affairs, so as to provide information and service to the ordinary housewives in rural and urban areas.

The following activities are undertaken by K.C.A.R.A.:

a. Research Activities:-

1. Study on the Korean Women's economic activities situation, problems and solutions.
2. Study on the organisation and operation of a Consumer Cooperative Society.
3. Socio-Economic survey of the Suwon Areas.
4. Study on the new methods of making soyabean sauce.
5. Study on the farmer education programme and techniques.
6. Study on the household consumption index of the Rural and Urban families.
7. Study on the management of methods of soyabean sauce factory and Urban families.

b. Education Activities:-

1. Adult education classes for housewives both in rural and urban areas (Cooking, sewing, knitting, house-management and child care).
2. Nursery classes for babies during the peak seasons in rural areas.
3. Retarded children training school.

c. Social Work Activities:-

Support to the retarded children care and training schools in Seoul and Suwon.

d. Economic Activities:

1. Provide the technical advise and consultation for the mothers soyabean sauce factory in Byong.
2. Provide side jobs for the farmers in collaboration with Soyabean sauce factory.
3. Open a consumer cooperative store at Suwon city. The fixed assets of the Association is 6,960,000/- Won. Suwon mothers consumer cooperative society operates mothers soyabean sauce factory as a pilot project of the K.C.A.R.A. activities.

Lecture to Women Cooperators:

The K.C.A.R.A. arranged one special lecture for me. I delivered my lecture with special reference to women cooperative activities in India. Present on the occasion were officers of the N.A.C.F. Local ladies, Prof. Im of Sogang University and Madame Lee, the president of the Women Cooperative Society.

General Federation of Fisheries Cooperatives:-

In 1937 the Choseon Federation of Fisheries Associations were established, in 1944 they were reformed into choseon Fisheries; again in 1949 these were reorganised into Hanguk Fisheries Association, in 1952 renamed Tehan Fisheries Federation. Ultimately in 1962 Fisheries Cooperatives were established.

Objectives of Establishment:-

The main and important objective is to achieve balanced development in National Economy by promoting the Economic and social status of fishermen and fishery manufacturers by strengthening their Cooperative organisation.

Role:

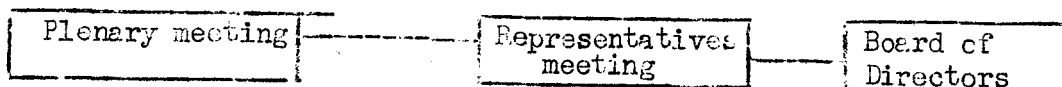
1. To guide and supervise Cooperatives, and enhance their common interests.
2. To strengthen productivity of fisheries and contribute to the development of the national economy.
3. To increase the income level of fisheries.

Functions:

1. Extension service.
2. Economic business, like common procurement, storage, utilization and processing.
3. Credit service - lending and deposits.
4. Mutual Insurance.
5. Projects committed or subsidised by the Government.
6. Welfare activities.
7. Conclusion of collective agreement for fishermen.
8. Other activities to achieve the objective.

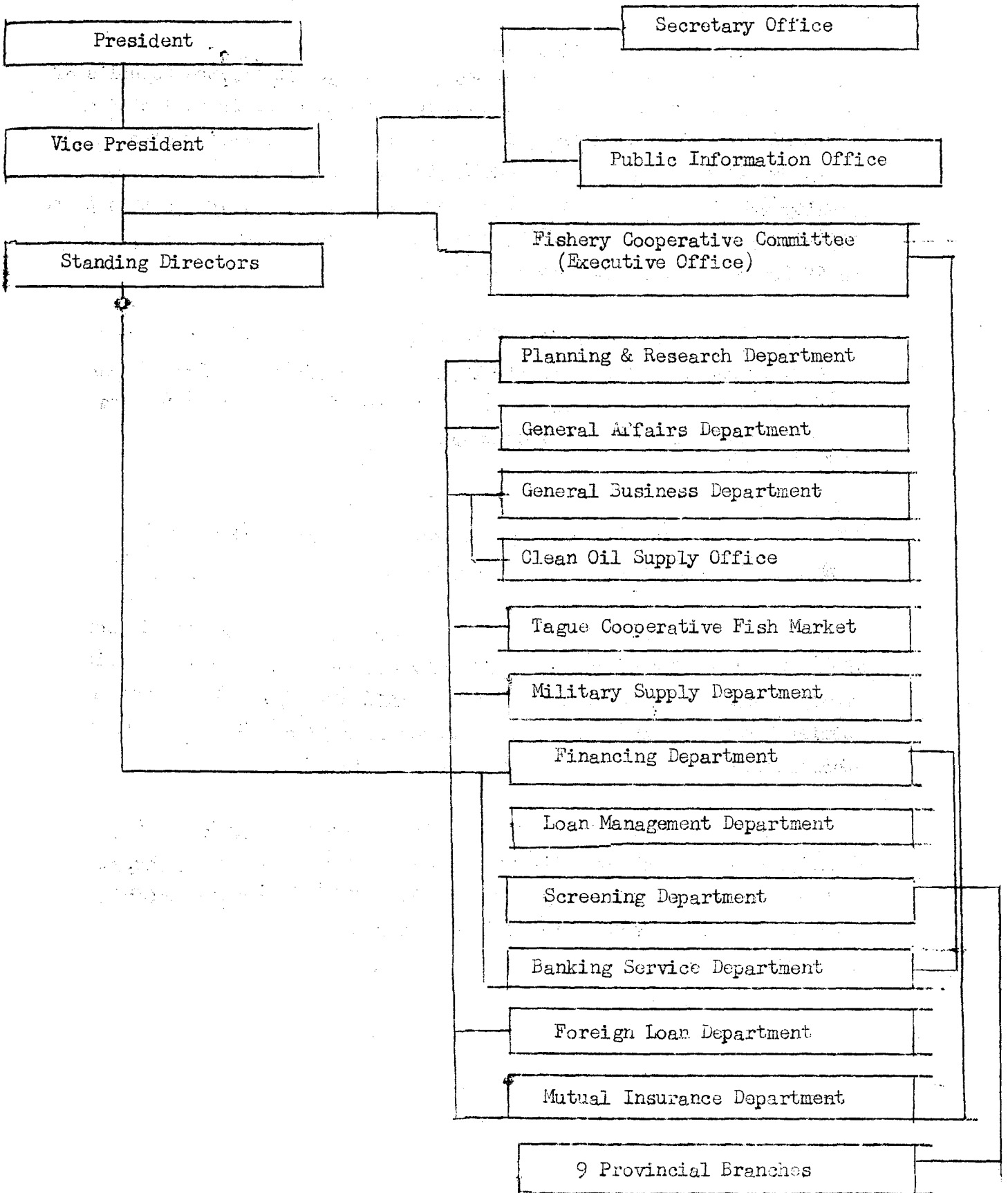
Organisation of the Federation:

- a. Deliberative organisation



b. Executive Organisation

Korean Fishery
Committee, Japan



Apple Production:

Kyong Puk Apple Cooperative Society:

Apple is grown in abundance all over the country ^{of} the Republic of Korea. There are three prominent centres where apple is collected and distributed in the country. They are:- Chungju the capacity of collection is 9300 tonnes, Yeasan the capacity is 6000 tonnes and Taegu where the capacity is 170,000 tonnes. The Kyong Puk Cooperative is situated in the city of Taegu and its handling capacity is much larger than the two cooperatives at Chongju and Yeasan.

The area of operation of the society is the whole province of Kyong Puk. The cultivated area is 15,600 hectares. The output per year is 17,00,00 tons. The number of member farmers in the society is 8753 persons. The capital is 50337000 won.

History:

In 1892 the apple trees were imported for the first time by an American Missionary Mr. Fletcher for gardening.

In 1905 the gardening of apples were stated from economic point of view. In 1977 Kyong Puk Fruit Producers Association was established. Though it was not a purely cooperative organisation, yet was very much similar to the Cooperative way of working. In 1957 the Kyong Puk Apples Cooperative Society was established by the agricultural Law.

Now the Society is a fulfilled organisation having four departments dealing with separate activity like general affairs, purchasing, marketing and production. The society operates through its 20 branches, 656 neighbourhood associations and 15 field officers catering to its 8753 member farmers.

Its Major Activities: -

1. Guidance for Productivity (Extension Service).
2. Guidance and Education for improvement of the member farmers.
3. Purchasing.
4. Purchasing of Productive material and daily necessities for the member farmers.
5. Marketing.
6. Marketing and Export of the Production.
7. Inspection of Products.
8. Utilization and Processing.
9. Rent of utilities and processing of Products.
10. Recommendation of Loan and credit facilities to member farmers.

As a result of all these activities the cooperative society is able to market goods worth 1723059000 which is valuable achievement to its credit.

Good quality of apple and at reasonable price could be had all over the country because of good marketing and supply system, handled by the cooperatives. In the matter of finance, the Society is dependent upon N.A.C.F. which is financing organisation. On the processing side the cooperatives have not been able to do much head-way because of limited resources at their command. They are expecting foreign investment for setting up the processing activity.

Education and extension activity is handled in coordination with the government help. Research activities is also taken up to improve the variety of the apples. Apart from apples the society is handling other fruits like pears and peaches etc. Fruits are mostly consumed in the home market and Seoul is the principal consuming city. The export of apple is also handled by the Cooperatives.

National Federation of Medium Industries Cooperatives:

In the Republic of Korea Agricultural development and allied activities are taken care of by the N.A.C.F. but the industries development is the responsibility of the National Federation of Medium Industries Cooperatives. This society was established in 1962 for the purpose of

promoting cooperatives and independent economic activities of small and medium industry. At present there are 9 Federations and 30 Cooperatives.

Federation comprises more than 3 district Cooperatives which are located at 3 different places.

Functions:-

- a. Guidance for organisation and operation of members.
- b. Protection of rights and interests of member cooperatives and carrying out business for development of sound economy in Coordination with Government.
- c. Managerial and technical assistance to members extending educational training and information.
- d. Research for the benefit of members.
- e. Assessment of making arrangements of subsidy for members.
- f. Loaning funds for operating National Federation.
- g. Carrying out other necessary projects.

The federation started its activity in 1962 has developed into a very large and efficient organisation with total membership of 171 organisation and 7325 individual members. It has now 3 main departments each one covering many activities. The society exports manufactured commodities which is 32% of the total export from the country. It is very big achievement in such a short period of time.

FOR THE CONSIDERATION OF SPONSORING COUNTRY

Sub: Proposal for Bilateral Seminar Between
Korea and India on Reciprocal basis.

As you are aware, I was sponsored to attend a bilateral seminar in Japan and then undertake assignment under the teachers exchange Programme of the International Cooperative Alliance in the Republic of Korea. I take this opportunity to thank the authorities in National Cooperative Union of India for sponsoring my name and facilitating my visit to these countries. I am really grateful to all who helped me to go out and gain experience.

Further may I draw the attention of the authorities to a suggestion mooted out by me, and discussed with the officials of the Education & Guidance Department in the National Agricultural Cooperative Federation to hold a bilateral seminar on reciprocal basis for the countries the Republic of Korea and India on the subject of mutual interest. This can be arranged by sharing the cost mutually. The host country bearing all the local costs in its territory and the guest country bearing the travelling and other costs from the time of arrival of the participants till the time of departure in the territory of receiving country.

The reaction to the proposal was encouraging and they all appreciated the idea and wanted me to request the authorities in India to move the proposal. I hope this suggestion meets with kind approval so that the two countries may come more closer, better understand each other and benefit by the experience gained in different fields of cooperation. Should this idea gain reality, both the countries would definitely benefit a lot and further cement the friendship fostered by several visits in the past.

Thanking you,

Yours faithfully,

S/-
(Pratap Singh Parmar)
LECTURER,

All India Coop. Instructors Trg. Centre,
A-7, Kailash Colony, New Delhi 110 048.

To: The G. Secretary/Director,
National Cooperative Union of India,
72-Jorbagh, NEW DELHI 110 003.

Copy to:

Mr. Lee,
Manager,
Education and Guidance Department,
National Agricultural Cooperative Federation,
Seoul.

Republic of Korea with a request and earnest hope that he

takes up the matter wholeheartedly at his end and gives a concrete shape to the discussion which I held with him, on the eve of my departure. This will prove a useful proposition and will further augment closer links between the movements of two friendly countries.

Sd/-
(Pratap Singh Parmar)

17.7.1972

Suggestions and Impressions on the Cooperative Movement in the Republic of Korea.

1. Stress on Centralization:

The Cooperative movement in the Republic of Korea is following the lead initiated by Japanese Cooperative movement. The decision of the N.A.C.F. is to have multipurpose Cooperative Societies with large area to cover. The programme of merger which was initiated sometime back is continuing vigorously, as a result the number of societies have come down considerably.

From the practical and financial point of view the societies with larger area is more sound and viable. They can manage their own affairs and earn profits. In the long run if managed properly, will give very good results. This approach has motivated the scheme of merger in the Cooperative movement of the country.

Viewing it from another angle, it can be said that by having a fewer number of societies with larger area, would affect the autonomous character of the Cooperatives. Lesser representation to the upper level organisations would result in more domination from the above.

The individual farmer while in a village society could have a say in the management and pay more attention to its betterment would, lose interest and become detached. In a bigger organisation his activity would be curtailed, his voice would be subsided and he would lose his identity. As also he would have to spend much time and energy for receiving the benefits and services from his Cooperative.

2. Cooperative as a System:

I am reminded of the valued advice of Dr. Gadgil an eminent Economist of India to the Leaders of Cooperative Movement in India when he said that Cooperation would succeed when it worked as a system. Elaborating the point further he said that any Cooperative creating bad example would bring bad name to the whole cooperative movement but in private trade an individual trader would be blamed individually for his misdeeds and not the whole trade.

Examining the cooperative movement of Korea I must admit that it is running as a system. N.A.C.F. the national federation tries to link the movement through its wide network and efficient management and control, therefore, the example of bad work in a cooperative never came to my notice. People, however, don't seem to know much about the cooperative way of work, its philosophy and advantages. The government patronage and important business activities handled by the cooperatives have helped them in achieving greater success for them.

3. Impact of the Movement:

The Cooperatives have entered almost every activity of agriculture sector, like credit, marketing, dairy, processing, storage, supply etc. and hold a very important place and work so effectively that the push and pull of private trade is nullified. This has put the Cooperatives on sound footing and the impact on the agricultural business activity is very great. No market or rural place remains uncovered by one activity or other. The demand of from the military have further boosted the cooperative activities is a favourable effect on the rural economy.

consumer
goods

4. Appointment of Auditor:-

For the first time, it was learnt in the Republic of Korea that the auditor is appointed by the Cooperatives themselves and that too without any requisite audit qualifications. Still more interesting is that he is paid by the society.

Well appointment and payment of remuneration by the cooperatives is understandable but to ignore the necessary qualification for auditor is a case like appointing a doctor without the qualification for a doctor.

How could such a man do justice to his job I am unable to reconcile with a case like that.

Another point is impartiality and independence in an auditor which under the above circumstances is utterly absent. This supports the idea of too much centralization in Cooperatives in the Republic of Korea. No body to point out weakness and defects all commending the efforts with one voice, peculiar case in the Cooperative movement.

5. Recovery Procedure:-

The system of advancing loan to the farmers is fairly good but the recovery procedure I was told not satisfactory. It may seem good that farmers are never asked strictly to make recovery, this is also spoiling the habit of prompt repayment. May be under Korean conditions it is suitable. Effective system, without being harsh to the farmer has to be evolved.

6. Rate of Interest:-

The rate of interest on which a farmer gets the loan is very high. It is as high as 19% which is a great burden on the financial resources of a farmer. It puts the farmer on a disadvantageous position. The rate should be reduced to a reasonable percentage.

7. Women Cooperative:-

The Cooperative activity in the Republic of Korea is flourishing very well in important sectors of economy of the nation. The women could be seen in every walk of life shouldering the responsibility but in the Cooperative field only one women cooperative was found working. More such cooperatives could be developed for the economic betterment of women. Efforts to encourage women to come and form more cooperatives are needed. Cooperation without Women's involvement would mean unbalanced economic development.

8. Bilateral Seminar:-

A bilateral seminar between the Republic of Korea and India on important aspect of Cooperative activity could be organised to bring the two movements closer. Many problems and possibilities could then be discussed and both could learn from each others experience.

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I C A

For the consideration of I.C.A.
Regarding Cooperative Movement.

In the Republic of Korea besides the N.A.C.F. there are two more national level organisations, one for the Fisheries and the other for the Medium and small Scale Industries. They are not the members of the I.C.A., they were keen to become members and get further assistance.

Women Cooperatives.

In the Republic of Korea the Women Cooperatives have not flourished so far. It is suggested for the consideration of I.C.A. to probe into the matter and conduct a study visit-cum-seminar for women of the Republic of Korea keen to develop the cooperative activity in near future. This activity will help in further developing the Cooperative movement for the women.

Study Circles.

Recently the N.A.C.F. has shown keen interest in the running of study circles in the Republic of Korea, I would suggest that a seminar for the establishment and developing this activity be organised in active collaboration with a country where the study circles are running efficiently in South-East Asia or alternately with the association of the Indian Cooperative Movement. The participants are brought to see the study circles in action as a pre-seminar activity in a country where it is most successful. This will help mutual collaboration and intensifying the efforts of running study circles in Korea.

Regarding the I.C.A.'s Teachers Exchange Programme:-

1. The allowance provided by the I.C.A. is sufficient to cover the board and lodging and out of pocket expenses in the receiving countries. Some additional allowance must be provided to cover the expenses on study visits of selected cooperative organisations in the receiving country. Similarly some extra charges for Visa, aerodrome etc. should be allowed extra. In absence of this the teacher remains under the anxiety to squeeze the pocket to meet the extra expenses. Sometimes it is likely

that by the change of climate, working conditions and food, creates healthy difficulties for which additional expenses on health become necessary, like consulting doctor or purchasing medicine. Therefore, it is submitted for the consideration of the I.C.A. that these facts be borne in mind while sanctioning the allowance to the teacher under the programme. I may suggest a minimum of 100 \$ for extra expenses considered necessary.

2. While sending teacher on study-cum-lecture tour, he should be allowed at least a week over and above the assignment period to ~~halt~~ and visit the cooperative movement in another country on his way. This is very important to understand the movement of these countries and strike a balanced opinion.

3. If finances permit after a lapse of two years all the teachers who participated in this programme of the I.C.A. should again be invited collectively to assemble at a convenient place to discuss certain points concerning their educational activities. This will be a seminar for the teachers in the region. This will heighten the possibilities of increased mutual collaboration among different cooperative educational institutions.

RP.

NATIONAL AGRICULTURAL COOPERATIVE FEDERATION

Annexure-I

Cable: KONACOF
Tele: 73-0021
75-2661
75-8419

75 1st-ka, Choongjung-Ro
Sudaemoon-ku, Seoul, Rep. of Korea

NACF Training Schedule for the Indian Trainee - Mr. P.S. Parmar
(April 27 - May 31, 1972)

Date	Time	Subject	Dept. taking charge of subject	Remarks
April 27	1300	Arrival at Kimpo Airport	Guidance & Education Department	
28	1000-1100	Courtesy call to Vice President & staff of NACF	-do-	
	1100-1200	Agricultural Coop in Korea (background, structure, business, etc)	-do-	Screening slide
29	0930-1200	Primary Cooperatives (Organisation, Business)	-do-	making arrangements for training
30	Sunday			
May 1	0930-1200	Organisational Structure, Management, Business of "Gun" (County) Cooperative and NACF.	-do-	-do-
1	1300-1600	Guidance & Education Activities	-do-	-do-
2	0930-1200	Research Activities	Research Dept.	-do-
	1300-1500	Special-purpose Coops (Structure, business)	Special-purpose Coop Department	-do-
	1500-1700	Purchasing Activities	Purchasing Dept	-do-
3	0930-1100	Marketing activities	Marketing Dept	-do-
	1100-1200	Activities of Marketing Centre	Office of Marketing Centre Fund Operation Dept.	-do-
	1300-1500	Fund Operation & Supply	Fund Operation Dept	
	1500-1700	Loan Appraisal Activities	Loan Appraisal Dept	
4 / 10		Week long field trip (May 4 : visit to the office of Rural Development)	Guidance & Education Department	-do-
11 / 14		Join the ICA member visitors to Korea	Research Department	
15 to 27		Training & lecture at the Agri. Coop. College, NACF.		
28	Sunday			
29	0930-1200	Visit Seoul Branch of NACF	Seoul Branch of NACF	Prepare the necessary
	1400-1700	Evaluation session for the month long training	Guidance & Education Department	material for briefing.
30 to 31		Departure formalities	Farewell party	