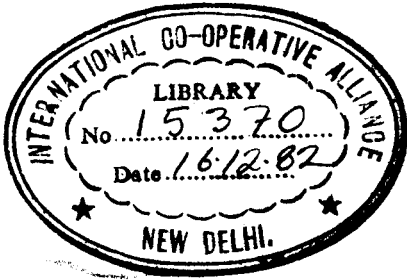


ICA 01104



ICA Library



ICA 01104

International
Co-operative
Journal

DB

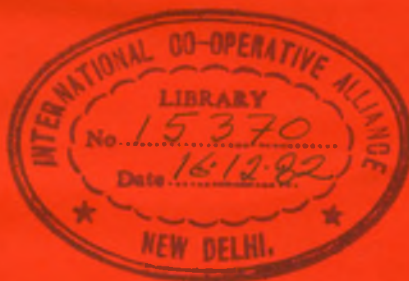


Review of International Co-operation



Volume 74 No 1 1981

Published quarterly



THIS ISSUE

PRESIDENT'S MESSAGE FOR 1981

Restoration of the Rochdale Museum

Study of Co-operative Bank Ltd., Nigeria

Women in the Indian Co-operative Movement

USA Oilseed Development Project in India

Preparation and Appraisal of Development Projects

EDITOR'S COMMENTARY

Book Reviews

THE INTERNATIONAL CO-OPERATIVE ALLIANCE

was founded in London in 1895 as an association of national unions of co-operative societies, which seeks 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 360 million from consumers, agricultural, housing, credit, workers' productive, artisanal, fishery and other co-operative societies.

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

It promotes, through auxiliary trading, housing, banking and insurance organisations, direct commercial and financial relations between co-operative 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 co-operation, 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 co-operation.

In the work and meetings of the United Nations, its Economic and Social Council, as well as some of the Specialised Agencies, it enjoys the right of participation as an International Organisation with Consultative Status, Category 1.

Its official organ is *The Review of International Co-operation*, published quarterly.

The study of International Co-operation takes place under the auspices of the 'Henry J. May Foundation', the Permanent Centre of International Co-operative Study.

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

Editorial and Administrative Office:

11 Upper Grosvenor Street, London W1X 9PA Telephone 01-499 5991/3

The Review is published also in French and Spanish. The Spanish edition is available from the publishers Intercoop, Editora Cooperativa Ltda., Alberti 191, Buenos Aires, Argentina. Annual subscription for each edition £4.50.

This Review is also available in MICROFORM (English only). For information and purchase apply directly to XEROX-UNIVERSITY MICROFILMS, 300 North Zeeb Road, Ann Arbor, Michigan 48106, U.S.A.

INTERNATIONAL ORGANISATIONS

Confederación Latinoamericana de Cooperativas de Ahorro y Crédito (COLAC)
Apartado Postal 3280, Panama 3.
Tel. 27-3322 Cables COLAC Telex 379 3592

International Co-operative Bank Co. Ltd. (INGERA)
(Aeschengraben 12) POB 363, CH 4010 Basel, Switzerland.
Tel. 23-58-27 Cables INGERA

International Co-operative Housing Development Association (ICHDA)
c/o Building & Social Housing Foundation,
Memorial Square, Coalville, Leics., U.K.
Tel. Coalville 39091

International Co-operative Petroleum Association (ICPA)
28 West 44th Street, New York, NY 10036, U.S.A.
Tel. 354 0870 Cables INCOPEXROL Telex 22 49 14

Nordisk Andelsförbund
3 Axelortov, 1609 Copenhagen V, Denmark.
Tel. 15.15.33 Cables NORFORBUND Telex 27 111 NAF

Organisation of the Cooperatives of America (OCA)
Avenida 46 Nro. 17 21, Aptdo. Postal 241263, Bogota, Colombia.
Cables OCAMERICA

Sociedad Interamericana de Desarrollo y Financiamiento Cooperativo (SIDEFCOOP)
(Reconquista 365, 2° piso) POB 4311, Buenos Aires, Argentina.

World Council of Credit Unions Inc.
(5910 Mineral Point Road) POB 391, Madison, WI 53705, U.S.A.
Tel. (608) 238-5851 Telex 910-296-2725 CUNA MUT MDN

INDEX

VOL. 74 1981

THE INTERNATIONAL CO-OPERATIVE ALLIANCE

	No.	Page
XXVII Congress in Brief (Moscow, 1980)	3	167
Resolutions adopted by the Congress	3	255
Amendments to ICA Rules approved by the Congress	3	262
Congress Follow-up and Mr M'Bow's Address (Editor's Commentary)	1	58
Congress Follow-up: Co-operatives in the Year 2000: Lars Marcus	4	289
ICA and Technical Assistance: Peder Søliland	4	294
The President's Message for 1981	1	2
Resignation of Dr. S. K. Saxena as Director, ICA	3	267
Welcome to the new ICA Director—Andre E. Saenger	4	287
Retirement of two noted International Co-operators—Paul Derrick and J. Hanns Ollman	4	333
The West African Regional Office (Editor's Commentary)	1	58
59th International Co-operative Day	2	82
The Director's Message	2	83
Summary of ICA Statistics	2	84
Address to the Board of CLUSA by Dr. S. K. Saxena	3	269
President's Appeals:		
Earthquake Victims in S. Italy	1	59
Earthquake Victims in Algeria	3	251
Book Review:		
The International Co-operative Alliance: A. I. Krashennnikov ..	2	149

GENERAL

The Preparation and Appraisal of Co-operative Development Programmes and Projects: K. Verhagen	1	41
The Future of Radio and Television in the Context of the General Mass Media: Oloph Hansson	2	85
World Food Day—16 October 1981 (Editor's Commentary)	2	144
National Experience in promoting the Co-operative Movement: Nordic Statement and UN Resolution (Editor's Commentary)	4	338
The Phoenix Rises—Restoration of the Rochdale Pioneers Museum: R. Garratt	1	4
Book Review:		
Handwörterbuch des Genossenschaftswesens: E. Mandle & H-W. Winter	1	67

REGIONAL AND NATIONAL ASPECTS

AFRICA

The West African Regional Office (Editor's Commentary)	1	58
The Involvement of Women in Economic Development—the case for Co-operatives: Zakia Meghji	2	94

S.E.ASIA

A S.E.Asia Multinational Co-operative Trading Venture (Editor's Commentary)	1	61
Sub-Regional Workshop of Co-operative Librarians and Document- ation Officers (Editor's Commentary)	4	336

	No.	Page
AUSTRIA		
125 Years of Consumer Co-operatives (Editor's Commentary)	4	339
BULGARIA		
1300th Anniversary of the Founding of the Bulgarian State (Editor's Commentary)	4	340
CANADA		
A Community Alternatives Co-operative (Editor's Commentary) . . .	2	146
Book Review:		
Developing Worker Co-operatives: J. Jordan	4	351
FINLAND		
The Finnish Co-operative Movement: Vesa Laakkonen	2	131
GERMANY, FED. REP. of		
Book Review:		
Handwörterbuch des Genossenschaftswesens: E. Mandle & H-W. Winter	1	67
INDIA		
Women in the Indian Co-operative Movement: K. Beniwal	1	28
CLUSA Oilseed Development Project in India	1	36
Operation Flood (Editor's Commentary)	2	143
JAPAN		
Reflections on the 30 years' history of the Japanese Consumers' Co-operative Union and its Future Development: S. Nakabayashi	4	297
KENYA		
Book Review:		
Marketing Co-operatives and Peasants in Kenya: T. Bager	1	63
NIGERIA		
Can a Co-operative Bank be an Efficient Commercial Bank? Case Study of Co-operative Bank Ltd., Nigeria: 'Wole Adewunmi	1	17
Credit Co-operatives and Commercial Ventures in Nigeria—Lessons from Kwara State: I. I. Ihimodu	4	312
NORWAY		
NKL—75th Anniversary: H. Korsell	4	329
SIERRA LEONE		
Functional Literacy and Numeracy through Co-operatives—a Pilot Project in Sierra Leone: S. M. D. Gabisi	4	306
SWEDEN		
Co-operatives in the Year 2000: Lars Marcus	4	289
UNITED KINGDOM		
The Phoenix Rises—the Story of the Restoration of the Rochdale Pioneers Museum: R. Garratt	1	4
Community Co-operatives in the British Isles: L. Stettner	2	106
A Lightning Tour of New Co-operative Literature in the UK: P. Clarke	4	343
U.S.A.		
CLUSA Oilseed Development Project in India	1	36

SPECIFIC INTERESTS*

	No.	Page
AGRICULTURE & AGRICULTURAL FINANCING		
A CLUSA Oilseed Development Project in India	1	36
5th International Conference on Co-operative Thrift & Credit: Report in Brief	2	119
A S.E.Asia Multinational Co-operative Trading Venture (Editor's Commentary)	1	61
Book Review: Marketing Co-operatives and Peasants in Kenya: T. Bager	1	63
BANKING & CREDIT		
Can a Co-operative Bank be an Efficient Commercial Bank? A Case Study of Co-operative Bank Ltd., Nigeria: 'Wole Adewunmi ..	1	17
5th International Conference on Co-operative Thrift & Credit: Report in Brief	2	119
Credit Co-operatives and Commercial Ventures in Nigeria: Lessons from Kwara State: I. I. Ihimodu	4	312
COMMUNITY DEVELOPMENT		
Community Co-operatives in the British Isles: L. Stettner	2	106
A Community Alternatives Co-operative—Canada (Editor's Com- mentary).....	2	146
Participation and Education in Integrated Human Settlement Co- operatives—a DESWOS Workshop: B. Heinen	4	324
CONSUMER		
30 Years' History of the Japanese Consumers' Co-operative Union and its Future Development: S. Nakabayashi	4	297
NKL, Norway—75th Anniversary: H. Korsell.....	4	329
125 Years of Consumer Co-operatives in Austria (Editor's Comment- ary)	4	339
Book Review: Consumer Co-operation—the Heritage and the Dream: A. Dan- forth and E. Sekerak	1	64
EDUCATION		
Functional Literacy and Numeracy through Co-operatives—a Pilot Project in Sierra Leone: S. M. D. Gabisi	4	306
Words, Words, Words . . . ! Education v. Training (Editor's Comment- ary)	4	335
HOUSING		
Participation and Education in Integrated Human Settlement Co- operatives—a DESWOS Workshop: B. Heinen	4	324
INDUSTRIAL & WORKERS' PRODUCTIVE		
Industrial Co-operatives—an ICA Research Project: N. Mahoney and P. Abell	2	99
Forthcoming International Conference—CICOPA (Editor's Com- mentary).....	4	335
A Lightning Tour of New Co-operative Literature in the UK: Peter Clarke	4	343
Book Reviews: Workers' Co-operatives—Jobs and Dreams: J. Thornley	2	151
Developing Worker Co-operatives: J. Jordan	4	351

*See also: The Finnish Co-operative Movement No. 2 p. 131

WOMEN'S INVOLVEMENT		No.	Page
Women in the Indian Co-operative Movement: K. Beniwal		1	28
The Involvement of Women in Economic Development—the case for Co-operatives: Z. Meghji		2	94

BOOK REVIEWS

Bager, T.: Marketing Co-operatives and Peasants in Kenya (<i>N. Mahoney</i>)		1	63
Danforth, A. (with E. Sekerak): Consumer Co-operation—the Heritage and the Dream (<i>J. Voorhis</i>)		1	64
Jordan, J.: Developing Worker Co-operatives (<i>P. Derrick</i>)		4	351
Krashennnikov, A.I.: The International Co-operative Alliance (Russian) (<i>I. Rubashov</i>)		2	149
Mandle, E. (with H-W. Winter): Handwörterbuch des Genossenschaftswesens (<i>R. Cujes</i>)		1	67
Sekerak, E. (with A. Danforth— <i>q.v.</i>)			
Thornley, J.: Workers' Co-operatives—Jobs and Dreams (<i>N. Mahoney</i>)		2	151
Winter, H-W. (with E. Mandle— <i>q.v.</i>)			
<i>See also</i>			
Clarke, P.: A Lightning Tour of New Co-operative Literature in the UK		4	343

CONTRIBUTORS

Abell, P. (with N. Mahoney): Industrial Co-operatives—an ICA Research Project		2	99
Adegunmi, W.: Can a Co-operative Bank be an Efficient Commercial Bank? A Case Study of Co-operative Bank Ltd., Nigeria		1	17
Beniwal, K.: Women in the Indian Co-operative Movement		1	28
Bonow, M.: Resignation of Dr. S. K. Saxena		3	268
Clarke, P.: A Lightning Tour of New Co-operative Literature in the UK		4	343
Cujes, R.: <i>see Book Reviews</i>			
Davies, R.P.B.: Resignation of Dr. S.K. Saxena		3	268
Davies, R.P.B.: Retirement of two noted International Co-operators— Paul Derrick and Hanns Ollman		4	333
Derrick, P.: <i>see Book Reviews</i>			
Gabisi, S.M.D.: Functional Literacy and Numeracy through Co- operatives—a Pilot Project in Sierra Leone		4	306
Garratt, R.: The Phoenix Rises—the Story of the Restoration of the Rochdale Pioneers Museum		1	4
Hansson, O.: The Future of Radio and Television in the Context of the General Mass Media		2	85
Heinen, B.: Participation and Education in Integrated Human Settle- ment Co-operatives—a DESWOS Workshop		4	324
Ihimodu, I.I.: Credit Co-operatives and Commercial Ventures in Nigeria: Lessons from Kwara State		4	312
Kerinec, R.: The President's Message for 1981		1	2
Kerinec, R.: Resignation of Dr. S.K. Saxena		3	267
Korsell, H.: NKL, Norway—75th Anniversary		4	329
Laakkonen, V.: The Finnish Co-operative Movement		2	131
Mahoney, N.: (with P. Abell): Industrial Co-operatives—an ICA Research Project		2	99
<i>See also Book Reviews</i>			

	No.	Page
Marcus, L.: Congress Follow-up—Co-operatives in the Year 2000 ..	4	28
Meghji, Z.: The Involvement of Women in Economic Development— the case for Co-operatives	2	
Nakabayashi, S.: Reflections on the 30 years' history of the Japanese Consumers Co-operative Union and its Future Development ..	4	29
Ollman, J.H.: Editor's Commentary	pp. 58 (1), 143 (2), 335 (4)	
Rubashov, I.: see <i>Book Reviews</i>		
Saxena, S.K.: A Message from the ICA Director (59th International Co-operative Day)	2	8
Saxena, S.K.: Address to the Board of CLUSA	3	26
Søiland, P.: Congress Follow-up—ICA and Technical Assistance....	4	29
Stettner, L.: Community Co-operatives in the British Isles	2	10
Verhagen, K.: The Preparation and Appraisal of Co-operative Develop- ment Programmes and Projects	1	4
Voorhis, J.: See <i>Book Reviews</i>		

Review of International Co-operation



The official organ of the International Co-operative Alliance

Editor: J. H. Ollman

Assistant Editor: M. Blindell

Vol 74 No 1 1981

Contents

The President's Message for 1981	2
The Phoenix Rises—the Story of the Restoration of the Rochdale Pioneers Museum, <i>by Roy Garratt</i>	4
Can a Co-operative Bank be an Efficient Commercial Bank? A Case Study of Co-operative Bank Ltd, Nigeria, <i>by 'Wole Adegunmi</i>	17
Women in the Indian Co-operative Movement, <i>by Kemla Beniwal</i>	28
A CLUSA Oilseed Development Project in India	36
The Preparation and Appraisal of Co-operative Development Programmes and Projects, <i>by Koenraad Verhagen</i>	41
Editor's Commentary:	
The West African Regional Office	58
Congress Follow-up and Mr M'Bow's Address	58
Earthquake Victims in Southern Italy	59
A South-East Asia Multinational Co-operative Trading Venture	61
Book Reviews:	
Torben Bager: Marketing Co-operatives and Peasants in Kenya (<i>Nicholas Mahoney</i>)	63
Art Danforth and Emil Sekerak: Consumer Co-operation—the Heritage and the Dream (<i>Jerry Voorhis</i>)	64
Dr E. Mandle and Dr H-W. Winter: Handwörterbuch des Geonossen- schaftswesens (<i>Rudolf Cujes</i>)	67
The International Co-operative Alliance, its Regional Offices and Affiliated Organisations	69

The ICA is not responsible for opinions expressed in signed articles.



The President's Message for 1981

Dear Friends and Co-operators throughout the world,

The past year was marked by a hardening of the world economic crisis and a heightening of tension in many parts of the globe which have not spared the Co-operative Movements.

For us co-operators, it was above all the year of the 27th Congress of our Alliance, held in Moscow at the invitation of Centrosoyus.

This Congress will make co-operative history. It enabled us to vote on important resolutions, dealing with peace, with development, and to think about our participation in building the world of the future. It was Alex Laidlaw who helped to set in motion our deliberations on this last point: he has now left us, and we shall never be able adequately to assess the contribution he made to the World Co-operative Movement, our Movement faced with the prospects for the year 2000, faced with the challenges of hunger, unemployment, and threats to the very future of civilisation.

During the year 1981, the world will be made aware of another challenge: that of 450 million handicapped persons, of whom two-thirds live in the Third World where they face serious obstacles in the already difficult economic and social situation of countries which are among the poorest in the world.

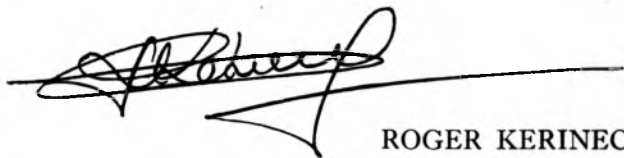
The United Nations has decided to make 1981 the International Year for Disabled People.

Our Alliance draws great satisfaction from this initiative, since we count among our members several organisations which for many years have exerted considerable effort to give disabled people the place in society which is their right. I would like to quote as an example the co-operatives for the disabled in Poland, which encourage the social and professional

integration of more than 200,000 individuals; but much is being done by co-operatives also in other countries.

Our Alliance has opened its third Regional office, in West Africa, and I would appeal to the Co-operative Movements to do all they can to contribute to the success of this new venture, while at the same time, on the initiative of the Latin American co-operative movements, prospects are taking shape for the establishment of an ICA office in that Region.

May 1981 give all of us the determination to give body to the Resolutions passed at our 27th Congress which defined the tasks of our Alliance for the coming years, and to take the decisions which will enable us to carry them through. This is what we must do together at the next meeting of our Central Committee in Helsinki, and I would ask you to begin now to give it your serious consideration.

A handwritten signature in black ink, appearing to read 'R. Kerinec', is written over a horizontal line. The signature is stylized and cursive.

ROGER KERINEC

President, ICA



No. 31 Toad Lane. The world's most famous Co-operative shop opened by the Rochdale Pioneers in 1844 and now a place of pilgrimage for thousands of co-operators from all over the world.

The Phoenix Rises . . . Restoration of the Rochdale Pioneers Museum

by

Roy Garratt

Librarian & Information Officer, UK Co-operative Union

The Original Store

There was a sense of deprivation felt by co-operators around the world when the British Co-operative Union had to announce some six years ago that the

famous Rochdale Pioneers Memorial Museum, the "Home of Co-operation" in Toad Lane, Rochdale, would have to be closed to visitors for an indefinite period. This was because the building

had been found to be in a dangerous condition and in need of extensive repair and restoration.

The sense of deprivation was understandable. The Rochdale Pioneers Museum, ever since its opening as a museum in 1931, had been a place of pilgrimage for thousands of overseas co-operators who wished to see the original little shop opened by the Rochdale Pioneers in 1844—a shop which marked the beginning of the world-wide Co-operative Movement. It was, of course, also visited by countless British co-operators, proud that the Rochdale pattern of Co-operation had launched not only their own Co-operative Movement but had been adopted by co-operative organisations in so many other countries.

The premises in Toad Lane had been occupied by the Rochdale Equitable Pioneers Society for some 23 years; and then their success enabled them to move to new central premises further down Toad Lane which had been built by the society itself. They had never actually owned their original building but only rented it and, when the Pioneers left, their famous little store became a private shop.

By 1914 hundreds of overseas co-operators visiting the headquarters of the British Co-operative Union and of the Co-operative Wholesale Society in Manchester used also to call at nearby Rochdale to see the Toad Lane store where the international co-operative movement began. To their astonishment they saw that it was now a pet shop selling canaries and birdseed and found it difficult to realise that they were looking at the original "Home of Co-operation".

The 1914 British Co-operative Congress decided that it was high time the building was purchased by the Co-operative Movement to restore and preserve it as a monument to the memory of the Rochdale Pioneers. Unhappily, the First World War intervened and it was not until the 1920s that the British Co-operative Union was able to carry this plan into effect. A subscription was raised from British societies to purchase the building and a number of overseas co-operative organisations also generously contributed.

The building was duly purchased and when at last the private shopkeeper's lease ran out he departed with his canaries and birdseed and the Co-operative Union was able to turn the premises into a museum. The CWS Architects Department were commissioned to restore the building to its appearance of 1844. This task was skillfully carried out and at last in 1931 the building was officially opened as the Memorial Museum of the Rochdale Pioneers—the opening ceremony being appropriately carried out by a veteran co-operator, Mr Ben Jones, who had known several of the original Pioneers personally.

The Museum

The Museum was modest in extent, occupying only the ground floor of the building. The two upper floors, which had been used by the Pioneers respectively for their library and class room and drapery and shoe repairing sections were left empty.

But the Museum fulfilled its purpose. To walk into the original shop was like stepping back into the 19th Century

where one could view rudimentary shop furniture and Victorian scales. The basic simplicity of the shop, with its whitewashed walls, was successfully retained and it was easy to visualise the Pioneers and their wives going into the candle-lit store of an evening to purchase the pitifully few goods it was at first able to offer.

The rear room—formerly the Pioneers' stock room—housed a range of glass cases exhibiting precious relics and documents relating to the Pioneers and to the history of the Co-operative Movement.

However, the Museum had its deficiencies. Being confined to the two ground floor rooms the exhibits in the rear room were not always displayed to the best advantage. Indeed, because of lack of room certain relics had to be stored away and visitors rarely had an opportunity of seeing them. The financial limitations of the Co-operative Union, the custodian of the Museum, prevented the utilisation of the upper rooms of the building and the proper development of the Museum.

But what the visitors saw they liked. Certainly, the Museum rapidly became a Mecca for co-operators from all over the world—it had a tremendous emotional appeal for visitors from as far afield as the United States and Japan, Greenland and New Zealand. Often overseas visitors astonished their more phlegmatic British hosts by their reaction on entering the building. Some kissed the walls, bowed before the portraits of the Pioneers and have even knelt down before the glass case containing the original first minute book of the Rochdale Pioneers Society.

This was a manifestation of the

influence the Rochdale idea of Co-operation had had on these visitors as a lifeline to economic and social improvement for the people of their countries. The Museum itself provided further inspiration. One delegate from a developing country, where the Co-operative Movement is having quite a struggle, told his British host:

“When you took me to your wonderful new co-operative supermarkets and fine department stores, when you outlined to me the extent and power of the British Movement I felt in a sense overawed and disheartened. How could we in my country ever achieve such fine things when our working population and peasantry are so poor? And then you bring me to the old Store and I see for myself the remarkably simple and humble beginnings of the British Movement—to think that your achievements have sprung from this!”

These remarks epitomised the genuine feelings of so many Co-operators from developing countries when they visited the Museum.

The Blow Falls

And then in the mid 1970s the blow fell. A routine survey to effect some modest improvements to the display of relics and documents led to further investigation of the fabric and a number of serious structural defects were revealed. The walls were found to be several inches out of alignment, and, to the astonishment of the investigators, excavations showed that the foundations of the building were partially of clay. The CWS Architecture and Design Department came to the grim conclusion that the building was structurally unsafe and if neglected could be



A view of the interior of the original shop containing period scales and furniture. In the corner is the clerk's desk where members' purchases would have been registered in order to compute the dividend. The shop's basic simplicity and whitewashed walls have been retained in the restored Museum.

in danger of collapse. But this was not the whole story. Further investigation disclosed woodworm infection in the rafters, incipient cracks in the walls and the development of damp.

Work began immediately to arrest some of this decay. The woodworm was quickly cleared by Pestoxin, a subsidiary of the CWS. To ensure that the building did not collapse, the CWS architects proposed that not only new beams and trusses be inserted but that the interior should be braced by a concrete framework which would

literally hold the building together safely and securely. The alternative, they told the Co-operative Union, would be the demolition and rebuilding of the entire Museum—and the cost of that would be colossal.

The Union, of course, could not accept the alternative. It was anxious that a good job should be done but within the bounds of prudent expenditure.

At the same time the Union realised that the problem of repairing and restoring the Museum not only

presented a challenge but an opportunity. Here was a chance not merely to restore the building but to improve and extend its facilities in line with modern museum planning. It was an exciting prospect which if properly accomplished could lead to the creation of one of the finest museums of its kind in the United Kingdom.

But how was that opportunity to be financed? The Co-operative Union itself paid a great deal from its own funds at the outset to have urgent repair work carried out but its financial resources were limited and obviously it could not afford to complete the job on the scale envisaged.

There had been touching spontaneous offers of funds from co-operative organisations and individuals overseas, particularly if they or their representatives had actually seen the Museum now standing as an empty shell and in a derelict condition. Even representatives of co-operative movements in developing countries said they would try to scrape something together to help to save the Museum, though their movements were often the recipients rather than the givers of aid.

Appreciative as it was of these offers, the Co-operative Union took the view that the Museum was primarily a British memorial to the Pioneers and for the sake of its good name the British Co-operative Movement would have to shoulder the main burden of the cost of repairing and restoring this unique heritage. Therefore, in 1974 the Co-operative Union launched an appeal to the British Movement to raise £30,000 to complete the task. The response was heartening. Soon donations were steadily flowing in from co-

operative societies, auxiliary co-operative organisations and individual co-operators in all parts of the United Kingdom. The gifts ranged from several thousands of pounds from large co-operative organisations to one or two pounds from veteran co-operators who were now old-age pensioners. Whatever their size these donations were greatly appreciated. At the same time, generous grants were made towards the work by the Government's Historic Buildings Council, and by the local municipal authorities in the area—the Greater Manchester Council and the Rochdale Town Council.

The Co-operative Union advised overseas co-operative organisations at the outset that an appeal for funds was being launched, but feeling that it was primarily a British responsibility to raise the money, did not attempt to organise a formal international appeal. Nonetheless, a number of overseas co-operative organisations responded generously as did individual overseas co-operators.

The Repair Work

The repair work has now been completed at a cost of more than £45,000.

The work was nothing if not radical. The top floor of the building was found to be so unsafe that it had to be removed entirely. The old staircase leading to the upper floors also had to be torn out along with a mass of other defective woodwork. Cracks in the walls were repaired and the rising damp arrested. Then the major job began of inserting the concrete framework which would hold the building together.

Naturally, all this took time and being an 18th Century building—it was

erected about 1790—the rescue operation was bound to be a slow and delicate process.

From the outset, the Union had advised central co-operative organisations abroad that when sending delegations and individual representatives to the British Co-operative Movement they should take the Museum's closure into account in arranging their programmes.

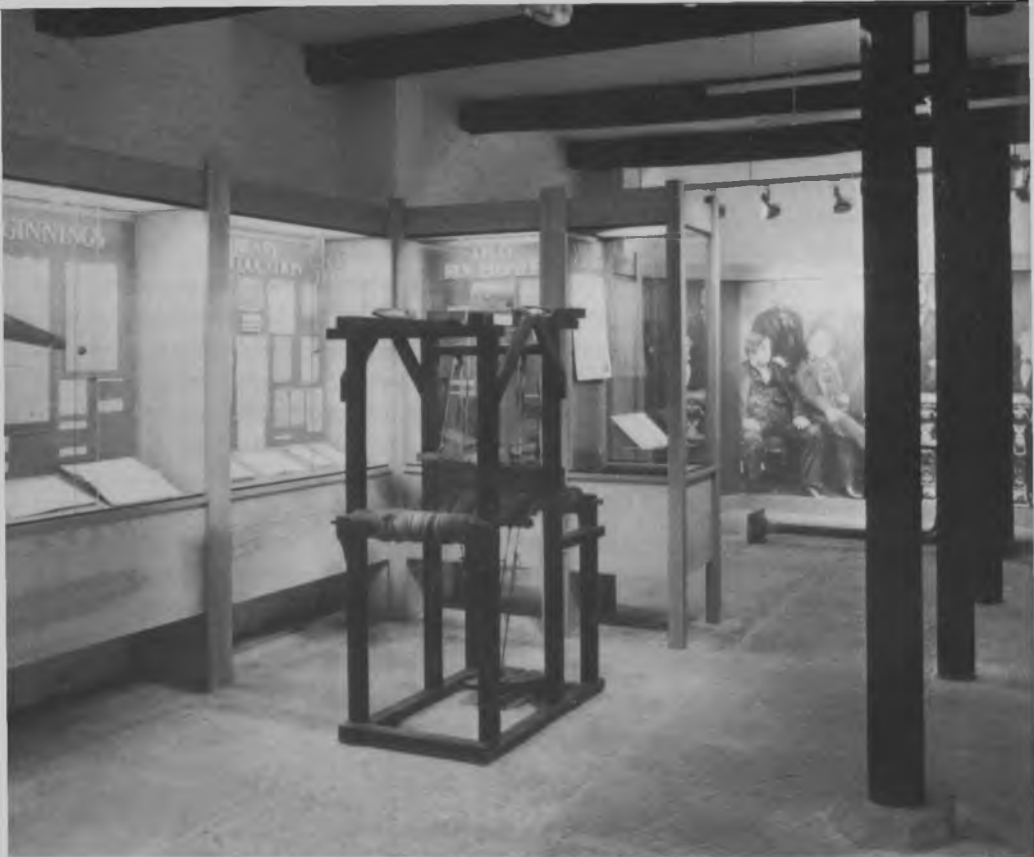
But this did not deter many devoted overseas co-operators. They were determined to make their pilgrimage to the "Home of Co-operation" despite the fact that it was now a mere empty shell, devoid of furniture and exhibits (which had been placed in storage), and shored up on the outside by a temporary scaffolding. They made the journey to Rochdale simply to view the building from the outside and a delegation from the Japanese Consumers Co-operative Union even brought along a television camera unit to film from the doorway what they could see of the interior of the empty shop. Not unnaturally, co-operators all over the world wanted to know how long the repair work would take. The Co-operative Union was besieged with requests from co-operative organisations, at home and abroad, asking just when the Museum would be reopened. With great regret the Union had to tell them—"wait and see"—and adopt a very tentative attitude because the work had to be carried out slowly and carefully and was facing many snags and difficulties.

For example, all was going well late in 1973—the carpenters were just about to install a new staircase and the electricians to lay under-floor heating in the rear room on the ground floor when, to

their dismay, water started flooding into the building. The source of this unwelcome flooding was a mystery. The local authority denied any knowledge of a broken water main and various tests as to the source of the water were inconclusive.

However, whilst this work had been going on at the Museum there had also been extensive demolition and rebuilding work in the vicinity of the Museum—old property was being knocked down and a new enclosed shopping centre for the town of Rochdale was being erected. It was eventually suspected that the workers had disturbed an underground spring or stream which was causing the water to flow into the Museum. "Dig a hole to find the source of the water and seal it off," it was suggested. Easier said than done—to dig a hole and perhaps still not find the source of the trouble would cost, it was estimated, at least £500—money earmarked for other vital purposes. To seal the walls of the Museum to prevent the water penetrating would have been an even more costly operation. With commendable ingenuity, the CWS architects devised a system of concealed pipes and channels under the floor of the Museum which diverts the water through and out of the building without damaging the fabric.

With this major problem solved, work continued steadily and by 1974 the concrete framework holding the building securely together had been completed. A concrete framework inside the Museum sounds pretty austere but officials of the Co-operative Union were delighted to observe that the framework was by no means obtrusive—in fact it harmonises with the overall simplicity of the building and it would



The rear ground floor room of the Museum displays documents and relics of the Rochdale Pioneers, of the founding of the Co-operative Wholesale Society and of the 1944 Centenary Celebrations. They are housed in modern, illuminated display units designed by the CWS Architecture & Design Department. In the foreground is a weaver's handloom (circa 1870) of the type used by weavers who were members of the Rochdale Pioneers Society.

be easy to assume that the columns of the framework on the ground floor had been there to buttress the walls ever since the building was erected. After all, the old store was originally a common or garden warehouse with no architectural pretensions and the Pioneers traded amid whitewashed brick walls bare of ornament. Architecturally, the restored building was retaining the same basic simplicity.

The under-floor electric heating, mentioned earlier, was installed under

the stone pavement in the original shop and in the Museum proper at the rear of the shop. This ensured that the precious historical objects and documents on display would be kept at the right temperature to preserve them from deterioration.

The old rather cumbersome horizontal display units in the rear room, which did not display relics and documents to the best advantage, were replaced by bright modern horizontal glass cabinets illuminated by diffused electric lighting

which highlighted the exhibits adequately without risk of the heat from the lighting damaging the documents.

A tasteful new staircase was erected giving access to the remaining upper floor which at one time had been the Pioneers' reading room, library and class room. This upper floor was a transformation indeed! The removal of the unsafe top floor meant that the sole upper floor had become a fine lofty hall giving an unrestricted view to the interior of the roof and its supporting rafters. Further, some of the original rafters, suitably treated, still supported the roof although other beams had been replaced by modern woodwork. The upper "hall" was illuminated by concealed electric lighting but the removal of the unsafe top floor meant that natural lighting was more than adequate because extra daylight is provided by the skylights in the roof.

The Co-operative Union at once saw the potential for this upper floor, and decided it was going to be a multi-purpose room in which meetings, cinema shows, lectures and contemporary Co-operative exhibitions would be held. Consequently, all the necessary offices were installed at the side of the room—toilet, kitchen and storeroom.

The development of this upper floor has added a whole new dimension to the building. Before restoration, visitors could merely see historical relics and documents relating to the Pioneers on the ground floor. But now on the upper floor they can participate in Co-operative social and cultural activities in the very "Home of Co-operation".

The Co-operative Union feels that this upper floor—now called the "Abraham Greenwood Room" after the

famous Chairman of the Rochdale Pioneers' original education committee—is an appropriate tribute by contemporary co-operators to the Pioneers of 1844 who probably would have been delighted by its spacious appearance and by the purposes for which it is being used—educational, cultural and social objects always had a prime place in Rochdale Society's constitution and these were implemented by the Pioneers on this floor.

The Museum Today

Eventually, the shop furniture, relics and documents which had originally been displayed in the Museum were taken out of storage and redisplayed.

What then is the Museum like today? Let us go on a brief tour which will indicate to those who visited the building before the repair work, that everything has been carefully restored and that they and newcomers will see and enjoy the same exhibits which were previously on display, in greatly improved surroundings.

There have been no alterations to the frontage of the building—it is as it appeared in 1844 after restoration by the CWS Architects Department in 1931. It is pleasing to report that the famous street sign "Toad Lane" has been affixed to the Museum itself by the local municipal authority.

Going inside the shop we are immediately struck by its basic simplicity. Once again on display are the rudimentary counter, consisting of a bench across two barrels, a clerk's desk where members' purchases were registered to compute the dividend, and Victorian scales. Also on display are models of the various goods which the Pioneers

initially supplied—sacks of flour, oat-meal, and sugar, with butter and tallow candles on the counter. Various descriptive panels tell the story of the Pioneers and of the ramifications of the British and international Co-operative movements.

Going into the rear room we are in the Museum proper. This was originally the Pioneers' stock room and was also used as the meeting room of the Board of Directors who sat on benches amid sacks of flour and boxes of tea to transact their business.

The new glass cases effectively highlight the precious relics and documents in this room. One case is devoted to Robert Owen, the "Father of Co-operation", whose writings did much to inspire and influence the Pioneers. Another case features the great 19th Century Co-operative leader, G. J. Holyoake, friend and adviser of the Pioneers whose books about them were translated into foreign languages, thus spreading the Rochdale idea of Co-operation overseas. The other cases tell the story of the Pioneers in roughly chronological order from the inception of the Society to the 1944 Centenary Celebrations. The chief treasure of the collection is the original minute book of the Rochdale Equitable Pioneers Society, dating from August 1844, which recounts their early struggles and achievements. This has a display case to itself.

Also in this room is a handloom (circa 1870)—a type of loom those members of the Society who were weavers would have used. This loom previously lay concealed in a cupboard in the Museum for many years because of lack of room to display it.

The rear of the room is dominated by

a magnificent photographic lifesize mural of 13 of the Pioneers, prepared by the CWS. This mural gives the impression that the Pioneers are sitting in the room waiting to receive visitors. In front of the mural is a nondescript little table said to have been used by Charles Howarth, President of the Society, on which to draft the first constitution and rules of the Society.

In the cases devoted to the 1944 Centenary of the Society are gifts and messages from co-operative organisations all over the world, and going up the stairs we see plaques and posters from overseas co-operative organisations hailing the 1944 Centenary.

In the "Abraham Greenwood Room" on the upper floor, much needed wall space has been utilised to display more adequately interesting contemporary portraits and photographs of the Pioneers taken in later life, and pictures of events in the history of the Society and the Museum. Documents relating to the formation of the CWS are also portrayed. This room is richly carpeted and appropriately provided with tables and chairs for committee meetings and lectures.

Restoration of Toad Lane

Concurrent with the final stages of the restoration work at the Museum has been the restoration of Toad Lane itself. As was mentioned earlier, a considerable amount of property in Toad Lane was demolished and an attractive new shopping centre built on the site. This has meant that nine-tenths of the original Toad Lane has now disappeared. The remaining portion was occupied by the Museum, two adjoining shops (built at the turn of the century),



The upper floor of the Museum has been transformed into a lofty assembly room by the removal of an unsafe top floor. This was originally the Pioneers' library and classroom and is once again being used for meetings, lectures and exhibitions. It also contains a gallery of photographs of the Pioneers and of events in the history of their society.

a nearby church and priest's house (now a lawyer's office).

Realising the profound historical and international importance of the Rochdale Pioneers Museum, the local authority—Rochdale Metropolitan Borough Council—decided that this surviving portion of Toad Lane should become a historical conservation area. An imaginative scheme was drawn up to re-create a 19th and early 20th Century street scene in Toad Lane and the local authority, with the collaboration of its parent body—the Greater

Manchester Council—has expended some £100,000 on this work. The street has been re-cobbled and genuine Victorian lamp posts erected. The two shops adjoining the Museum have been refurbished to give them a period appearance and one is now operating as a Victorian toy shop, selling authentic and reproduction 19th Century toys, and the other has become a small wine bar and restaurant, a facility which will be much appreciated by visitors to the Museum. At the rear of the Museum a tasteful garden has been created where

visitors may relax or take photographs after inspecting the building. Adjoining the Museum, an authentic 19th Century Rochdale post-box is being erected which again will be used for posting mail. This is a unique post-box—there is none other like it in the United Kingdom—for in addition to being a post-box it also serves as a lamp post, the lamp surmounting the top of the box. Originally, the lamp was fueled by methane gas from the sewers below ground—a fine example of Victorian energy conservation!—but, when it is re-sited in Toad Lane, it and the other lamps in the street will of course be lit by electricity.

Thus the Museum and its surroundings have become a haven of 19th Century England amid the modern shopping developments of Rochdale.

The Phoenix Rises . . .

In 1979 the Co-operative Union was at last able to announce that the Museum was open again to visitors, although, of course many overseas groups had obtained a preview of the interior of the building in previous years even though it was in an unfinished state—so anxious were they to make their pilgrimage to the “Home of Co-operation”.

Soon Co-operative groups from the United Kingdom and abroad were pouring into the Museum and expressed their warm commendation of the improvements and extensions which had been carried out during the long years of repair and restoration.

The facility of the newly created upper room was quickly appreciated and it is felt to be quite a cachet to hold

a formal meeting in the Museum—in the very heart of the world-wide Co-operative Movement. Boards of directors of both British and overseas co-operative organisations, whilst visiting the Museum, have transacted boardroom business in the “Abraham Greenwood Room” so that it can be recorded in their minutes that they have conducted their societies’ deliberations in the original “Home of Co-operation”. In 1978, the Central Executive—the principal committee of the Co-operative Union—held a formal meeting at the Museum for the first time in its history, and in the following year the Education Executive, the national education committee of the Co-operative Union, carried out its deliberations in the “Abraham Greenwood Room”. This was the first time since the days of the original Educational Committee of the Pioneers Society that a co-operative education committee had met in the building. The ambience of the Museum contributes much to the sense of historic occasion when such meetings are held.

It was a great joy and honour for the Co-operative Union in October 1979 to receive members of the Central Committee of the International Co-operative Alliance at the Museum during the Committee’s meeting in Manchester that year. A shuttle-service of minibuses took individual members of the Committee to the Museum but the ICA Executive Committee, headed by President Roger Kerinec, paid a formal visit to the Museum accompanied by British Co-operative leaders and officials. In his speech at the Museum, Mr Kerinec paid a heartfelt tribute to the Pioneers and praised the work

which had been carried out in restoring the building.

The ICA Working Party of Librarians and Documentation Officers actually held the final session of its plenary meeting in the Museum and transacted important business.

The Co-operative Union was grateful and encouraged by the praise it received from these distinguished international delegates for bringing about the rebirth of the Museum. One Swedish delegate, emphasising the international character of the Museum, said she regarded it not as a British memorial to the Pioneers but as "our Museum"—it belonged to co-operators of all countries. She confessed she could not sleep the night before she visited the building in case it did not look as she imagined it and would be disappointed in the restoration work carried out. However, she assured her hosts that she was absolutely delighted with what she saw and felt that the Co-operative Union had fully succeeded in retaining the 19th Century character and atmosphere of the building.

Distinguished visitors from outside bodies have also been received at the Museum. In 1980 the building was honoured with a civic visit from the Mayor of Rochdale and leading municipal officials, and the Queen's representative, Sir William Downward, Lord Lieutenant of Greater Manchester, has also inspected the building. Mrs Roy Jenkins, wife of the then President of the Commission of the European Economic Community, was another distinguished visitor.

Before the building was restored, it could be visited only by organised groups and by arrangement, but follow-

ing restoration the Co-operative Union was determined that it should be opened regularly to the general public so that the "man in the street" could call in and enjoy and learn from the treasures the Museum contains. In particular it was felt that the people of Rochdale, which had given generous financial support for the restoration, should have ready access to the Museum.

A Society of Friends of the Rochdale Pioneers Museum was established which members of the public were welcome to join, and a programme of lectures and social events at the Museum arranged. Voluntary stewards were recruited from the Society to assist in showing the public around the building on one or two days a week but it soon became evident that the building should be open for longer periods each week and permanent staff were required. Towards the end of 1979, a Museum Warden was appointed who is assisted on Saturday, the busiest public opening day, by a rota of voluntary stewards from the Museum Friends' Society. The Museum is now open five days every week (closed Sunday and Monday) from 10 am to 12 noon and 2 pm to 4 pm. However, Co-operative organised groups are not restricted by these hours and they may visit the Museum at other times, if they wish, by arrangement with the Co-operative Union.

The restored Museum has attracted the attention of the British media, including the *Sunday Times* and television, and all this has resulted in several thousand members of the public visiting the Museum over the past 12 months and a considerable amount of correspondence has been received

from all parts of the country asking for more information about the Rochdale Pioneers and the Co-operative Movement.

A Museum Section within the ICA

The ICA Working Party of Librarians and Documentation Officers resolved some three years ago that a Museum Section should be established within the Working Party. It was felt that co-operative museum directors and curators, librarians and archivists, are all concerned with the history of their respective co-operative movements, and that the Working Party's journal *Libradoc* could be the channel for the exchange of ideas and information on a regular basis. A preliminary questionnaire elicited a positive response from 14 Co-operative Museums in various parts of the world, and these organisations

will be contacted again, but other organisations who would also like to join the Museums Section are earnestly requested to write to:

The Librarian,
British Co-operative Union,
Holyoake House,
Hanover Street,
MANCHESTER M60 0AS,
U.K.

* * * *

The Co-operative Union is anxious that the Museum should not simply be a monument to men who lived 137 years ago, but a "live" educational institution, a centre for propaganda and publicity about Co-operation. The Union feels that the Museum has a potential for development in many directions, and will welcome new ideas to widen its scope and activities.

Can a Co-operative Bank be an Efficient Commercial Bank?

A Case Study of Co-operative Bank Ltd in Nigeria

by
'Wole Adewunmi*

I—Introduction

In most developing countries of Africa, the co-operative banking sub-sector of the financial systems have generally remained small and weak but not inefficient. We have demonstrated in a comparative analysis of co-operative banking in India and Nigeria that co-operative financing institutions will be developed or undeveloped depending very largely on the attitude of the

authorities and the environment they create for the institutions.¹ In spite of an unfavourable operating environment their relatively weak and undeveloped situation, it is the hypothesis of this paper that co-operative banks, with the rather unenviable dual responsibility of being co-operative and commercial, can be as commercially efficient as the pure commercial banks.

II—The Concept of Efficiency in Banking

The need to measure the efficiency of economic systems is important both to the academic theoretician and the policy maker. The academic arguments and debates on the relative efficiency of industries and firms must be based on a well defined measure of efficiency. The policy maker will consider as most economically rational the allocation of resources to different uses if he can determine and make his resource allocation according to the relative efficiency of the user-units. This concern of all managers of resources, be it at national,

Co-operative movement or company level, as well as of the academics, stems from the reality of the insufficiency of productive resources. In all, to be able to solve this resource allocation problem, some measuring rod, based on a well articulated and convincing concept of efficiency, is a pre-requisite.

Definitional Problems

Important as it is from both the academic and practical interest viewpoints, the concept of efficiency has remained loosely defined in the literature.² The concept today means different things to different people in

*Lecturer, Dept. of Finance, University of Lagos, Nigeria.

different circumstances. A few examples will help to make the point. The cost accountant, for instance, uses the ratio of standard cost/actual cost per cent to measure productive efficiency.³ An engineer describes the efficiency of his machine by the relation of output to theoretical capacity (or output/theoretical capacity per cent).⁴ In stock control, efficiency is judged by the rate of stock turnover during a given period.⁵ To the economist, the efficiency of a firm or industry can be broken down into two separate components—price efficiency and technical efficiency. The former measures a firm's success in choosing an optimal set of inputs, the latter its success in producing maximum output from a given set of inputs.⁶ Thus in materials management language, price efficiency will result from economic materials "sourcing"⁷ whilst technical efficiency results from materials usage.

"Once the adjective 'economic' is dropped, efficiency becomes a rather nebulous concept meaning only 'success in achieving planned objectives', whatever they may be."⁸ This in our view is the rather slippery concept of efficiency that must be employed in evaluating the co-operative commercial banks wherever they exist. The objectives of these institutions generally include unquantifiable factors such as "assistance to and promotion of the cause of co-operation". In any event, operating efficiency involves a relationship of output to input. In practice, the measurement problem is complicated by two main factors. The first, which is particularly applicable to banking and some other financial institutions, is that for many services it is not clear just

what the unit of output is. Should loan output, for example, be measured in terms of the sums involved or the number of loans? Or how do you quantify organisational and financial advice to the Movement, particularly in a developing country's setting? The second problem which is quite general and is encountered in measuring operating efficiency of any economic unit, is to determine a system of weights for comparing heterogenous outputs and inputs. Even the smallest banks today provide several types of credit as well as deposits and other services; its labour inputs are not homogenous; and it employs inputs other than labour. It is sometimes possible to segregate the inputs attributable to each of several homogenous outputs (by means of, say functional cost analysis) but even then a system of weights is needed to combine the inputs.⁹

Conceptual Problems

There are a multitude of conceptual and practical problems in addition to these measurement problems. The first, here, relates to the fact that the meaning of efficiency varies according to whose point of view we are considering—the different interest groups in a firm (managers, workers, shareholders, etc.); the firm itself or the community. The individual firm and its constituents will generally consider their organisation as efficient if good returns are earned on the firm's investments at the end of an accounting year. That is to say, profitability will be the measure of efficiency here. But not all constituents of the organisation will agree to the use of profitability as a measure of

efficiency. Profitability, it can be well argued, can be achieved at the expense of bad labour relations, a bad maintenance programme and an existing monopoly situation in the firm's product market or monopsony in the factor market. A high level of profitability may result from a high degree of risk rather than a high level of efficiency in the management of the operations of a business. To obtain the true efficiency in this case, the return attributable to undue risk-taking must be isolated. Many development economists take the view that profitability does not truly measure the efficiency of commercial banking enterprises in developing countries. They, therefore, place less emphasis on profitability in the evaluation of financial institutions and systems in these growing economies.¹⁰

On the other hand the community or the Movement will not measure the efficiency of its enterprises in terms of profitability but rather in terms of their contributions—tangible (i.e. real economic growth and development) and intangible (social development and organisational assistance). In developed as well as developing countries of the world today, indeed, this is the view that communities are taking of businesses in their midst. Society as a whole is becoming more and more articulate in these legitimate demands.

This is particularly so with the growth in consumerism and consumer movements in developed countries and of indigenisation in developing countries.

Another important conceptual problem relates to the determination of what kind of standard to use as, for example, the theoretical capacity of a machine or the optimum output or sale of a firm. This is a very important problem because, after all, efficiency is not an absolute term and must be related to some standard of comparison. In particular "bank effectiveness is a relative concept and its evaluation implies a comparison of actual performance against standard of some kind".¹¹ In measuring the efficiency of the Co-operative Bank Ltd, for instance, do we use internal standards, i.e. compared with similar intermediaries in Nigeria, or external standards, i.e. compared with similar banking institutions abroad. Apart from data availability problems, the basic differences in the banking environment of Nigeria and an overseas country are such that will make the latter option an irrelevant exercise. An attempt will, therefore, be made here to compare the Co-operative Bank Ltd with similar institutions in Nigeria, not only because data for this analysis are available but also, as noted in Section III, because a rational basis of comparison is provided.

III—Comparative Efficiency Analysis

From the preceding analysis and given the service-oriented nature of co-operative banking in general, it should be clear that a comprehensive evaluation of the efficiency of co-operative banks will involve the quantitative as well as

the qualitative aspects of their services.¹² In a developing country like Nigeria, the qualitative aspect must be considered more important in view of the greater need for non-financial services that the co-operative banks can provide,

and without which their financial service will only be available to a few co-operators and not without some considerable risk of loss.

In spite of data problems, good attempts have been made in the past to assess the qualitative aspects of the services of the banks by Adeyeye (1969),¹³ Osuntogun (1974),¹⁴ and Ojo and Adewunmi (1980).¹⁵ We shall restrict our analysis here to the quantifiable financial aspects of the banks' services. This way we can compare the bank with other banks that are largely profit-motivated, these banks thus serving as points of reference.

The Data and Methodology

The institutions we will be looking closely at are the Co-operative Bank Ltd, the National Bank of Nigeria Ltd and the Wema Bank Ltd. These three banks belong to the same holding company—the O'Dua Group. The three operate largely in the old Western State and Lagos State. In our view, these factors provide some justifiable basis of comparison.

The National Bank of Nigeria Ltd is the oldest of them all. It was established in 1933. Wema Bank Ltd was established in 1933 by Chief M. A. Okupe under the name of Agbonmagbe Bank Ltd and was bought by the Group in 1969. The Co-operative Bank Ltd was established in 1952 but became a commercial bank, in law, in 1962, although it does not see itself as one. As at 1975, the relative sizes of these banks can be gleaned from their total assets: National Bank of Nigeria Ltd—N229.8 million (30/6/75), Co-operative Bank Ltd—N58.8 million (31/3/75) and Wema Bank Ltd—N30.4 million (31/3/75).

For a comparable basis of analysis, our figures have been reduced to ratios (see Table). Similar ratios for the "average bank" in the commercial banking sub-system, have also been computed (where data availability permits) to enable us to see the Co-operative Bank Ltd's performance within the "global" framework.

Data for these analyses relate to the institutions' operations for the 1971-75 period. In order to provide some desirable anonymity, in the rest of this paper, one of the two commercial banks will be referred to as Bank A and the other as Bank B. Also, but for ease of reference only, the "average bank" will be called "The Mean Bank" and the Co-operative Bank Ltd, "Co-op Bank".

Efficiency Measures and Comparisons

The comparative operating efficiency of Co-op Bank will be considered under six broad headings:

- (a) Profit Maximisation—using ratio of *profit after tax to capital fund* and to *volume of business*;
- (b) Cost Minimisation—ratio of *gross operating cost to volume of business*;
- (c) Resource Utilisation—ratio of *loans and advances to deposits*, and of *capital fund to volume of business*;
- (d) Financial Intermediation—*growth of deposits* and *growth of loans and advances*;
- (e) Revenue Generation—ratio of *gross earnings to volume of business*;
- (f) Operating Efficiency—ratio of *gross operating cost to gross operating earnings*.

(See Table)

We believe these ought to qualify as good criteria for evaluating the performance of any financial institution because the efficiency with which an institution is able to carry out these activities will go a long way to determine not only its health and survival but its prosperity. To a considerable extent

too, success in these areas will determine to what extent a financial institution is able to meet and fulfil the basic objectives of its establishment, irrespective of whether such an institution is a pure commercial or co-operative/commercial bank.

Efficiency Ratios of Co-operative Bank Ltd and Selected Commercial Banks in Nigeria 1971-1975

	1971	1972	1973	1974	1975	Average (1971-75)
RATIO OF PROFIT AFTER TAX TO CAPITAL FUND						
Bank A	0.0594	0	0	0	0	1.2
Bank B	0.0299	0.0586	0.0511	0.0071	0.0124	3.2
Co-op Bank	0.1810	0.0400	0.1030	0.0990	0.0650	9.5
Mean Bank	0.270	0.36	0.41	0.44	0.530	40.2
RATIO OF PROFIT AFTER TAX TO VOLUME OF BUSINESS						
Bank A	0.03	0	0	0	0	0.006
Bank B	0.01	0.006	0.005	0.0006	0.002	0.005
Co-op Bank	0.03	0.005	0.01	0.01	0.006	0.012
Mean Bank	0.04	0.04	0.05	0.05	0.04	0.044
RATIO OF GROSS OPERATING COST TO VOLUME OF BUSINESS						
Bank A	0.08	0.12	0.13	0.11	0.16	0.12
Bank B	0.08	0.08	0.08	0.09	0.13	0.092
Co-op Bank	0.09	0.08	0.08	0.08	0.10	0.086
Mean Bank	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
RATIO OF LOANS AND ADVANCES TO DEPOSITS						
Bank A	1.10	0.91	0.84	1.06	0.48	0.88
Bank B	1.04	1.21	1.42	1.29	0.75	1.14
Co-op Bank	1.04	1.20	0.99	1.08	1.94	1.25
Mean Bank	0.76	0.78	0.74	0.55	0.54	0.67
RATIO OF CAPITAL FUND TO VOLUME OF BUSINESS						
Bank A	0.43	0.24	0.52	0.42	0.35	0.39
Bank B	0.33	0.10	0.09	0.09	0.14	0.15
Co-op Bank	0.17	0.13	0.10	0.10	0.09	0.12
Mean Bank	0.14	0.12	0.11	0.11	0.08	0.11

	1971	1972	1973	1974	1975	Average (1971-75)
GROWTH OF DEPOSITS						
Bank A		98.82	41.49	3.68	168.35	62.5
Bank B		21.45	6.89	5.02	67.08	20.1
Co-op Bank		31.20	61.66	9.76	30.74	26.7
Mean Bank		20.80	27.62	67.21	67.61	36.6
GROWTH IN LOANS AND ADVANCES						
Bank A		64.66	30.38	21.89	21.12	27.6
Bank B		41.77	25.47	-5.15	-6.36	11.1
Co-op Bank		51.23	33.83	19.06	14.23	23.7
Mean Bank		23.40	21.62	24.50	63.88	26.7
RATIO OF GROSS EARNINGS TO VOLUME OF BUSINESS						
Bank A	0.12	0.13	0.13	0.13	0.17	0.14
Bank B	0.14	0.13	0.10	0.09	0.14	0.12
Co-op Bank	0.13	0.11	0.12	0.11	0.12	0.12
Mean Bank	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
RATIO OF TOTAL OPERATING EXPENSES TO TOTAL OPERATING INCOME						
Bank A	0.69	0.98	0.96	0.88	0.95	0.89
Bank B	0.58	0.59	0.78	0.96	0.93	0.77
Co-op Bank	0.67	0.67	0.71	0.71	0.85	0.72
Mean Bank	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Sources: Computed from (i) Annual Reports and Accounts of the individual banks (various issues).

(ii) Central Bank of Nigeria "Economic and Financial Review" (various issues).

(a) Profit Maximisation

Two different ratios have been used under this criterion to measure the competitive efficiency of the bank.

Ratio of profit after tax to capital fund.

The capital fund is the sum of the original investment of the owners of the bank plus the accumulated parts of the profits statutorily and prudently ploughed back into the business as reserves. The ratio of profit after tax to the capital fund reflects the profit-

ability of this capital investment of the shareholders.

During the period under consideration, Co-op Bank achieved an average ratio of 9.5 per cent which far exceeds Bank A's or Bank B's ratios of 1.2 per cent and 3.2 per cent, respectively. All three banks, however, fall far short of The Mean Bank's average ratio of 40.2 per cent.

Ratio of profit after tax to volume of business. Total loans and advances have

been used throughout this analysis as a substitute for volume of business because of lack of appropriate data. Even where data are abundantly available, the volume of business is often difficult to define in one single dimension in the case of banks. In view of the fact that loans and advances account for a high proportion of the total income of banks, the item may, therefore, be taken as a useful surrogate.

The ratio of profit after tax to volume of business measures profitability of an enterprise by comparing net returns with total turnover.

Bank A, Bank B and Co-op Bank recorded, respectively, average ratios of 0.6 per cent, 0.5 per cent and 1.2 per cent during the period under review. These figures show Co-op Bank as more efficient than the other two individual banks but inferior to The Mean Bank on this score.

(b) Cost Minimisation

Ratio of gross operating cost to volume of business. The profit maximising criterion is not usually sufficient basis for evaluating the financial management efficiency of a business. This is because, as we have noted above in Section II, the profit maximisation objective may be achieved through many means, including those least in the long-term interest of the organisation. In evaluating the performance of an organisation, therefore, the cost minimisation criterion is always a useful supplement to the profit maximisation criterion.

The cost minimisation ratio relates the gross operating cost to volume of business and thus enables us to put similar businesses on the same footing for evaluation. The higher this ratio is,

the less efficient is a business, *ceteris paribus*.

With an average ratio of 8.6 per cent between 1971 and 1975, Co-op Bank performed better on this score than either Bank A or Bank B with 9.2 per cent and 12.0 per cent ratios respectively, during the same period. It is also worthy of note that Bank A and Bank B had significantly high increases in their ratios between 1971 and 1975. Whilst Bank A had doubled its ratio within this five year period from 8.0 to 16.0 per cent, and Bank B had a 62.5 per cent increase during the same period, Co-op Bank had only 10.0 per cent increase.

(c) Resource Utilisation

Ratio of loans and advances to deposits. This ratio relates total loans and advances to customers' deposits. It is a ratio used to demonstrate the degree to which banks have already used up their available internal resources to accommodate the credit needs of their customers. Since deposits cost money, and loans are highly remunerative, the higher this ratio is the better for resource utilisation and profitability of a bank.

For the Co-op Bank, the loans and advances ratio during 1971-75 ranged between a low of 99.0 per cent in 1973 and a high of 194.0 per cent in 1975, with an average for the period of 125.0 per cent. Bank A and Bank B had lower average ratios of 88.0 per cent and 114.0 per cent, respectively for the same period. All the three banks, however, bettered the overall average ratio of 67.0 per cent recorded by The Mean Bank.

Ratio of Capital Fund to Volume of

Business. This ratio measures both the capital adequacy of a bank and its level of resource utilisation. In the first place it tries to answer the question: Is the bank's capital adequate for its level of business? On the other hand we can use the ratio to evaluate whether the permanent capital resources invested in the business are being effectively utilised, that is, for an adequate level of business operation. Here in this analysis our interest is in the latter use of the ratio. The lower this ratio is, the more intensively the capital is employed in the business: that is to say, a smaller unit of capital is being employed to carry on a given level of business. Although this may be overtrading in many other businesses, it is certainly not a dangerous development, to a large extent, in banking business.

Co-op Bank had an average ratio of 12.0 per cent during the period whilst Bank A and Bank B had 39.0 per cent and 15.0 per cent, respectively. It is worthy of note that the Co-op Bank's ratio had steadily moved from a figure of 17.0 per cent in 1971 to 9.0 per cent in 1975. Similarly The Mean Bank's ratio had moved from 14 per cent in 1971 to 8.0 per cent in 1975 and recorded 11.0 percentage points on the average for the period.

(d) Financial Intermediation

Growth in deposits. One of the principal activities of a commercial bank is the collection of deposits. The growth in deposits indicates the aggressiveness with which a bank seeks to mobilise idle financial resources in its area of operation. In other words, the growth rate reflects the level of efficiency attained by a bank in carrying out this obligation

owed to its owners as well as society at large.

Bank A's performance in this area of activity is superior to the other two banks' and also The Mean Bank's as well. The Co-op Bank with an average of 26.7 per cent for the period did better than Bank B with 20.1 per cent. But its performance is worse than that of Bank A with 62.5 per cent and The Mean Bank with 36.6 per cent. These results, it ought to be noted, do not entirely reflect the relative efficiency of these institutions in this field of activity, because of the bias introduced by the varying levels of government deposits in the three individual banks. At the end of 1975, for instance, about 46.0 per cent and 55.0 per cent of all deposits in Bank A and Bank B were, respectively, from government; whereas only 1.8 per cent of total deposits in the Co-op Bank were accounted for by the same source.

Growth in loans and advances. The other principal activity of a bank is the granting of loans and advances. This also completes the intermediation role of these institutions which involves mobilisation of idle resources and making them available to entrepreneurs requiring their use.

The growth in loans and advances is evidence of the aggressiveness with which bank managers seek to place their deposit resources in the most lucrative of the assets available to them.

Bank A again leads others in this activity with an average ratio of 27.6 per cent for the period under review and Bank B comes last with a poor 11.1 per cent average and negative growth rates of -5.15 per cent and -6.36 per cent, respectively, for 1974 and 1975. In

between these two performances are the Co-op Bank with 23.7 per cent and The Mean Bank with 26.7 per cent for the same period.

(e) Revenue Generation

Ratio of gross earnings to volume of business. This ratio measures the propensity of a business to generate income from its turnover. It is also used as a rough measuring rod for the profitability of a business. Having had a view of the relative profitability of the banks through other lenses we have attempted to measure the relative earnings ability of these institutions with this ratio.

The most efficient bank on this score is Bank A with an average ratio of 13.6 per cent, followed by Bank B and the Co-op Bank with 12.0 per cent each. Overall, with a difference of 1.6 percentage points between the three banks, the performances have been very close.

(f) Operating Efficiency

Ratio of gross operating cost to gross operating earnings. Commercial organisations, at all times, must seek simul-

taneously the two objectives of profit maximisation and cost minimisation. The first step to achieving this dual objective is to keep total operating expenses down and keep total operating income up. This ratio can, therefore, be seen as bringing into focus and in a single dimension the total operating efficiency of any commercial organisation. Since the primary goal of commercial institutions is profit maximisation, the lower this ratio is, for an institution, the nearer such an institution is likely to be to its goal.

The most efficient of the three banks is the Co-op Bank with an average ratio of 72.0 per cent for the period. Bank A and Bank B had 89.0 per cent and 77.0 per cent, respectively, during the same period. All three banks recorded annual increases in this ratio throughout the period. Whilst Bank A had gone from 69.0 per cent in 1971 to 95.0 per cent in 1975 (a jump of 38.0 per cent), and Bank B went from 58.0 per cent in 1971 to 93.0 per cent in 1975 (a jump of 60.0 per cent), the Co-op Bank had a moderate increase of 23.0 per cent, i.e. from 67.0 per cent in 1971 to 85.0 per cent in 1975.

IV—Summary and Concluding Remarks

Although the Co-op Bank was not established to operate as a profit maximising organisation and, although forced to take up a commercial banking licence in 1962, never sees itself as one, it has been able, nevertheless, to match comparable commercial banks, judged by commercial efficiency criteria. This can be seen from our analysis above. Out of the nine criteria chosen for

evaluating the banks, the Co-op Bank has been found to do better than others in six. In the other three cases, it has been as good or better than one of the other banks. The "unbeatable efficiency of its management"¹⁶ cannot be in doubt. At the risk of repetition it should be noted that the Co-op Bank has been able to achieve this level of efficiency without having to abandon

the vigorous (and at times costly) pursuit of its primary responsibilities to the Movement.¹⁷

The above analysis, we believe, lends enough positive support for the acceptance of the hypothesis of this paper. The empirical evidence presented also reinforces the contention that "the great weakness of co-operatives in most developing countries is not so much a failure of the system as such, but is in large measure due to the unfavourable overall environment in which they

function".¹⁸ Given the near powerlessness of the Co-operative Movement to significantly alter this "unfavourable overall environment", it will be up to the governments, in particular, and society, at large, to face up to the task of developing this potentially useful instrument of economic development and social transformation. Indeed, the socio-economic salvation of the "submerged majority" of the world may well lie in this joint act.

Notes

- (1) Adewunmi, 'Wole. "The Government and Co-operative Banking Development—a Comparative Study of the Experiences of India and Nigeria" in Ijere and Osuntogun (eds), *Planning and Nigerian Co-operatives* (New York/London/Lagos: NOK Publishing Company) (forthcoming).
- (2) Farrell, M. J. "The Measurement of Productive Efficiency". *Journal of Royal Statistical Society*, Vol. 120, Part III, 1967, pp. 253-281.
- (3) Horngren, Charles T. *Cost Accounting: a Managerial Emphasis* (Englewood Cliffs: Prentice-Hall, Inc., 1972), pp. 186-226.
- (4) Amey, L. R. *The Efficiency of Business Enterprises* (London: George Allen and Unwin Ltd, 1970), p. 1.
- (5) Morrison, A. *Storage and Control of Stock* (London: Pitman Publishing, 1974), pp. 96-121.
- (6) Farrell, M. J. *op. cit.*, p. 259.
- (7) Bailey, P. and Farmer, D. *Purchasing Principles and Techniques* (London: Pitman Publishing, 1977), pp. 113-133.
- (8) Amey, L. R. *op. cit.*, p. 159.
- (9) Guttentag, J. M. and Herman, E. S. *Banking Structure and Performance*. The Bulletin No. 41/43 (Institute of Finance, Graduate School of Business, New York University, February 1967), p. 109.
- (10) For example, see Abdi, A. I. *Commercial Banks and Economic Development: The Experience of Eastern Africa* (New York: Praeger Publishers, 1977).
- (11) Kane, J. A. *Development Banking* (Lexington: D. C. Heath and Company, 1975), p. 60.
- (12) Okafor, F. O. "Socio-Economic Criteria for Evaluating Co-operative Efficiency in Nigeria", *Review of International Co-operation*, No. 4, 1979, pp. 255-267.
- (13) Adeyeye, Oladele. "Co-operative Banking in Western Nigeria—Yesterday, Today and Tomorrow". *Review of International Co-operation*, Vol. 62, No. 6, 1969, pp. 273-279.

- (14) Osuntogun, Adeniyi. "Co-operative Banking in Western Nigeria—an Appraisal of the Growth and Contribution of an Apex Financial Institution to Co-operative Development" in McCready, K. J. (ed.) *Yearbook of Agricultural Co-operation* (Oxford: Basil Blackwell, 1974), pp. 148-164.
- (15) Ojo, Ade T. and Adewunmi, 'Wole. *Co-operative Banking in Nigeria: Evolution Structure and Operations* (Lagos: University of Lagos Press, 1980).
- (16) Adeyeye, Oladele. op. cit., p. 277.
- (17) Onagoruwa, Ayodele (former General Manager of the Bank). Paper read at the *Third International Symposium on the Dynamics of Interrelations Between Agricultural Co-operatives and the Government*. Held at CIRCOM, Tel Aviv, Israel, 24th-28th March, 1974.
- (18) Resolutions of the *Third National Symposium on the Dynamics of Interrelations Between Agricultural Co-operatives and the Government*. Held at CIRCOM, Tel Aviv, Israel, 24th-28th March, 1974.

Women in the Indian Co-operative Movement

by

Kemla Beniwal*

NCUI Representative on the ICA Women's Committee

Introduction

“ . . . we believe that woman has a definite role to play in the building of a free, healthy, prosperous and moral society and that she can fulfil this obligation only as a free, responsible member . . . ” (Preamble to *The Indian Women's charter of rights and duties*, as adopted by the All India Women's Conference in 1946).

The Indian woman's struggle for women's liberation started quite some time back. They realised that women have an important role to play in the social, political and economic development of the country. They also realised that for the performance of the role expected of them, society should grant them status equal with men.

In ancient India, women enjoyed a very high status in society, which is evident from the fact that many religious rituals were not regarded as complete unless they were present. The field of education was also open to them. But with the change in the social, political and economic pattern of the country, the status of women witnessed a decline. This situation continued for quite a long period until reformists like Raja Ram Mohan Roy, Ishwar Chandra Vidyasagar, Dayanand Saraswati and

Gopal Krishan Gokhale, started a social movement for the improvement of women's conditions. Later the leadership of the women's movement was taken up by such eminent women as Kamla Devi Chattopadhaya, Sarojni Naidu, Maharani Chimanbai of Baroda, Dr Muthulaxmi Reddi and others.

The movement for women's emancipation gradually gained momentum, and as a result the women of India were granted equality in all spheres of life along with men. The Constitution of India declares:

“The State shall not discriminate against any citizen on grounds of sex, religion, race, caste or place of birth or any of these.”

Present Status of Women

Although the Constitution grants equal status and equal rights to everyone without any discrimination of sex, women in most cases cannot avail them-

*Mrs Beniwal is Minister for Agriculture, Rajasthan.

selves of the opportunities because of various factors such as illiteracy and poverty, and especially social conventions. The Census Report of 1971 indicated that the female literacy rate in the country was 18.7 per cent, while for males it was 39.5 per cent, with 29.5 per cent for the total population. Similarly in the field of employment, according to the same Census Report the number of women workers was 31 million, of which 28 million were in rural areas and 3 million in urban areas.* From these reports it is evident that there is an urgent need for initiating crash programmes for elevating the status of women in the country.

To fulfil the pledge of the Constitution, the Government of India set up a Committee on the Status of Women by a resolution of the Ministry of Education and Social Welfare on 22nd September, 1971, to study the status of women in various aspects of life and make recommendations to bring about an improvement in their status. The Committee submitted its report in 1974, which made valuable suggestions for improving the legal, economic, educational and political status of women in India. Based on these recommendations and various other reports, the Government of India formulated an action programme for the promotion of women's welfare.

National Plan of Action for Women

The National Plan of Action for Women incorporates both legislative and administrative measures. The action plan makes provision for reviewing

existing legislation and enforcing certain laws for the eradication of the dowry, etc. It was suggested that the provisions of the existing Child Marriage Restraining Act should also be revised.

Provision of legal aid services and the setting up of family courts have also been included in the action programme. The administrative measures cover education, employment, health care, nutrition, family planning, activities for working women, care for socially disadvantaged women, etc. The action programme envisages the strengthening and reorientation of the education system, and examining its content so as to vocationalise and rationalise it according to the available employment opportunities.

The action programme also lays emphasis on creating employment opportunities for women of various educational standards, and those from the lower and middle income groups. Organisation of creches has also been planned.

The *Central Social Welfare Board* plays an important role in improving women's conditions and promoting their welfare. For the eradication of female illiteracy the Board implements intensive courses and functional literacy programmes through its affiliated units at block/village level and through other voluntary organisations. Under the scheme for intensive courses, women aged 18-30 who have had previous school education, are given a chance to sit for the schools final examination. The functional literacy programme, for women in the age group 15-46 years, provides non-formal education in health, food, nutrition, child care, home management and popular crafts.

*The total population of India is 550 million, of whom women make up almost 50 per cent. (Ed)

According to the report of the Department of Social Welfare for the year 1976-77, 2,269 functional literacy centres with a role strength of 40,269 women, were functioning in the country by February 1977. In addition to providing educational facilities, the Central Social Welfare Board also organises various vocational training programmes for rural and urban women, to give them employment opportunities and enable them to work in the production centres. Training in weaving, tailoring, cloth printing and various other handicrafts is also given.

Women's voluntary organisations such as the All India Women's Conference,

Women's Conference, Women's Voluntary Services and various other National and State level organisations, have also played an important part in programming women's welfare. These organisations implement adult education programmes by running evening classes, and vocational training programmes in vocational training centres for women. Very often these training centres are attached to production centres, where the ex-trainees get an opportunity to work and earn. Some of them run hostels for working girls, creches for young children, *balwadies* (play centres) for children in rural areas, and homes for destitute women and children.

The Role of Co-operatives

Co-operative Programme for Women

Co-operatives have also played an important role in improving the economic condition of women by providing them with full- or part-time employment. The co-operative movement in the country started some 75 years ago when the 1904 Enactment provided for the organisation of rural agricultural credit societies. Subsequently the laws were amended to allow for the formulation also of other types of co-operative societies. At present the Indian Co-operative Movement, in terms of size and membership, is one of the largest in the world. Co-operative credit institutions provide short, medium and long term credit to members to the tune of Rs.18,000 million annually, while the co-operative marketing societies handle business worth Rs.16,000 million every year.

The co-operative structure provides essential commodities and articles of mass consumption to the people in urban and rural areas to the value of Rs.10,000 million every year. Co-operatives have also made notable progress in the field of processing of agricultural commodities and about 50 per cent of the national sugar production comes from the co-operative sector. The number of co-operative societies of all types exceeds 30,000 with a membership in the range of 70 million. Women comprise about 50 per cent of the total population of the country, but their participation and involvement in the co-operative movement are still not such as their numbers would warrant.

With the diversification of the movement and the growing needs of daily life, women gradually started taking interest in co-operatives. Their partici-

pation takes two forms:

- (i) they become members in societies along with the menfolk, especially in consumers, urban credit, housing, industrial societies, etc.;
- (ii) they form their own exclusive co-operatives, such as industrial co-operative, thrift and credit, consumer co-operative societies, etc.

Their association with the movement is considered important for the following reasons:

- Women constitute nearly half the population of the country, hence their involvement in the movement will not only give it a broader base but will also help it to undertake such services which are especially needed by women and in which their support can be enlisted.
- They are the main buyers of all consumption goods in a family; therefore they can assist the co-operative stores to purchase the right assortment, and quality goods in the correct quantities.
- They can find full- or part-time employment by becoming members of industrial co-operative societies and earn their livelihood or supplement the family income.
- The responsibility of the family budget lies mostly with the women, hence they can economise on expenditure and promote thrift and saving through their co-operatives.
- The welfare of the women from lower income levels can be promoted by bringing them into the co-operative fold.

Types of Women's Co-operatives

Co-operatives with exclusively women members can be classified in three categories:

- (1) Industrial co-operatives (producers' co-operatives);
- (2) Credit co-operatives;
- (3) Other types of co-operatives, including consumer co-operatives, thrift and savings co-operatives, multi-purpose welfare co-operatives, etc.

<i>Type of Co-operative</i>	<i>No. of Societies</i>	<i>No. of Members</i>
(1) Industrial Co-operatives	2,465	82,000
(2) Credit Co-operatives	46	25,000
(3) Other types	1,950	114,000
Total	4,461	221,000

The table shows the number of societies along with membership and paid up share capital, based on data received from 19 States/Union Territories. It is evident that the number of women's societies is slightly more than 4,000 which is only approximately 1.5 per cent of the total number of co-operatives in the country; their membership is about 0.4 per cent of the total. A brief review of each category is given below.

(1) *Industrial Co-operatives*

Women in India have organised many industrial co-operatives to create part-

time employment opportunities for themselves, to supplement their family incomes. These societies are generally of two types:

- (a) *Workshop-type societies.* These co-operatives have their own workshops or factory sheds where members assemble to carry on production, for which they earn monthly or weekly wages depending on the amount of work produced. In some cases marketing of their products is also undertaken by the co-operatives.
- (b) *Service-cum-sales societies.* Raw materials are supplied by the co-operatives to the members; the processing and production is done by the members in their houses, with the help of members of the family. The co-operative collects the finished products and sells them in the market, and members are paid wages.

(2) *Credit Co-operatives*

Women's participation in credit societies is of two types. A number of women employees have joined urban credit societies at their places of work, alongside the men; and women are also joining village service/credit societies, although in small numbers. Women have also established their own banks with exclusively women membership, managed by the women themselves. In some schools and colleges the teaching and non-teaching staff have formed credit societies.

(3) *Other Types of Co-operative*

This category includes consumer co-operatives, thrift and savings societies in rural areas, education and multi-

purpose co-operatives. The number of women's consumer societies is very limited; in some cases their participation in consumer co-operatives is jointly with men, but again their number is negligible. Women's thrift and savings societies in rural areas collect small sums from their members and deposit the same with the local co-operatives. The multi-purpose societies run vocational training centres, adult education centres, child care and food nutrition centres, etc.: these are non-profit making welfare societies.

Problems faced by Women's Societies

(a) *Lack of Managerial Skills.* The success of a business organisation depends on the business acumen of its policy makers and workers and co-operatives are no exception to this. Co-operatives need dedicated and enlightened leadership as well as trained managers and workers; women's co-operative societies, with their small size and meagre resources, are not able to appoint full-time managers. In such societies, therefore, much depends on the skill and ability of the managing committee members. Unfortunately in most cases the members lack the necessary skills and education.

(b) *Illiteracy.* Wide-scale illiteracy among women poses a serious problem. Being illiterate and shy, the members are not in a position to co-ordinate and negotiate business deals with work-awarding agencies.

(c) *Marketing Problems.* The industrial co-operatives are in a still more disadvantageous position as they find it difficult to sell their products because of the keen competition in the open

market. The women's co-operatives are not in a position to face the competition because of their limited operations and absence of technical skills; also production costs in many cases are high.

Co-operative Training and Education for Women

The National Co-operative Union of India, which is the apex organisation of the country's co-operative movement, implements co-operative education and training programmes on a nation-wide scale. There are some education and training programmes exclusively for women, but they are also at liberty to make use of the general programmes. It should be stated here that in India, for administrative reasons, the term *education* is used in respect of education of members and lay-officials of co-operative societies, while the term *training* applies to employees and other paid functionaries.

On the *education* side the Union launched a pilot project for women's co-operative education in 1964 in Delhi. In 1965 the programme was evaluated and found to be useful and effective. On the basis of the evaluation report it was recommended that the programme be expanded to cover the whole country. Under this programme women's wings were set up in most of the States under the State co-operative unions, consisting of one officer and four educational instructors, all women. Women's Advisory Committees were also formed in each State. At present ten States implement co-operative education programmes exclusively for women, through women education officers/instructors. In many other States, co-operative education programmes for women members

are being undertaken as part of general co-operative education programmes.

The women instructors organise classes of ten days' duration for housewives and prospective members. Exclusive classes are also being conducted for managing committee members. In addition to this the women education personnel conduct study circle meetings for housewives, and short duration seminars and conferences, as well as classes for girl students and young people. In these classes for women and youth, various topics relating to co-operation, viz. principles, laws and management, are taken up for discussion. The problems of co-operative societies are discussed in the study circle meetings, and efforts made to find solutions for these problems.

With regard to co-operative *training*, there are no separate arrangements for women as such, but women are given facilities and opportunities for receiving training at all the junior level training centres, co-operative training colleges, and national level co-operative colleges. The officers and employees of women's co-operative societies are admitted to various training courses organised in these institutions; suitable board and lodging arrangements are also made for them as and when necessary. The National Centre for Co-operative Education, New Delhi, frequently organises training courses of short duration for women co-operative leaders, education officers and instructors.

National Level Conference and Seminars

In order to focus attention on the need and importance of involving

women in the co-operative movement, and to formulate need-based programmes for their education and training, the NCUI convened three conferences for women co-operative workers in 1965, 1968 and 1978. A brief resume of these conferences is given below.

The conference on *Women and Co-operatives* held in 1965 stressed the organisation of women's wings in every state, and intensification of women's education programmes for educating and motivating women to join co-operatives. The conference of *Women's Industrial Co-operatives* held in 1968 recommended that arrangements should be made for the marketing of the products of women's co-operatives. The *Conference* of 1978 recommended the introduction of a well-knit and wide-spread education programme for the women members of co-operative societies, and the provision of training facilities for women members and employees. The conference also recommended that the co-operative apex institutions and government should come forward to provide special facilities and guidance to these co-operatives in business matters and assist them to market their products. The *7th Indian Co-operative Congress* also emphasised the need and importance of women's involvement in the Co-operative Movement.

Special Measures to involve Women in Co-operatives

In view of the important role of women in the development of co-operatives in India, steps are being taken by the Government as well as by the co-operative movement to involve

more and more women in the affairs of co-operatives. The following steps taken by the Government and by the Co-operative Movement deserve mention.

(i) *Nomination of women on management committees of co-operative societies.* In some States of India the Co-operative Acts and the by-laws of co-operative societies make provision for the nomination of one or two women on the managing committee of a co-operative society, in cases where women are not elected. This has enabled a large number of women to take part in the management of their co-operative. In this connection it is relevant to quote from the by-laws of the NCUI, according to which the Governing Council of the Union shall co-opt three eminent co-operators as members, two of whom will be women.

(ii) *Automatic membership of wife.* By-laws of many co-operative societies, especially housing co-operatives, provide for the automatic membership of the wife along with her husband.

(iii) *Special activities for women in "adopted" villages.* In the wake of integrated rural development, the NCUI has taken up a comprehensive programme of "village adoption" under which 150 villages will be adopted by the co-operative movement. In an adopted village, the co-operatives will provide all the necessary educational facilities, technical guidance, resources and inputs for the overall socio-economic development of all its residents, with special emphasis on women. The programme envisages the involvement of women on a large scale in all the developmental activities, in many of which they will be the focus of attention. The programmes designed

for women include co-operative education, training in domestic crafts such as embroidery, etc., cooking, food

preservation, nutrition, child and health care, family budgetting and family welfare, etc.

Some Achievements

The concept of women's welfare implies the social and economic rehabilitation of women, as well as their emancipation. Co-operatives are economic organisations with social objectives, to help the community and especially the weaker sections. On the one hand, co-operative organisations promote women's economic welfare by providing them with employment opportunities, and on the other, large co-operative business organisations undertake social welfare programmes for women and children. It must be admitted that only a start has been made, and we have a long way to go in this direction.

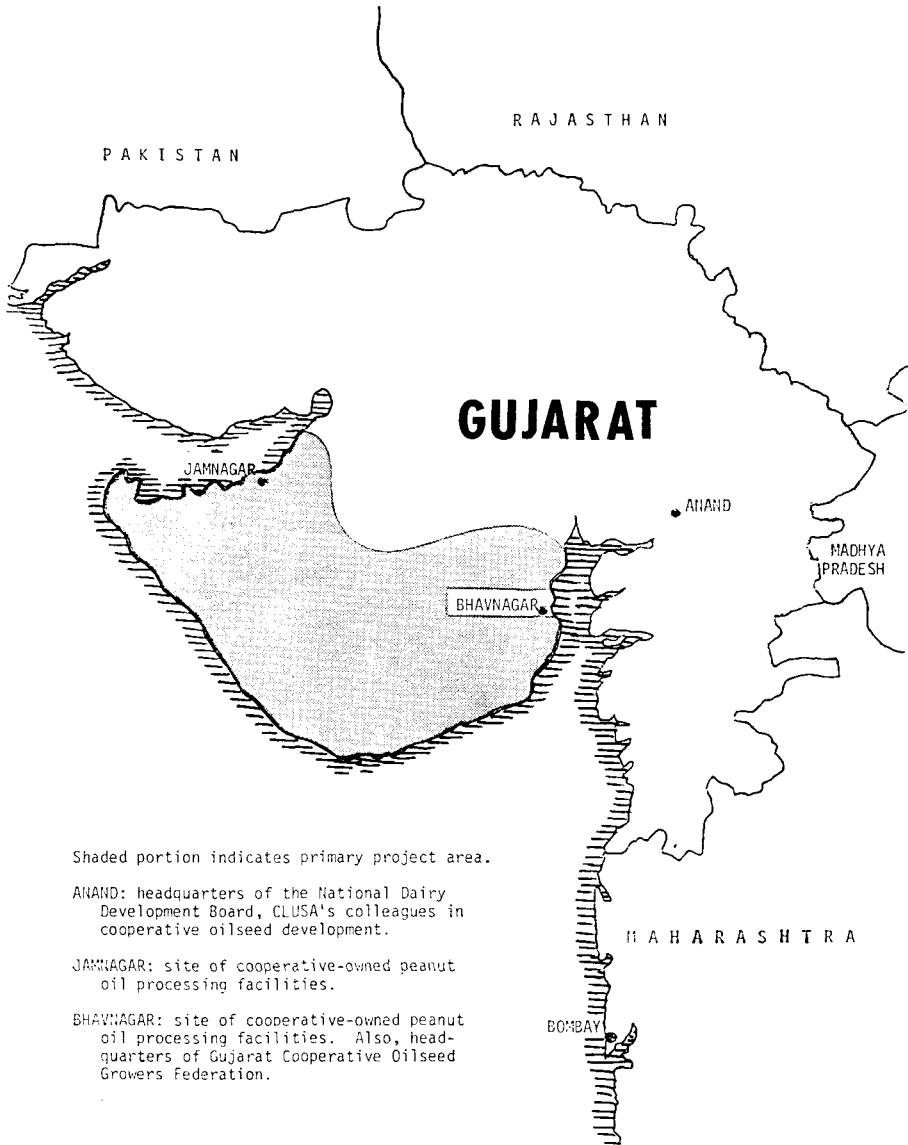
In our country many women have joined industrial co-operative societies to supplement their incomes. In the north-eastern region of the country, handloom co-operatives have been especially active in providing lucrative employment for the women. This supplementary income helps to improve their family budget and standard of living. Many helpless and destitute women have been enabled to earn their

livelihoods and support their families through working in different types of co-operatives.

Programmes undertaken by women's and other co-operative organisations have enabled women to secure medical facilities, including health care and family planning services. By participation in adult education programmes, women have also been able to learn the "three Rs".

Consumers' co-operatives, especially in urban areas, have helped women in particular by making available articles of mass consumption, including scarce commodities, at reasonable prices. Women can then go to a consumer co-operative store with confidence: after all, it is their own shop.

Credit institutions, whether they be village societies or urban banks, have instilled a spirit of thrift and savings in the women. Small savings have grown into large sums, and women take pride in using their cheque books. Women's urban banks have clearly demonstrated women's ability to become good bankers and managers.



Shaded portion indicates primary project area.

ANAND: headquarters of the National Dairy Development Board, CLUSA's colleagues in cooperative oilseed development.

JAMNAGAR: site of cooperative-owned peanut oil processing facilities.

BHAVNAGAR: site of cooperative-owned peanut oil processing facilities. Also, headquarters of Gujarat Cooperative Oilseed Growers federation.

A CLUSA Oilseed Development Project in India*

The Co-operative League of the USA (CLUSA) has recently expanded a co-operative development project in India, organising and capitalising federations of vegetable oil producers' co-operatives. The project, made possible through a grant of \$100 million worth of US soybean oil from the US Agency for International Development (AID), is the largest oilseed co-operative development project ever undertaken by a US voluntary agency. The \$100 million grant is the largest single commitment in history of US agricultural commodities via the US Government Food for Peace Programme.

The First Year of Operations

During the past year, more than 80 village-level co-operative societies have been organised, incorporating some 250 villages. The 2,700 farmer-members of these co-operatives cultivate nearly 29,000 acres of peanuts in the semi-arid western portion of Gujarat State, north of Bombay.

Beginning to utilise the proceeds from the sale of 55,000 tons of US soybean oil (worth \$55 million), CLUSA and their Indian colleagues, the National Dairy Development Board (NDDB), have rapidly established an impressive array of farmer services and co-operative processing facilities. Plants

operate at Bhavnagar and Jamnagar for crushing, extraction, refining and hydrogenation. The most extensive farm-level peanut test plots in India are now run by the fledgling Gujarat Co-operative Oilseed Growers Federation.

In addition to highly trained mobile teams for co-operative organisation, the federation provides farmers with a reliable supply of high-quality fertilizer, pesticide, and improved seed. As co-op members themselves control the buying and grading of the harvested nuts, they also ensure fair marketing practices to the farmer-members.

As skilled staff are hired and trained for technical posts within the co-operatives, peanut oil produced, processed and marketed by the new co-operatives is impacting markets in the states of Gujarat, Madhya Pradesh and Maharashtra.

The project is implemented in India through the National Dairy Development Board (NDDB), famous for its organisation of Operation Flood, the world's largest dairy co-operative system. Following the highly successful example of Operation Flood—utilising foreign-donated food commodities to capitalise Indian co-operatives of the same commodity—the NDDB plans to expand the current project to eventually include millions of Indian oilseed farmers.

*From a Press Release issued by the Co-operative League of the USA.

Importance of Vegetable Oil

In India, with its emphasis on vegetarianism and its perennial shortage of calories, especially among the poor, vegetable oil becomes not only a cooking medium but also a major source of calories and nutrition. Vegetable oil is one of the four main components of the Indian diet.

Although Indian production of vegetable oil has climbed slowly in recent years, the demand for vegetable oil has skyrocketed in the light of a rapidly rising population and the continuing need for a higher calorie intake in the diet. Accordingly, the annual deficit in vegetable oil requirements, in excess of local production, exceeds a million tons per year. The problem is made worse by the fact that, in spite of an average income of less than \$100 per person per year, the price of vegetable oil on the Indian market is four times that of the price of cooking oil in the United States. The Indian government has recently banned the export of any peanuts, India's major source of oil, in order that all available production can be used to produce cooking oil for human consumption.

The Indian Oil Market

Peanuts, as well as most other oil-producing seeds (soybean, rapeseed, mustard seed, palm, and coconut) are grown in India almost entirely by farmers whose "farms" average less than ten acres. Such small producers, in a disorganised market, naturally fall prey to those who buy peanuts, and process and sell peanut oil.

About 90 per cent of the peanut oil market is controlled by small, independent local middlemen, or "traders",

each working in his own rural area. These traders are in an ideal position to exert a considerable degree of influence over market supply and demand and, therefore prices as well.

Normally, at the time a farmer has peanuts for sale (and no storage facilities of his own to keep them in, so that immediate sale is necessary) the price of peanuts in the market falls naturally, and is further manipulated to such a low level that the farmer is unable to realise enough income from his crop to pay off all of his loans from the previous year. Therefore, as part of the arrangements for the sale of the peanuts to the trader, the farmer also takes loans from the trader for the coming year, which in turn commits him to sell to the trader (again at rock-bottom prices) the following year.

The trader stores the peanuts, and then processes the oil on antiquated and inefficient equipment, during which process much of the potential oil which could be available for Indian consumption is lost. The cooking oil is then stored for several months. When the market demand for cooking oil has driven the price to its maximum, the trader begins to sell his oil, thus reaping windfall profits for himself year after year. The consumer, on the other hand, receives inadequate supplies of a poor quality product on an unreliable schedule and at an inflated price. Both the farmer-producer and the consumer are taken advantage of, and the poor suffer most of all.

The New Co-operatives

This unfortunate situation is now being dramatically changed by placing ownership and control of purchasing,

processing, and marketing of vegetable oil directly in the hands of the oilseed farmers themselves through the organisation of oilseed growers' co-operatives.

This co-operative principle has been proven repeatedly in co-operative development projects undertaken both in the United States and other countries. It has been CLUSA's experience, that any attempt to organise co-operatives which are not eventually wholly owned and controlled by the members, ultimately fails in serving the real needs of the members. Many Third World "co-operatives" have been established by governments, and continue as a part of the government extension system of technology and agricultural inputs, without user-members eventually buying out government shares. In such cases, they inadequately meet farmers' needs, as they are primarily built around meeting the needs of the government system which established them.

In the Oilseed Growers Co-operative Project in India, CLUSA and their Indian colleagues, NDDDB, assist oilseed farmers to organise themselves into co-operatives designed and managed to meet their own needs. While co-operative organisation teams live and work in the villages with the oilseed farmers, the necessary economic infrastructure—processing facilities, transportation facilities, marketing outlets, etc.—are designed and initiated by NDDDB. As the local co-operatives grow in size and strength in each district or county, local facilities are transferred to the newly-organised local co-operatives, to be owned and controlled by them directly.

These district-level co-ops, in turn,

own and control state co-operative federations. This "bottom-up/top-down" approach to creating large and successful co-operative systems has been proven by CLUSA and its colleagues in various parts of the world, to be the most effective available approach.

Provision of US Co-operative Expertise

Following a longstanding and successful tradition, CLUSA taps the expertise of the US oilseed co-operative community, both CLUSA-members and non-members, and provides to the Indian farmers the finest technical skills available in the field of co-operative management and oilseed technology. This effort is co-ordinated and supported by the CLUSA Oilseed Advisory Committee.

In addition to securing the AID grant for the project, and assuming full responsibility for the successful handling of the proceeds of the sale of the donated oil, CLUSA has been extensively involved in the project in other ways. Over the past two years, M. Rex Wingard, CLUSA Representative in India, has worked closely with the NDDDB in planning the project. Throughout the project, CLUSA will provide continuing expertise and technical assistance.

Also, through an AID Operational Programme Grant, CLUSA co-operative experts have made technical assistance missions to the project, as well as running training programmes at US co-op facilities for project staff and leadership. With this grant, US experts were able to join Indian experts recently to complete a detailed Oper-

ations Research Study of long-term developmental needs of the new co-operatives. Another AID grant has enabled CLUSA to provide consulting in management and technical needs of oilseed processing mills, in a complementary project with the National Co-operative Development Corporation of India.

CLUSA has increased its staff in India to provide regular assistance in the smooth implementation and monitoring of the Oilseed Growers Co-operative Project. Additions to the CLUSA headquarters staff in Washington, DC, have assured a smooth flow of resources and support to the project. The 55,000 tons of soybean oil shipped in the past 12 months has provided nearly \$55 million for development of grower services, co-op expansion, and processing and marketing facilities. An additional 55,000 tons of oil is scheduled for shipment over the next two years.

CLUSA Spearheads the Creative Use of US Food Aid

This is the first time that US food, donated under the AID Food for Peace Programme has been used in this manner. Rather than being distributed throughout India the food is sold on the Indian market. The proceeds from the

sale are used for the development of the oilseed co-operatives, directly benefiting poor farmers.

In addition to providing direct financial assistance to the project, markets for co-op oil have been established and are being expanded in India, using the US-donated oil. As local production increases, donations are rapidly phased out, leaving in place an independent production-and-marketing process which benefits Indian farmers and consumers.

But it is not only the Indian farmers and consumers who benefit. The CLUSA oilseed project has brought direct financial benefits to farm families and farm communities throughout the prairie states of the Midwestern USA, as it provides an immediate export market for US soybean oil.

Although US food has not been previously used in this way, the interest generated by this project has encouraged the US Government to approach CLUSA to consider similar projects in other Third World countries. Studies are now being made by CLUSA headquarters and field staff regarding US commodity assistance for the establishment of co-operatives for small farmers in several other developing nations.

The Preparation and Appraisal of Co-operative Development Programmes and Projects

Guidelines for use by Project Officers

by

Koenraad Verhagen*

*Co-operative Development Research Officer, Royal Tropical Institute,
Amsterdam, Netherlands*

INTRODUCTION

Focus and Contents

The persistent and notorious disappointments in the planning and implementation of co-operative development call for a more thoughtful preparation and appraisal of programmes and projects.

The present set of guidelines differs in outlay and orientation from existing "checklists". The latter rightly emphasise the importance of favourable "environmental conditions" (see Section III), but give insufficient attention to the policies of the agency or agencies which implement local change, i.e. the "intervention strategy" (Section I); or to the consistency of the total package of supporting services offered (Section II). In other words, if one wishes to assess whether a co-operative can develop at a particular place, not only

should conditions of soil and climate (i.e. environment) be considered, but also, with equal attention, the techniques of sowing and the inputs required to make the seed germinate and the plant yield fruit.

These guidelines have been evolved on the premises that:

- (a) the promotion of co-operative development should be deliberately directed towards the survival and emancipation of the economically and socially weak sections of the population ("the target population");
- (b) in order to accelerate the process of group formation and co-operation, support from outside the milieu of the target population ("external support") is necessary, particularly in terms

*The author is most grateful to the late Mr B. J. Youngjohns of ODA for his extensive comments on the draft version, and further to Messrs Bottomley, Forsberg and Rajaguru of ICA, and the members of the Dutch Study Group on "Self-managed enterprises in developing countries". Ideas for the present document are drawn mainly from the writer's promotional and research work in Africa south of the Sahara. Comments on the draft version and his recent research work in South East Asia have encouraged him to believe that it may be very widely applicable.

of motivation, education, training and political backing; at the same time, some form of external supervision is also needed to ensure that the target population is the real beneficiary.

External support and supervision have to be organised. The institutions in charge of these functions together form the promotional or "supporting structure". The supporting structure can vary from simple—one development worker such as a missionary, or a voluntary organisation—to complex—a group of organisations including a ministry, a co-operative bank, a co-operative training school, a centre of education, etc. Irrespective of the number and sorts of organisations involved, all supporting activities should be based on a sound strategy and a consistently applied package of services.

Some projects do not envisage so much the creation of new co-operatives as the consolidation and improvement of performance of the already *existing* co-operative sector. Most existing co-operatives in developing countries are heavily dependent on external assistance and control. The guidelines outlined in Sections I, II and III, aim at just such a situation *not* at one arising *in spite of* external support in the initiation phase. Where such dependence exists, however, the current imperfect situation must be taken as a starting point for developing a promotional strategy which has the dual target of increasing (a) the administrative autonomy of co-operatives and (b) their serviceability to the weaker sections of the population. Where these two objectives appear to be incompatible, the rural and urban poor should be encouraged to form their

own co-operatives. Where they are reconcilable, an objective assessment of the level of administrative autonomy should take place and the higher goals to be attained within the project period be clearly stated. The scheme in Section IV "Towards co-operative autonomy" provides a framework for the classification of co-operatives according to the intensity of external supervision and control as opposed to co-operative autonomy.

In the present document the specific problems of co-operative enterprise in particular sections (e.g. savings and credit co-operatives, housing co-operatives, settlement co-operatives, etc.) are not considered. For these the reader is referred to a COPAC publication: "Guide for the preparation of co-operative projects" (December 1975).

Use of the Guidelines

A co-operative development programme can be conceived as a series of mutually supporting promotional activities—some of which may be carried out in project form—which are oriented towards the realisation of a co-operative sector which is capable of self-sustenance and effective in benefiting its members.

The guidelines claim to be "scale-neutral", thus being of equal value to micro-programmes and projects carried out by a single development worker who enjoys a considerable degree of autonomy, and to large-scale programmes or projects involving several development agencies. A project is conceived as being more limited in scope and objective, and should be prepared and appraised within the

larger framework of the programme of which it forms a part. For example, in the appraisal of a co-operative education project, the approach should be two-pronged: (1) it should be well planned as an educational project; and (2) it should be well integrated with other co-operative development efforts.

These guidelines are more programme- than project-oriented. Their use will, in many cases and often justifiably, give rise to feelings of strong doubt about the soundness and consistency of present and past strategies which have underlain and directed co-operative development programmes and projects. In other cases, information contained in the project document might well be too general or too brief on essential points, particularly where it concerns the project's interaction with other co-operative development efforts. How the person in charge of project preparation or appraisal should react in such situations depends on the nature of the problem, the position of the officer in the organisation's hierarchy, and the character of the organisation itself: recipient or donor agency, international or national, governmental or non-governmental. However, project development "management and diplomacy", possible use of appraisal missions, etc., do not fall within the scope of this paper.

Beware of Desk Planners

One has to be aware that co-operative development is a *process* which cannot be readily fitted into a conventional project approach, which calls for specific quantitative achievement in the field of agrarian or industrial production. Co-operative development

is a means to increase the behavioural autonomy of the "target groups". Therefore, considerable suspicion on the part of donors is certainly justified when "co-operative development projects" are presented which indicate in detail how many co-operatives *will* be created in the coming years, what functions they will perform, and how many members they will comprise. Such plans, normally, have been put up by ambitious desk planners, sometimes with the best of intentions, without consultation with the population concerned, and tend to ignore that the establishment of co-operatives depends first of all on the people involved.

What is to be co-operatively undertaken and how, has to be determined by the (prospective) co-operators themselves, in dialogue with the representatives of the promoting agency and possibly other technicians concerned. Plans should be adapted to the possible pace of co-operative development, not the other way round.

Most agencies requesting technical or financial assistance, lack either time, manpower, skills or orientation for participatory planning. Instead they apply a centralistic and bureaucratic approach which by its very nature runs contrary to the idea of people's participation. If the programme or project under consideration has no participatory foundation, the donor or lending agency could suggest an "orientation phase" which should help to identify more clearly the target groups, their levels of aspiration and the priorities.

Where no extensive orientation has been undertaken—which is a project in itself—the objectives of co-operative development programmes and compre-

hensive projects can only be described in general terms, and sectors of production and commercial activity only hypothetically indicated.

Co-operatives are no Panacea

It should be realised that co-operatives are not *per se* the best means of achieving a project's objective. The nature of the project, namely its geographical scale, the high proportion of external input in terms of finance or expertise, or political factors, may make it impossible to apply an intervention strategy conducive to co-operative development. Where objectives are to be realised in the short-term, more authoritarian forms of intervention by state or public enterprises may be more effective, providing they are well prepared.

In addition, small-scale privately-owned enterprises or groups under traditional leadership are all too easily overlooked by development planners as an alternative to the more difficult, egalitarian type of co-operative organisation. Co-operatives are not a cheap means of development, and the considerable amount of energy, effort and imagination needed to apply a proper co-operative development strategy is often underestimated. In many developing countries great harm has been done to the co-operative concept by the establishment and poor functioning of "pseudo-co-operatives". A public service orientation is not enough to label an organisation with only nominal membership a co-operative. If after consideration, the requesting country or agency is not very interested in co-operative development worthy of that name, the project should be given some

other name and, of course, appraised from a different angle.

The use of Co-operative Development Experts

A "co-operative development expert" is a rather vague expression used to denote a person who by study or practice has been involved in co-operative promotion and organisation. He or she can never be expected to be an expert in all sectors of co-operative enterprise or organisation, e.g. in co-operative credit, transport, wholesale and retail distribution, small-scale industry, settlement etc.; or in all supporting activities such as education, training, management, consultancy, etc., mentioned in Section II. Further, other experts have specialised in the field of analysis of environmental factors, e.g. co-operative legislation, the link between co-operative organisation and traditional forms of organisation, etc., as indicated in Section III.

In the first phase of co-operative development there is primarily a need for experienced co-operative generalists who are able to consider the feasibility and desirability of co-operative enterprise in the broader framework of urban or rural development problems. It is only in the second phase that sectoral specialists may be necessary when a start has been made (in one or more fields of co-operative organisation and enterprise).

Thus, the prestigious epithet "co-operative development expert" does not mean that the person in question is fully qualified to act as an adviser or executing agent for each and every aspect of co-operative development. In many cases, however, there is little choice and one

will have to put up with the limitations of the expert available. Co-operative experts, regardless of their country of origin, have an understandable inclination to recommend or transplant from one country to another models of

organisation they are familiar with and consider to be fairly effective. Flexibility of mind and capacity to listen are certainly the most important traits of character that they should have.

I—INTERVENTION STRATEGY

The various ways by which co-operative development and enterprise are being promoted within the milieu of a target population usually leave much to be desired. A proper approach should have the following features:

- (1) Additional means of production (credit, agricultural inputs, etc.) should only be brought in "from outside" as a complement to *resource input from members themselves* (money, labour or land).

The members' contribution should be large enough to make them feel that they are subscribing substantially from their own resources and incurring a personal loss if the business should fail.

The co-operative is, in the first place, an organisation of self-help and not a channel for the distribution of assistance of a charitable nature.

- (2) The co-operative should be *socially viable*. Members should wish to co-operate, accept each other voluntarily as partners in development. Where common action is the most prominent feature—and not the acquisition of favours from outside—this will reinforce feelings of solidarity and thus the viability of the organ-

isation as an association of persons. Primary co-operatives set up at a higher level than the village may not be socially viable because of too large a social distance between the leadership and members, and between the members themselves (which does not imply that all co-operatives set up at village level are socially viable!).

- (3) *Economic viability* should be given as much attention as social viability. The economic motive forms the most solid basis for common action. The motivation of members will quickly decline when the co-operative enterprise does not yield *tangible benefits on a short-term* for each of the members. This implies the necessity of common economic interests, the orientation of action towards a clearly defined objective, and relative simplicity of the first "take-off" activity.
- (4) The objectives of a co-operative enterprise should be *determined by the members themselves* in dialogue with representatives of the promoting agency.

Fulfilment of the above four conditions means that, in the case of a project of international assistance, (future) members of the co-operative

(in the process of formation) have been able to participate in the decision-making with regard to project design. This, at the same time, is a condition for effective participation in the implementation phase.

(5) *Co-operatives should be allowed to develop at their own pace* in harmony with the members' capacity for self-administration and self-organisation. Stimulation and support from external agents is certainly required; this should not lead, however, to artificial growth either in the volume or in the range of development functions undertaken. Unfortunately, in practice, the imposition of development tasks by a development administration or a political party is quite a common phenomenon. The pursuit of political objectives frequently tends to push development too quickly—at a pace which outstrips the capacity and ability of the target population to comprehend, let alone control.

(6) *Co-operative members should be given the opportunity to develop their own rules and pattern of organisation* in agreement with the general co-operative principles of equality of rights and status of members, and of an equitable division of benefits and burdens. Models of co-operative organisation should be presented as proposals and certainly not obligatorily imposed.

(7) *Administration and management of the primary co-operative should, from the very start of the operation,*

be in the hands of local leaders and managers who, preferably, emerge naturally from the group of members through a continuous process of group discussion. Too much dependence on assistance from outside, with regard to administration and management, or finances, is to be avoided from the very beginning. Promoters often argue that co-operatives first have to be “put on their feet” and therefore, in the starting phase, have to be “run” by one or more experienced persons recruited from outside the group of members. Following this, they say, the influence of the promoting agency (governmental or private) will be gradually reduced by training local leaders and educating the members. This so-called “weaning” strategy is often advocated in national development programmes and projects and in international discussions, but in practice it must be confessed that “weaning” does not seem to work and co-operatives remain or become even more dependent on external guidance (see also Section IV).

(8) As a *complement* to internal control, exercised by the members themselves, *external supervision* is necessary to ensure the equitable distribution of benefits and to prevent possible misuse of power by leaders or executive staff. Supervision from outside, even if it is complementary, may be regarded as interference in internal co-operative affairs. Yet it is

necessary for the timely detection of gross mismanagement or embezzlement of funds. External supervision puts heavy demands on the skills, integrity and honesty of the supervisors/inspectors. Since persons of this calibre are scarce, internal control (i.e. control "from within" and exercised by the members) is generally recommended as a far more effective means. But local power relations may deter ordinary members from exercising their legitimate rights of collective and individual control. Change agents have therefore the additional task of counterbalancing inequality within membership ranks by

providing moral and political support to weaker sections of the society. This is certainly their most difficult and delicate function.

N.B.—The basic principle that runs through all the above eight points like a continuous thread is that of *participation*:

- Participation in decision-making on "what" is to be undertaken and "how";
- Participation in execution and control;
- Participation in decision-making with regard to the division of benefits and burdens among membership.

II—THE PACKAGE OF SUPPORT SERVICES

The Package Should be Complete

The package of required promotional and supporting services can be subdivided into various supporting activities called "functional areas", as in the scheme below, such as e.g. education, finance, management advice, etc. Such activities require administrative co-ordination at national and regional level, and below, and should logically link up with each other. Unfortunately co-operative promotional practice presents more often than not an inconsistent ensemble of poorly integrated activities: e.g. management advice is given, but member education—another functional area—is absent or neglected; or the education of members is organised, but has no relation to the operational problems of the co-operative group or enterprise; or additional finance is

provided but no proper plans have been made for its use.

It should be clear what the objective is, for each promotional activity. In the scheme below the objectives have been indicated for each functional area. When several organisations are involved in co-operative promotion (e.g. a Co-operative Development Centre, a Ministry, a national apex organisation) there should be a clear division of promotional tasks, and agreement on how the separate programme activities should link up with each other and fit into an overall commonly pursued development strategy. The division of responsibilities between different organisations appears to be a very delicate matter and a never ending source of conflict. By way of illustration, and not necessarily as a model to follow, a

division of promotional and supporting functions between several organisations is indicated in the third column in the scheme below, just as one may well find in a co-operative development programme set up on a national scale.

<i>Functional Area*</i>	<i>Objectives</i>	<i>Responsible Organisation (by way of illustration only)</i>
(i) Education of members	Effective participation by members in decision-making and control, through motivating them to participate and particularly by bringing within their reach the necessary information and knowledge.	National Apex Organisation, Co-operative Development Centre, or an extension department of a Co-operative College or School.
(ii) Training and education of: (a) elected administrators; (b) executive cadre; (c) co-operative development agents	To provide leaders, executive cadre, and co-operative agents, with the right attitude and equipped with sufficient knowledge and skills for the adequate fulfilment of the tasks they have been entrusted with.	Co-operative College or Co-operative Development Centre
(iii) Manpower management	To guarantee the continuous availability of trained and motivated personnel for co-operative enterprises and co-operative promoting agencies, by appropriate recruitment and assignment policies, by offering attractive terms and conditions of service, and by provision of sufficient opportunities for lateral and upward mobility within the co-operative sector.	For employees of <i>co-operative enterprises</i> : the co-operatives themselves, assisted if need be by their national co-operative apex organisation or by a Co-operative Development Centre having a special Management Recruitment, Placement and Administration Unit. For personnel of <i>promoting agencies</i> : the promoting agencies themselves, possibly assisted by a Ministry or the national co-operative apex organisation.

*Functional areas of minor importance for small-scale projects are given in parenthesis.

<i>Functional Area</i>	<i>Objectives</i>	<i>Responsible Organisation (by way of illustration only)</i>
(iv) Financing	To ensure the availability of sufficient funds for the functioning of a promoting agency(ies), and, <i>where necessary</i> , for financial assistance to co-operatives (working credit, investment credit, subsidies, etc.).	For the financing of operations of <i>promoting agency(ies)</i> : the national government, non-governmental organisations and/or, in a later phase of development, the co-operatives themselves (which means that eventually co-operatives would finance their own supporting structures). For the financing of the <i>co-operative enterprises</i> : the National Development Bank, Co-operative Bank, Rural Development Bank or Private Commercial Banks.
(v) Public Relations	To create a favourable economic, political and administrative environment, where such environmental factors can be influenced by the promoting agency(ies), e.g. by negotiations and interventions with public and private institutions regarding matters such as co-operative legislation, price policies, taxation policies, licences, etc.	Co-operative Development Centre and/or the national co-operative apex organisation.
(vi) Research, Planning and Evaluation	To guarantee and improve the economic and social viability of co-operatives: by undertaking research and feasibility studies; by continuous evaluation of current projects and programmes; by research into the need of co-operatives for supporting services and the planning of such services (all this in collaboration with the members!).	Co-operative Development Centre, or national co-operative apex organisation or academic research institutes, (universities, institutes), co-operative bank.

<i>Functional Area</i>	<i>Objectives</i>	<i>Responsible Organisation (by way of illustration only)</i>
(vii) (Compilation of statistics)	To make available quantitative data indicative of important developments in the co-operative sector and their diffusion in an "easy-to-digest" form to policy-makers and leaders.	Co-operative Development Centre, national co-operative apex organisation, or Ministry for Co-operatives.
(viii) Technical assistance to co-operatives in the field of:		
(a) Book-keeping and finance	To guarantee that books are kept, and accounts and reports prepared on time; to increase cost-effectiveness by analysis of expenditure.	Co-operative Development Centre or national co-operative apex organisation.
(b) Management	To guarantee efficient management by providing business and technical advice to the leading executive cadre.	Co-operative Development Centre or national co-operative apex organisation having a Management Consultancy Unit.
(c) Legal advice	To ensure that individual co-operatives operate from a sound legal basis by assisting them in drafting of by-laws, internal regulations and contracts; and by intervention at higher levels when legislation or directives require adjustment; to provide co-operatives with legal advice in cases of conflict with third persons and in court cases.	Co-operative Development Centre or national co-operative apex organisation.
(d) (Risk insurance)	To provide co-operatives and their members with the opportunity to insure themselves against the risks of loss of produce and money by theft, fire, natural causes (drought, floods).	Co-operative, private, or state insurance companies; national funds to cover people against the consequences of national disaster; co-operative funds to cover members against the financial consequences of personal disaster such as death of family members or prolonged illness.

<i>Functional Area</i>	<i>Objectives</i>	<i>Responsible Organisation (by way of illustration only)</i>
(ix) Inspection (external auditing)	To have co-operative business accounts and books examined for completeness and correctness by a neutral third party at regular intervals; to facilitate the establishment of internal financial and book-keeping controls; to check whether co-operatives operate in compliance with their stated objectives and by-laws and, where necessary, to undertake enquiries into possible misuse of financial resources.	An autonomous department of the promoting agency, an inspection service of a financing agency (bank), a special department of a national co-operative apex organisation, or of a Ministry for Co-operatives. Large, financially sound co-operatives may use private auditors, where these are available.
(x) Registration and liquidation	The registration of viable co-operatives, on request, as legal entities in a public register, and their de-registration in case of liquidation.	Ministry (Registrar) of Co-operative Societies.
(xi) (Arbitration)	Arbitration and mediation in cases of conflict: (a) between co-operatives; (b) between the promoting agency and the co-operative(s); (c) between the inspectorate and co-operatives.	National co-operative apex organisation for (a), ministry for (b), judicial institutions for (c) or for appeal against judgement pronounced under (a) or (b).

Five Checkpoints as to the Packaging and Organisation of Services

Concerning the packaging of services and their delivery by the local executing agency, the following questions arise:

- (1) Does the co-operative development programme (of which the project may be part) allow for a full package of services such as outlined above?
- (2) Will the proposed project activities harmonise with other planned or ongoing supporting activities in the field of co-operative development?
- (3) Are any changes or adjustments required in the division of functions and interaction between the proposed local executing agency and other agencies involved in co-operative promotion or supervision?

- (4) Is the local executing agency sufficiently organised and well managed for project implementation?
- (5) Will it have first-line development workers with the same cultural background (tribe, caste, language, etc.), as the (prospective) members, a quality which in many cases seems to be crucial for their acceptance as agents of change?

III—ENVIRONMENTAL FACTORS AFFECTING CO-OPERATIVE DEVELOPMENT

The effectiveness of co-operative development promotion is fundamentally dependent on its environment.

“Environmental factors” cannot, or only to a limited extent, be influenced by the promoting agency(ies) or the co-operatives themselves. They can be divided into economic, political-administrative, socio-cultural, and historical factors. They are the underlying factors determining the chances of success of co-operative action by the under-privileged sections of the population. For the purpose of project appraisal, they have been listed in question form below. If the answer is “YES”, then an important condition for successful co-operative action is satisfied; if there are more than a few “NOs” the indications are unfavourable. In the latter case it will generally mean that the environment does not allow implementation of the guidelines indicated in Section I or the development of a full package of services indicated in Section II.

In the listing of factors, special attention has been given to those particularly relevant for the involvement in co-operative action and enterprise of the socially and economically weak categories of the population.

Economic Factors

- (1) Are (prospective) members, taking

into account their existing living standards, willing to make a substantial (in that context) contribution from their own resources, in the form of labour, money or land, to their co-operative?

- (2) Where local resources are insufficient, are there adequate resources available (of national or international origin) for:
 - (a) financing co-operative group action and enterprise?
 - (b) financing the operations of the local promoting agency(ies)?
- (3) In cases where co-operative membership is also open to the more well-to-do sections of the population: is the access of the economically weak to the basic means of production (e.g. arable or grazing land, or capital) sufficient to make them benefit proportionately or more than proportionately from the planned co-operative production or commercial activities?
- (4) It should be realised that the economically weak sections of the population cannot afford to participate in risky ventures. Frequently the efficiency of co-operatives depends to a considerable extent on the performance of other enterprises which act as

suppliers, buyers, or transporters of the products in which the co-operative deals. Are these enterprises efficient, and are they willing to collaborate with co-operatives?

- (5) Similarly in cases where the efficiency of the co-operative enterprise depends largely on a transport infrastructure, such as the condition of the roads, navigability of rivers, etc., are the lines of communication in reasonable condition at those times of the year when transportation of products is necessary and cannot be postponed?
- (6) In cases where it is possible for (prospective) members to procure for themselves the services required from other organisations or persons, such as state enterprises, private banks, private dealers, private moneylenders, etc., are there clear indications that a co-operative enterprise will work more cheaply or in a way that takes the needs of members more into consideration?

Political-Administrative Factors

- (1) Do government and political authorities see co-operatives, primarily, as autonomous or productive organisations, of a self-help nature, which have the primary task of serving their members' interests?
- (2) Are government and political authorities prepared to support initiatives which envisage (where necessary) the setting up of separate co-operatives for the

weaker categories of the population? Are such authorities prepared to back up the co-operatives in cases where such initiatives are obstructed by elites at national, regional, or local level?

- (3) Are government and political authorities prepared to grant the promoting agency(ies) the necessary liberty of action for the implementation of the principles as outlined in Section I, even if, for the building up of an adequate structure of supporting institutions (see Section II), a government has contributed substantially from its own resources?
- (4) Does the government have a well-defined policy with regard to co-operative development? Is such a policy consistent for all levels of administration (national, regional and lower levels)? Is the practice of co-operative promotion in agreement with the official policy?
- (5) Does co-operative legislation exist? Does this legislation facilitate the emergence of appropriate forms of co-operative organisation? (The law may provide for a development in phases e.g. a pre-co-operative phase). Are there special legal provisions for protecting the interests of the weaker sections of the population and their participation in decision-making and sharing of benefits?
- (6) Is the government prepared to support co-operative development by favourable taxation and price policies?
- (7) In cases where other govern-

mental or non-governmental organisations have planned to intervene, or are already intervening, in the same sector of production or enterprise, but under a different programme or project: has there been a clear demarcation of responsibilities and areas of intervention in order to avoid fruitless competition between development agencies?

Socio-Cultural Factors

- (1) Is it possible to form co-operatives with a reasonably homogeneous membership (same tribe, same village, same religion, same language, same "class")?
- (2) Does the nature of the programme or project allow for leaders, as well as executive staff at the primary level, to be recruited and selected from the same social category to which members as a whole belong? (If this is impossible because of the insufficiency of locally available knowledge and skills, the project is not very suitable as a co-operative project.)

- (3) Do the requesting agency and prospective beneficiaries have a similar perception of their problems and the ways to solve them? Have the potential members themselves recognised the need for co-operative action? If this question cannot be answered: are there any activities planned, as part of the project, to identify the needs and priorities of action as viewed by the target population?

Historical Factors

Are there clear indications that the lessons of the past have been incorporated in the set-up of the programme or project under consideration:

- (1) In cases where (prospective) members have had bad experiences with co-operatives in the past?
- (2) In cases where government, voluntary organisations, or the people themselves, have already tried in the past to solve the same sort of problem in some other way than by co-operative organisation?

IV—TOWARDS CO-OPERATIVE AUTONOMY

Though ultimate "self-sustenance" and autonomy of the co-operative sector are proclaimed as the eventual goal of co-operative development in many policy documents, the reality is still far away from this ideal situation. Autonomous co-operatives are not exactly what we find in developing countries; in fact, the great majority of them are operating under conditions of strict control by development authorities, and

are heavily dependent for their continued existence on financial and managerial support from outside. Moreover the absence of a clear policy and time schedule for "phasing out" government influence is conspicuous in many cases, and is one of the reasons for the continued tutelage of co-operatives by their promoters and supervisors. Even in cases where the promoting agency has been a non-governmental institution, a

similar trend is perceptible: the supervising bureaucracy grows and the co-operatives become more and more dependent, until the financial burden becomes insupportable.

Many a co-operative development programme or project relates not so much to the creation of new co-operative groups or enterprises, but aims first at consolidation and improved performance of an already existing co-operative sector. Such a programme is only complete when it foresees the gradual freeing of the sector from undue tutelage and dependence.

For mapping out such a policy, a model has been evolved (see Table page 55) which may serve:

- (1) to classify societies according to their degree of autonomy;
- (2) as an evolutionary model.*

The Table on page 56 shows nine grades of intensity of supervision and control. At the top we find the "autonomous society": administratively self-reliant to a high degree, and with external supervision limited to an annual audit, minimal oversight of operations and the occasional provision of advice. At the lower end we find the co-operative society which is fully administered, managed and controlled by a single or complex of promoting agencies, mostly state organisations. The classification scheme has been constructed with the East African situation in mind and may need some adjustment when applied to other countries and regions.

As stated earlier, the general trend in developing countries has been towards increased supervision and control, in other words, a downward movement on the scale. In fairness to the policy makers, we have to admit that neither co-operative development scholars nor practitioners have so far succeeded in working out a "transition theory" which would produce an upward movement, viz. a theory on which a policy of gradually phasing out state domination and control could be based. In their defence it can be argued that the empirical foundation for developing such a theory is missing, due to the lack of any serious effort by policy makers in developing countries to pursue such a policy.

Yet, with the new increasing emphasis in rural development policy on theories of decentralisation, self-reliance, planning "from the bottom", we may say that prospects for "de-officialisation" of co-operatives in developing countries have become somewhat better. A useful step in this direction could be the grading of co-operatives according to the intensity of supervision and control they require.

From an overall development point of view, however, increased co-operative autonomy may serve little purpose if the goods and services provided by co-operatives do not benefit the lower level of society to a greater extent. In co-operative circles, and elsewhere,† people seem to be re-discovering the developmental value of co-operative micro-

*The scheme corresponds largely to Table 2 of Paper 34, "The Organisation of External Supervision as an Integral Part of Promoting Co-operative Development" by O. Odede and K. Verhagen, in *Co-operation as an Instrument for Rural Development* by M. Konopnicki and G. Vandewalle (Eds) published by ICA (London, 1976) for the University of Ghent.

†E.g. Small Farmer Development Programme, FAO.

Evolutionary Model for Increased Co-operative Autonomy

Actions Nos. 1 to 9 and their accumulation downwards correspond to increased degrees of supervision and control by Government;* a movement upwards signifies increased levels of autonomy.

NATURE OF ACTION	DEVOLUTION OF POWERS (to be specified in the society's bylaws)	PURPOSE OF ACTION	DENOMINATION OF CATEGORY
Audit and advice	<ol style="list-style-type: none"> Annual auditing by govt auditor or auditor approved by govt; examination of audit report provision; of advice for future development (or instructions in case of non-compliance with law provisions) Formal approval of capital expenditure + action 1 	Verification (through examination of results) and provision of consultancy	Autonomous co-operatives
Supervision: Inspection and verification of Co-op activities for conformity with law (Co-operative Law, Tax Law, etc.) and general principles of sound management	<ol style="list-style-type: none"> Formal approval of maximum borrowing powers (from non-members) and annual budget, monthly submission of trial balances, formal approval of disposal of surplus + actions 1 and 2 Frequent surprise cash checks and inspection of records + actions 1 to 3 Critical annual appraisal of the society's performance through production of an evaluation report; provision of guidelines on administration and management + actions 1 to 4 Formal approval of any resolution decided upon at committee meetings or General Assembly by government officer(s) prior to implementation + actions 1 to 5 	<p>Prevention of mismanagement</p> <p>Prevention of mismanagement</p> <p>Check on possible fraud and irregularities</p> <p>Evaluation + provision of consultancy</p>	<p>Supervised co-operatives, grade 1</p> <p>Supervised co-operatives, grade 2</p> <p>Supervised co-operatives, grade 3</p> <p>Supervised co-operatives, grade 4</p>
Control: Intervention in day-to-day administration and management in addition to audit and supervisory actions as described under 1 to 5	<ol style="list-style-type: none"> Formal Approval of all financial transactions to be made for the society's day-to-day operations, through the countersigning of cheques by government officer(s) + actions 1 to 6 Decisions which belong to the exclusive authority of General Assembly or Committee, are taken by government officer(s) who check(s) on implementation by society's employees + actions 1 to 7 Government appointees ensure administration and management + actions 1 to 8 	<p>Prevention of mismanagement</p> <p>Prevention of mismanagement</p> <p>Curative intervention</p> <p>Ultimate curative intervention</p>	<p>Government controlled co-operatives, grade 1</p> <p>Government controlled co-operatives, grade 2</p> <p>Government controlled co-operatives, grade 3</p> <p>Government controlled co-operatives, grade 4</p>

*Or a private agency, with the necessary changes made in the scheme.

grassroots-level organisations in which the views of each individual can be felt and heard. If the co-operative sector is to better serve the needy majority of the population, it may therefore require *re-structuring* and re-organising in such a fashion as to create micro-organisations at village level, *below* the

level of the existing co-operatives. Such a structure will permit participation by individual members in grassroots level co-operative groups. Subsequently a policy could be initiated of phased democratisation and de-officialisation of higher level co-operative organisations and service institutions.

Editor's Commentary

I.C.A. Regional Office for West Africa

We are pleased to announce that the ICA Regional Office for West Africa has now been opened. It is situated in Bingerville near Abidjan, Ivory Coast. The purpose of the office is the promotion of co-operatives in the 16 countries of West Africa, with special emphasis on education and training.

We welcome Babacar Ndiaye of Senegal, who has been appointed Regional Director for this new ICA office. Mr Ndiaye, who has over 20 years of practical experience and service with the co-operative movement of Senegal, studied at the National Agronomy Institute in Paris and the Hebrew Institute in Rehovot, Israel. After returning to his country, he worked in the co-operative movement, and with the Senegal Foreign Service in Nigeria and Guinea. He has also spent a year working with the United Nations in New York. Since his period with the UN, Mr Ndiaye has worked in co-operative marketing of agricultural produce, and from March 1978, he has been *Chef de Cabinet* at the Ministry of Industrial Development and Artisanal Crafts, and *Inspecteur de la Coopération*. He is married, with 6 children.

A Director (Education) has been selected to work for 3 years at the Regional Office. The Royal Society for Rural Development in Norway is providing the funds for running the education programme. It is intended that a West African counterpart be appointed as well, to work with this programme. The Director (Education) is Mr Eilif Bramdal, a chief inspector of commercial studies in Norway, who has spent 4 years in Zambia, where he trained teachers in commerce. It is planned that an educational materials service will also be established for the region, to be run in conjunction with the Co-operative Education Materials Advisory Service (CEMAS) in London.

Mr. M'Bow's Address and the Congress Follow-up

On my return to London from the 27th ICA Congress held in Moscow in October last, with my thoughts still dwelling on the Resolutions it had passed and its plans for the Year 2000, I found on my desk the text of the Address given by Mr Amadou Mathar M'Bow, on his unanimous re-election as Director General of UNESCO on 27th September 1980. I felt greatly encouraged by Mr. M'Bow's words when he stressed, as we in the co-operative movement constantly do, that development must be rooted in the personality of each community. "Mankind," he said, "now possesses the means to attain on a world-wide scale its long-sought goals."

He said that it was generally felt that "the powers conferred by science and

technology should benefit everyone, because they derive from a chain of inventions, spread out in time and space, to which all peoples have contributed and to which they all, therefore, have an equal right of access". *The Director-General pointed out that modern technology had enormously increased the impact of communication, "a field in which the voices of the mightiest can muffle those of the weakest, where some can impose their thinking and their conduct on others. This is why," he said, "peoples now aspire to make their voices heard—by acquiring the necessary technology, and adapting it to their own needs, thereby bringing about a genuine pluralism on a world-wide scale."*

Speaking of his belief that the peoples of the world will find a way to forge a new humanism, Mr M'Bow said that he had often wondered whether the Organization had the means to respond to the hopes placed in it and face the ever-growing number of serious challenges of all kinds. "The answer is that the means are boundless—boundless because they are the means of the mind, in the service of ethical principles embodying the hopes of men everywhere."

In conclusion, the Director-General referred to the determining rôle that the Organization will be called upon to play in the future. "Unesco can bring to light the enormous reserves of generosity and imagination lying dormant today in the international conscience. It can inspire in mankind, which has conquered its innate fear of the unknown, of plague and cholera, the will also to conquer the scourges of war, poverty and ignorance. It can inspire in mankind, which has invented language, the compass, electricity and electronics, the will also to devise the mechanisms of a more just and more close-knit world. Sustained by our united wills, it is Unesco's mission to be the crucible in which the utopias of yesterday become the achievements of tomorrow."

This endeavour to forge a new humanism is very much expressed in many of the Resolutions put forward by the co-operative leaders assembled in Moscow last year. As our Director in this year's International Co-operative Day message says, "let our actions now support our votes so that we can, in spite of the world's situation, report progress at our next Congress in 1984". Study of, and work on, the Resolutions should be a "must" for all of us in membership of the ICA.

It is a great joy to report that the main theme, "Co-operatives in the Year 2000" has already been taken up by many movements in their study programmes, and I have been informed that it has been translated into Japanese, Swedish, Finnish and Korean. The ICA is happy to report that the full text of "Co-operatives in the Year 2000" together with "Co-operation of the Socialist Countries in the Year 2000" and the resolution adopted by the 27th Congress on Co-operatives in the Year 2000, is now available under one cover in the *Studies and Reports Series Number 15*, price £2.50 from the ICA.

Co-operative Help for Earthquake Victims in Southern Italy

All member organisations will have been shocked and appalled at the earthquake in Southern Italy and the resulting tragedy of death, illness and destruction.

The co-operative movements in the area have suffered greatly and very many projects designed to develop co-operatives have been destroyed.

Our President has sent a message of sympathy to the three Italian national co-operative organisations and has been in touch with them regarding possible help from members of the International Co-operative Alliance. We learn that:

- (1) An International Co-operative Committee for Co-ordination has been set up at the initiative of the ICA member organisations in Italy, under the patronage of the ICA President. It is chaired by Mr Valdo Magnani, the Italian member of the Executive Committee. The Committee is headquartered in Rome at the Istituto di Studi Cooperativi Luigi Luzzati, Via Siaci 9, 00197 Rome; tel 06-874687, telex 612290 Comcoopi.

In addition to the representatives from the three Italian national co-operative organisations, the Committee is composed of top leaders representing the various branches of co-operative activities at global level.

All letters and contributions in kind should be addressed as follows: Comitato Internazionale di Coordinamento Cooperativo at the above address. Financial contributions should be forwarded to account 91119/01 Iccrea (Via Torino 146 Rome) with the following reference "Comitato Coordinamento Cooperativo Aiuto Zone Terremotate su Italia".

- (2) Having had the opportunity to meet with authorized representatives of the *ad hoc* International Co-ordination Committee, the President is pleased to let you know the type of assistance our friends require.

Their needs are of two kinds: those which are urgent; and those which will contribute to the reconstruction of the Co-operative Movement on a sound basis in that devastated part of Italy.

- (a) *Urgent assistance* is needed in the form of light, mobile dwellings, either as gifts or at low cost rent or sale. Cattle feed to enable existing livestock to survive is also urgently needed.

It is not necessary to send food. You may wish to contribute financially by sending funds to be used by our friends to provide assistance from within the co-operative sector.

- (b) As regards *longer-term assistance* related to reconstructing an efficient co-operative movement in Southern Italy, our friends have devised a programme which bears, in particular, upon the following:
 - (i) Rebuilding of two co-operative outlets, one in Avelino, the other in Potenza, which are the two most damaged towns within the area.
 - (ii) With the support of thrift and credit, insurance and similar bodies operating in the various co-operative movements, to mobilise funds which will be placed at the disposal of our Italian friends at preferential rates so as to facilitate the reconstruction and re-activation of the co-operative movement in Southern Italy.

- (iii) Technical assistance, involving machinery as well as appropriate technology, will be provided for the reconstruction of rural and industrial buildings and equipment.

Such are the details which the President wanted to bring to your attention in relation to the assistance which our fellow co-operators in Italy require most badly. It must be understood that funds and aid will be allocated at the discretion of the *ad hoc* Committee and under the control of the ICA Executive Committee.

A South-East Asian Region Joint Co-operative Multinational Trading Venture

Just before the end of 1980, at a seminar jointly sponsored by the Indian National Co-operative Marketing Federation, the National Co-operative Union of India and the International Co-operative Alliance, with participants from a dozen countries of the region, the Food and Agricultural Organisation and the International Labour Organisation, the Indian Union Commerce Minister, Mr Pranab Mukherjee, mooted the idea of co-operative sectors in India and South-East Asia launching a joint international trading venture which could work on the pattern of the present structure of multinationals. Co-operative multinationals could work for the benefit of the toiling millions on the farm instead of working for their exploitation. Mr Mukherjee stressed the need for assessing the strengths and weaknesses of such multinational ventures on the co-operative side and, elaborating his co-operative multinational concept, he said that the countries which raised common crops could work together very well by exchanging production know-how, and if such joint co-operative multinationals were set up they could also work with each other for increased productivity.

The other area where such co-operatives could be fruitful was in the financing of market studies, not only to find the most remunerative market for their produce, but also for the development of common products and processes which would constantly enlarge the possible end-uses of the raw materials. Mr R. G. Tiwari, of the National Agricultural Co-operative Marketing Federation of India, in his presidential address, called for evolution of a consistent trade policy and stressed the importance of consumer co-operatives collaborating with marketing co-operatives. A step like this would be beneficial for both the consumers and the producers.

Bearing in mind the importance for all of us in our endeavours to fulfil the objects of our 6th principle, "All co-operative organisations, in order to best serve the interests of their members and their communities, should actively co-operate in every practical way with other co-operatives at local, national and international levels", this important Indian seminar succeeded in pointing again to the importance of co-operation among co-operators, as one of the most valuable features in securing our rightful place in the Year 2000, proving that co-operation is still a most suitable economic instrument for the underprivileged masses.

Recent Books

Due to the financial situation of the International Co-operative Alliance, it has been decided to close the ICA Library from 31st January, 1981. We regret that it will therefore not be possible to publish the Recent Books feature in this issue, but the Editor is exploring other sources in order to continue this useful contribution made by Miss Lamming to the Review over the past four years.

International Colloquium on

THE CO-OPERATIVE AND MUTUALIST ACHIEVEMENT

organised by the University of Limoges (France)

12-14 November 1981

The University of Limoges feels it necessary to assemble studies and documentation relative to the above, for which this Colloquium is the first stage. All approaches will be accepted, in particular studies relating to practical experience. Examples may be taken from all sectors of activity, production, distribution, consumption, agriculture, workers' productive, services, insurance, etc.

For further information, please apply to:

Universite de Limoges

U.E.R. de Lettres et Sciences Humaines

39, rue Camille-Guérin

87036 LIMOGES Cedex

FRANCE

Immediate application is essential

Book Reviews

Marketing Co-operatives and Peasants in Kenya by Torben Bager. *Centre for Development Research Publications, Uppsala, 1980. 116 pp. Available from Scandinavian Institute of African Studies, POB 2126, 75002 Uppsala, Sweden. Price: SKr.25:— (SKr.15 for Third World countries).*

The *internal* problems to which agricultural marketing co-operatives in many developing countries are prone have been well documented by researchers. There has however been a growing—and welcome—trend in the last decade or so for students of co-operation to broaden the scope of their studies: to examine the performance and operation of the co-operatives in relation to their economic, social and political environment.

Torben Bager, in his study of Kenyan agricultural marketing co-operatives, is concerned with their relationship with their base—the peasants and agricultural production. The book is the result of fieldwork undertaken in one very small district in Western Kenya, and a substantial part is devoted to a presentation of research findings.

The account he gives of peasant farming in the district is fairly comprehensive as regards agricultural production and land use, but less so in its coverage of the local social and political structures and processes. We are treated to an extensive theoretical debate on the peasant's place in capitalist society but, given the author's concerns, it might have been more useful if his—almost essentialist—*theoretical* debate on the nature of peasant society could have been underpinned by more substantial sociological and empirical work.

The analysis of the marketing co-operatives in the district is empirically based, and there is a detailed review of the range of co-operative activities, the views of members, their participation in

their co-operatives, the relationship between the performance of the co-operatives and economic differentiation in the society, along with a rather restricted account of the part played by the government and by secondary co-operatives.

The author raises many questions about the role and effectiveness of the marketing co-operatives studied and the extent to which they serve the interests of their members. At the end of the book, however, the reader is left wondering if more questions have been raised than answered.

Our appetite is whetted in the book's opening paragraph when Torben Bager asks whether co-operatives like the ones studied can effectively protect the interests of members against multinationals, government interference, and domination by rich peasants. But, as the research was confined to the operation of co-operatives in a very small district, it is apparent that data are simply not available to answer such relevant questions.

Is it possible to understand the operation of marketing co-operatives in this "capitalist" society while concentrating on their relationship with the local societies of which their members are part? After all, the author characterises the co-operatives as "capitalist institutions, which like spearheads penetrate the pre-capitalist (peasant) structures" (p.57). If this is the case, do we not need to know *as much* about the wider capitalist society, the position of the national government in this and its significance for the co-operative movement over which it has substantial control, and about the way in which co-operative marketing of cash crops links the producers into the international commodity markets where multinationals dominate?

To underline this point, as Torben

Bager asks in his concluding remarks, why is it that such a small proportion of the overseas payments for the products marketed by the co-operatives flows back to the peasants? Where producers receive less than 16% of the overseas payments, and where the author, even after examining marketing and administrative costs, finds this difficult to explain, the feeling grows that the most important questions about the co-operative marketing system remain unanswered.

Torben Bager is optimistic about the future of agricultural co-operatives in Kenya and believes that they would be able to compete successfully in the

market if state controls were relaxed and the members who own them were to manage them effectively in their own interests. It is difficult however to be sanguine as the author about the co-operatives' future without knowing a lot more about their place in the national society and, in particular, about the structure of the market on which they sell their produce. We have here a useful study of one dimension of the position of marketing co-operatives in their economic and social context; predictions about their future must await the results of further research.

NICHOLAS MAHONEY

Consumer Co-operation: the Heritage and the Dream by Art Danforth and Emil Sekerak. (Revised and updated edition). *Consumers Co-operative Publishing Association, Santa Clara (USA), 1980. 214 pp. \$4.35 plus postage (discount for more than 5 copies).*

Even if it had no other virtues this book would be of great value because of one unique feature: the authors have included at appropriate places throughout the book, biographical stories with photographs of 13 "Heroes and Heroines of the Co-operative Movement", Edward A. Filene, Murray D. Lincoln, Mary E. Arnold, James P. Warbasse, Michael Shadid, Abraham Kazan, Howard A. Cowden, Eskel Ronn, E. G. Cort, Toyohiko Kagawa, Katherine Whiteside Taylor, Rev M. M. Coady, and Rod Glen. A more appropriate list could hardly have been conceived and the well-written accounts of these people's lives and service gives the book a special appeal. The book consists of 15 chapters plus an excellent and very complete index and an appendix listing valuable sources of additional information.

Four of the chapters seem to this reviewer to have special significance and value. One of them consists entirely of a remarkably perceptive selection of quotations from Dr James P. Warbasse, father of the consumer co-operative movement

in the United States. This has a genuine logic since the authors faithfully follow in the philosophical footsteps of the dedicated and prolific doctor.

The opening chapter, titled "The Common Bond", constitutes the book in capsule form. It opens with a searing account of the problems, wrongs, and dangers in our present national and world society. It points out that this is due to the fact that "we haven't organized our economy with the consumer interest dominant." Instead, according to the authors, all the dominant forms of organization today are concerned with advancement of the interests of particular groups of producers. Yet, the one universal economic interest—the "common bond" that links all human beings—is our interest as consumers.

Consequently, the authors state in the Introduction, the book is written to help people understand "how to organize and then to operate a co-operative both as a business and as a people's organization".

Why co-operation? Because *ownership* by consumers is the one surest and most effective way to advance their universal economic interests, and indeed to protect present and future society—from predatory action by special interests, from waste of precious resources, from violence and conflict.

Also in this first chapter the authors

point out—all too briefly—how the various kinds of consumer co-operatives are logical counter-inflationary factors and energy savers at the same time: to quote—

“More cost-effective use of expensive equipment by HMO’s, reduced unnecessary surgery, reduced hospitalization, increased self care—all these reduce energy consumption. So does the shift from ostentatious to simple, dignified funerals. In housing co-ops, decreased vandalism, more efficient construction costs, and lower maintenance costs are energy-saving. So, too, are reduced processing, packaging, and trucking costs made possible through consumer goods co-operatives. When shoddy or useless products are eliminated, energy is reduced.”

The Common Bond chapter recounts briefly the present state of the principal kinds of consumer co-operatives in the USA, appraising their salutary impact on the current problems of poverty, inflation and growing scarcities and their potential for tomorrow.

A sub-section in this opening chapter is entitled “The Challenge”. It says that progress toward an energy-efficient, inflation-free consumer-oriented economy can only come about if there are “hundreds of dedicated, energetic, well-informed individuals . . . who have a deep commitment to the basic principle: that it is absolutely essential for survival and growth of our society, that consumers and their representatives have an increasingly strong role in determining basic social and economic policies”.

Towards the end of the book the reader will find an extremely valuable chapter entitled “Legal Problems”. For people who are frequently asked to advise new groups anxious to organize a co-operative this one chapter is worth the price of the book. For it answers many a question so often asked about the best methods of incorporating a consumer co-operative. The chapter also contains guidance about necessary provisions in a co-operative’s articles of incorporation

and the critical need for careful provision regarding patronage refunds in its by-laws. Here will be found the facts about taxation of consumer co-operatives, the wise and *legal* handling of securities, and the best methods of raising capital. One very wise paragraph deserves full quotation:

“Any portion of the co-operative’s net income not refunded to member-patrons or used for some other specifically tax exempt purpose (e.g., charitable contributions, or payments into a fund for sharing net savings with employees), is subject to corporate income taxes just like any other business. Some co-operative boards resist establishing general reserves for this reason; their objection is very short-sighted indeed. General reserves are needed to provide a cushion protecting membership investment from unexpected losses.”

Chapter VII, titled “The New Wave of the 70’s” represents one of the first, if not the very first, competent effort to chronicle the dramatic story of the new wave of interest in co-operation that has been sweeping the country. It took some courage and much difficult research to produce this chapter. The description of the New Wave by Lynn MacDonald, manager of the Arcata (California) new wave co-operative is of special interest and value. And the whole chapter paints a careful, well-balanced and challenging—if not by any means always optimistic—picture of this new addition to the consumer co-operative movement.

The “Dream” part of the book’s title is probably intended to refer to its last chapter where the authors attempt to forecast what consumer co-operatives will be like in the United States 100 years hence.

Much of the book carries from decade to decade the story of the various kinds of consumer co-operatives in our country. It occurs to this reviewer that there are two ways to read this material: one of course is simply to read through the text page by page, picking up the story of

each kind of co-op as you go along; the other—unorthodox but rather interesting—way would be to skip from chapter to chapter, selecting the material about one kind of co-op from each chapter so as to get a continuous account of the development of that particular type. For example, if the reader were especially interested in co-operative health plans he would begin with sub-head "Health Care" on page 7. He would then pick up the health care story of page 48, from there to page 60, then page 70, and finally to pages 92, 93 and 94. In so doing the reader would have enjoyed a pretty fair account of the outlines, of the history of co-operatives in the field of health care. The same could be done with consumer goods, housing, rural electrics and student co-operatives, funeral and memorial societies and credit unions.

Some books about consumer co-operatives fail to give to credit unions the vital—almost central—place they actually occupy in the total picture. This book is not among them. On the contrary, the book gives proper emphasis throughout to credit unions as by far the largest and in many respects the most basic kind of consumer co-operative in the nation.

In the opinion of this reviewer, the authors' definition of "consumer co-operative" is too restrictive and the book fails to do justice to the tremendous contribution which farm and rural supply co-operatives have made to the advancement of co-operation in rural America or to the invaluable and critical support those co-operatives have given, through the years, to the Co-operative League and its entire programme. Slighted, too, this reviewer feels, is the probably crucial support which farm co-operative leaders gave to the drive to enact the Bank for Consumer Co-operatives.*

Throughout the book there are found passages of special worth. Some of these

are the following:

From page 28: "But we do believe that the principle of 'open membership' carries with it a requirement that political action be limited to those issues directly affecting co-operatives as co-operatives, the industries of which they are a part, or the interest of their consumer members as consumers."

From page 37 referring to the reasons for failure of so many co-operatives in the early years of the century: "The experience of at least 356 of these co-ops proved—by early failure of all but about 25—that advance educational work, more realistic valuation when purchasing inventories, and sincerely committed managers, are all essentials for success."

From page 64: "According to Joseph S. Knapp, foremost historian of US co-operatives, this (the 1930s) was the decade in which consumer co-operation gained national recognition and grew from being largely a cult into a movement."

Page 152 is devoted to an eloquent and well-deserved tribute to CARE, the Co-operative for American Remittances Everywhere.

And *pages 158 and 159* set forth a most helpful outline of methods of carrying out effective co-operative education for members, employees, officials and the general public.

On *page 136*, in the chapter devoted to Canadian Co-operatives, we find these rather astounding facts about "the largest consumer co-operative in the Western hemisphere": in 1978 there were 141,000 member-families in this co-op (the Consumer Co-operative of Calgary) in a city of about 500,000 population! They voted for the co-op way with purchases of \$135 million on which they saved \$4 million. In its 22 years of life, this co-op has paid its members \$27 million in patronage refunds.

This review cannot be concluded

*An account of the setting up of the US Consumer Bank was contained in *Review* No. 3, 1980, pp. 155-164.

better than with a quotation from page 21 of the book, since it carries the vital message which the devoted authors seek to convey to their readers:

“Co-operation has found fertile soil around the world, whatever the political system or state of industrialization. Co-operators watch the growth of these national movements with eager anticipation and hope. They know that the greater their scope and influence, the

closer we are to universal peace, prosperity and world community. And the farther we are from power struggles—from ethnic, racial, national and ideological conflicts—the farther we are from hate and violence.

To build that kind of world, we must start, where we are, to build our own consumer co-operatives.”

JERRY VOORHIS

Handwörterbuch des Genossenschaftswesens by Dr Eduard Mändle and Dr Hans-W. Winter (eds). *Deutscher Genossenschaftsverband e.G., Wiesbaden, 1980.*

Nazi domination, the war with its destruction and division of Germany, as well as the painful reorganization of co-operatives in the changed political situation, left German co-operators for the last 50 years without a comprehensive and up-to-date work on co-operatives. Recently, though, a substantial work in the form of a dictionary has been published which will satisfy this need.

It was commissioned by the new top organisation of the German credit co-operatives, the *Deutsche Genossenschafts- und Raiffeisenverband* in Bonn. Already its size (1872 columns, 2 per page, and 37 pages of introduction, list of contributors, and statistical data as provided by the 1978-79 report of the Economic Department of the German Co-operative Bank) indicates the comprehensiveness and fullness of the material presented, contributed by 133 authors. The dictionary, nevertheless, deals also with many theoretical questions such as democratic principle, principle of promotion of interests of members, sociological characteristics of co-operatives, co-operative theory, co-operative science, economic systems and co-operatives, co-operative goal systems, and similar. It is not surprising then, that almost one-third of the contributors are persons who are involved in teaching co-

operation and in co-operative research at different universities.

The dictionary is intended to serve different publics. To those working in co-operatives it will serve as a source of information on co-operatives, especially in sectors with which they are not involved in their own work. It will also give them some broader orientation in their own work because it includes general surveys of the fields in which co-operatives function: economy, law, society. Since no new systematic textbook on German co-operatives has been published for some time, the dictionary will serve also as a substitute for a textbook for many students specialising in co-operatives. It will also serve well for persons who are not co-operators themselves, but who have to deal with co-operatives—other businesses, civil servants, politicians, mass media, teachers, etc.

The book deals primarily with co-operatives in the Federal Republic of Germany, but co-operatives in other states with German-speaking populations (The GDR, Austria, Switzerland) are included. There are also entries on the international scene: international co-operative organisations, international co-operative legislation, co-operatives in socialist states, co-operatives in developing countries, etc. Included are also short biographies of some important co-operative pioneers: Wilhelm Hass, Victor Aimé Huber, Ferdinand Lassalle, Eduard Pfeiffer, Friedrich Wilhelm Raiffeisen

and Herman Schulze-Delitzsch.

The emphasis of the whole edition is on the co-operative *system* and not on the co-operative *movement*, to use J. Jordan's dichotomy.*

This may be the reason that the entry on co-operative history was not written by Dr H. Faust, author of a very detailed history of the co-operative *movement* (*Geschichte der Genossenschaftsbewegung*, 3rd enlarged edition 1977), but by Hugo Tillman who accuses Faust of concentrating his history primarily around personalities (759). The co-operative *movement* is not treated as a separate unit, and even under history the word is hardly used. There are no entries on co-operative ideology or co-operative philosophy. The Austrian Sociologist F.

*John Jordan: Co-operative Movement, System and Future. Working Paper No 2, Co-operative Future Direction Project. Saskatoon, Sask.: The Co-operative College of Canada, June 1980.

Fürstenberg claims that attempts to create from co-operatives a "seed-cell of a general change in economic and social structure" (682) never succeeded. When co-operatives were used as means of change in a planned economy, they lost their co-operative characteristics, and in a market economy they integrated themselves "by building a countervailing power" (683).

In a work which is not only comprehensive, but also the product of a large number of authors, it is understandable that, especially in contributions of a more theoretical nature, differences of position and opinion exist. The editors did well that they did not attempt to gloss over these differences. The *Handwörterbuch* will thus not only serve as an excellent reference source, but also stimulate further discussion and hopefully increase and deepen our theoretical understanding of that complex phenomenon—co-operatives.

RUDOLF CUJES

International Co-operative Alliance

11 Upper Grosvenor Street, London W1X 9PA, U.K.

Tel: (01) 499 5991 Cables INTERALLIA

President: Roger Kerinec

Director: Dr. S. K. Saxena

Deputy Director: R. P. B. Davies

REGIONAL OFFICES

Regional Office & Education Centre for South-East Asia

Bonow House, PO Box 3312

43 Friends Colony, New Delhi 110-014, India

Tel: 635123 Cables INTERALLIA

Regional Director: R. B. Rajaguru

Regional Office for East & Central Africa

PO Box 946

Moshi, Tanzania

Tel: 4706 Cables INTERALLIA

Regional Director: E. M. Anangisye

Regional Office for West Africa

01 BP 3969

Abidjan 01, Ivory Coast

Tel: 303008 Cables: INTERALLIA ABIDJAN

Regional Director: B. D. Ndiaye

Affiliated Organisations

ARGENTINA

Asociación Argentina de Cooperatives y Mutualidades de Seguros
Avenida de Mayo 1370 Piso 1 °, Buenos Aires.
Tel. 33-0222/7138

Asociación de Cooperativas Argentinas
Av. E. Madera 940, 1106 Buenos Aires.
Tel. 221-7284 Cables ASCOOPAR Telex 21136

Confederación Cooperativa de la Republica Argentina Ltda. (COOPERA)
Moreno 1729, Buenos Aires.

Federación Argentina de Cooperativas de Consumo
Avda. Suarez 2034, Buenos Aires.
Tel. 28-5381/3 Cables COOP

Federación Argentina de Cooperativas de Credito Ltda.
Ave. Pueyrredon 468, 2° Piso, 1032 Buenos Aires (RC 24).
Tel. 86-6283

Instituto Movilizador de Fondos Cooperativos SCL
Rivadavia 1944, Buenos Aires 1033

Intercoop Editora Cooperativa Ltda.
Alberti 191, 1082 Buenos Aires
Tel. 47 21 49

AUSTRALIA

Co-operative Federation of Australia
Box 5211 AA, GPO Melbourne, Victoria 3001

AUSTRIA

Österreichischer Raiffeisenverband
Hollandstrasse 2, 1020 Vienna.
Tel. 26 360 Telex 07/6769

**Österreichischer Verband gemeinnütziger Bau-
Wohnungs- und Siedlungsvereinigungen**
Bösendorferstrasse 7/11, 1010 Vienna.
Tel. 65-71-63 Cables GEBBAVERBAND

CANADA

Conseil Canadien de la Coopération
2030 boul. Peré Lelièvre, Quebec, G1P 2X1.
Tel. (418) 687 4997

Co-operative Union of Canada
237 Metcalfe St., Ottawa, Ont., K2P 1R2
Tel. 238 6711 Telex 053-4406

COLOMBIA

Cooperativa Familiar de Medellín Ltda.
Calle 49, No. 52-49, Medellín.
Tel. 45-00-55

CYPRUS

Co-operative Central Bank Ltd.
(Gregoriou Afxentiou) POB 4537, Nicosia.
Tel. 62921 Cables COOPBANK

Cyprus Turkish Co-operative Central Bank Ltd.
POB 1861, Nicosia.

Tel. 4257 Cables MERKAZBANK

"SODAP", Vine Products Co-operative Marketing Union Ltd.
(Cooperation St, Tsifikoudhia) POB 314, Limassol.
Tel. 2331 Cables VINUNION

CZECHOSLOVAKIA

Ustredni Rada Druztev (Central Co-operative Council)
Teskov 5, 11006 Prague 1.
Tel. 64751 Cables UERDE

DENMARK

Faellesforeningen for Danmarks Brugsforeninger (FDB)
Roskildevej 65, 2620 Albertslund.
Tel. 64-88-11 Cables EFDEBE

Det Kooperative Faellesforbund i Danmark
Reventlovsgade 14, 1651 Copenhagen V.
Tel. 12-22-62 Cables UNICOOP

Konsum Österreich GmbH
(Theobaldgasse 19) Postfach 85, A-1061 Vienna.
Tel. 57-75-38 · Cables KONSUMVERBAND Telex 11803

BANGLADESH

Bangladesh Jatiya Samabaya Union
"Samabaya Sadaan" (1st floor), 9/D-Motijheel Commercial Area,
Dacca 2.
Tel. 255846 Cables RANGDHENU

BELGIUM

L'Economie Populaire
30 rue des Champs, 5300 Ciney (Namur).
Tel. 21-28-01

Fédération belge des Coopératives (FEBECOOP)
26-28 rue Haute, 1000 Brussels.

Tel. 513-28-60 Cables ESGECE Telex 02.224.95

Fédération Nationale des Coopératives Chrétiennes

141 rue de la Loi, 1040 Brussels.

Tel. 230-32.95

Office des Pharmacies Coopératives de Belgique (OPHACO)
602 Chaussée de Mons, 1070 Brussels 7.

Tel. 522-56-90

Société Coopérative d'Assurances "La Prévoyance Sociale"

P.S. Building, 151 rue Royale, 1030 Brussels.

Tel. 218-80-80 Telex 25.566

BOTSWANA

Botswana Co-operative Union Ltd.
POB 199, Gaborone.

BULGARIA

Central Co-operative Union
Rue Rakovski 99, Sofia.
Tel. 88-03-11 Cables CENTROCOOPSOYUS

De samvirkende danske Andelselskaber
(Central Co-operative Committee of Denmark)
Vester Farimagsgade 3, DK-1606 Copenhagen V
Tel. 12-14-19

EGYPT

Central Agricultural Co-operative Union
6 Abd El-Kader Hamza Street, Garden City, Cairo.
Tel. 28401

FIJI

Fiji Co-operative Union
Registry of Co-operative Societies, Development Bank Centre, Suva.
Tel. 211-258

FINLAND

Keskosuusliike O.T.K. (Central Co-operative Society)
POB 120, 00101 Helsinki 10.

Tel. 750731 Cables OSUUSTUKKU Telex 12-454

Kulutusosuuskuntien Keskusliitto (K.K.) r.y.

(Mikonkatu 17) POB 740, 00101 Helsinki 10.

Tel. 170491 Cables KESKUSLIITTO Telex 121261 EKKSF

Pellervo Seura (Central Organisation of Farmers' Co-operatives)

(Simonkatu 6) POB 10077, 00101 Helsinki 10.

Tel. 602066 Cables PELLERVO

Pohja Yhtymä

(Runeberginkatu 5) POB 10180, 00101 Helsinki 10.

Suomen Osuuskappojen Keskuskunta (S.O.K.)

(Finnish Co-operative Wholesale Society)

(Vilhonkatu 7) POB 460, 00100 Helsinki 10.

Tel. 650611 Cables KESKUSKUNTA Telex 12-456

Yleinen Osuuskappojen Liitto r.y. (Y.O.L.)

(General Co-operative Union)

Vilhonkatu 7, 00101 Helsinki 10.

FRANCE

Caisse nationale de Crédit Agricole
91-93 Boulevard Pasteur, 75015 Paris.
Tel. 273-90-00 Cables AGRICREDIT Telex CANAGRI 25-971

Confédération des Coopératives de Construction et d'Habitation
9/11 Benoit Malon, 92150 Suresnes.
Tel. 772 9192

Confédération Générale des Sociétés Coopératives Ouvrières de Production (SCOP)
37 rue Jean-Leclaire, 75017 Paris.
Tel. 627.89.58 Cables COOPRODUC

Confédération nationale de la Coopération, de la Mutualité et du Crédit Agricoles
129 Bd. St. Germain, 75279 Paris.
Tel. 033-93-31

Confédération nationale du Crédit Mutuel
29 avenue MacMahon, 75017 Paris.

Confédération des Organismes du Crédit Maritime Mutuel
41 Avenue Hoche, 75008 Paris.
Tel. 227-50-46

Fédération Nationale des Coopératives de Consommateurs (F.N.C.C.)
La Maison de la Coopération, 27-33 Quai le Gallo, 92517 Boulogne
Tel. 604.91.78 Cables FEDECOOP
Telex FEDCOP BLGNSN 260846

Fédération Nationale des Sociétés Coopératives d'Habitation à Loyer Modéré (H.L.M.)
14 rue Lord-Byron, 75008 Paris.
Tel. 563-17-31

Société Générale des Coopératives de Consommation
La Maison de la Coopération, 27-33 Quai le Gallo, 92517 Boulogne
Billancourt.
Tel. 604.91.78 Cables EMDEGE Telex 27094 EMDEGE

GHANA

Ghana Co-operatives Council Ltd.
POB 2068, Accra.
Cables GACOCO

GRECE

Pan-Hellenic Confederation of Unions of Agricultural Co-operatives
El Venzelou 56, Athens 142.
Tel. 618.645 Cables PASEGES

HAITI

Caisse Populaire Dominiqu Savio
(75 rue Rigaud) C. P. 15011, Pétiion-Ville.

HUNGARY

National Co-operative Council
(Szabadság tér. 14) POB 616, H.1373 Budapest V.
Tel. 113-600

National Council of Agricultural Co-operatives (TOT)
Akadémis ucta 1-3, 1361 Budapest V.
Tel. 113-600

National Council of Consumers' Co-operative Societies (SZOVOSZ)
(Szabadsag ter 14) POB 616, 1373 Budapest V.
Tel. 113-600 Cables SZOVOSZ

National Council of Industrial Co-operatives (OKISZ)
(Thököly ut 58-60) POB 172, 1146 Budapest 70.
Tel. 188-800 Cables OKISZ

ICELAND

Samband Isl. Samvinnufélag
Samband House, POB 180, Reykjavik.
Tel. 28200 Cables SIS Telex 2023

Union du Crédit Coopératif
18 bis Avenue Hoche, 75008 Paris
Tel. 561.99.66 Telex Credicoop Paris 650.977

GAMBIA

Gambia Co-operative Union Ltd.
POB 505, Banjul,
Tel. Serrekunda 2580

GERMAN DEMOCRATIC REPUBLIC

Verband der Konsumgenossenschaften der DDR
(Stresemannstrasse 128), Postfach 1269, 108 Berlin
Tel. 22-38-0 Cables KONSUMZENTRALE Telex 011-2831

GERMANY, FEDERAL REPUBLIC OF

Bank für Gemeinwirtschaft AG
Theaterplatz 2, 6000 Frankfurt A./M 1.
Tel. 2581 Cables HAUPTBANKWIRT Telex 41.22.122

Rund deutscher Konsumgenossenschaften GmbH
Adenauerallee 21, 2000 Hamburg 1.
Tel. 249006 Cables COOPBUND Telex 21-62-521

Coop Handels- und Produktions-AG (HAPRO)
Sonnenstrasse 18-28, 2000 Hamburg 1.
Tel. 284-1 Cables HAPROAG

Deutscher Raiffeisenverband e.V.
(Adenauerallee 127) Postfach 19 01 41, 5300 Bonn 3
Tel. (022-21) 1061 Cables RAIFFEISEN Telex 08-86-830

Gesamtverband gemeinnütziger Wohnungsunternehmen e.V.
Bismarckstrasse 7, 5000 Cologne 1.
Tel. 52-50-01

Volksfürsorge deutsche Sachversicherung AG
(Besenbinderhof 43) Postfach 10 64 29, 2000 Hamburg 1.
Tel. 28 651 Cables VOLKSACH HMB Telex 21 61 740

Volksfürsorge Lebensversicherung AG
An der Alster 57-63, 2000 Hamburg 1.

INDIA

All India Central Land Development Banks' Federation
Shivshakti (2nd Floor), B. G. Kher Road, Worli, Bombay 400018
Tel. 395349 Cables BHUMIUIKAS

Indian Farmers Fertiliser Co-operative Ltd. (IFFCO)
34 Nehru Place, New Delhi 110019.

National Agricultural Co-operative Marketing Federation Ltd.
Sapna Theatre Building, 54 East of Kailash, PB 3580, New Delhi-110024.

Tel. 631416 Cables NAFED Telex ND 3254

National Co-operative Consumers' Federation Ltd.
Deepali (5th floor), 92 Nehru Place, New Delhi-110024.
Tel. 635387 Cables KONFED

National Co-operative Union of India (NCUI)
3 Siri Institutional Area, Panshchila Marg (Behind Hauz Khas),
New Delhi-110016.
Tel. 66 2751 Cables COPUNION

National Federation of State Co-operative Banks Ltd.,
Garment House (2nd Floor), Dr. Annie Besant Road, Worli Naka,
Bombay 400-018.

INDONESIA

Dewan Koperasi Indonesia (The Indonesian Co-operative Council)
Jalan Jendral Gatot Subroto, Komplek PUSDIKKOP, Djakarta.
Tel. 74081-88

IRAQ

General Co-operative Union
POB 5764, Baghdad.
Tel. 86520 Cables COOPFEDRA
Telex 2685 UNCOOP

IRISH REPUBLIC

Co-operative Development Society Ltd.
35 Lower Gardiner Street, Dublin 1.

ISRAEL

"Bahan" Audit Union of Agricultural Co-operative Societies in Israel
(47 Nachmani Street) POB 622, Tel-Aviv.
Tel. 62-32-78

General Co-operative Association of Labour in Israel
("Hevrat Ovdim" Ltd.)
(Histadrut Building, 93 Arlosoroff St.) POB 303, Tel-Aviv.
Tel. 26.11.11 Cables OVDIM

ITALY

Associazione Generale delle Cooperative Italiane
Via Ravenna 8, 00161 Rome.
Tel. 859198

Confederazione Cooperative Italiane
Piazza dell'Esquilino 5, 00184 Rome.
Tel. 47-28-11 Cables CONFCOOPERATIVE

Lega Nazionale delle Cooperative e Mutue
Via A. Guatani 9, 00161 Rome.
Tel. 841371 Cables LEGACCOOP

IVORY COAST

Chambre d'Agriculture de Côte d'Ivoire
(11 Ave. Lambin) POB 1291, Abidjan 01.
Tel. 32-16-11

JAMAICA

National Union of Co-operative Societies Ltd.
2a Manhattan Road, Kingston 5

JAPAN

Norinchukin Bank
(Central Co-operative Bank for Agriculture and Forestry)
8-3 1-chome, Otemachi, Chiyoda-ku, Tokyo.
Tel. 03 279 0111 Cables CCEBAF Telex J.23918

Zenkoku Nogyokyodokumiai Chuokai
(Central Union of Agricultural Co-operatives)
8-3 1-chome Otemachi, Chiyoda-ku, Tokyo
Tel. 270 0041 Cables CHUOKAI

KENYA

Kenya National Federation of Co-operatives Ltd.
(Plantation House, Haile Selassie Ave.) POB 49768, Nairobi.
Tel. 21487 Cables MUNGANO

KOREA

National Agricultural Co-operative Federation
75, 1st Street, Chung-Jong-Ro, Sodaemun-ku, Seoul.
Tel. 73-0021 Cables KONAF'CO

National Federation of Fisheries Co-operatives
88 Kyung Wun-Dong, Chongro-ku, Seoul 110.
Tel. 70-6211-20 Telex FISHCO K24359

MALAYSIA

Co-operative Central Bank Ltd.
(29 Leboh Ampang) POB 685, Kuala Lumpur 01-19.
Tel. 26531/4

Co-operative Union of Malaysia Ltd.
Peti Surat 685, Kuala Lumpur.
Tel. 23903

Federation of Housing Co-operatives Ltd.

c/o Railway Co-operative Multi-Purpose Society Ltd., Wisma-Merlin,
Jalan Sultan Ismail, POB 2528, Kuala Lumpur 04-04.
Tel. 423813

Malaysian Co-operative Insurance Society Ltd.
(36 Jalan Ampang) POB 817, Kuala Lumpur 01-16.
Tel. 87915/6 Cables MCIS

National Union of Co-operatives (ANGKASA)
103 Jalan Temppler, Petaling Jaya, Selangor.
Tel. 771258

National Land Finance Co-operative Society Ltd.
2 Jalan Sultan Suleiman, Peti Surat 2133, Kuala Lumpur 01-02.
Tel.

MAURITIUS

Mauritius Co-operative Union
Co-operative House, Dumas Street, Port Louis.
Tel. 2-2922

Hokkaido Federation of Co-operative Fishery Associations
West 7, North 3, Chuoku, Sapporo.
Tel. 231-2161 Cables DOGYOREN

Ie-No-Hikari Association
No. 11, Funagawara-cho, Ichigaya, Shinjuku-ku, Tokyo.
Telex 2322367 IENOHI J
Tel. 260-3151 Cables IENOHIKARI

Nippon Seikatsu Kyodokumiai Rengokai
(Japanese Consumers' Co-operative Union)
1-13 4-chome Sendagaya, Shibuya-ku, Tokyo.
Tel. (404) 3231 Cables CONSUMUNION

National Federation of Agricultural Co-operative Associations (ZEN-NOH)
8-3 1-chome, Ohtemachi, Chiyoda-ku, Tokyo.
Tel. 03 (279) 0211 Cables ZENNOHREN
Telex ZENNO 222-3686

National Federation of Fisheries Co-operative Associations (Zengyoren)
Co-op Building (7th floor), 1-1-12 Uchikanda, Chiyoda-ku, Tokyo 101.
Tel. 2949611 Cables NAFEFISH
Telex ZENGYO J TOKYO 222-6234

National Federation of Forest Owners' Co-operative Associations
Co-operative Building (8th floor), 1-1-12 Uchikanda, Chiyoda-ku, Tokyo 101.

National Mutual Insurance Federation of Agricultural Co-operatives (ZENKYOREN)
7-9 Hirakawa-cho 2-chome, Chiyoda-ku, Tokyo 102.
Tel. (265) 3111

JORDAN

Jordan Co-operative Organisation
POB 1343, Amman.
Tel. 23101/3 Cables ALOUN

MOROCCO

Union Nationale des Coopératives agricoles laitières
Rue Patrice Lumumba, B.P. 569, Rabat-Chellah.

NETHERLANDS

Dutch Federation of Workers' Productive Co-operative Societies (ABC)
Nieuwe Gracht 5, Utrecht.
Tel. 331 331

NIGERIA

Co-operative Federation of Nigeria Ltd.
c/o Co-operative Bank Ltd., Co-operative Buildings,
New Court Road, PMB 5101, Ibadan.
Cables NICOOPFED

NORWAY

Landbruksamvirkets Felleskontor
POB 3723, Gamlebyen, Oslo.
Norges Kooperative Landsforening (NKL)
(Revisortredet 2) POB 451 Sentrum, Oslo 1.
Tel. 20 62 90 Cables KOOPENGROS Telex 19 450 HQ
Norske Boligbyggelags Landsforbund (NBBL)
Trondheimsveie 84-86, Oslo 5. Tel. 35 75 20

Samvirkebanken A/S
(Kirkegt.5) Postboks 289 Sentrum, Oslo 1.
Tel. 42-71-80 Cables SAMVIRKEBANKEN Telex 16604

Samvirke Forsikring
(Henrik Ibsensgt.9) Postboks 778 Sentrum, Oslo 1.
Tel. 20-80-30 Telex 19430 COOPAN

PAKISTAN

Mercantile Co-operative Finance Corporation Ltd.
197-A The Mall, Rawalpindi. Tel. 3754.
Punjab Co-operative Union
11 Masson Road, P O Box 905, Lahore 1

PERU

Cooperativa de Credito Central del Perú Ltda.

Antonio Miro Quesada 247, Of. 407, Apartado 4429, Lima.
Tel. 27-3752

Cooperativa de Seguros del Perú Ltda.

Máximo Abril 552, Apartado 4360, Lima 11. Tel. 46769

PHILIPPINES

Central Co-operative Exchange Inc.

Rms. 113-115 Arle Building, Aurora Boulevard Ext., Corner J. Ruiz
St., San Juan, Rizal.
Cables CENCOPEX

Cooperative Insurance System of the Philippines Inc.

(300 De La Merced (Delta) Building, West Avenue) POB 419
Araneta Centre, Quezon City.
Tel. 97-35-68 Cables COOPINSURE

National Association of Training Centres for Cooperatives

(NATCCO)

Pleasant Homes Subdivision, Punta Princesa, POB 950,
6401 Cebu City.
Tel. 7-16-15

Sugar Co-operative Development Institute of the Philippines

Rm. 211-213 Cuenca Gonzaga Bldg., San Juan St., Bacolod City 6001.
Tel. 20666

POLAND

Central Agricultural Union of Peasant Self-Aid Cooperatives,

Kopernika 30, 00-328 Warsaw.

Tel. 26-36-69 Cables CENTROLNA

Central Union of Building and Housing Co-operatives

Ul. Marchlewskiego 13, 00-828 Warsaw.

Tel. 20-90-29

Central Union of Work Co-operatives

Surawia 47, 00-680 Warsaw.

Tel. 28-51-86 Cables CZESP

SRI LANKA

National Co-operative Council of Sri Lanka

(Co-operative House, 455 Galle Road) POB 1669, Colombo 3.
Tel. 85496 Cables NACOSIL

SWAZILAND

Central Co-operative Union

POB 551, Manzini

SWEDEN

Folksam Insurance Group

(Folksam Building, Bohusgatan 14) POB 20500,
S-104 60 Stockholm 20
Tel. 743-60-00 Cables FOLKSAM Telex 190.84 FOLKSAMS

HSB:S Riksförbund ek för

POB 8310, S-100 21 Stockholm 18.

Tel. 785 30 00 Cables HAESSBE Telex 11.724 HSB COOP

Kooperativa förbundet

POB 15200, S-104 65 Stockholm 15.

Tel. 743 10 00 Cables KOOPERATIVA Telex 19490

Kooperativa Gilleförbundet

Fack, S-104 65 Stockholm 15.

Tel. 44-90-60

SWITZERLAND

Lantbrukarnas Riksförbund (Federation of Swedish Farmers)

(Klara O Kyrkogata 12) Fack, S-105 33 Stockholm 33.

Tel. 14-16-00 Cables LANTFORBUNDET Telex 11098 Lantek S

Oljekonsumenternas förbund (OK Union)

S-113 87 Stockholm.

Tel. 736-60-00 Cables OLJEKONSUMENTER Telex 17610

Svenska Riksbbyggen

(Hagagatan 2) POB 19014, S-104 32 Stockholm 19

Tel. 34-05-20 Cables RIKSBYGGEN

"Spolem"—Union of Consumer Co-operatives

Grazyny 13, 02-548 Warsaw.

Tel. 45-32-41 Cables SETESES

Supreme Co-operative Council

Ul. Jasna 1, 00-013 Warsaw.

Tel. 26-72-21 Cables ENERES

PORTUGAL**Instituto "Antonio Sergio" do Sector Cooperativo (INSCOOP)**

Rua D. Carlos de Mascaranhas No. 46, Lisbon 1.

PUERTO RICO**Cooperativa Consumidores Unidos de Puerto Rico (UNI-COOP)**

GPO Box "CC", San Juan 00936.

Co-operative League of Puerto Rico

458 Fernando Calder, Apartado 707, GPO San Juan 00936.

Tel. 764-2727

ROMANIA**CENTROCOOP** (Central Union of Consumer Co-operatives)

Str. Brezoianu 31, 70711 Bucharest.

Tel. 13-87-31 Cables CENTROCOOP Telex 11591

UCECOM (Central Union of Handicraft Co-operatives)

Calea Pievnei 46, Sectorul 7, Bucharest.

Tel. 13-16-48

UNCAP (National Union of Agricultural Producers' Co-operatives)

Bv. N Balcescu 17-19, Bucharest.

SINGAPORE**Singapore National Co-operative Union Ltd.**

(3-J/K Clifford House) POB 366, Singapore 1.

SOMALIA**Union of Somali Co-operatives Movement**

POB 1272, Somali Street, Mogadishu.

Cables UDHIS

SWITZERLAND**Genossenschaftliche Zentralbank AG**

Aeschenvorstadt 3, CH 4002 Basel.

Tel. (061) 23-84-00

Coop Lebensversicherungsgenossenschaft Basel

Aeschenvorstadt 67, CH 4002 Basel.

Cables COOPLEBEN

Coop Schweiz

(Thiersteinerallee 12) POB 1285, CH 4002 Basel.

Tel. (061) 20-61-11 Cables COOPSUISSE Telex 62 133

Verband Schweizerischer Produktivgenossenschaften

c/o GBH, Sihlpostfach, 8021 Zürich.

Tel. 01/242 7133

TANZANIA**Union of Co-operative Societies Ltd.**

POB 2567, Dar es Salaam.

Cables WASHIRIKA

THAILAND**Co-operative League of Thailand**

4 Pichai Road, Dusit, Bangkok.

Tel. 811414

TURKEY**Köy-Koop** (Central Organisation of Village Development and

Other Agricultural Co-operative Unions).

Gazi Mustafa Kemal Bulvari 97, Maltepe, Ankara.

Tel. 30 22 40 Cables KOYKOOOP

Türk Kooperatifçilik Kurumu (Turkish Co-operative Association)

Mithatpasa Caddesi 38A, Yenisehir, Ankara.

Tel. 18 82 44

UGANDA**Uganda Co-operative Alliance**

POB 2215, Kampala.

Tel. 56984/6 Cables ALLIANCECOOP

UNITED KINGDOM

Co-operative Bank Ltd.
(1 Balloon St.) POB 101, Manchester M60 4EP
Tel. (061) 834 8687 Telex 884 533/4

Co-operative Insurance Society Ltd.
Miller Street, Manchester M60 0AL.
Tel. (061) 832 8686 Cables COLLECTIVE
Telex 66 86 21 CIS G

Co-operative Union Ltd.
Holyoake House, Hanover Street, Manchester M60 0AS
Tel. (061) 832 4300 Cables CONGRESS

Co-operative Wholesale Society Ltd.
(New Century House, Corporation Street) POB 53, Manchester
M60 4ES.

Tel. (061) 834 1212 Cables WHOLESAL

Plunkett Foundation for Co-operative Studies

31 St. Giles, Oxford OX1 3LF.
Tel. (0865) 53960

URUGUAY

Centro Cooperativista Uruguayo
Dante 2252, Montevideo.
Tel. 41-25-41 Cables CENCOOPUR

U.S.A.

Co-operative League of the U.S.A.
1828 L Street, NW, Washington, DC 20036.
Tel. (202) 872-0550 Cables CLUSA

U.S.S.R.

Central Union of Consumer Societies—CENTROSOYUS
B. Tcherkassky per 15, 103626 Moscow.
Tel. 221 7253 Cables CENTROSOYUS MOSCOW K-3
Telex 7127

YUGOSLAVIA

Glavni Zadruzni Savez FNRJ
Bul. Revolucije 70/III, 11000 Belgrade.
Tel. 454-842 Cables ZASAJ

ZAMBIA

Zambia Co-operative Federation Ltd.
POB 3579, Lusaka.
Cables ZAMCOOP

INTERNATIONAL ORGANISATIONS

International Co-operative Bank Co. Ltd. (INGEBA)
(Aeschengraben 12) POB 363, CH 4010 Basel, Switzerland.
Tel. 23-58-27 Cables INGEBA

International Co-operative Housing Development Association (ICHDA)

c/o Building & Social Housing Foundation,
Memorial Square, Coalville, Leics., U.K.
Tel. Coalville 39091

International Co-operative Petroleum Association (ICPA)
28 West 44th Street, New York, NY 10036, U.S.A.
Tel. 354 0870 Cables INCOPE TROL Telex 22 49 14

Nordisk Andelsförbund

3 Axelortov, 1609 Copenhagen V, Denmark.
Tel. 15.15.33 Cables NORFORBUND Telex 27 111 NAF

Organisation of the Cooperatives of America (OCA)
Avenida 46 Nro. 17 21, Aptdo. Postal 241263, Bogota, Colombia.
Cables OCAMERICA

Sociedad Interamericana de Desarrollo y Financiamiento Cooperativo (SIDEFCOOP)
(Reconquista 365, 2° piso) POB 4311, Buenos Aires, Argentina.

World Council of Credit Unions Inc.
(5910 Mineral Point Road) POB 391, Madison, WI 53705, U.S.A.
Tel. (608) 238-5851 Telex 910-296-2725 CUNA MUT MDN

JUST PUBLISHED

Studies and Reports

FIFTEENTH IN THE SERIES

CO-OPERATIVES IN THE YEAR 2000

CONTENTS

The Resolution adopted by the 27th Congress of the International Co-operative Alliance

Foreword by the ICA Director

Co-operatives in the Year 2000

A Paper prepared for the 27th Congress of the International Co-operative Alliance, Moscow, October 1980
by A. F. Laidlaw

Co-operation of the Socialist Countries in the Year 2000

Joint Document of Central Co-operative Unions and Societies of Bulgaria, Hungary, GDR, Poland, Czechoslovakia and the Soviet Union

Price: **£2.50**

Please order from:

**THE INTERNATIONAL CO-OPERATIVE ALLIANCE
11 Upper Grosvenor Street, London W1X 9PA, U.K.**

enclosing cheque with order

The International Co-operative Alliance 1895-1970

by **W. P. Watkins**

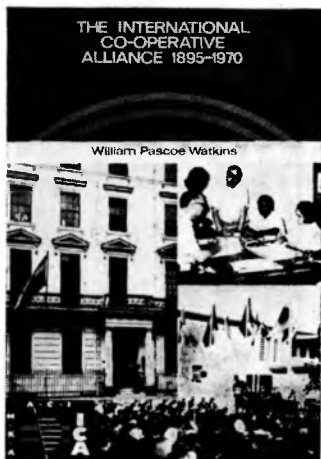
This volume of ICA history commemorated the 75th Anniversary of the International Co-operative Alliance tracing its evolution from its first manifestation as a phrase on the lips of a few 19th century co-operators to its present status as the largest consultative organisation recognised by the United Nations with over 330 million adherents.

The first chapter shows how the idea of the ICA arose out of the growth of co-operative association at local roots through national organisation to international level, to be finally realised when the basis of its constitution was laid at the London Congress of 1895.

The second chapter traces the development of the ICA's democratic constitution, its efforts to recruit members, hold them together and devise effective administrative organs and working methods in its first fifteen years.

The third chapter relates the struggles of the Alliance to maintain its existence and keep on its proper course amid the successive wars, political revolutions and economic depressions and upheavals which shook the world between 1914 and 1945.

The fourth chapter outlines the growth of the ICA, its expanding activities in the newly developing regions, the development of its auxiliary, technical, economic and financial organisations from the start of a new era of international collaboration, inaugurated by the Charter of the United Nations in 1945, to the opening of the United Nations Second Development Decade.



English Edition

Price: £2.50

French Edition

Price: £3.50

Order your copy from: **INTERNATIONAL CO-OPERATIVE ALLIANCE
11 UPPER GROSVENOR STREET,
LONDON, W1X 9PA,
UNITED KINGDOM**

A Spanish Edition can now be ordered from:

**INTERCOOP Editora Cooperativa Ltda
ALBERTI 191
BUENOS AIRES,
ARGENTINA
Spanish Edition Price US \$6.00**

Review of International Co-operation



The official organ of the International Co-operative Alliance

Editor: J. H. Ollman

Assistant Editor: M. Blindell

Vol 74 No 2 1981

Contents

59th International Co-operative Day	82
A Message from the ICA Director	83
Summary of ICA Statistics	84
The Future of Radio and Television in the Context of the General Mass Media, <i>by Oloph Hansson</i>	85
The Involvement of Women in Economic Development—the case for Co-operatives, <i>by Zakia Meghji</i>	94
Industrial Co-operatives: an ICA Research Project, <i>by Nicholas Mahoney and Peter Abell</i>	99
Community Co-operatives in the British Isles, <i>by Leonora Stettner</i>	106
REPORT IN BRIEF: The 5th International Conference on Co-operative Thrift and Credit	119
The Finnish Co-operative Movement , <i>by Vesa Laakkonen</i>	131
Editor's Commentary:	
“To work for the establishment of lasting peace and security”	143
Operation Flood (India)	143
World Food Day—16th October, 1981	144
Co-operation for all Seasons	145
Community Alternatives Co-operative (Canada)	146
ICA Central Committee—Themes for Discussion	148
Book Reviews:	
A. I. Krasheninnikov: The International Co-operative Alliance (<i>I. Rubashov</i>)	149
Jenny Thornley: Workers' Co-operatives—Jobs and Dreams (<i>Nicholas Mahoney</i>)	151
The International Co-operative Alliance: Regional Offices and Affiliated Organisations	153

The ICA is not responsible for opinions expressed in signed articles.

59th International Co-operative Day Saturday, 4th July, 1981

“ . . . As the representative of many millions of people, we in the ICA are concerned with the most important areas of life—the production of foodstuffs, housing, consumption, agriculture and fisheries, and insurance and credit. So let us not, as we sometimes tend to do, underestimate the great importance of economic co-operation . . . ”

“We must have a popular co-operative movement: we must make use of the entire experience of the people and use the technology developed by the masses of peasants, farmers and industrial workers, and not only by the elite . . . ”

ROGER KERINEC

President, ICA



A Message from the Director of the International Co-operative Alliance

Dear Co-operators,

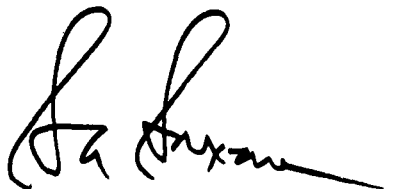
I have always seen as part of the strength of the Alliance, its ability to act as a pressure group on behalf of its 355 million members, particularly on governments and the United Nations. I would ask you today to identify with the Alliance's belief that peaceful co-existence is essential if worldwide economic and social progress is to be achieved.

We have had a successful Congress and we must now bend our energies to implementing the Resolutions which we adopted in October, consistent with the situation obtaining in the respective movements. We have been in touch with members in this connection, and our Executive Committee will consider the matter further in March in Versailles. I am suggesting—and this is still subject to the approval of our Executive and Central Committees—that a Commission should be established which would encourage and monitor the follow up action on the wide-ranging discussion which took place at Congress on the subject of "Co-operatives in the Year 2000".

On this 59th International Co-operative Day, I would like to wish you personally and your movements every success in the present year, and ask you:

- to continue in the search for effective collaboration between co-operatives nationally and internationally;
- to increase the efforts of your co-operative to enlarge the co-operative system at home and abroad;
- to continue discussion of the report on "Co-operatives in the Year 2000";
- to assist the provision of co-operative self-help housing;
- to persist in the fight for consumer protection;
- in this International Year of Disabled Persons, to make provision in your organization for assistance and rehabilitation of the handicapped and their integration into society—co-operative housing and industrial co-operative sectors have particular relevance in this field;
- to make all possible appropriate use of the mass media for the propagation of the co-operative principles; and
- to secure equal and effective participation of women in all our work.

As you know, by the time the International Co-operative Day comes round this year, I shall have given up my post as Director of the Alliance. I would therefore like to take this opportunity of thanking you for your support, and for all the work you have done during the 12 years of my Directorship to make this Day truly international and truly co-operative. I look forward with confidence to our continuing efforts, and I shall surely be with you in spirit in your celebrations, wherever I may be.



S. K. SAXENA, *Director, ICA*

Summary of Statistics

	<i>Number of Societies</i>	<i>Percentage of Whole</i>		<i>Individual Members</i>	<i>Percentage of Whole</i>
Agricultural ..	255,501	37.38	Agricultural ..	68,105,121	18.78
Consumer ..	69,048	10.10	Consumer ..	132,547,144	36.55
Credit ..	198,811	29.09	Credit ..	123,087,436	33.94
Fishery ..	17,241	2.53	Fishery ..	2,111,202	0.58
Housing ..	60,654	8.88	Housing ..	14,950,590	4.12
Industrial ..	46,438	6.79	Industrial ..	6,027,634	1.66
Miscellaneous ..	35,763	5.23	Miscellaneous ..	15,823,644	4.37
TOTAL ..	683,456	100.00%	TOTAL ..	362,652,771	100.00%

Total Turnover \$518,487,220,000

ICA World Membership

AFRICA

Botswana ..	36,221
Egypt ..	—
Gambia ..	8,969
Ghana ..	680,002
Ivory Coast ..	—
Kenya ..	1,137,497
Mauritius ..	31,031
Morocco ..	—
Nigeria ..	302,506
Somalia ..	—
Tanzania ..	640,463
Uganda ..	980,076
Zambia ..	95,528

AMERICA

Argentina ..	5,587,408
Canada ..	10,998,729
Chile ..	358,556
Colombia ..	152,871
Guyana ..	29,085
Haiti ..	136
Jamaica ..	—
Peru ..	—
Puerto Rico ..	326,452
Uruguay ..	149,326
U.S.A. ..	58,344,538

ASIA

Bangladesh ..	4,499,875
Cyprus ..	260,312
India ..	65,658,321
Indonesia ..	8,492,197
Iran ..	2,985,726
Iraq ..	531,156
Israel ..	678,815
Japan ..	17,551,759
Jordan ..	30,091
Korea ..	2,135,392
Malaysia ..	1,732,620
Pakistan ..	1,760,448
Philippines ..	414,986
Singapore ..	63,377
Sri Lanka ..	3,946,787
Thailand ..	1,456,837

OCEANIA

Australia ..	4,022,098
Fiji ..	30,440

EUROPE

Austria ..	2,938,632
Belgium ..	2,662,242

Bulgaria ..	2,933,855
Czechoslovakia ..	4,416,260
Denmark ..	1,472,134
Finland ..	2,070,625
France ..	13,889,396
German Dem. Rep. ..	4,389,847
German Fed. Rep. ..	7,201,879
Greece ..	713,570
Hungary ..	4,542,194
Iceland ..	42,604
Irish Republic ..	—
Italy ..	5,215,381
Netherlands ..	482
Norway ..	1,189,113
Poland ..	12,101,555
Portugal ..	642,533
Romania ..	14,976,698
Sweden ..	4,301,982
Switzerland ..	1,015,866
Turkey ..	5,553,866
United Kingdom ..	10,565,406
U.S.S.R. ..	62,200,000
Yugoslavia ..	1,506,000

Note: 1978 figures have been used where available.

The Future of Radio and TV in the context of the General Mass Media

by
Oloph Hansson*

Extracts from a talk given to the ICA Working Party on Co-operative Press at its 11th Meeting in October 1980 in Moscow.

THE DEVELOPMENTS TO DATE

The Newspaper and the Book

A short look at the history of the media will make it quite clear that the printed word as a medium has the advantage of several hundred years before Edison, Wheatstone, Morse and Marconi produced their epoch-making inventions and prepared the way for the broadcasting media.

The book existed before the birth of Christ but it was not until papyrus and parchment were replaced by paper and the art of printing had been invented that the real possibilities for mass production of the written word became a reality. This happened first in China in the first century AD and in Europe in the 15th century when Gutenberg's inventions also made it possible to manufacture separated metal type quickly and at low cost. In the 17th century books were followed by topical pamphlets and then by newspapers which in the wealthier nations developed into the mass circulation press.

The MacBride Report to Unesco—*Many voices one world*—has tried to des-

cribe the developments of the different media after World War II.

“Today the total daily circulation of **newspapers** throughout the world is more than 400 million copies, an increase of 20% over the past ten years. Circulation per thousand inhabitants has increased even more on a world average: from 104 to 130. The total number of dailies is around 8,000. At the country level, the highest daily newspaper circulation (per 1,000 inhabitants) is in Sweden and Japan (nearly 600). Regionally, the highest circulation (per 1,000 inhabitants) is in the USSR (396) and the largest number of dailies is in North America (1,935). The lowest circulation is in Africa, with 14 copies per 1,000 inhabitants. Available figures show that although circulation has grown constantly, the worldwide circulation of daily newspapers has remained about the same for years. This figure has remained static mainly because of mergers, the death of small local papers, and competition from radio and television, factors operating largely in North America and Western Europe.”

*Director of Swedish TV2 with long experience in co-operatives.

“**Book** production has also increased tremendously in this century. Between 1955 and 1975 the number of titles published annually doubled and the number of copies printed trebled. Eight billion books and 590,000 new titles now come from the printing press every year. Developing countries with 70% of the world’s population produce 20% of the books published, and many of these are printed by subsidiaries of firms centred in developed countries.”

Radio and Television

The printed word developed and, having once been a privilege of the very few, became a means of mass communication in the form of a vast number of different newspapers, often completely independent of each other. Only when this development of the printed word had already taken place, were the discoveries made that were to give us new media: film, telephone, radio and television, and later video-cassettes and video-records.

“In all regions of the world, **radio** is the most common of the mass media. Transmission capacity has more than trebled in the last quarter century. In 1950, some 50 countries in the world had no broadcasting facilities; 23 of these were in Africa. Around 1960, the number of countries with no radio transmitters had shrunk to 12, seven of which were in Africa. Around 1973, a world survey of 187 countries and territories showed only three of them with no transmitting facilities: Bhutan, Liechtenstein and San Marino. There are an estimated one billion receivers in the world, i.e. an average of approximately one for every

four persons on earth. The proliferation of receivers around the world is an important indication of the long arm of radio and developing countries have made particular use of this medium in the last two decades.”

“The age of **television** dawned in 1936 when France and the United Kingdom began regular transmission of programmes. By 1950, five countries had a regular TV service and by 1955 the number was 17. This figure had increased fourfold by 1960. By 1970 more than 100 countries were transmitting television programmes and today television services exist around the world in a total of 138 countries.

“The number of television receivers, reaching a formidable 400 million throughout the world, is proof of the immeasurable impact this invention has had on the lives of millions and on the spread of information. The most recently available figures show that between 1960 and 1976 the number of countries with more than one million television receivers increased from 13 to 34. At least nine nations have more than 10 million receivers and in most developed countries the number of sets almost equals the number of households.”

We have seen that the most widely spread medium is radio while the daily press and television share second place. Television developed fast after World War II and will eventually overtake the press. As regards the time people devote to the different media, television has the lead in a great number of countries followed by radio, and the press is lagging behind.

Some Economic Facts

Why have radio and television developed faster than newspapers and books since World War II? The economic factors are one part of the explanation. Let us have a look at a country like Yugoslavia for example, which systematically invested in local radio and later in television after World War II. When the war was over there were 24 newspapers in a country with a population of approximately 18 million. The country comprised many languages, roads were defective and capital was short. The political system that was being built required efficient local information. It was impossible to start a hundred or more newspapers, but it was economically possible to establish local radio stations and it was therefore decided that 300 local radio stations should be built in the country and most of them are in operation today.

In other countries, for example the USA, local radio and later television have increased their share of the media market over the decades. Especially television, in the form of cable television and subscription television, is expanding, largely at the cost of the daily press,

mainly of the second and third most popular papers in a publishing area. In many countries the press is facing difficulties. The reason is that papers have two costs that have a tendency to increase faster than other costs: namely, paper and transport. Radio and television have no paper costs and the cost of distribution is low and more likely to decrease than to increase.

In Sweden, attempts have been made to estimate the cost of different media taking into consideration the number of persons using them and the period during which they are used. In one day people listen to the radio for just under two hours and watch television for 110 minutes. This listening and watching cost them less than buying a paper which, incidentally, is only read for about 30 minutes. When you estimate the cost *per hour* of use, you find that in 1976 radio cost 17 öre*, television less than 50 ore, sound cassettes close to 100 öre, gramophone records 175 öre, magazines 205 öre, a daily newspaper 252 öre and film 783 öre. The trend is probably the same in any other country.

*100 öre is approximately US\$0.25.

PRESS, RADIO AND TELEVISION TOMORROW

The Future of the Press

Many newspapers have died both in Europe and in the USA. Some people are concerned that the ordinary newspaper will be driven out of the market by radio and television. Others think that to save the newspapers new forms of distribution must be found, with the paper brought into the home on a screen or printed in every household as a facsi-

mile paper, fed from a central transmitter.

I do not believe in any of these predictions. I think that the traditional newspaper as we know it will be there even in the year 2000, in spite of rising paper costs and increasing costs of distribution. In the West, however, more newspapers will die while new ones will probably find markets in the de-

veloping countries. The reason the newspaper will survive is a simple one: it is needed. No advanced society can have a debate on a sophisticated level on subjects of a political, cultural or economic nature without the printed word, without having the debate documented. Radio and television will develop faster than the press but will not replace the press. From the consumer's point of view, the newspaper gives more free choice than any other medium and it can be used wherever you choose, in bed, at the breakfast table, on the bus.

I do not believe that the screen newspaper or the facsimile newspaper will be important within the foreseeable future. My disbelief is not founded on technical doubts, since it is quite possible to transmit to the TV-screen, but it is definitely not possible to read long, coherent texts on a TV-screen. It is also technically possible to transmit newspapers to the home via cable to a facsimile apparatus, but the cost today is 25 times as high as for the traditional newspaper. In my opinion, it will take a very long time until the facsimile method is economical if you want to retain what is the strength of the daily newspaper: a wide choice and a lot of text. A newspaper such as the *Dagens Nyheter* in Sweden has about 26 hours of reading material, the *New York Times* Sunday edition several times more. To transfer this amount of text via telefax would at present be unreasonably expensive.

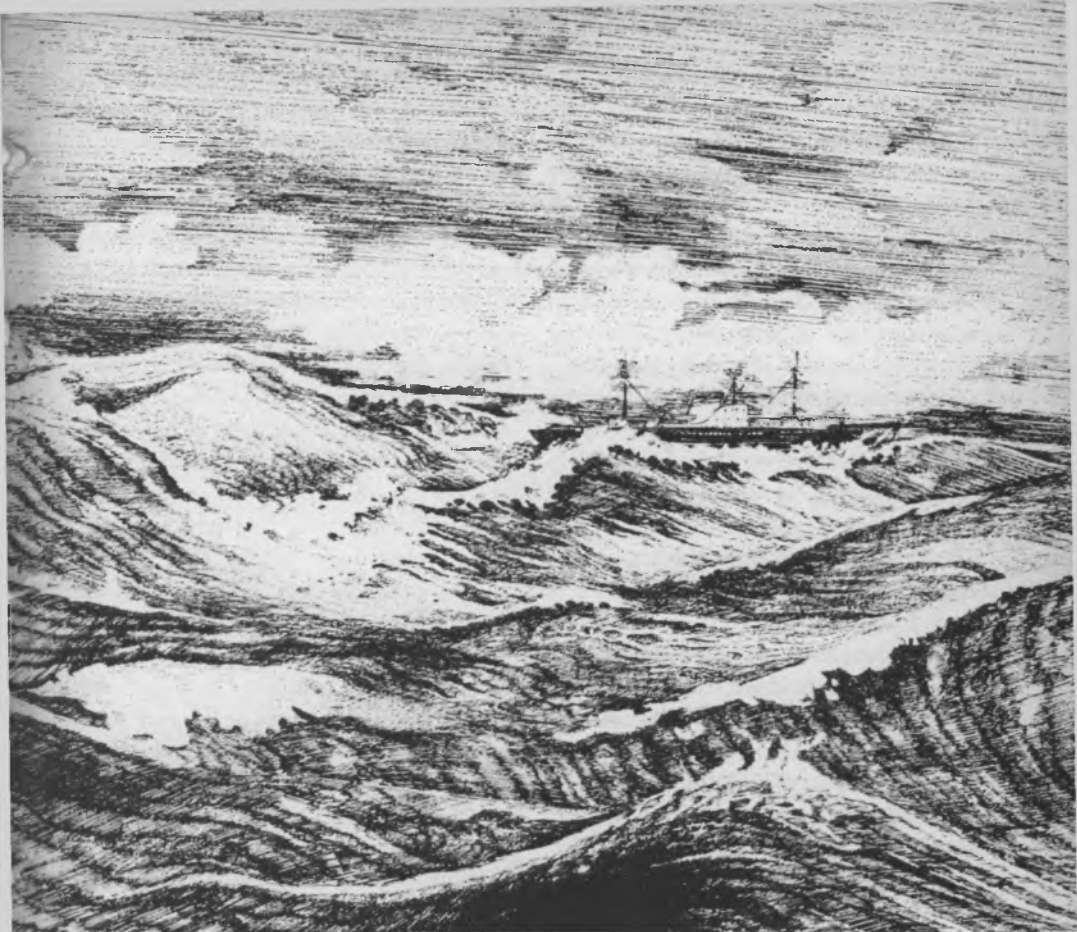
So, I believe that the newspaper will continue in rather a traditional form. In some places, experiments will perhaps be made to transfer some of its contents—the small advertisements—to telefax. This means that the advertisements for films, theatres, restaurants, travel bur-

eaus etc. can be read via cable on a TV-screen. There you can make your choice of the film you want to see or which package tour is the best bargain.

If the daily newspaper lives on, more or less in its traditional form, I believe that the future is rather more bleak for the traditional magazines. However, it is very difficult to analyse the situation and I shall refrain from doing so. But, I should like to say something about specialist magazines, geared to a particular group with particular interests. These magazines, to which group also belongs the co-operative press, often have a small circulation but—more often than not—an influence far greater than the size of their circulation would indicate. They function according to the old Lazarfield theory: to a great extent they are read by moulders or leaders of public opinion, who will spread the opinions, views and ideas held by the magazine. This is an important point in a world where success in the media is often measured in terms of number of copies sold. Success should be measured in influence, and in this field a small weekly or monthly magazine with a few thousand copies can be far more important than a sensational newspaper, or a radio station broadcasting continuous music, in spite of their millions of readers and listeners.

The Future of Radio

Radio, and above all local radio, will conquer new areas in spite of the tremendous development that has taken place within this medium since its start. One reason for this assumption is that large language- and ethnic groups today lack means of communication and are bound to use radio. Certainly, the number of literates in the world will increase



There's never been a better time to show what we're made of.

The world economy lost steam in 1980. The forecasts for 1981 are not exactly encouraging either.

With nearly all the major industrial nations in the grips of a recession, international trade is expected to decline.

The more strained the global economic situation becomes, and the higher the unemployment figures climb, the louder the call for protectionist measures.

That is not the solution. It is precisely when the going gets tough that we must face up to the challenge of competition. That applies to us as well. . . .

BfG – one of Germany's large universal banks.

Skilled not only in the German market, we have acquired international expertise through our foreign network. For customers throughout the world, we offer a range of comprehensive services, a bank with truly international commitments.

The harder the times, the more you need a truly involved friend. That's why, as a partner to busi-

ness, we pledge to do our share. Put us to the test and challenge us.

Key Balance Sheet Figures:

	1979	1980
Total Assets	54.57	60.54
Total Customers' Deposits	24.05	25.24
Loans to Customers Outstanding	31.04	36.18
Capital and Reserves	1.43	1.68

Consolidated Balance Sheet Figures BfG: Group (in billion DM)

BfG: Bank für Gemeinwirtschaft, Theaterplatz 2
6000 Frankfurt am Main

BfG: London, 83, Cannon Street
Bucklersbury House, London EC4N 8HE

BfG: Luxembourg Société Anonyme
17, rue du Fossé, B.P. 1123, Luxembourg

BfG: New York, 400 Park Avenue, New York, N.Y. 10022

BfG: Finance Asia Ltd., 6, Des Voeux Road Central
G.P.O. Box 11272, Hong Kong

BfG: Bank für Gemeinwirtschaft

substantially in the next 15 years, but the population explosion is even faster and the number of illiterates is estimated to rise from 814 million in 1980 to 884 million in 1990.

To this should be added that a majority of the existing languages have no written counterparts. The number of written languages is approximately 500 but there are about 3,000 other languages without writing norms. There are about 1,250 languages in Africa, 28 official languages in Europe, 23 in Asia; and in South America, in addition to Spanish and Portuguese, there are hundreds of Indian languages and dialects. Many countries have a surprising number of languages: in the USSR there are 89, India recognizes 15 for official and educational use alone, with the total number of languages and dialects exceeding 1,650. About 16 languages are spoken by more than 50 million people: the family of Chinese languages, English, Russian, Spanish, Hindi, Portuguese, Bengali, German, Japanese, Arabic, Urdu, French, Malay-bahasa, Italian and Telugu and Tamil, the latter two spoken in the south of India.

The Future of Television

During the 1980s and 90s television will be strongly influenced by a number of technical innovations. Some of them exist already now, but are today just at the threshold of practical and commercial use. I should like to mention a few of these technical innovations—some are already several years old, but are perhaps not yet commonly known.

One such innovation is the **optic fibre** which can replace the old heavy and expensive coaxial cable.

Another, about to be introduced on

the market in some countries, is **teletext**, sometimes referred to as **video text**, which means that with equipment built into an ordinary TV set, it is possible to receive texts and simple drawings via a standard aerial as an extra service additional to television programmes. A closely related service is **teledata**, also known variously as **viewdata**, **data-vision** and **data-television**. Like teletext, teledata can transmit text and simple drawings to the TV screen, either using the telephone network or via cable; this enables the subscriber to communicate both with the central data bank and with other subscribers within the system.

The **satellite** has been in use for many years now, but will be employed in new fields. A second type of satellite, the **broadcasting satellite** designed for direct broadcasting of radio and television programmes to households will be introduced in several parts of the world in the 80s; it is already in use in some countries.

What consequences will the satellite have for cultural and political life and media policy? What will happen when the major nations can broadcast their programmes to a great number of small nations? We do not know for sure. However, all audience research shows that an extended freedom of choice makes the audience choose light entertainment and less of serious, informative programmes. The TV companies are tempted to concentrate their efforts on the most attractive and competitive output, namely light entertainment, at the cost of information and serious programmes on music, drama and such topics.

In many countries, television has been somewhat of a revolution. Cultural events that for centuries were the privi-

lege of the very few, often in the large cities, have become the property of every man, thanks to television. Millions of people who had never seen a play by Shakespeare or a performance of Strindberg, Molière or Chekov, or a film by Kurosava, have been brought in touch with the great masters through television.

The opera houses, theatres, theatre groups, song and ballet groups, together form the back-bone of the cultural life of a nation, but it is often via radio and television that theatre, opera and quality entertainment are brought to the majority of the people—often the culturally deprived. To a certain extent this is also true of information. In many industrialized countries radio, and especially television, is the prime source of information—and unfortunately the one and only. A Swedish study on where people get their knowledge about the developing countries shows that the well-educated key-person has many different sources of information; television and radio are not particularly important to him/her in this respect. But for the great number of people without access to specialized magazines, radio and television are often the only sources of information. Without these media, the information gap between the well educated and the less educated would be even greater. If you eliminate television from this discussion, the same is true in the developing countries: radio is the only medium that can bring the elite closer to the rest of the population. But if radio is controlled by this elite, another problem, of a different nature, will arise.

Television is, after all, a relatively inexpensive medium, especially in the big and rich countries where the law of

large series is valid. But television can cause problems in a small and poor country. Not only because only a small economic and intellectual elite in the major cities can afford to buy TV sets, but also because a small country cannot afford to fill its broadcasting time with domestically produced programmes, but must rely on an unreasonably large proportion of imported programmes. Many small countries, rich as well as poor, today import more than half of their television programmes from other countries. But above all, this is a problem for the developing countries. Cultural imperialism executed by a few major TV-nations is more than a mere phrase.

Economic and Political Factors

It is not particularly difficult to describe a more or less likely technical development. But it is much more difficult to make any predictions as to how this development will influence the structures of the media. Of course, it is even more difficult to predict the political decisions that will be made in order to control the development in different countries. There is one thing we know for sure: the structures will remain different in different parts of the world.

Having made all these reservations, I want to maintain that what will be offered to the public in the media, at least in the West, will be more and more commercialized. This is particularly true of television, where to a large degree programmes are looked upon as merchandise. (But this is also true of the news output.) There are very strong economic interests behind the satellites and these interests will increase their influence.

The traditional public service companies of radio and television are totally

or partially dependent on licence fees to finance their work. But as a rule the licence fee is set by governments and parliaments, and they hesitate to increase the fees although they are smaller than the cost of a daily newspaper. In some places the politically less controversial method of allotting more time for commercials is preferred. The problems of financing will be the main obstacle for a great number of non-commercial public service companies during the 80s.

The venerable BBC whose programme output has been the guiding star to many a television company in the world for a number of years, is now threatened by serious economic problems. In Italy, where the law of the jungle is prevalent when it comes to establishing radio and television stations, many commercial stations with sometimes doubtful programme policies take ever growing portions of the market from the public service company RAI. In West-Germany attempts have been made by some of the provinces, for example Schleswig-Holstein, to break away from the existing system. If they succeed in this, the system will eventually fall apart. This development towards increased commercialization can move very fast indeed if the politicians who have the responsibility do not decide to give the public service companies the economic means to withstand the increasing pressure.

At the same time, the tension in the field of communications is growing between the rich and the poor countries, between the North and the South. The MacBride report shows a steady growth of the chief communication channels and media throughout the world. But a closer analysis teaches a less comforting

lesson. In many countries this growth is failing to keep pace with the increase in population so that the provision for underprivileged groups and regions (people in remote and rural areas, linguistic minorities, nomadic groups and the poor in general) is on the decline. The USA and Canada with 7.5% of the world's population consume 16% of the world's newspapers and own 45% of the radios. Asia with 44% of the world's population consumes 22% of the newspapers and owns 11% of the radios.

Furthermore, in the third world there are gaps making the problems even more difficult. MacBride states that there are developing countries where TV transmitters cover only the main cities and the immediate surroundings. More than nine-tenths of the daily press is regularly sold only in towns—hundreds of thousands of villages do not even have a single telephone.

During the 80s the developing countries will use a lot of force to break western dominance. Their efforts concern chiefly the news services. An increasing number of developing countries will establish their own news agencies to lessen their dependence on the big western agencies which totally dominate the news today. This is desirable. But it will be less desirable if the agencies turn into "offices for collection and distribution of official information". If that happens in combination with the growing difficulties journalists are experiencing in moving freely around in most of these countries, it will result in a diminishing flow of information in the 80s instead of a growing one. And less information will hardly contribute to mutual understanding and peace.

THE CO-OPERATIVE MOVEMENT AND THE MEDIA

The ICA Congress in Moscow largely focussed on Alex Laidlaw's report, "Co-operatives in the Year 2000". The author expressed a number of opinions in his report, one being that members of the co-operative movement were efficient communicators in the era of the duplicator, but that the electronic system of communication seemed to have passed unnoticed by many of them.

This may be so, but electronic communication systems depend on air space. This space has been limited and regulated by the powers of state both in the East and in the West. Changes are about to take place in the form and methods of distribution, as I have suggested earlier.

Before I mention these new methods, I want to warn against abandoning the traditional stencil, the well edited specialist magazine, meetings and the mouth-to-mouth method. Experience shows that very small newspapers can still be very influential because they are read by moulders of opinion who further the message. But also they can influence other and bigger media such as the daily press, radio and television. One condition is, however, that they introduce new solutions, new thoughts, new ideas.

In many countries new methods of distribution, especially the cable, will make it possible to broadcast both radio and television over a very small area. This is a development for better and for worse, but where this development takes place, the co-operative movement should of course, consider where and how it should participate.

Finally, the video market. So far, it

has grown mainly in the fields of teaching and education in the industrialized countries. Also in the developing countries, it can prove an efficient and relatively inexpensive method of informing consumers and spread the co-operative message to target groups. But in the 80s the video market will also undergo powerful commercialization; big industries with a lot of capital, mainly in the USA, will try to create a video cassette and video disk market, especially in the rich parts of the world. Some of their programme output will be of high quality. But a lot will have doubtful content, with no cultural or social value.

Today, one problem in this context is that the best of the imported programmes are shown on TV to the whole nation; if the same programme is sold as a disk or cassette at a comparatively high cost, it will not then be at the disposal of the TV-companies. The conclusion is that only a well-to-do minority will have access to some of the better output. In some countries, the co-operative movement has entered the publishing business and successfully published quality books. Are there possibilities of a similar achievement on the video market?

In this world of ours where the development of the media is moving towards more concentration of ownership and increased variety, but also towards increased commercialization, the co-operative movement should consider if it can fulfill its tradition also in this field: a movement fighting for the underprivileged and against the commercial powers.

The Involvement of Women in Economic Development— the Case for Co-operatives

by
Zakia Meghji

Training Officer (Women), ICA Regional Office for East & Central Africa

Women have traditionally, from time immemorial, been involved in economic pursuits throughout East and Central Africa, but the nature of their participation in pre-colonial times was at subsistence level. Women were the hewers of wood, the providers of food crops and the custodians of their children. Traditional Society had definitely overburdened the woman.

With colonialism and the introduction of cash crops, the position of the women showed no considerable change. The woman, because of her burden of child rearing, feeding the family and taking care of domestic chores, found little time to devote to production of cash crops which could have given her some income. It was thus the men who took control of cash crop production. Even in those cases where a woman did devote some time to cash crop production, the husband usually took away the proceeds and she was back to square one.

It is with this in mind that many international organisations, such as the United Nations and the International Co-operative Alliance, to name two, found it fit to pay particular attention to the problem of women. Many motivational and mobilisation programmes have been undertaken to try and promote

the development of women. Some of them have achieved marginal results while others have had no impact, but one loud voice has come out clearly: that the best way to advance women is to involve them in sound economic activities. By economic activities in this case, we mean any kind of activities intended to generate cash income or any other economic gain to women participants.

Women's Involvement in Economic Activities

There are many ways in which women are participating in economic activities in the Region today, but we are more concerned with those economic groups which are designed to cater for the poor such as co-operatives, clubs and associations promoted by national women's organisations and churches.

At a recent ICA Regional Women's Seminar on Integration of Women in Co-operatives in Developing Countries, it was reported that women are actively involved in different types of co-operatives. In Botswana, women are actively involved in Consumer Co-operatives: here, one finds that a very high percentage of women are members, women are not only found as mere members but also

as leaders. The leadership position maintained by Botswana women can be partly explained by the fact that most men go to work in mines in South Africa and what was then Rhodesia, and that women are left behind to take charge of a large part of the economic activities. This gave Botswana women, at a very early stage, a sense of responsibility and self-confidence, which in turn promoted their leadership qualities.

In Uganda, there is greater involvement of women in handicraft societies. This can perhaps be explained by traditional work patterns since women generally produce handicraft items for domestic use. In Zambia, we have examples of exclusive women's economic activities within existing co-operative societies.

In the case of Somalia, where emphasis is on agriculture, women are found to be actively engaged in agricultural co-operatives. However, women are found to be dominant in cosmetic-making societies. In Tanzania, we find women being active in tailoring, pottery and handicrafts. In Kenya, there is more active participation by women in handicraft co-operatives.

In all the countries of the Region, it is observed that there has been increased co-operation between national women's organisations and organisations dealing with co-operative development.

Women's Economic Groups

One can say that there are three principal ways used to form economic groups.

When we talk of economic groups, we mean those activities which are undertaken by members of a particular organisation, with the aim of raising their standards through participation in

projects etc. Basically, therefore, the economic activity that we are concerned with is a business venture. This means that it should be viable enough to enable members to gain from its proceeds. An economic activity, however, should not only bring positive, financial results but should also be seen to improve the members' lot socially and materially.

1. Economic Activities carried out exclusively by Women

Such economic activities are directly promoted by national or other women's associations. Some of the organisations carrying out these activities do not exist as legal entities. Although one might say that such economic groupings have the advantage that they are easy to form and are not bound by so many legal requirements, they also have the more serious disadvantage that they are not recognized by law. This means that it is very difficult to extend any credit to them. They have therefore to depend mainly on donations. The other disadvantage is that when officials of these groups embezzle funds there is very little that the organisation can do to recover the money since they have no right to sue or be sued. There are many cases where officers of such organisations have embezzled funds and got away with it. However, they are a good means of starting a co-operative in order to obviate the possibility of registering a co-operative society which may not be viable.

There are many examples of this type of economic group. For example, in Tanzania, there are the Jitegemee Tailors in Dar es Salaam and the Tuke Consumer Co-operative in Morogoro. In Kenya, too, there are such groups as the Mabati group in Taita; this project

started on a self-help basis where women were pooling their resources to purchase corrugated iron sheets for their houses, and has turned into a flourishing co-operative building society.

There is also a transport co-operative society run by women in Kenya, which started with the purchase of a bus. Later on, the society spread to other income-generating activities such as a shop and rearing of animals. There are many examples of exclusively women's economic groups, too many to mention here.

One of the major advantages that this type of women's economic activities has, is that it gives women self-confidence and quietly develops their leadership capacity, which would not be the case if women were integrated with men right from the start.

2. Co-operatives Where Membership is of Both Sexes

In these co-operatives, women are members alongside men. In most cases, women are few compared with men, e.g. in Moshi in Tanzania, the Moshi and District Consumers Co-operative Society Ltd. (MDC) which is one of the most successful consumer co-operatives in the country with a long history, has 25% of its members as women.

In Uganda, the Tusetukirewamu Handicraft Society has mixed membership and women occupy leading positions. This can be partly explained by the type of activity in which the society is engaged. Handicrafts of this nature—production of table mats, baskets, etc—are culturally more suited to women.

In the case of Botswana, women membership in most societies exceeds that of men. It has been explained above

that this is due to the migration system which prevails there.

3. Women's Economic Activity as Part of an Existing Large Primary Society

This is another way in which women are involved in co-operatives. In this case, the women's economic activity is part of the larger co-operative society. Women elect their own committee which is represented on the main committee of the society. This approach has the advantage that the initial capital is usually provided by the larger primary society. A good example of this type of society is the Kalola Multipurpose Co-operative Society in Zambia. This economic activity involves poultry keeping and agriculture.

Major Problems hindering Women's Involvement in Co-operative Societies.

One of the major obstacles facing women's involvement in co-operative ventures is lack of the ability to identify and undertake viable economic ventures. Many women group themselves in co-operative societies and undertake production of goods which have very little or no market. Even where the initial markets are available, the products do not develop with the changing patterns of buyer behaviour. There is need to give women leaders specific skills to enable them to carry out simple market surveys, planning and appraisal of co-operative projects, evaluation of ongoing projects, as well as management and organisational techniques.

There is also a need to train for and introduce quality control and product innovation in most of these co-operative ventures, so that inferior products are

not put on the market and the products from women's economic activities maintain their market position.

The low level of literacy in some countries makes it very difficult for the members to appreciate and comprehend the ideals of co-operative organisation. Much of the literature is written in language which they cannot understand. Furthermore, the number of extension staff is inadequate to cover all areas. There is then a need to build functional literacy into all co-operative projects, to educate the membership.

Another major factor which continues to hinder women's involvement is the lack of suitable financial institutions to finance women's co-operative activities. It is obvious that the small-scale nature of women's economic activities is not attractive to financial institutions. This problem can only be resolved by providing revolving funds at both National and Regional levels to cater for the financial needs of women's economic activities.

There are also very strong cultural factors which may hinder women's participation in co-operative activities. These include the belief by both men and women that the traditional role of a man as head of the family should be reflected outside the home. Even where women members dominate a society by as much as 80%, you still find that men hold the key positions. This can only be overcome by political education encouraging women to take up leadership positions. In a survey of Ujamaa Villages in Tanzania, very few or no women had reached the position of village chairperson. Further, there is need for Co-operatives to develop institutions and programmes that will ease the burden of

woman as the home-maker, such as provision of day care centres, simple mechanical tools to help with processing of food.

There are still other cultural factors, such as inheritance rights which favour men, which might hinder women's involvement in co-operative activities, especially where membership of a society requires ownership of land. Women are likely to be excluded since traditionally they may not inherit land. This problem can be solved by government action to enact laws which will remove this kind of discrimination.

Sometimes, where married women are actively engaged in economic activities, their husbands take away the proceeds arising from such ventures, claiming them as their own right—after all they paid a dowry. This factor needs to be discouraged through the education of both parents and daughters to the fact that sometimes the dowry, especially when it has been so commercialised nowadays, can produce adverse effects on marital relationships.

Conclusion

Although one can say that there has been a positive change of attitude towards women's involvement in economic development, much remains to be done. More resources, manpower and finance should be made available to promote women's involvement in economic activities. National governments should not regard the problem as the responsibility of international organisations, but as their own child which has to be nursed from childhood through to the mature adult.

The position as it stands now shows that there is need to concentrate on

efforts to carry out more specialised training. This will of course depend on which country we are dealing with.

There should also be a deliberate increased intake of female students in all institutions of higher learning.

Guidelines for the Preparation and Appraisal of Co-operative Development Programmes and Projects for use by Project Officers

The article by Koenraad Verhagen printed in Vol. 74 No. 1 1981 of the *Review of International Co-operation* has been published as a 25-page booklet by:

**PLUNKETT FOUNDATION FOR CO-OPERATIVE STUDIES
31 ST. GILES, OXFORD OX1 3LF, UK**

from whom it is available, cost £1.00 (including post by surface mail)

Please include remittance with order

Industrial Co-operatives: an ICA Research Project

by

Nicholas Mahoney and Peter Abell*

What are Industrial Producer Co-operatives? Do they generate employment? Are they making a positive contribution to industrial development? Even though such questions are increasingly heard, answers are not easily found, and research studies, particularly in developing countries, are few.

In 1977, the International Co-operative Alliance instigated a pilot research programme designed to investigate some of the practical and theoretical issues concerning industrial producer co-operatives (IPCs) in developing countries. The project was undertaken with the support of the U.K Overseas Development Administration, and conducted in conjunction with the University of Birmingham. Over almost two years, research was carried out in four countries: India, Indonesia, Peru and Senegal. Over 60 working co-operatives were investigated while 12 were singled out for detailed and intensive study.

Industrial Co-operatives in Developing Countries

Co-operatively organised, industrial

production was the primary objective of many co-operative pioneers and thinkers. IPCs were formed in some European countries in the nineteenth century and are today to be found not only there, but also in Eastern Europe and many countries of the Third World. However, as anyone at all familiar with the co-operative movement knows, IPCs worldwide are relatively few in number and, with rare exceptions such as Mondragon in Spain, have not become a force to be reckoned with in most economies.

Co-operatives studied in the course of the research manufactured products ranging from drop forging hammers to silver ceremonial bowls, and from tie-dye T-shirts to printed medical record cards. For the most part, research was concentrated on co-operatives in which *production* was collective, and in which the majority of those employed were also members and therefore owners of the co-operative. Many 'industrial' co-operatives in developing countries are involved in handicrafts, and more often than not in the four countries studied these were engaged in the supply of raw

*Peter Abell is Professor of Sociology at the University of Surrey and was previously Professor of Sociology at the University of Birmingham. He has written extensively on self-management and worker participation in industry.

Nicholas Mahoney is involved in industrial co-operative promotion and development at Hackney Co-operative Developments; he was previously Research Fellow in Sociology at the University of Birmingham.

The research project ran from April 1977 to November 1979; the report was submitted by the authors to the International Co-operative Alliance (ICA) and the UK Overseas Development Administration (ODA) in 1980.

Peruvian co-operatives



Assembling office furniture.



Typesetting by hand in a printing co-operative.

High quality leather shoe manufacture.



materials and the sale of finished products. The members produced individually and independently of each other, sometimes with employed labour, and only bought and sold collectively. With handicraft technology the economies of scale of joint production are few. Though often classified as industrial co-operatives, such ventures are essentially different from IPCs in which production itself is carried on co-operatively.

In each of the four countries there was a marked tendency for IPCs to be found in sectors of manufacturing industry where capital requirements were relatively low. This is not really surprising. It is not usual for working members to have large amounts of capital of their own to invest and, although in some places funds are available from central governments, co-operative banks, etc., venture capital for new starts is not easily obtainable in the necessary amounts. IPCs the world over are at a disadvantage in comparison with the private companies with which they compete for—as co-operatives—they limit the return on capital, often limit the number of non-working shareholding members, and so cannot raise the capital which private companies can on the money markets.

The relatively small amounts of external capital available, and the lack of experience which co-operative members have, mean that IPCs are rarely if ever found in high technology sectors, and that technical innovation is generally infrequent.

The IPCs studied almost always recruited their members at first from people with industrial experience—although often from agricultural backgrounds. As industrial workers they

were by no means among the most wealthy members of the population but, at the same time, very few came from the landless peasantry, and a significant number had farming incomes as well as their co-operative work. On the whole, members were poorly educated and not well equipped for the more complex tasks of business management.

Not all IPCs formed were successful—some even collapsed after only a few months' operation. On the other hand, many of those studied in detail provided employment for more people than did the average capitalist enterprise in the country. None had been in existence for a very long time, but some had been able, with steady controlled growth, to provide their members with regular employment with above average earnings in enterprises where labour productivity was at or above the average level for their industry.

In Europe today, IPCs are generally formed spontaneously by their members as they come to appreciate their common economic and social needs. In developing countries some IPCs are formed in this way but, by contrast, many are formed as the result of the promotional activities of external agencies—government departments, aid organisations, churches etc. Some even operate with substantial external support, even with external control, and only slowly move to independence and full democratic control by their working members.

The research carried out in the four countries does seem to suggest that in each country one or other type—the spontaneous or the promoted—predominates. It is difficult therefore to say which is the more successful as the two are rarely found operating in the same

Indian (Punjab) co-operatives



Lathe operation in a co-operative manufacturing diesel engines and drop forging hammers.



An engineering co-operative manufacturing sewing machine parts.

Manufacturing children's clothes.



context. While it is clear from official statistics that many government-promoted IPCs do not operate, that a high failure rate is evident, spontaneous co-operatives by their nature often slip through the mesh of official records so that their success rate cannot be detected, only the numbers of those which last long enough to be recorded. The research results however give some support to the view that the provision of intensive support to a committed membership is a more effective combination than the provision of 'one-off' and unco-ordinated inducements such as cheap loans or grants from central authorities to all comers.

Industrial Co-operatives in Operation

What of the performance of those IPCs which do manage to start? The research findings were on the whole positive, but in the co-operative movement and among those concerned with industrial development many doubts remain as to whether IPCs are intrinsically capable of operating successfully. The very fact that IPCs are generally small and few in number suggests to many sceptics that they are intrinsically weak and do not constitute a dynamic force for industrial change and reform.

There have been many theoretical critiques of industrial co-operation. Those notable proponents of consumer co-operation, the Webbs, raised many questions about the viability of workers' or industrial co-operation. More recently, some theoretical economists have concluded that the IPC, where working members who own the co-operative are responsible for making investment decisions, is necessarily going

to suffer from under-investment and the inefficient use of capital compared with both capitalist and Yugoslav-type worker-managed enterprises.

The results of the ICA research do not on the whole support these theoretical positions. For example, under-investment by members was *not* found to be a problem in the majority of the co-operatives nor could it be said that members in the less successful co-operatives were least likely to invest. Members generally wanted to increase the viability of their enterprise and to improve or secure their own employment. They did so by re-investing profits, by making new share issues, or by making loans directly to the co-operative in which they worked. The motives for investment ranged from commitment to the co-operative or to the other members as a group, to the pressing need in the face of un- and under-employment to find some means to create jobs.

It is possible to conclude provisionally that IPCs are a means whereby the savings of working people can be mobilised, joined with their labour, and thereby develop new industrial enterprises.

But once capital is available, how well is it used in an IPC? Here the research highlighted some problems. On the whole, financial management was not very effective. Investment decisions were often poorly evaluated, and working capital was used inefficiently. Given the background of the majority of members—industrial labourers or rural artisans—this should not be surprising. Indeed, what was most encouraging was how *well* most co-operatives performed, given their disadvantages. Clearly the IPCs fulfilled a genuine educative function

but, at the same time, it is obvious that if the members had had access to appropriate training in specialised managerial skills the performance of their co-operatives would have improved.

To make up for their lack of specialised skills, several co-operatives engaged managers who, given their lack of commitment to the co-operatives, are best described as 'external'. The provision of managerial expertise from the outside is a solution often proposed by sponsoring agencies which recognise the general problem. However, the experience with external managers in the co-operatives studied was not very positive, and none of the external managers remained long with them.

It is often said that IPCs suffer from a clash between the democratic principles on which they are founded and the exigencies of managerial decision-taking. No IPC is going to be free of conflict and clashes of interest, and those in the study were no exception. It was clear however that the level of conflict surrounding the manager was generally greater—often to the point at which it became disruptive—in those co-operatives with an external manager than in those in which the manager was a fully integrated member. If the economic performance of the co-operatives with an external manager had been significantly higher than that of those without, then this problem might have been offset. In fact, there was no clear correlation between economic success and the involvement of professional managers.

However, a general level of solidarity among the membership of an IPC was found to compensate for lack of specialist expertise. Solidarity may come from

many sources: from external family ties, from membership of a religious or minority community, from a prolonged joint struggle with a previous employer, and so on. The research generally showed that a high level of member solidarity correlated with above average economic performance and labour productivity. On the other hand, it became clear that a lack of solidarity, an extended conflict among the membership, could bring a co-operative down. In the capitalist enterprises with which the IPCs compete, a lack of solidarity among the workforce is unlikely to have this effect. More positively, none of the co-operatives studied suffered from strikes or any of the other 'labour problems' that beset industry organised on traditional capitalist lines.

Industrial Co-operatives: The Way Forward

IPCs are capable of contributing to industrial development and the creation of a more just and democratic form of industrial organisation. They suffer from certain problems—though not necessarily those traditionally attributed to them by their critics—but means could be devised to overcome these.

If IPC development is to be achieved, the first step is to mobilise funds for investment. Government finance and even multi- or bi-lateral aid would be appropriate but, whatever the source, it is clear that investment and monitoring must be undertaken by an agency specialised in IPCs and fully aware of their commercial and co-operative requirements.

Technical support is also necessary, but neither external technical direction nor even the placement of external

managers is likely to be the best means of introducing this support. More effective and more in keeping with the philosophy of co-operation would be selective on-the-job training of committed members, working in their co-operatives. They have the interest and are open to control by their fellow members in the way professional cadres would never be.

Secondary co-operatives, federations of IPCs, would also do much to facilitate the development of co-operatives in industry. It has to be remembered, however, that while IPCs are operating in small numbers in different and diverse sectors of the economy, secondary activities will be limited largely to financial and administrative functions. The work of the bank which is at the centre of the Mondragon group of IPCs does show how effective even limited secondary activities can be.

Solidarity among the membership is

obviously a difficult factor to build into new co-operatives, but it is too important to be left always to chance. Many spontaneous and even some independently sponsored co-operatives have been able to capitalise upon their members' solidarity. The community support the Basque people have given Mondragon and the experiments now under way in the U.K. with various forms of community-based co-operatives may point the way here. Co-operative law which severely limits family membership, as for example in some Indian states, does not seem to be helpful.

Many questions concerning the operation of IPCs clearly remain to be answered and further research is needed. What is essential though is that the results of all research are taken up as rapidly as possible by the movement as well as by promotional agencies, and integrated into practical, industrial co-operative development programmes.

Community Co-operatives in the British Isles

by
Leonora Stettner

(Part of an article published in *Journal of Rural Co-operation* reprinted by kind permission of the Editor.)

Yair Levi has put forward the challenging proposition that the most effective form of economic and social development, particularly in rural areas, is one that *integrates community development and co-operative structure*.¹

The examples which he uses to illustrate this thesis are drawn mainly from underdeveloped regions of the Third World. The purpose of the present paper is to describe—as test cases for his various hypotheses—a number of experiments with “community co-operatives” which have been mounted in recent years in remote rural areas of Ireland, Scotland and Wales.

I. THE EXPERIMENTS

Definitions

An understanding of the term “community co-operatives” must necessarily proceed from definitions.

Levi defines “community” as “a social system composed of people who . . . develop among themselves discernible linkages aimed at coping with problems and meeting needs which . . . arise as a consequence of . . . sharing a relatively definable territory.”²

This concept has been usefully extended by the United Nations into a definition of “community development” as “the utilisation, under one single programme,

of approaches and techniques which rely on local communities as units of action and which attempt to combine outside assistance with organised local self-determination and leadership as the primary instrument of change.”³

The working definition of a “co-operative” adopted by the Highlands and Islands Development Board (HIDB) in Scotland⁴ is “a business organisation run for the mutual benefit of a *group* who have common interests in accordance with co-operative principles” (Italics added).

Those principles are elaborated in

¹Yair Levi “Community Development Actions in a Dynamics of Community-Cooperatives Relationships” in *Journal of Rural Cooperation*, International Research Center on Rural Co-operative Communities, (CIRCOM) Vol. VIII 1980 No.1/2.

²*Ibid.*

³*Report of the Community Organiser* UNE/CN5 291; 1973/74 New York.

⁴Manual on Community Co-operatives published by Highlands and Islands Development Board 1978.

Levi's definition of a co-operative as "a *group* of people with common interests and needs (who) undertake under their joint risk and responsibility the management of an enterprise with economic character to provide them with one or more services (including production) . . . , equality in decision making, . . . and distribution of surplus to members according to their participation in the common activity."⁵

Building on these definitions it can be noted that in a "community co-operative"—alternatively known as "multi-functional", "multi-purpose" or "development" co-operative—the *group* or organisational unit on which the co-operative is based is the whole adult membership of the community. This is in contrast to a conventional co-operative where membership is drawn from a particular economic sector of the community—for example farmers, consumers, tenants, savers or workers in an enterprise. By the same token membership shares are offered to the entire community—at a price ranging from £10 to £50 per share.

The community co-operative engages in a number of different activities under one management; and these include social and cultural as well as economic activities. Sometimes, as new projects are undertaken, each is assigned its own sub-manager or foreman and the co-operative becomes an umbrella organisation.

A large part—and sometimes all—of the profits or surplus of the co-operative's economic activities is reinvested *collectively*, that is in new projects or expansion

of existing ones, rather than being distributed to individual members.

The Areas

In Ireland, Scotland and Wales community co-operatives have tended to be located in remote isolated rural communities—and frequently on islands or promontories.

It follows that populations in these areas are small—ranging from 100 to 10,000. "In Ireland, with the exception of the island co-operatives, most active . . . co-operatives cover territories with populations of at least two thousand, and it is probably more effective to think in terms of area co-operatives rather than village co-operatives with populations of only a few hundred."⁶ In the Scottish co-operatives of the Outer Hebrides the average population covered is much smaller—about 700.

Moreover these are communities in which populations were rapidly declining before the advent of the co-operatives, with a large migration to urban areas and to other countries. As a consequence a relatively high proportion of the population is in the higher age brackets.

In general over half the families of the communities are employed in farming or fishing. In Ireland the usual size of farms is one to five acres, and two-thirds of the farms are less than 40 acres. Moreover the land is frequently infertile. Therefore incomes are very low (in Ireland they are only half the national average); much of the farming is part-time (30 to 35% of farms in Ireland); and unemployment is far above the national average.

⁵Levy *op.cit.*

⁶Maryon Trevelyan *A Study of Irish Community Co-operatives*. February 1980 (mimeographed paper).

Because of their poverty and their isolation many of the communities lacked basic services and amenities—good roads, electricity, piped water and sewage facilities, shops, post offices, schools, garages, hospitals, pharmacies, adequate housing and community and recreational facilities.

In each of the three areas—western Ireland, Outer Hebrides and north Wales, the rural communities are characterised by a distinctive culture including local crafts skills, a native language in danger of dying out and extensive kinship ties.

Finally, in Ireland and to a lesser extent in the Outer Hebrides, there is a conspicuous absence of local government structure at the village or parish level; this is in contrast to Wales and England.

The Co-operatives

There are over 20 community co-operatives in western *Ireland*. The first was set up in 1966, and over two-thirds during the 1970s. Eight of the most active cover fairly large areas and there are three very active, though small, island co-operatives. All of the community co-operatives have benefitted from grants and other support from the Department of the Gaeltacht and from Gaeltarra Eireann, the development authority for the Gaeltacht. Both these bodies are charged with preserving the

language and culture of the Irish-speaking areas of the country.

In *Scotland* the Highlands and Islands Development Board has since mid-1978 promoted the establishment of nine community co-operatives in the Outer Hebrides—a group of Gaelic-speaking islands—and by March 1980 steering committees had been set up in four more communities with a view to forming development co-operatives.

In *Wales* the first community co-operative appeared in 1974, but it was not until 1979 that serious efforts were made to draw on Irish and Scottish experience in order to encourage further experiments of this kind. As of July 1980 there were three firmly established community co-operatives in north Wales, each covering a number of villages. In addition a number of umbrella organisations interested in encouraging co-operation had been formed, namely the North Wales Employment Resources and Advice Centre (NWERAC) and Antur Teifi—both based on Urban Aid funds from the government—and the Welsh Community Enterprise (also urban in orientation) to which two of the community co-operatives and both NWERAC and Antur Teifi are affiliated. Finally it is believed that a government body, the Development Board for Rural Wales (DBRW) is about to embark on a programme, including grants, for encouraging the setting up of community co-operatives.

II. THE CONCEPT OF STRUCTURAL CHANGE

The thinking underlying efforts to establish community co-operatives in the British Isles appears to be very much in line with Levi's thesis that neither the

community development approach nor the co-operative approach *on its own* can be expected to achieve the kind of fundamental change in attitudes and

activities at the local level which is necessary if communities—and therefore economic and social structures—are to be revitalised.

Community Development Unrelated to Co-operatives

In the words of Storey⁷ “. . . there can be a danger in the looseness of much community development theory and practice, which probably has as striking a record of failure as that of rural co-operation.”

And Commins⁸ has added that “community development requires the establishment of some kind of co-operating group even if this is a structure other than a conventional co-operative society.”

These views fit with Levi's point that by itself the community development approach fails to provide a strategy for changing individuals and their environment.⁹ It lacks an economic dimension of self-managed enterprises which could enable the community to achieve tangible economic and social development and eventual self-reliance independent of external help. Thus it fails to change the attitudes and morale of members of the community or to enhance their capacity actively to participate in a fundamental solution of their common problems.

Co-operation Unrelated to Community Development

On its own co-operative development

might provide small and medium sized producers better access to the advantages of large scale, but it could not substantially alter the prevailing power structure or remove serious inequalities in income distribution. As Levi points out¹⁰, where the co-operative emphasis is on quick results and mere service delivery, there is a danger of “premature self-management with limited change . . . co-operatives detached from the community base are easy prey to administrative control and manipulation from within and without the community.”

Complementarity of Co-operation and Community Development

On the other hand, if community development can be integrated with co-operation in a gradual process of structural evolution, there is hope of achieving Levi's stage of “mature self-sustaining change.” This will involve a mix of social and economic initiatives in an ongoing process of development which may require external support and encouragement over a fairly long period. As Commins points out¹¹, this is a matter of “getting a local community to identify its own needs, . . . of involving all segments of the local community in a collaborative effort, the importance of representative democratic structures to encourage citizen participation in community affairs, the nurturing of local leadership and, in general, the develop-

⁷R. J. Storey *Community Co-operatives—a Highlands and Islands Experiment*, paper presented to 5th International Seminar on Marginal Regions, Trinity College, Dublin, 30 July-4 August 1979.

⁸Patrick Commins, *Co-operation and Community Development in the West of Ireland*, paper presented to 5th International Seminar on Marginal Regions, Trinity College, Dublin, 30 July-4 August 1979.

⁹Levi, *op. cit.*

¹⁰*Ibid.*

¹¹Commins, *op. cit.*

ment of the community's capacity to act effectively *over a period of time*. In short, community development involves both the attainment of specific objectives (task goals) and the building up of the community's civic consciousness together with its competence to work co-operatively (process goals)" (Italics added).

The community approach has much to contribute to the process of development through co-operation. The experiments in the British Isles have illustrated the essential role of the community base for:

- giving the co-operative legitimisation in the eyes of authorities and improving its access to sources of external support;
- providing the social cohesion which stems from shared community interests;
- participating in a fundamental way in the problem-solving process through which the co-operative achieves effective maturity;
- acting as "client" for the co-operative in respect of goods and services; and
- providing legal, technical and economic assistance to the co-operative.

Equally important are the ways in which co-operatives can make a significant contribution to the process of structural change through community development.

They can provide the *economic* dimension without which community development is powerless to effect structural

changes. They create locally controlled jobs and incomes for members of the community—jobs that cannot be eliminated at the whim of outsiders. They make possible a variety of economic activities—"occupational pluralism"—in areas where much of the farming is on a part-time basis. They retain in the community the profits of enterprises by reinvesting them in local projects rather than allowing them to be drained away from the community. They mobilise local resources—of land, sea and human skills—which have been under-utilised and channel them into production to meet local demands. By making accessible to small producers the advantages of large scale, they create countervailing economic power for communities whose members as individuals are powerless.

Socially, too, co-operatives can add considerably to community development efforts. They contribute financially to the collective needs of the community including health, recreational and cultural facilities. They ensure a more equitable distribution of the gains from production. They tend to have greater respect than private enterprises for the ecology of the community. They overcome rural apathy and conservatism and even in some cases extreme "egalitarianism" of a kind which resists individual—but not collective—initiative. And they provide a structure for democratic control in which inexperienced and often inarticulate individuals can learn to discuss problems, make decisions and acquire the confidence necessary for full development. As Levi puts it¹², community co-operatives are "the only organisational form that combines social and economic aspects of human voluntary and egalitarian togetherness".

¹²Levi, *op. cit.*

III. CHANGE AGENTS

Experience with community co-operatives in western Ireland and the Outer Hebrides clearly demonstrates the key role of what Levi calls "change agents"—also known as "activators", "animators" or "catalysts".

It appears that effective community development cannot be expected to occur completely spontaneously. Even where there are concerned local groups protesting the need for change there seems to be a need over a period of many months—or years—for one or more dedicated and well prepared activator(s) capable of stimulating potential co-operators and providing the spark that energises them into action—in short, "tutors" to spur members of the community to identify their needs, to discuss possible solutions and to take decisions.

The activator may be a local leader or he/she may be a government official from "outside" the community. In western Ireland local parish priests have taken the lead in at least six cases. For the rest the stimulus has come mainly from government officials (agricultural advisers, development officers, etc) or community development workers. In the Outer Hebrides the role of change agent is usually filled by field officers of the HIDB.

A particularly interesting example is that of County Donegal on the northwest coast of Ireland. In the early seventies a voluntary action group was formed to study a Resource Survey of West Donegal which had been carried out a few years earlier. The group recognised the need for a full-time organiser and the County Development officer responded by appointing a full-time organiser for two to

three years. This organiser "aimed to establish or restructure community councils and to encourage self-help, local initiative and leadership. His method was to approach existing community groups and explain the results of the Resource Survey, his own role as Community Organiser and the philosophy of community development. Initial discussions took place informally in small groups, and local problems and possible solutions were discussed in order to demonstrate the need for an organised approach. Public meetings followed and the next stage was to establish councils through democratic elections. He then gave guidance and support through attendance at meetings and through individual contact, and practical help with projects undertaken. . . . he made frequent informal visits to see committee members, often on the night before a meeting.

"Another source of help was provided by a team of eight community development workers, engaged in a Community Action Research Project in West Donegal . . . one of several schemes in Ireland established by the National Committee on Pilot Schemes to Combat Poverty. Ireland is one of the Member States taking part in an EEC programme of Pilot Schemes being carried out between 1975 and 1980. The schemes involve action research aimed at stimulating self-help and local initiatives, with continuous evaluation of progress in order to formulate future policy. In two years, eight larger and three smaller community councils were established or restructured . . . in both small towns and rural areas. Youth clubs were started and local leadership for them estab-

lished.”¹³ Also several community co-operatives were started.

The work of a change agent requires (a) considerable skill and (b) infinite patience:

(a) He or she should be well trained in the arts of group discussion and decision taking; should be thoroughly familiar with, and preferably originate from, the community; and should have a thorough grasp of co-operative principles and practices. He/she must understand how to “guide” but not “direct”; how not to be over-supportive; how to avoid involvement in actual managerial responsibilities. The activator’s role is rather one of enabler, counsellor, encourager, stimulator, and provider of full information on options and their consequences.

(b) The activator must also be prepared to play his role over a long period. For most community co-operatives in the British Isles the actual setting up of the co-operative has been preceded by a period of tutelage of at least a year. Levi has warned that it is dangerous to attempt to “save time” in such circumstances¹⁴; and certainly experience has demonstrated the difficulty of doing so in view of the need to overcome initial resistance and apathy; explain the available options; arrange interviews; convene public meetings; and advise on resource surveys, committee work, constitutional procedures, canvassing and receiving subscriptions and drafting applications for registration and for seeking external assistance, etc.

An important aspect of the activator’s role is the encouragement of and working

through *local development groups*. In Ireland particularly this has been crucial because of the relative absence of local government authorities at the community level; this is less true of Scotland, Wales and England. Such groups may be ready to hand in the form of rural community councils, local development authorities and various kinds of citizens’ protest groups.

In western Ireland the co-operative movement was inspired in the sixties by an upsurge of public concern over social and economic decline. “Community and other interest groups created a diffuse ‘Save the West Campaign’ and some of those prominent in this action were to become vocal advocates of local co-operative organisation. Additionally the wider civil rights agitation and protest movements of that decade, together with the increased sense of minority cultural identity in Europe, inspired a Gaeltacht Civil Rights campaign. . . . The revitalisation of civic consciousness engendered by these various actions also contributed to the momentum which launched the newer phase of co-operative organisation.”¹⁵

However the Irish and Scottish experience has shown that even civic-minded local groups actively concerned with the need for reform may not be aware of the available options and concrete measures required to achieve them; hence their need for the advice of “change agents”.

Finally, it is worth noting that even very skilled and very patient change agents cannot hope to accomplish a great deal without the backing of external development authorities prepared to offer financial and technical support. (see below under VI. External Assistance).

¹³Trevelyan, *op. cit.*

¹⁴Levy, *op. cit.*

¹⁵Commins, *op. cit.*

IV. PROCEDURES

From the efforts made so far to set up some thirty-five community co-operatives in the British Isles, a fairly clear pattern has emerged of the various stages involved, although the precise sequence may vary. The following steps appear to be essential:

- The activator arranges for small group discussions within the community.
- A public meeting is convened and a small steering group (up to ten members) appointed to examine possible projects, determine priorities, plan a fund-raising campaign, and prepare detailed proposals for projects.
- A systematic survey of community needs and resources is undertaken.
- A campaign is launched to sell co-

operative shares to households in the community.

- A general meeting of shareholders is convened at which a managing committee for the co-operative is appointed.
- A constitution is drafted, discussed and adopted.
- The community co-operative is legally registered.
- Application is made to the development authority for a management grant and subsequently a manager is recruited.
- Application is made to the development authority for an establishment grant.
- General meetings of the co-operative are called as often as required.

V. TYPES OF CO-OPERATIVE ENTERPRISE

A well-known characteristic of the co-operative form of organisation is its adaptability to almost any type of economic enterprise. Thus it is not surprising to find that community co-operatives in the British Isles cover a bewildering variety of activities.

The only clear guideline as to choice of an activity is that it should be *relevant to the needs and resources of the community*. In practice this has tended to point to enterprises based on local resources, for example those related to products of farming or fishing, tourism, local craft products; or to local requirements, for example agricultural requisites, com-

munity infrastructure and services and recreational and cultural demands.

The easiest way to illustrate the vast variety of activities covered by this general principle is to list the activities currently (as of early 1980) undertaken by existing community co-operatives. In the following tables activities are listed in descending order of frequency of occurrence.

Ireland

Supply of farm/household requisites
Land and bog development
Summer Colleges¹⁶
Electricity and Water
Community halls

¹⁶These are summer courses in the "native" language taught by local people. Trevelyan, *op. cit.*

- Machinery hire/maintenance
- Caravans and houseletting
- Ferry/cargo service
- Quarrying, stone crushing
- Blockmaking, building services
- Marketing of sheep/lamb
- Wool purchase/marketing
- Hand knitting and marketing
- Pottery/other crafts
- Licensed club/sports amenities
- Services to fishermen
- Fish farming
- Washeteria/laundrette
- Livestock fattening units
- Holiday villages
- Vocational classes
- Demonstration farms
- Vegetable growing/processing
- Knitting (machine)
- Printing/publishing
- Hotels, hostels
- Letting of advance factories
- Craft shops
- Boat building
- Housing schemes
- Wool manufacture
- Tanalising (fenceposts)
- Stationery, office supplies
- Boat hire
- Bingo, dances, festivals
- Light textiles
- Coal stores
- Fishing tackle manufacture
- Woodscrew manufacture
- Nursery school
- Garage and workshop
- Day centres for the elderly
- Ambulance services
- Mini-bus

- Bakery
- Meals-on-wheels
- Home helpers
- Fish processing

Scotland

- Catering
- Machinery hire
- Horticulture projects
- Knitwear
- Farm requisites
- Workshops
- Fish processing
- Craft shops
- Fuel supply and garages
- Vegetable marketing
- Shops
- Fishermen's requisites
- Bakeries
- Tea rooms
- Community centres
- Building contracting
- Boat servicing
- Laundrette
- Hostel
- Hotel
- Holiday village
- Ship chandlery
- Mechanical peat cutting
- Community minibus
- Museum/cultural centre

Wales

- Manufacture of timber products
- Community newspaper
- Food storage and distribution centre
- Hand knitting
- Workshop
- Pottery

VI. EXTERNAL ASSISTANCE

In all three areas under consideration external support—and particularly government assistance—has been vital for the formation of community co-operatives.

Ireland

In the west of Ireland the major source

of external support for community co-operatives has been *governmental* through the department of the Gaeltacht and the Development Authority (Gaeltarra Eireann). "The Development Authority has evolved from early beginnings into a semi-state body. With the Department of the Gaeltacht it has wide

powers to develop, to invest in or to grant-aid schemes for development, and together their powers encompass the natural resources of agriculture, horticulture, fishing, forestry, tourism and bog development. While reference may have to be made to other government departments or Boards, the aim has been to co-ordinate the functions of government at local level in a manner which regenerates the rural economy and stabilises the population."¹⁷

The Department of the Gaeltacht oversees the allocation of special financial aids for housing, agricultural improvements, and for cultural, educational and social infrastructure. The Gaeltarra Eireann directly assists or takes equity in enterprises in manufacturing, fish farming, horticulture and hotels. Both agencies support co-operatives and community development with organisational costs, building and equipment. The division of responsibility between the two bodies has not been clear, but has now (January 1980) been resolved through a merger of the two. This move appears to have been a response to various criticisms including inadequate provision of services in remoter communities, excessive bureaucracy, and neglect of the social and cultural aspects of community life.

Specific forms of Gaeltacht assistance to community co-operators have included capital grants for building and equipment, management grants (75% of costs of the manager's salary, secretary and office costs, or £6,000, whichever is lower), improvements grants, advisory services and training grants. In some

co-operatives shares have been taken by Gaeltarra Eireann leaving control with the co-operative management. Some help has also been available from other government bodies like the Shannon Free Airport Development Co. Ltd., the Local Enterprise Development Unit and the Industrial Training Authority. Also, as indicated above, the government has funded about half of the costs of certain EEC pilot schemes administered by the National Committee on Pilot Schemes to Combat Poverty.

The situation in respect of help to community co-operatives from the established *agricultural co-operative movement* has been ambiguous.

The Irish Co-operative Organisation Society has made various attempts to set up a Federation of Development Co-operatives, but has lacked the resources to make a direct impact in this field.

On the other hand in isolated cases the fear of competition has led established agricultural co-operatives to attempt to sabotage infant development groups where their territories are contiguous and pricing policies diverge; for example a co-operative development group seeking to subsidise its other activities from profits on farm supplies may find itself undercut by an established dairy co-operative which wants to subsidise farm supplies at the expense of some of its other activities.

However there have been instances where established agricultural co-operatives have entered into mutual assistance arrangements with community co-operatives, and in the view of Bryden¹⁸ there is considerable scope for mutual

¹⁷Trevelyan, *op. cit.*

¹⁸J. M. Bryden, *A Speculative Look at Prospective Developments in Co-operation in the Scottish Highlands and Islands*, paper for Plunkett Foundation Seminar, Oxford, 5-6 April, 1979.

benefit. Also Commins has pointed out¹⁹ that "as the larger agricultural co-operative units increase their surpluses and consolidate their business strength, they will have the resources to expand their role behind the farm gate and into other spheres in local and community development." For example, an agricultural co-operative has entered into partnership with a community co-operative to start an enterprise producing fencing posts.

Scotland

In 1977 the Highlands and Islands Development Board established a programme of assistance to community co-operatives comprising three funding elements:

- matching grants on a £ for £ basis of up to £20,000 to complement money raised by local members of the community;
- loans of up to 50% towards the capital requirements for approved community co-operatives; and
- grants to pay the wages of a general manager for three years.

The Board also employs three field liaison officers to work with local groups

in setting up community co-operatives; it has published a manual on community co-operatives; it provides training facilities for staff of community co-operatives; and it has liaised closely with local authorities, community councils, social service groups, the Scottish Agricultural Organisation Society, the Central Council for Agricultural and Horticultural Co-operatives and the Manpower Services Commission in its promotional efforts.

Wales

So far (up to summer 1980) external support for community co-operatives in north Wales has been minimal and has come largely from the STEP programme of the Manpower Services Commission, Urban Aid funds and local authorities. However the Development Board for Rural Wales (as agent for the Welsh Development Authority) is apparently about to launch a programme for promotion of community co-operatives; and it is thought that this will include loans, 50% management grants, advisory and counselling services, training for co-operative staff and building of advance factories, but probably *not* appointment of field officers on the ground.

VII. EVALUATION

Experiments with community co-operatives in the British Isles are obviously much too recent to warrant any firm conclusions as to their effectiveness. Nevertheless it has already proved possible for close observers to identify a number of positive results in the communities concerned.

Before summarising these achievements, however, a word of warning should be sounded. It would have been folly for anyone familiar with the almost revolutionary social and economic implications of the co-operative approach to have expected that the process of establishing community co-operatives would be smooth or easy. And indeed it has

¹⁹Commins, *op. cit.*

not been so. Suffice it briefly to list the more important difficulties that have emerged in the three geographical areas under survey:

- the “animation” process is extremely delicate and stressful and it requires a great deal of patience, skill, expertise and idealism on the part of “change agents” to face up to and overcome apathy, introversion, resignation, cynicism, conservatism, suspicion, resentment and even outright hostility;
- local voluntary leadership is a rare “commodity” in isolated backward areas with dwindling and ageing populations;
- there may be a problem for a new small community co-operative with sparse resources in developing and supporting enough variety in co-operative activities to provide a balance of interests sufficient to appeal to all the community members of the co-operative;
- there have been criticisms in some quarters of government development authorities in respect of support for co-operatives. The complaints have included excessive bureaucracy, inadequate help and restrictive conditions for financial assistance with undue stress on commercial criteria of viability and not enough on the value of community participation, voluntary efforts, dedication and hard work. Moreover it is suggested that “support systems for co-operatives . . . have until recently been geared to activity on a much larger scale;”²⁰
- finding adequate finance is a major problem for poverty-stricken com-

munities with low capacity and propensity to save (older people prefer current to future consumption). Moreover investment in co-operation as a form of business organisation is not very well understood or appreciated by banks and institutional lenders—especially in co-operatives which have social as well as economic motives;

- recruitment of competent managers for community co-operatives is difficult in view of the pioneering character of the enterprises and the extraordinarily complicated and arduous requirements of the job combining as it does the administration of democratic structures and of social as well as economic activities in addition to normal managerial functions;
- in some of the communities studied, particularly in Ireland, the unfavourable image of co-operative efforts in the twenties and thirties and also more recently because of some dishonest managers has proved to be an obstacle. Moreover, as indicated above, there has been some reluctance on the part of existing single-purpose consumer or agricultural co-operatives to accept and support the new co-operative form. “There is an obvious appeal in continuing to anchor the exercise in an established framework like the co-operative movement, though it remains to be seen whether this will prove the best setting in the long term. There are clear initial advantages for the groups themselves—for instance the expertise of support bodies like the SAOS—but it may not be easy for the British co-operative movement to accommodate the new structures with their widely varying activities and

²⁰Storey, *op. cit.*

their concern to fulfil both social and profit rationales. A start has been made by acceptance of the special model rules, but a good deal more adjustment will be necessary. The existing co-operative apparatus will effectively have to be expanded to include a new category. Very possibly the movement and its criteria will prove sufficiently flexible, but this cannot be assumed.”²¹

Nevertheless there appears to be a wide measure of agreement among those who have studied the recent experiments with community co-operatives that they have brought substantial benefits to the areas concerned. These have included:

- improved infrastructure
- attraction of investment funds to the communities
- generation of local prosperity
- increased employment opportunities

- heightened local morale
- better local services and educational health and communication facilities
- a reversal of the outflow of population

“There are signs of some of the hoped-for advantages of community action being achieved. Collective thought and action have produced proposals for development which have not emerged previously. Facilities and services which were unlikely to be made available to individuals have been forthcoming both from within the community and from agencies. . . . Government schemes like the STEP seem likely to find in the co-operatives the kind of community spring-board which they need and the co-operatives could in turn benefit greatly.”²²

²¹ *Ibid.*

²² *Ibid.*

The 5th International Conference on Co-operative Thrift and Credit New Delhi (India) 16-20 February 1981

From the Summary Report compiled by the Conference Rapporteur, Dr S. K. Saxena, with the assistance of the Conference Drafting Committee.

DAY 1

Opening

The Fifth International Conference on Co-operative Thrift and Credit, hosted by the National Co-operative Union of India, was held at Vigyan Bhawan in New Delhi, under the chairmanship of Mr Theo Braun, Chairman of the International Liaison Committee on Co-operative Thrift and Credit.

The Conference was welcomed by Mr B. S. VISHWANATHAN, President of the National Co-operative Union of India, who remarked that this was a historic conference since it was being held for the first time in an Asian country. Highlighting the characteristics of the Indian Co-operative Movement, its diverse forms and its role in the alleviation of poverty and unemployment, he drew particular attention to the proposal for the establishment of a National Bank for Agriculture and Rural Development by the Government of India. He expressed the hope that the Indian

Co-operative Movement will have a significant role in the working of the bank. The conference was a symbol of the solidarity of the world co-operative movement. He hoped that the credit movement in India would be further expanded and strengthened as a result of Government policies and the present Conference.

The conference was inaugurated by Mr RAO BIRENDRA SINGH, Union Minister for Agriculture, Rural Reconstruction and Irrigation, Government of India. Emphasising the significance of the extensive co-operative thrift and credit movement in India, the Minister stated that for reasons of poverty and the need for motivating the poorer sections, the emphasis of the Movement had shifted over the course of years from thrift to credit. He described the efforts being made in India to reach the most under-privileged sections of population who were the landless labourers, margin-

al and small farmers and artisans etc. Making a broad division between agricultural and non-agricultural credit, he cited figures showing the achievements of the agricultural credit sector and of the long-term credit provided by the Land Development Banks. However, the organisational structure at village level was weak and needed strengthening.

The urban credit sector was strong in terms of resources and profitability: it included urban co-operative banks and salary earners' societies. Main problems faced by these banks were consumption-oriented finance, mis-utilisation of loans and lack of proper investment planning. He pleaded for collaboration among thrift and credit co-operatives at international level and for assistance for India from the world bank and co-operatives of other countries. The Minister concluded by wishing the Conference every success.

Mr ROGER KERINEC, President of the International Co-operative Alliance, described the scope and activities of the Alliance giving particular attention to the work of its three regional offices for South-East Asia, East and Central Africa and West Africa. He saw the regional offices developing into training, economic and commercial centres in collaboration with ICA Auxiliary Committees. There was a need for ICA to further extend and reinforce its ties with the thrift and credit sector of the co-operative movement.

Paying a tribute to Indian culture, its richness and diversity, Mr THEO BRAUN, Chairman of the International Liaison Committee, made particular reference to the role played by Ghandi and Nehru and quoted from several of their speeches. At the same time, it was

significant that the Indian Co-operative Movement had drawn its inspiration from Raiffeisen and that the thrift and credit sector was the biggest part of the movement in the country. He stressed the importance and need for collaboration between co-operatives.

Mr S. S. SISODIA, State Minister for Finance, recalled his own ties with the Co-operative Movement and with the National Co-operative Union of India which had been doing pioneering work for the social and economic development of the country. He welcomed the delegates to India and hoped they would have time to visit the interesting and wellknown historical sites of the country.

Keynote Address

In his keynote address, Dr S. K. SAXENA, Director of the ICA, referred to the four earlier Conferences on Thrift and Credit organised in Kingston (Jamaica), Paris (France), London (UK), and Rio de Janeiro (Brazil). The Thrift and Credit sector was very extensive in many countries and if the resources and energies of the sector could be pooled together internationally, it would be possible to move in the direction of creating the alternative social and economic system which the Pioneers of the Movement had hoped for.

Co-operative principles lend themselves to application in a variety of human activities; thrift and credit co-operatives were perhaps the most basic of all kinds of co-operatives. Credit co-operatives were mainly rurally oriented, especially in developing countries, and had developed close working ties with marketing and processing societies. Extensive networks of thrift and credit co-operatives

existed in France, the Federal Republic of Germany, Japan, India and many other countries, while credit unions were playing an important role in Canada, USA, Latin America and Africa. As the organisation of the societies had become more complex in response to members' needs, there was an urgent need for the education of leaders, members and employees to subserve the special objectives of co-operative institutions. Loan utilisation had to be supervised if loans were not to be used unproductively. COLAC in Latin America had pioneered a scheme of Directed Agricultural Production Credit. India also had considerable experience in the field of supervised agricultural credit.

Unemployment was widespread in both industrialised and developing countries and Industrial Co-operatives had an important role to play in ameliorating this situation. However, experience had shown that the success of such societies depended also upon the links which they were able to establish with financial institutions, for example an important factor contributing to the success of industrial co-operatives in Mondragon in Spain was the Bank built up on the savings of local people.

Inflation had been rampant throughout the world and had caused serious problems for thrift and credit societies. Basically, the problem ought to be tackled at its roots by dealing with the maldistribution of wealth, income and power. Thrift and credit co-operatives needed to ensure that benefits accrued also to the poor sections which formed a large part of the populations of the third world countries.

There was a lack of co-ordination between the co-operative consumer and

producer sectors. Both sectors had impressive achievements to their credit, but both had created parallel structures to meet the needs of their own members. For example, banking and insurance organisations had been created by both consumer and agricultural movements; in some countries agricultural organisations had opened consumer shops and were in direct competition with shops established by the consumer wing of the movement.

Dr Saxena stressed that co-operatives should remain voluntary organisations and that the initiatives for their formation should come from the people themselves and not from governments. It should not be possible for democratically elected boards of management to be superseded for political considerations rather than because they were incapable of co-operative work. Government support should take the form of providing a more adequate infrastructure in which thrift and credit societies could develop.

He concluded by outlining three main activities he believed the International Liaison Committee should undertake. It should develop a vigorous communications network to link the members in active and meaningful dialogue; study visits and training programmes at the international level should be organised and extended. Secondly, programmes of research and evaluation were needed to emphasise *inter alia* the shared history of the various branches of the thrift and credit co-operative movements. And finally, support should be given to major international initiatives in the search for a New International Economic Order, of which a well-organised international interlending programme could be an

important element in relieving poverty in the third world.

Afternoon Session

This was taken up by papers on the effect of *Changes in Social and Economic Environments* of co-operative thrift and credit, read by representatives of FAO, ILO, Caisses Populaires (Canada), Canadian Co-operative Credit Society, Instituto Movilizador de Fondos Co-operativos (Argentina), National Co-operative Union of India, African Co-

operative Savings and Credit Association (ACOSCA), Asian Confederation of Credit Unions (ACCU), World Council of Credit Unions (WOCCU), International Co-operative Bank (INGEBA), International Raiffeisen Union, the EEC Co-operative Thrift and Credit Group, and the ICA Regional Director for S.E. Asia.*

*These papers will be included in the full report of the Conference to be published later this year.

DAY 2

Thrift and Credit Co-operatives confronted with the needs of the most under-privileged populations

Under the chairmanship of Mr Henri-Paul Trudel of Caisses Populaires (Canada), this theme was discussed in both the national and the international context. Six papers were presented and the subject gave rise to considerable and lively discussion, indicative of its importance and topicality.

An important event for rural institutions concerning themselves with problems of the poor was the FAO World Conference on Agrarian Reform and Rural Development (WCARRD) held in Rome in 1979. A more aggressive long-term strategy to involve the rural poor in co-operatives as well as in economic development was called for.

Some limitations faced by co-operatives in serving the poor arose from the following factors:

- (a) Adverse tenurial and production structures;
- (b) Inadequate supporting structures

and rural institutional infra-structures;

- (c) Vacillation in government policies;
- (d) Excessive domination of co-operatives by the bureaucracy;
- (e) Inadequate financial policies of the State and the central banks with regard to support to co-operatives; and
- (f) Uniform and inflexible national plans of co-operative development.

The FAO representative felt that a great deal of innovation was necessary if co-operatives were to serve poor and sub-marginal farmers. He felt that an institutional approach to co-operative development characterised by the following would help in serving the sub-marginal farmers. It should:

- (i) facilitate organisation of the under-privileged into a purposive system;

- (ii) increase the bargaining power of the poor in the market;
- (iii) provide security of expectation for the under-privileged to enhance their economic motivation;
- (iv) ensure that co-operatives are viable and successful concerns through the evolution of appropriate checks and balances;
- (v) accelerate the transformation of the present social structure into an equitable one.

The institutional approach defined above, also implies the provision of a single flexible package of facilities and services to the rural poor through the co-operative system.

Employment

The ILO representative saw the amelioration of the conditions of the poor principally through the provision of expanding employment opportunities. When Thrift and Credit co-operatives were created, the main objective was not to provide employment but to combat usury. However, they are employers of labour and the scanty statistics available show that as business undertakings they do provide a comparatively small number of jobs although it seems unlikely that the jobs created will be taken up by the most under-privileged sectors of the community. What can be said is that in cases where credit is given for a particular activity e.g. construction of houses or a processing plant, this may indirectly provide employment, but outside the co-operative movement.

In many countries credit for industrialisation and mechanisation purposes has accelerated unemployment by causing displacement of labour; as for instance,

in agriculture, where a rural exodus to the towns has resulted. Insofar as the under-privileged sector is concerned, particularly in the rural areas, thrift and credit co-operatives have the possibility to enable the small farmer to remain on his own land by reducing his dependence on usury. Although this is not creating additional employment, it is a contribution as it maintains people in their jobs on the land, who would otherwise have been displaced. Consideration should be given to the possibility of thrift and credit co-operatives financing food crops and helping to support labour co-operatives. It may be possible to link such work with that of other institutions such as the World Food Programme.

Efforts to mobilise savings, however small, need to be vigorously pursued, since the savings potential may be greater than is suspected. Above all, the principle of solidarity must be constantly emphasised.

The role of industrial co-operatives in reducing the current intolerable levels of unemployment was also mentioned. Handicrafts and industrial co-operatives have an important role to play in the establishment of a new economic order. An important prerequisite in this respect is the financial support which could be provided by thrift and credit co-operatives and co-operative banks.

In the developing countries co-operation has a great role to play in providing support for small crafts and minor manufacturing industries with low technological content, and in the development of agro-industrial complexes in rural areas. The international co-operative organisations and the United Nations specialised agencies such as UNIDO and the ILO should take up

concrete programmes of aid in this respect. However, financial support would be needed for such projects because the small craftsmen and artisans and their co-operatives could not generate the necessary finances.

Housing

While the session confined itself largely to problems of rural areas, it was also noted that poverty in the urban areas could be very demoralising. Perhaps the most obvious expression of this fact is the existence of shacks and hovels in the urban areas of developing countries. Thrift and credit co-operatives have an important role to play in improving this situation. It was necessary to move away from the provision of charitable hand-outs and to examine what could be done to harness the resources available in these settlements, limited though they might be. A case study was presented which emphasised the detailed preparatory work which had been done by the German Development Association for Social Housing (DESWOS) (FRG) in one particular settlement. Information was obtained about the resources available e.g. skills, sources of income, educational attainment, work experience, knowledge of co-operatives etc. Discussions revealed that the priority need was for credit. A Thrift and Credit Co-operative was formed and registered. All help was channelled through the co-operative and no external financial assistance for the initial operation was sought. The emphasis was on the co-operative establishing its own financial strength and avoiding the "dole out mentality" resulting from external assistance. The largest amount granted from the co-operative was for housing construction.

This experience showed that it was possible for community participation in the most underprivileged sector to be harnessed so that this sector developed and derived long-term benefits. Although the initial impetus for the project came from the housing sector, it was clear that housing could not be considered as an isolated problem but had to be placed in the overall context of development. Housing was only one of the basic needs: Thrift and Credit Co-operatives could constitute an instrument for meeting this problem; however, such co-operatives must not be seen as mere technical instruments but as promoters of development. Thrift and Credit Co-operatives could not solve the world-wide housing shortage but what they could do was to contribute globally to satisfying basic needs, including housing, in the most under-privileged sections of the community and thus contribute towards their development.

Discussion

In the ensuing discussion, questions were raised relating to the need for government assistance if co-operatives were to assist the poor and the weaker sections; the relevance of training in advanced countries for co-operatives in developing countries and the need for its evaluation; the obstacles experienced in providing assistance to the third world, such as rigid bureaucracy, governmental procedures, etc. Co-operative societies should have their own code of conduct which would govern their dealings with members and the general public, etc. The role of appropriate co-operative legislation in assisting the growth of co-operatives was also empha-

sised. Small successful examples had an important demonstration effect.

The second part of the discussion concentrated largely on the possibilities of assistance which advanced co-operative movements could provide to the developing countries. It was noted that the role of a co-operative society was mainly to serve the interests of its members, and that the resources available within the movements in the industrialised countries for overseas assistance were extremely limited. Examples were cited from the Raiffeisen Group in the Federal Republic of Germany and the Caisses Desjardins in Canada showing their work for developing countries. The Raiffeisen movement provided practical attachment possibilities to co-operators from developing countries in Germany at local level and some details were given of the programme.

The Desjardins Movement in Canada has been active in providing assistance to the Third World. Three distinct phases can be discerned in its involvement with overseas work:

- (i) Spontaneous activity before 1960;
- (ii) Beginnings of a loose structure (1960-1970); and
- (iii) More purposive deployment of resources in developing countries.

The emphasis has been on providing support to training institutions in the developing countries rather than on setting up parallel institutions in Canada.

It was noted that the main tasks in the field of international collaboration are:

- (a) Affirmation of co-operative specificity;
- (b) A joint strategy for the development of human resources;

- (c) Exchange of operational instruments (accounting systems, educational aids etc.);
- (d) Co-ordinated response to requests for assistance, for instance, from ILO, FAO.

A realistic proposal for such co-ordination would have to be evolved.

The International Interlending Programme

This part of the programme was discussed in four parts: 1. a presentation of the basic COPAC Report outlining the main features of the international interlending programme; 2. a description of the WOCCU—COLAC Scheme operating successfully in Central and Latin America; 3. an indication of the borrowing requirements of a co-operative movement in a developing country, such as India; 4. an outline of the work of INGEBA in this field, with some general considerations, and an examination of some of the issues.

1. The International Inter-Cooperative Loan Programme is designed to promote inter-cooperative lending between developed and developing countries. The emphasis of the proposals is on credit to small farmers to enable them to increase their food production for the internal market. It is recognised that credit is usually an essential factor in promoting such increased production, though it needs to be combined with various other services such as agricultural extension, a reliable supply of inputs, suitable loan arrangements, equitable land tenure and several others. The proposals are not, however, confined to short-term or seasonal credit to individual farmers; it

is considered that loans to small-farmer co-operatives for construction of processing plant, storehouses etc. could be equally useful and might be cheaper to administer and easier to supervise.

The study also has a more ideological starting point in that many co-operators in the richer countries feel that the considerable financial resources of their co-operative movements, and particularly those of the co-operative banks, mutual credit societies and credit unions, should be deployed more actively in support of small-farmer co-operatives engaged in food production.

When the study was started, it was thought that a growing number of small-farmer co-operatives were already, or would shortly be, in a position to seek external loans on commercial terms, to use them productively and to repay them. This assumption appears, in the light of experience, to have been somewhat optimistic. Although COPAC members and its secretariat have been alert to find co-operative projects suitable for consideration within the terms of the proposed inter-cooperative loan programme, with some chance of being acceptable to potential lenders, only a few such projects have been identified which are currently under consideration by co-operative banks in Europe.

2. The *COLAC Scheme for small farmer credit* is, so far as is known, the only currently functioning co-operative loan programme, although technical assistance activities are carried out by co-operative banks and mutual credit societies, sometimes involving small loans and grants. The following main features were observed:

Credit Unions in the Latin American countries are mainly in rural areas and more production-oriented; a total of external resources amounting to US\$ 25 million had been distributed through COLAC by means of a co-ordinated regional technical assistance and finance programme directed at member federations. At June 30th, 1980, COLAC's assets had increased by 61% in comparison with the preceding year, reflecting an increase of 50% in loans to members. Finally, an important safeguard is provided by the Overseas Private Investment Corporation (OPIC) which provides investment guarantees on loans made by US organisations.

3. In India, the borrowing requirements of the Co-operative Movement fall into three categories: first, credit for short-term seasonal operations; secondly, credit for intensive agricultural production schemes for investment by individual farmers in new capital equipment e.g. tubewells, tractors, development of groundwater resources etc. In this field, credit is available, for example, from the World Bank through the co-operative system. Co-operative movements of the advanced countries have a role to play in this and appropriate facilities are available through the Agricultural Refinance and Development Corporation.

Finally, there is a third category, for which external resources are required, and that is credit with a view to facilitating corporate investments by co-operatives. In view of the large developments in the movement in India, these requirements are substantial. For instance, in co-operative fertilizer production, the creation of a new unit will require about

six to seven thousand million rupees. There are more than 100 co-operative sugar factories and several other rather large agro-based industries. This is where external funding is required. Mention should also be made of the National Co-operative Development Corporation which has obtained credit from the World Bank, EEC etc.

4. The *preconditions for overseas investment* and some of the risks involved were outlined by the representative of INGEBA; he said that local costs should not be financed from external sources, careful investment plans should be drawn up, goods produced should be marketable, returns should be projected for 5 years, legal provisions must be studied. After these requirements have been met, there is then the question of examining the integrity, income, and finances of the borrowing party. There was a need for simplifying legal procedures to facilitate foreign investment. The risks can be numerous and can be caused by floating exchange rates, threats of

nationalisation etc. At the same time, the lending capacity of co-operative banks in industrialised countries should not be overestimated. There are also other agencies such as the World Bank, IDA and OPEC which have much greater capacity for finance.

A brief presentation was also given of the capital structure of INGEBA, the ways it raises resources and its extensive ties with sixty of the largest banks in the world.

Discussion

In the course of discussions, which were very practical and concerned themselves with specific issues and with the "do's and don'ts" of international lending, questions were raised as to which organisation will be the actual borrower, the legal framework governing the relations between the two organisations and their respective responsibilities, availability of technical expertise within the borrowing co-operative movement, calculation of profitability, the nature of guarantees etc.

DAY 3

Co-operatives as Banking Institutions

The subject was presented by a series of speakers connected with co-operative banks and credit unions in the UK, France, Argentine, Israel and Canada, and also from INGEBA. The main features of these statements can be summarised as under:

There is a wide variety of services provided by these financial institutions to their members and also to the general public. As co-operative organisations,

they are of course subjected to control by their members. Moreover, it is in the nature of co-operative organisations to make relevant information available to their members. Sometimes these efforts, necessary though they are, add to the operating cost of the organisation.

Democracy has to be combined with efficiency and a web of reciprocal obligations has to be created and maintained between the members and these organisations. Due to the rationalisation and amalgamation process, often dictated by

conditions of economy and intense competition, there is a problem for the individual member to be able to influence and identify his own role in these large financial bodies. Extra efforts are, therefore, needed, and practised by a number of organisations, to ensure a free two-way flow of information and exchange.

The second problem is the relationship of the Co-operative Banks with the State. Co-operative organisations do of course, jealously guard their independence from the State. At the same time, as financial bodies they are subject to the banking regulations of the country.

A special example mentioned was the Israeli experience where the co-operatives, closely allied to basic socialistic concepts, controls approximately one-fifth of the country's wealth in terms of GNP, economic activity and employment. Here the movement is part and parcel of the Trade Union Movement represented by the Histadrut. The co-operative economy pioneered the establishment of industrial enterprises, consumer co-operatives and co-operative housing projects in developing areas, assuming not only the entrepreneurial function but also a large part of the financing as well as the administration of these projects. At the same time Bank Hapoalim was the first to open up branches in developing areas in the country. The financial aspect of these activities necessitated a large degree of co-operation between the state and the Bank regarding the allocation of resources.

Finally the hope was expressed that an International Co-operative Financial System would be created in the not too distant future to reinforce the sense of solidarity among co-operators throughout the world.

Panel Discussion

The panel discussion on "Co-operatives as Banking Institutions" was chaired by Dr Schiffgen. There was a brisk interchange between delegates and the panel. Questions related to: the coordinating role of the International Liaison Committee; a description of the Bank für Gemeinwirtschaft (BFG) a commercial bank in the Federal Republic of Germany; the new technological development (especially data processing) facilitating communications for banking purposes: the importance and nature of guarantees which in the case of developing countries like India should also include forward and backward linkages; the essential independence of co-operatives even if as financial organisations they are subject to government supervision; the legal structure affecting banking operations; the adequacy or otherwise of the classical co-operative approach in developing countries; the possibility of obtaining concessionary finance by developing countries from advanced countries and generally the liberating influence of proper credit. Above all thrift, which tended to be relegated to a subordinate position, must remain the basic element for the origin and growth of a thrift and credit society.

DAY 4

In his closing speech Mr BRAUN drew attention to the need for the Co-

operative Movement to speak with one voice if it were to have any great effect on

the world in which it operates. This would need collaboration to develop a common language intelligible to all men, priority for the development of human resources, co-ordination of the efforts of the great Thrift and Credit Movements of the USA, Canada and Europe in development projects, and the protection of our co-operative specificity—in fact, a common strategy, exchanges of experience, mutual aid.

The International Liaison Committee for Co-operative Thrift and Credit could help to further these aims. The Fifth International Conference had confirmed the need, not only for regular conferences to establish contacts—useful though these might be—but for the

setting up of an organisation to meet the needs which had been expressed. The task would not be easy, but Mr Braun had faith in the future because he had faith in mankind, in its good sense, its devotion and its generosity.

Collaboration between all sectors of the Co-operative Movement was essential—and the Thrift and Credit Movement must not stand apart. Only then could the cultural and historic traditions of the whole Co-operative Movement serve as the basis for transforming it into an instrument capable of uniting all men and all social groups, whatever their opinions or beliefs, to search together for a common ethos to attain their common ends.

* * * * *

The following conclusions were agreed by the Conference:

The Conference reaffirmed the principles of co-operation and especially emphasised the aspects of: solidarity, as exemplified by the International Liaison Committee; thrift as the basis of the thrift and credit movement; and the need for the creation by Governments of an environment conducive to the growth and independence of the co-operative movement.

The Conference expressed the wish that the thrift and credit institutions should jointly follow through their thinking; continue to exchange information and experiences; identify means of improving their functioning to reinforce their presence on the international scene in both the industrialised and the developing countries.

The Conference suggested that in countries where government establishes national financial bodies to support and serve Agricultural and Rural Development, adequate representation on such bodies should be given to the co-operative movements in view of the important role which they play in such development.

* * * * *

The conference generated extensive documentation and provided an opportunity for a lively exchange of views on problems of Thrift and Credit throughout the world and for national delegations to renew and establish useful contacts.

Studies and Reports

FIFTEENTH IN THE SERIES

CO-OPERATIVES IN THE YEAR 2000

CONTENTS

The Resolution adopted by the 27th Congress of the International Co-operative Alliance

Foreword by the ICA Director

Co-operatives in the Year 2000

A Paper prepared for the 27th Congress of the International Co-operative Alliance, Moscow, October 1980
by A. F. Laidlaw

Co-operation of the Socialist Countries in the Year 2000

Joint Document of Central Co-operative Unions and Societies of Bulgaria, Hungary, GDR, Poland, Czechoslovakia and the Soviet Union

Price: **£2.50**

Please order from:

**THE INTERNATIONAL CO-OPERATIVE ALLIANCE
11 Upper Grosvenor Street, London W1X 9PA, U.K.**

enclosing cheque with order

Fi Co-c Mo'



*ICA Central Cor.
from 16-18 S*

The Finnish Co-operative Movement



*ICA Central Committee will meet this year
from 16-18 September in Helsinki.*

For list of Finnish organizations affiliated to the ICA, see pages 155-156.

The Finnish Co-operative Movement

by

Professor Vesa Laakkonen

Department of Co-operative Studies, Helsinki University

1. Legal and social background of Co-operation in Finland

Co-operation, though imported to Finland and possessing certain foreign features, relates in a natural manner to old Finnish forms of collaborative activity. Pre-cooperative forms of collaborative activity have been many in number, ranging from the organisation of festivities to the supply of commodities.

The idea of Co-operation met with broad and positive acceptance because it was—at least in principle—a mode of activity already familiar. The first records of collaborative activity date from the 16th century. At the busiest times of the year neighbours used to help each other by forming so-called working unions. It was common practice in village communities to do the cultivation of land and harvesting together. This was still practised when village communities were abolished by a new division of land.¹

News of Co-operation arrived in Finland through different channels. The monetary system bearing the name of the German, Friedrich Wilhelm Raiffeisen, seems to have had the greatest support. According to him the objective was to create an independent and well-to-do

peasantry whose strength would continue. In Finland it was also considered necessary to combine all educational and intellectual forces for the development of an agricultural credit system. The critical social situation at the end of the 19th century and the period of oppression just beginning were challenges which could be met only by unselfish ideology. Thus the historical situation favoured the spread of co-operative ideology in Finland.

Hannes Gebhard is regarded as the father of Co-operation in Finland because he contributed decisively to its realisation in this country. He was influenced by co-operative ideology, above all in Ireland where he probably also became convinced that Co-operation was an efficient weapon against “Russianisation”. Scientists regard the February Manifesto as the trigger of co-operative ideology, because it effectively contributed to its adoption and spread in Finland.²

From the very beginning the co-operative idea in Finland was related to the development of agrarian society, which means that it is mainly an agricultural reformation in our country. Co-operative credit societies, banks, dairies, slaughterhouses and societies generally are all agricultural co-operatives. To them belong also small-scale enterprises,

¹Laakkonen & Laurinkari 1981, 6

²Hyvönen 1953, 23



The Co-operative Bank in Lahti.

such as electricity, telephone and cattle improvement co-operatives.

The first practical measure to spread co-operation in Finland was the foundation of the Pellervo Seura³ in 1899, mainly due to Dr Gebhard. The task of this Society was to give advice on the establishment of new societies and their economic management. Its duty was also to safeguard the interests of the whole co-operative movement.

Communities based on the central principles of co-operation have been established in Finland since 1860. They operated with varying success and as

there was no legislation their activity was rather uncertain. Many of these communities met insurmountable difficulties. This situation was one reason for the foundation of the Pellervo Seura. Soon after its foundation, steps were taken within the Society to bring about legislation for co-operatives. The Co-operative Act was passed in 1901. This Act was in force for more than half a century until it was replaced by the Co-operative Law enacted in 1954. The Co-operative Act, and the Co-operative Law now in force, are similar in their main features. The Co-operative Law stands on its own—

³The Central Organisation of Farmers' Co-operatives

The Finnish Co-operative Movement

by

Professor Vesa Laakkonen

Department of Co-operative Studies, Helsinki University

1. Legal and social background of Co-operation in Finland

Co-operation, though imported to Finland and possessing certain foreign features, relates in a natural manner to old Finnish forms of collaborative activity. Pre-cooperative forms of collaborative activity have been many in number, ranging from the organisation of festivities to the supply of commodities.

The idea of Co-operation met with broad and positive acceptance because it was—at least in principle—a mode of activity already familiar. The first records of collaborative activity date from the 16th century. At the busiest times of the year neighbours used to help each other by forming so-called working unions. It was common practice in village communities to do the cultivation of land and harvesting together. This was still practised when village communities were abolished by a new division of land.¹

News of Co-operation arrived in Finland through different channels. The monetary system bearing the name of the German, Friedrich Wilhelm Raiffeisen, seems to have had the greatest support. According to him the objective was to create an independent and well-to-do

peasantry whose strength would continue. In Finland it was also considered necessary to combine all educational and intellectual forces for the development of an agricultural credit system. The critical social situation at the end of the 19th century and the period of oppression just beginning were challenges which could be met only by unselfish ideology. Thus the historical situation favoured the spread of co-operative ideology in Finland.

Hannes Gebhard is regarded as the father of Co-operation in Finland because he contributed decisively to its realisation in this country. He was influenced by co-operative ideology, above all in Ireland where he probably also became convinced that Co-operation was an efficient weapon against “Russianisation”. Scientists regard the February Manifesto as the trigger of co-operative ideology, because it effectively contributed to its adoption and spread in Finland.²

From the very beginning the co-operative idea in Finland was related to the development of agrarian society, which means that it is mainly an agricultural reformation in our country. Co-operative credit societies, banks, dairies, slaughterhouses and societies generally are all agricultural co-operatives. To them belong also small-scale enterprises,

¹Laakkonen & Laurinkari 1981, 6

²Hyvönen 1953, 23



The Co-operative Bank in Lahti.

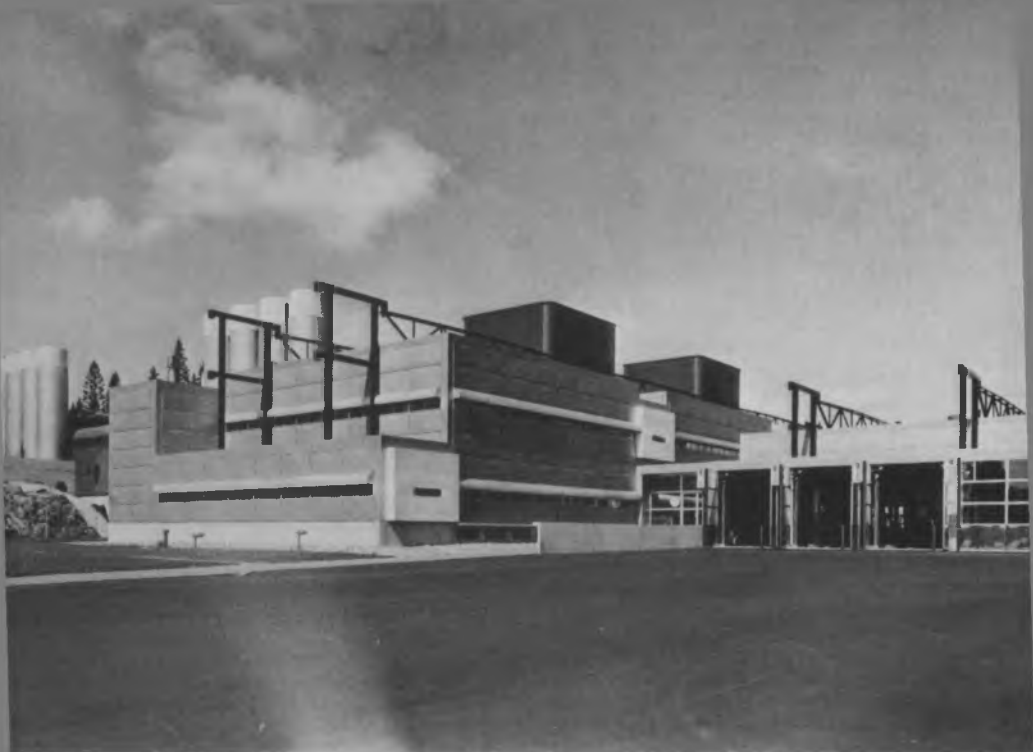
such as electricity, telephone and cattle improvement co-operatives.

The first practical measure to spread co-operation in Finland was the foundation of the Pellervo Seura³ in 1899, mainly due to Dr Gebhard. The task of this Society was to give advice on the establishment of new societies and their economic management. Its duty was also to safeguard the interests of the whole co-operative movement.

Communities based on the central principles of co-operation have been established in Finland since 1860. They operated with varying success and as

there was no legislation their activity was rather uncertain. Many of these communities met insurmountable difficulties. This situation was one reason for the foundation of the Pellervo Seura. Soon after its foundation, steps were taken within the Society to bring about legislation for co-operatives. The Co-operative Act was passed in 1901. This Act was in force for more than half a century until it was replaced by the Co-operative Law enacted in 1954. The Co-operative Act, and the Co-operative Law now in force, are similar in their main features. The Co-operative Law stands on its own—

³The Central Organisation of Farmers' Co-operatives



A new dairy in Jyväskylä.

there are no references to other laws in it, and it is more extensive than the Act.

The Co-operative Banking law of 1969 was the second phase in defining the legal position of Finnish co-operatives. It was enacted as part of the codification of banking legislation in general. A Bill for the partial amendment of the Co-operative Law is at present (1981) under discussion in Parliament. The complete revision of the Law in the near future has now become necessary.

2. The Finnish Co-operative Movement as a whole⁴

Co-operatives in Finland can be divided into four categories:

1. The *Pellervo Seura* with its member co-operatives and other affiliated organizations.
2. The *Union of Swedish Co-operative Societies in Finland* with its member organizations.
3. The *Co-operative Union KK* with its member organizations.
4. Co-operatives not belonging to the above central organizations.

When we speak of the Finnish co-operative movement in general, we usually mean co-operatives and their activities in the first three categories. Sometimes only co-operatives affiliated to the Pellervo Society and KK are implied.

The Pellervo Seura was founded in 1899 to serve as an ideological central

⁴Laakkonen 1980

organization for all co-operative communities, co-operatives and/or communities, and unions formed by them. After many years of dispute, some co-operatives separated from the Finnish Co-operative Wholesale Society (SOK), which was a member of the Pellervo Society. They formed their own ideological union, the Co-operative Union KK, in 1916 and their own commercial central organization in 1918, known since 1978 as the Central Co-operative Society OTK.

In 1919 many Swedish-speaking co-operatives withdrew from the Pellervo Seura, for reasons primarily related to language policies, and formed their own central organization FSA (Union of Swedish Co-operative Societies in Finland). It should be noted, however, that many Swedish-speaking or bilingual co-operatives belong also to the Pellervo Society, either directly or through their central organization. Ideological work among co-operatives is carried on, not only by the Pellervo Society, KK and FSA, but also by the General Co-operative Union YOL (founded in 1908) and the Central Union of Co-operative Banks OKL (founded in 1928). These are all registered associations. Insurance companies coming under the authority of co-operative organizations cannot legally be co-operatives, neither can the Central Bank of the Co-operative Banks of Finland (OKO, established in 1902).

Co-operatives and their central organizations in Finland have in most cases operated for several decades. It can also be said that organizations in different branches of activity have progressed differently, mainly for technical, economic, political and personal reasons.

As a rule, in each sector of activity,

local co-operatives for their own support have founded a central co-operative or some other central organization. One sector founded the national central organization first—the present Central Bank of Co-operative Banks of Finland—and later primary co-operatives in different parts of the country. Another sector, forest owners' co-operation, has only one primary co-operative (Union of Forest Owners), the youngest of the co-operative central organizations (founded in 1947). Co-operative slaughterhouses too represent a sector which has only a few co-operatives working on a regional basis.

Over the last few decades the number of primary co-operatives has decreased, mainly because of amalgamations. At the same time the number of individual members has increased. From village co-operatives we have gone through district to regional and even bigger primary co-operatives. Co-operative slaughterhouses have also amalgamated. Today, the trading area of the biggest co-operative slaughterhouse, Lihakunta, covers some 60% of the total area of Finland.

It should be mentioned that there are no separate ideological central organizations in dairy and meat-processing; this work is conducted by Pellervo Society. On the other hand, consumer co-operatives and co-operative banks have their own, separate ideological central organizations.

One of the characteristics of the Finnish co-operative movement is that many co-operatives and their central organizations—mainly central co-operatives—have acquired control over companies operating in different lines or have jointly founded companies,

usually joint-stock. Thus co-operatives and their central organizations have gradually taken on structures of varying types. In their turnover many co-operatives, and especially their central organizations, are amongst the biggest companies in Finland.

Another special feature in Finland is that a primary co-operative can belong to more than one central organization. Central organizations have made various agreements on collaboration and division of functions. However, it has not always been possible to reach agreements satisfactory to all concerned, and this has led to disputes—the first were in the 1920s. The latest disagreement was in the 1960s between the Central Co-operative Society Hankkija and the Finnish Cooperative Wholesale Society SOK, which were unable to agree on division of functions. As a result most SOK member co-operatives, who were also Hankkija members, discontinued trading in commodities supplied by Hankkija. Hankkija thus had to create rapidly its own member society network to form a nation-wide distribution network. This led to the foundation of the so-called agricultural co-operatives which today number 160 and are spread all over the country. As most SOK member societies also operate in rural districts and sell to their members and customers the same commodities as the agricultural co-operatives, there is keen competition between these central organizations and their member co-operatives, not to mention their competition with other commercial enterprises.

Earlier also, co-operatives and their central organizations were involved in policy disputes. One phase was the separation of co-operative slaughterhouses

from their central organization Karjakunta and the foundation of a new central organization—the Meat Producers' Central Co-operative Society—in 1936. The Pellervo Seura subsequently dismissed Karjakunta from its membership (now known as Central Co-operative OK-Liha).

Central co-operatives, which mainly supply their member co-operatives with commodities, have in recent years taken over an increasing number of tasks from their primary co-operatives. This has meant that the decision-making power of central co-operatives in matters concerning primary co-operatives is today greater than before. In recent years central and primary co-operatives have together established production factories and business enterprises in various parts of the country. This has, of course, affected the opportunities of primary co-operatives to function and develop. Central organizations have tried to create among customers a favourable image of their member co-operatives—for instance by designing a common symbol. They have also supported and helped their primary co-operatives financially and otherwise. Training, research, export, import and often product development are further concerns of the central organization.

In Finland co-operative organizations started by supplying, processing and marketing everyday commodities. This is still their main function; their share of the foodstuffs industry is nearly 90%, for instance. In addition they have expanded their operations towards the supply of other articles (e.g. motor-cars and hotel business).

Within the Finnish co-operative movement responsibility has been trans-



A co-operative supermarket—EKA-Market, Kannelmäki, Helsinki.

ferred from members to organizations. Co-operatives with their central concerns have formed organizations of responsibility. As co-operative funds are relatively small in international terms, this arrangement has facilitated and helped co-operatives and their central organizations to obtain outside financing for expansion and modernization.

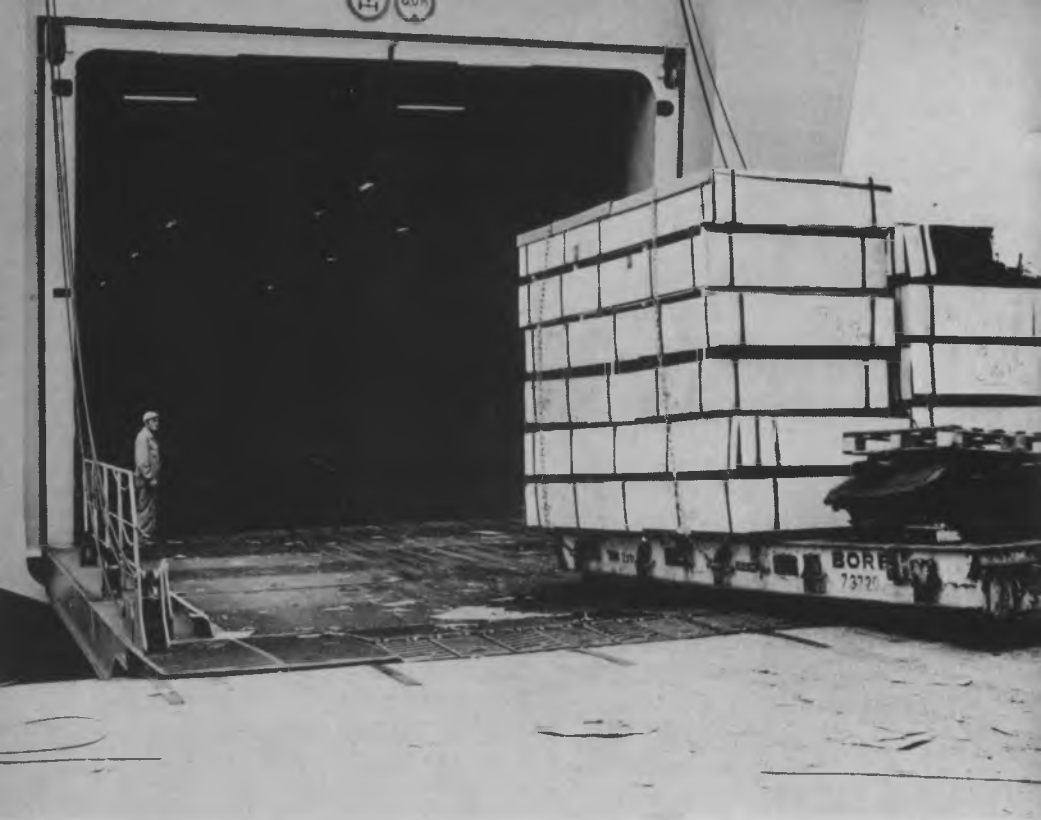
Within the next few years the number of primary co-operatives will continue to decrease and the average size of co-operatives to grow. This means the abolition of direct democracy—the annual general meeting being the highest decision-making organ in co-operatives

—and the adoption of an administrative system of indirect democracy, which may sometimes lead to situations where members no longer feel that the co-operative is their own collaborative body, but merely a business enterprise among others.

3. The Co-operative Movement in Finland since the Second World War⁵

As stated above, the number of co-operatives has fallen in recent years, due to amalgamation. For consumer co-operatives this started as late as the 1960s,

⁵Laakkonen 1977



The Punkasalmi Mill, run by the Union of Forest Owners.

whereas for co-operative banks and dairies it started in the 1930s and is still going on. In this way co-operatives have striven for bigger operational units. But among small and local co-operatives which did not belong to central organizations there are many which have terminated their activities, such as, for example, telephone, electricity and water supply co-operatives (whose tasks have been transferred to public authorities) and the numerous cattle breeders' co-operatives which have been replaced by artificial insemination associations.

The membership of primary co-operatives grew considerably between 1945 and 1979; that of consumer co-

operatives has risen the most in numbers, but the least in relative terms while that of co-operative dairies and slaughterhouses the most in relative terms. In 1979 the total membership of SOK and 'E' consumer co-operatives was 1,335,000, nearly equal to the total number of households in Finland.

As a result of co-operative amalgamation and membership increase, the size of co-operatives has grown in terms of membership. However, when examining the total number of members of all primary co-operatives—that is, by adding them together—it should be remembered that the figures are based on membership figures published by the

various co-operatives and not on the number of individuals who are members of cooperatives: there are no known statistics on the number of multiple memberships held simultaneously, but some studies indicate that, particularly among the agricultural population, it is usual for a person to be a member of several co-operatives.

The turnover of consumer co-operatives has increased relatively more slowly, though in monetary terms more quickly, than that of any other co-operative category (1945-1979 average annual increase 4.0%). Their turnover has also developed more evenly than that of other co-operatives. The turnover of co-operatives per member is a theoretical quantity because co-operatives—in particular consumer co-operatives and co-operative banks (which have no turnover)—transact business also with non-members. However, the figure roughly indicates to what extent the growth of total turnover is a consequence of the increased membership and to what extent it results from intensified use of co-operative services by members and other customers. In the latter case the increase of turnover of all co-operatives is largely based on the intensified use of co-operative services by members and non-members alike. The increase figures during the years 1945-1979 were: consumer co-operatives 3.0%, co-operative banks 6.0% and co-operative dairies 3.3%. The corresponding figure for co-operative slaughterhouses was about 1.3%, so that the growth of their turnover is based in the first place on the increase of membership. During these 35 years, the increase in the turnover and membership of co-operatives has been partly caused by the growth of population, although its im-

pact is not particularly significant, as it was only 0.75% per year during this period.

Turnover of all co-operative central organizations increased heavily during 1945-1979, but growth varied in monetary, quantitative and relative terms. When the average growth is calculated in Finnish marks converted by the wholesale price index for domestic goods, the following quantitative increases in relative order of magnitude are obtained:

Commercial central organizations—

Hankkija	8.4%
SOK	6.1%
OTK	4.7%

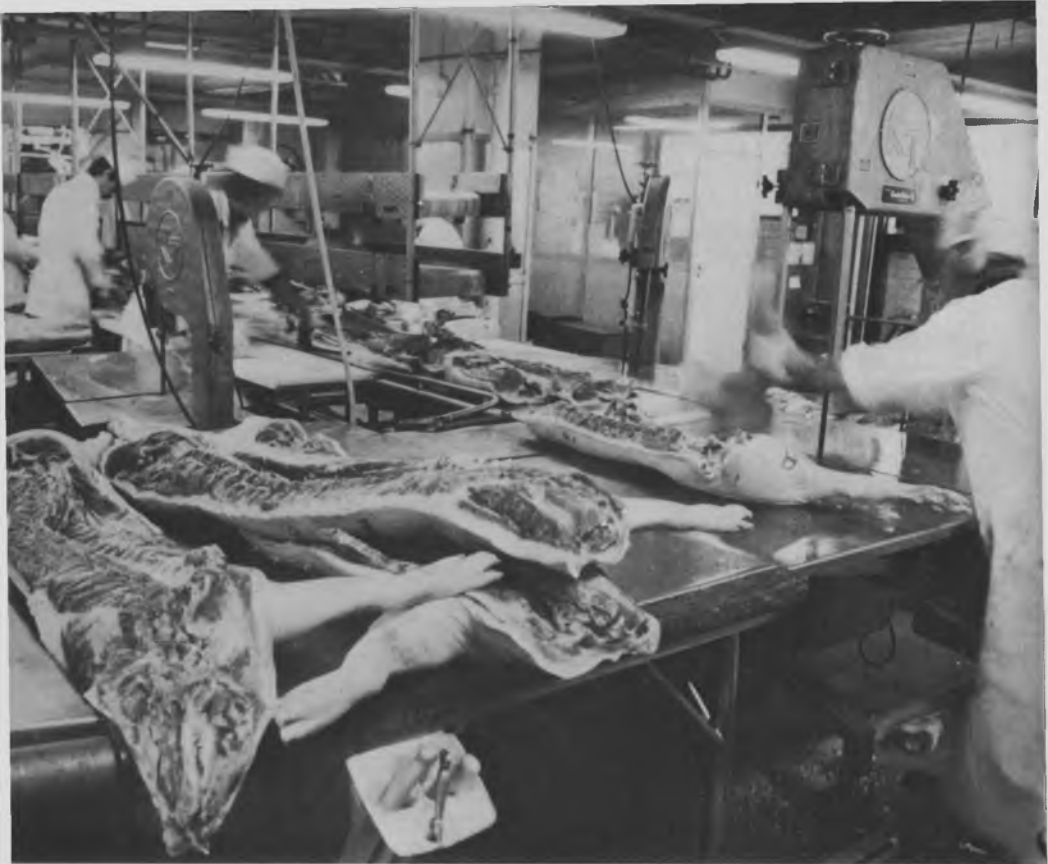
Agricultural Marketing co-operative Central organizations:

Munakunta	10.5%
TLK	9.4%
Osuuskunta Metsäliitto	8.8%
OK-Liha	6.8%
Valio	6.5%
Enigheten	4.5%

It would appear—with some exceptions, of course—that the rate of increase in turnover is relatively higher in those central organizations with the least turnover in terms of money; smaller organizations probably have more potential and opportunity for growth.

During the same 35-year period, the share of co-operative wholesale trade in the total wholesale trade in Finland has varied between 34 and 40 %, or by 6 points; the figure was highest (40%) in the 1970s, and lowest (34%) in 1951.

The co-operative share of the Finnish gross national product is largest in retail trade, banking, accommodation and catering. In the retail sector it has varied between 30 and 27%; the share of bank-



A co-operative slaughterhouse in Helsinki.

ing increased from 25% to 31% during 1945-1979. The strongest growth was achieved in accommodation and catering, which rose from 21 to 33%. There was an increase also in wholesale trade: from 13 to 18%.

The co-operative societies' share of total Finnish retail trade in 1980 was some 30%. They had altogether 5,652 places of business, of which 164 were department stores, 400 halls and 900 catering and accommodation establishments. The co-operative societies employ some 120,000 persons, which is about 6% of the total employed persons in Finland.

Co-operatives and their central organizations in Finland developed their business activities during 1945-1979 on the average as successfully as did the national economy. There were no decisive changes in the competition between enterprises of different types, with the possible exception of banking. However, the length of the survey period (1945-1979) sets certain limits to the drawing of conclusions on the basis of results.

The co-operative movement's share of the foodstuffs industry and trade is higher than its share of trade and industry on the average. This observation supports the statement that it is the duty of



The Hesperia Hotel in Helsinki, operated by the co-operative SOKOS Hotels, the biggest hotel chain in Finland.

co-operatives so to serve members that their living standards do not drop; in other words co-operatives must contribute to the improvement of living conditions. This also relates to the historical background of Finnish co-operation and to the fact that the foodstuffs industry is largely concerned with operations linked to the processing and marketing of products supplied by co-operative members.

The attainment of co-operative objectives, however, can seldom be measured. Therefore the realization of central principles—such as member participation in the administration of co-operatives—cannot be explained in the

light of the above statistical data alone. Co-operation has been and still is the servant of its members. As the demand for services cannot be measured directly, one must start from the fact that members need the same commodities and services as people in general.

Co-operative principles are not designed only for co-operatives, but could be followed by all business enterprises, whatever their form. The tendency is for different forms of enterprise—e.g. co-operatives and joint-stock companies—to borrow from each other not only procedures but also principles. The result of this, in turn, is that the procedures adopted by different forms of business

enterprise are becoming more alike than ever before. Differences have in fact grown smaller.

The contribution of the Finnish co-operative movement to ideological discussion remains important. The traditional connections of the 'E' co-operatives with the labour movement (Central Association of Finnish Trade Unions, Working-class Sports Union, working class political organizations, KK, OTK, Kansa) cannot be overlooked. While the operational strategies of business enter-

prises converge, debate within the labour movement grows keener on the starting points and aims of co-operation and its relations with Finnish society.

The present role of agricultural producer organizations seems to be a central issue within Pellervo Society-oriented co-operatives. The inter-relation of the two will probably also in future necessitate a revision of organizational relations inside the co-operative movement and a reappraisal of the practical applications of agricultural policy.

Bibliography

Blomstedt, Y.

Kyläkassasta osuuspankkiin. Osuuspankki-historiaa 75 vuoden ajalta 1902-1977. Helsinki 1978.

Hyvönen, V.

Suomen osuuskassäjarjestö vv. 1903-1950. Helsinki 1953.

Laakkonen, V.

The co-operative movement in Finland vv. 1945-1974. Helsinki 1977.

Laakkonen, V.

Osuustoiminta. Otavan Suuri Ensyklopedia, osa 7, ss. 4953-4958, Helsinki 1980.

Laakkonen, V.—Laurinkari, J.

Osuustoiminta. Johdatusta perusteisiin. (manuscript).

Editor's Commentary

"To work for the establishment of lasting peace and security"

Article 3(g) of the Rules and Standing Orders of the International Co-operative Alliance draws the attention of all its members to the importance of world peace, and it is vital for all of us to consider this subject much more seriously. The Independent Commission on Disarmament and Security Issues chaired by Olof Palme, in its recent report *The SALT Process—the Global Stakes* (Feb. 1981), reaches the following conclusion:

"Nuclear weapons have confronted mankind with unprecedented dangers; civilization as we know it can now literally be destroyed in moments. There are grounds for criticizing the SALT process. It is cumbersome, and slow. Its accomplishments have been limited, but let us remind ourselves that it is the only existing means to deal with the most pressing threat to man's survival. If the process comes to an end, what little progress had been made in containing the risk of nuclear war would be set back immeasurably. It would take us back to a return to the futile propaganda wars of the 1950s in place of serious discussions of practical limitations on weaponry. It would mean removal of one of the most important initiatives to ease the risk of nuclear war."

Operation Flood (India)

During the past ten years Indian rural dairy co-operatives have doubled milk production and sales, thanks to 'Operation Flood', the biggest dairy development project in the world, supported by the World Food Programme (WFP) with food aid worth \$165 million.

A one-month-on-the-spot evaluation of the project, carried out by a 10-member United Nations team including specialists from the UN, FAO, WFP, UNDP and ILO, considered that the project had been very successful: not only had it considerably improved the supply of milk to the cities, but it had helped "to increase substantially the income of a very large part of rural milk producers". Nevertheless, overall milk production is not yet able to meet the growing demand in the country.

WRP supplied 126,000 tons of milk powder and 42,000 tons of butter oil, drawn mainly from quantities pledged by the European Economic Community to the Programme. The project was conceived and managed for the Indian Government by the Indian Dairy Corporation; the milk powder and butter oil were combined into liquid milk and sold to consumers in Bombay, Calcutta, Delhi and Madras, to expand the year-round milk supply in these cities. The proceeds were ploughed

back into developing the Indian dairy industry, from raw milk production to urban consumption.

The Mission found that the WFP contribution had been effectively used, and considered that the project was a successful model of the use of food for economic development.* Dairy development could bring major benefits to rural life—the building up of rural milk collection centres, modern transport networks, the establishment of city dairies, as well as cattle-feed plants, the growth of artificial insemination and veterinary services.

10,000 village co-operatives, involving over 1.3 million milk producers in 27 areas of India have been organised. The main beneficiaries are the small farmers with one to three buffaloes, as large farmers find raising crops more profitable than producing milk. Measures designed to enhance milk yields under the technical input programmes, include setting up 262 mobile veterinary units and 3,052 artificial insemination stations. In addition, ten plants for making animal-feed have been established, two existing plants expanded and three more are under construction.

Indian industry has benefited considerably from the increased demand for dairy and ancillary equipment: instead of 60% of the equipment being imported, as was the case ten years ago, only 10% is now imported.

While WFP provided the food, the UNDP and FAP supplied technical know-how, UNICEF provided some of the dairy equipment, and bilateral programmes also helped in the project.

World Food Day, 16 October 1981

A new effort to educate the general public about the nature and extent of hunger, to encourage their attempts to overcome it, and to maintain their concern on a continuing basis, is taking shape under the umbrella of the first World Food Day scheduled for next October. Preparations for the initial observance of the event, called for by 147 Member Governments at the FAO Conference in 1979, indicate that a wide spectrum of national activities will be involved, such as intensifying nutritional education programmes, fresh attempts at eradicating hunger and malnutrition and checking rising food costs and waste.

Today more people suffer from hunger than ever before. There is chronic malnutrition caused by drought, floods, natural disasters. There is a growing number of refugees. In 1981 at least 420 million people do not have enough to eat. Lack of food brings other problems, high infant mortality rates, ill health. And it is the children who suffer most.

But poverty is the main cause of hunger. Poverty and hunger, in turn, threaten world peace. Increased production, better distribution, greater knowledge and

*Cf. The CLUSA Oilseed Development Project, described in the previous issue of the *Review*.

higher incomes would mean more food for more people. And surely this is the concern of co-operative movements everywhere.

People have the right to the food they need to live. World Food Day is an opportunity to do something about world hunger. It is a time to pay tribute to people who produce food and to those who work the land. It is a chance to learn more about why hunger exists and about ways to overcome it. World Food Day will take place annually on 16th October, the anniversary of the founding of the Food and Agriculture Organisation of the United Nations, at Quebec City in 1945.

The World Food Day secretariat at FAO Headquarters in Rome wants to hear about any plans, and is ready to assist where possible.

Co-operation for All Seasons

André van Dam, co-operative writer in Latin America, quotes an Amazon legend and makes some interesting comments on the meaning and possibility of co-operation, of which a few paragraphs will be of relevance to all of us in the co-operative movement:

A priest was speaking with God about heaven and hell. "I will show you hell", said God. They went into a room which had a delicious stew on a table around which sat people who looked desperately famished. They held spoons with long handles which reached into the pot but were too long for them to put the stew back into their mouths. Their suffering was terrible.

"Now I will show you heaven", said God, and they went into an identical room with the savoury stew on the table—around which sat people with identical long-handled spoons. But they were well-nourished and joyous. The priest was baffled, until God said: "Quite simple, you see; these people learned to feed each other".

"Can we learn to co-operate in a competitive world? Can co-operation (which thrives on consultation and participation) co-exist with competition (which is deeply engrained in human beings, groups and nations)? The answer, I conjecture, will be more and more positive as the 1980s advance—either out of foresight or under duress. The fact that in Sweden the government and the toy industry have agreed to ban war toys, is one among scores of hopeful signs."

"Admittedly, co-operation requires trade-offs between rival ideas or interests—and trade-offs imply negotiation. Co-operation hinges upon the recognition of common as well as conflicting interests. Without conflicting interests, there is nothing to bargain about—and without common interests, nothing to bargain for. In the end, common interests must override conflicting ones. The challenge is to quest a consensus between opposite interest groups which by so doing need not compromise their traditional roles."

"Co-operation demands consultation." Mr Van Dam mentions various coun-

tries which have statutory procedures for ensuring that any policy innovations receive full public discussion before being presented to parliament. The same happens on the global scene, in such bodies as the World Council of Churches and the hundreds of non-governmental organisations accredited to the United Nations with official consultative status.

“The crux of the matter is that (a) the law cannot anticipate understanding, (b) understanding must be secured through information, and (c) consensus pivots upon a continuous process of information and consultation across societal partitions.”

He gives some examples where such understanding is urgently required. One concerns the judicious husbanding of potentially scarce resources. An article in the US “Science” magazine 1968 described how New England farmers grazed their herds on common land, but were tempted to increase their cattle with the result that the limited grassland was ruined—to the detriment of all. “The Worldwatch Institute continuously cautions against overgrazing, overcropping, overfishing and deforestation (due to prosperity and expanding populations), that is, against overtaxing the world’s common resources. What is needed is co-operation between the producers and consumers of agricultural goods, as well as of minerals and fossil fuels.”

Another example is “the North-South dialogue—the Third World’s search for a new relationship (reflecting its emerging importance in the world economy) with the industrial nations . . . The issues are too complex, the special interest groups too numerous, and the basic concepts too distant to anticipate that one all-comprehensive worldwide treaty can bring about a fair international economic order. On the contrary, this will require a very long gestation period and hundreds of negotiations—all strategically interlinked yet tactically separate.”

But “it is the next generation . . . which must stand in the limelight of consultation and co-operation . . . A just management of global resources calls for consultation with the future policy- and decision-makers. This means genuine consultations, not merely information . . . At a time when in many countries the 18-year olds vote and defend their country, and the 21-year olds are eligible for public office, consultation of the next generation in today’s policy- and decision-making processes should cause no eyebrows to be raised.”

And this is also a question for co-operatives.

“According to Stanford Research Institute, the next generation (broadly defined in the average country as the age group 20-40) seeks ever more involvement in public affairs . . . Idealists among us refer to the common heritage of mankind. Coming down to earth, it means: to share the fate of our planet with those who will inherit it from us—the next generation. After all, the next generation—of both sexes and all continents—IS the future. It always will be.”

Community Alternatives Co-operative (Canada)

The late Alex Laidlaw firmly believed that the co-operative system of the future

would embrace "a great variety of co-operatives and many kinds that are hardly known or imagined today", that co-operatives in the future would be "more oriented to social aims than they are today . . . more community-oriented than at present. In the big city they will seek to recreate the atmosphere of the village. In the newer housing co-operatives in Canada, the members often say they are not only building housing but also creating a village within the city."*

An extension of this idea is the concept of the Community Alternatives Co-operative, as described in *From the Rooftops* of March/April 1981 (Co-operative Housing Foundation of Canada). It is based on several principles, one of which is that in this day and age it is necessary to tie together farm and city: it is not good enough to live in the city and not have any connections with the land, nor is it good enough to desert the city as being hopeless. So the Co-op has a 10-acre farm outside Vancouver; twelve of the members live on the farm and forty-two in the city. The co-op operates on absolutely democratic principles; all its decisions are made by consensus, income is shared to a limited degree, children are active participants and a non-sexist attitude prevails.

The city part of the co-op, located in the Kitsilano area of Vancouver, is a three-storey building divided into nine units of 3, 4 and 8 bedrooms. Each unit has a large kitchen, dining and living area, and there is lots of common space in the building, including library, common room, craft room etc. The 8-bedroom units are run on community lines.

An important feature of the co-op is that income is shared to a limited degree. The housing charges are one-third of a member's net income (after tax), of which 75% goes to pay off the mortgage and the remaining 25% goes to cover farm costs and overheads, other projects and for social action. The co-operative discovered that as the building filled, the incomes tended to move towards the lower range; even so, the income is more than adequate to meet the mortgage payments.

A high degree of participation is apparent, with one general membership meeting per week, plus a full-day meeting once a month, as well as meetings of committees for finance, membership, gardening, solar energy and farm keepers.

There is a Board of Directors for legal requirements only, and it is sworn not to take any action which has not been confirmed by the entire membership by consensus. If one member disagrees with a proposed policy, the policy will not be adopted, but obviously that member has the responsibility for getting together with other interested members and coming up with an alternative solution.

The farm provides a large proportion of the produce consumed by the members. Five adults and seven children live on the farm; twenty-five adults and seventeen children live in the city building. The farm was bought by voluntary capital for the down payment, with the balance mortgaged; part of the members' contributions from their incomes goes to pay off the mortgage on the farm.

***The Co-operative Alternative** by Alexander F. Laidlaw. *The Co-operative College of Canada 1981.*

Prospective members go through an exploratory trial period of one to three months, during which they share the Co-operative's activities, and even sometimes live in one of the houses. At the end of that period, their application for membership must be sponsored by an existing member, and they appear before the general meeting where they have to explain their reasons for joining. They then leave the meeting, which discusses the application. Acceptance is by consensus. If the application is refused, the reasons are explained to them, and it is suggested that they re-apply in six months or a year. As one of the original members says: "If they do return; that in itself is a good indication of their commitment."

ICA Central Committee—Themes for Discussion

Co-operators will be interested to know that the theme to be discussed by co-operative leaders at the annual meeting of the Central Committee to be held in Helsinki, September 1981, will be "ICA and Technical Assistance" and the development of the theme, "Co-operatives in the Year 2000".

At the 1982 meeting, the theme will be "Structural Change in Co-operatives", an important subject which was discussed before at the ICA Central Committee meeting held in Helsinki, September 1965. The verbatim report of this discussion aroused world-wide co-operative interest and effected a great number of changes throughout the co-operative movement at that time. It is very much hoped that the 1982 discussion will arouse a similar response.

The provisional theme for 1983 is "Collaboration" in all its forms, which must surely be encouraged among co-operators.

The movement is asked to contribute its thinking to the above themes, to enable its leadership to come to the meetings well briefed and informed, so that meaningful discussion can benefit all in the Movement.

Book Reviews

Mezhdunarodnia Kooperativnia Alians (The International Co-operative Alliance) by A. I. Krasheninnikov. *Economia, Moscow, USSR. 1980. 225 pp.*

This book appeared just in time for the 27th Congress of the International Co-operative Alliance in Moscow. It is in two parts: the first part (162 pages) describes the early history of the international co-operative movement, leading to the creation of the Alliance, and its subsequent history; the second part, in the form of Appendices, gives the present structure of the Alliance, descriptions of its Auxiliary Committees and Working Parties, with a full list of its affiliated organisations.

In his Preface the author stresses the growth and development of international non-governmental organisations generally, which he greatly welcomes. He underlines that the International Co-operative Alliance is now recognised as the centre of the co-operative movements of the world. The Preface ends with the following statement concerning the purpose of the book:

“This work aims at defining and evaluating the part played by the ICA, from the moment of its creation up to the present time, in the movement of worker-cooperators towards improving the social and economic conditions of their life and the establishment of stable peace, democracy and social progress. This role of the ICA is examined in the light of the historic struggle of socialism with the forces of imperialism and reaction, and also takes account of the various political and social elements represented within the International Co-operative Alliance by the national co-operative organisations which are its members, all this from the point of view of the Marxist-Leninist position.”

In the main section of the book, the history of the Alliance is illustrated by

quotations from various conference reports and papers, and from the Minutes of selected ICA Central and Executive Committee meetings. The greater part of the material has already been published and commented on by various western historians, such as Watkins and Faucherre, but its presentation from a different angle should provide interesting and valuable material for dialogue, a dialogue which this reviewer would like to see carried on in the pages of the *Review of International Co-operation*—with extracts from the book selected by the author and translated under his supervision. This would undoubtedly make a useful contribution to the history of the Alliance, both for historians and practical leaders of the Co-operative Movement and for the *Review's* non-Russian-speaking readers.

An aspect of special interest is the discussion by Mr Krasheninnikov of the principle of neutrality and proletarian solidarity, particularly as he highlights the considerable growth of the Alliance—numerically and geographically, and also in its representation of an increasing variety of co-operative sectors, such as banking and insurance, some of which are not found in the socialist countries.

The author presents a very vivid picture of the growth, development and spread of the co-operative movement at both grassroots and national level, without noticeably deviating from the principles and positions stated in his Preface; i.e. his analysis is carried out “in the light of the historic struggle of socialism with the forces of imperialism and reaction” and takes account of the “various political and social elements represented . . . by the national co-operative organisations . . .”

However, many national and regional co-operatives organise the combined efforts of their members to compete economically with the multinationals (the “forces of imperialism and reaction”)

to the advantage of their members without using any abstract political slogans; a well known example is the Scandinavian association which unites members from the four Scandinavian countries for the sale of petrol in their garages and petrol stations. There are many other examples of co-operative achievement at international level, resulting from the collaboration of co-operative organisations at different levels, notably INTERCOOP whose activities are praised by the author notwithstanding the fact that Centrosoyus is not (or perhaps, not yet?) a member of that Committee.

A very difficult period for the ICA (the years after the First World War) is treated very objectively by Mr Krasheninnikov, and does not differ, except in minor details, from the report of the ICA Delegation to Moscow in 1922.

ICA's activities during the Second World War are touched on very briefly, and it is regrettable that the author does not mention the goodwill mission from two English co-operative organisations (the Co-operative Union and the Co-operative Wholesale Society) to Moscow in September 1944; the Mission travelled under very difficult circumstances via Egypt, but was warmly welcomed by Centrosoyus, and also by the Soviet authorities, who thanked the delegation for the practical assistance rendered to Soviet co-operators. This omission is of course unintentional, but is rather unfortunate in view of the frequent reproaches aimed by the author at the right-wing enemies of the USSR within the Alliance, as this visit of English co-operators to Moscow in 1944 expressed collaboration at a time of great danger (a detailed report of the delegation's visit was published by the Co-operative Union and is still available).

In the final (fourth) chapter of the historical part of the book, section 6 is devoted to the Co-operative Movement during the so-called "Cold War". The author mentions several attempts of "right-wing elements within the Alliance" to carry the Cold War over into the Alliance and refers to attempts at the

meeting of the Executive Committee in November 1949 in Paris, to introduce amendments to Article 8 of ICA Rules &

Standing Orders (dealing with eligibility for membership). However, he concludes as follows:

"... the ICA leaders were eventually compelled to take into account... opinions of the great masses of co-operators in the West European countries who felt solidarity and friendship with the co-operators of Centrosoyus..."

The main part of the book ends with a Conclusion, signed by the author, which seemingly underlines his official assessment of the period and defines what he sees as the future of the ICA, which is also interesting in view of the then planned Congress discussion of the theme "Co-operatives in the Year 2,000".

Mr Krasheninnikov's Conclusion

"19th August 1980 was the 85th anniversary of the founding of the International Co-operative Alliance. In this historically short period the Alliance, which started as an association of a few hundred thousand co-operators, has become one of the greatest international non-governmental organisations with 350 million individual members. The form and substance of the Alliance's activities have also changed considerably. In addition to its work directed towards the solution of the various professional problems which have arisen, the Alliance is active in the struggle for achievement of a stable peace, the fight against monopolies and the promotion of various means for improving the socio-economic conditions of life for the masses of ordinary worker/co-operators.

"During recent years the Alliance has increased the aid which it renders in various forms to the co-operative organisations of developing countries, as well as its part in promoting co-operative collaboration and international co-operative trade. The Alliance has

also been active in involving women and youth in the co-operative movement.

“Co-operators expect from the Alliance that it will intensify its activities, that it will establish closer relations with the international trade union, feminist and other progressive movements, which could help in solving some of the general problems of importance for the whole of mankind.

“Soviet co-operators are convinced that the Alliance can only develop by treading the path leading to the establishment and defence of stable peace, and to the realisation of the fundament-

al aims and interests of working co-operators, and this will heighten its own authority.

“Unity within the international co-operative movement is of very great importance for the successful development of the Alliance. It is just this co-operative unity, the unity of the co-operative organisations of socialist, developing and capitalist countries, which can be regarded as guaranteeing the future development of the International Co-operative Alliance.”

(signed by A. I. Krashennikov)

I. RUBASHOW

Workers' Co-operatives—Jobs and Dreams by Jenny Thornley. *Heinemann Educational Books, London, 1981.*

Over the last decade, there has been a phenomenal growth in the number of workers' co-operatives in Britain. This has been outstripped only by the growth of interest among well-wishers, politicians, sponsors and, last but not least, researchers.

WORKERS' CO-OPERATIVES is the result of one research study which included 40 co-ops, central and local government and independent agencies in the UK, as well as co-ops in both France and Italy. The work is broader than this would suggest however. The economic circumstances which have given rise to co-ops and have limited and channelled their development, as well as the ideology of the co-operators and their relationship to broader political movements, are the central themes of the book.

Workers' co-ops develop in times of recession, economic dislocation and structural change; the pattern repeats itself through the nineteenth and twentieth centuries. They are based on a particular ideological response to capitalism and the unacceptable conditions it imposes on working people. However, the form, the wider acceptability, and the economic significance of the co-operative response,

have changed with the changing circumstances of British society and its economy.

In the early nineteenth century, co-ops were part of the growing labour movement and its attempts to achieve industrial reform and political power. As trade unions became established, and with the extension of the franchise, so co-operation, and workers' co-operation in particular, became increasingly pushed to the margins of British politics. Despite the reawakening of political interest in co-operatives over the last decade, the established labour movement has not turned to co-operation with any enthusiasm.

Most manufacturing firms in the early nineteenth century were small, privately financed, and inherently unstable. At this time, the new co-ops were different only to the extent that they were democratically controlled. Late twentieth century capitalism is very different. Limited liability companies are the norm, industry relies heavily on external and bank financing, and production is highly capital intensive. New co-ops lack capital—as they always have done—they operate only on the economic margin, and are competitive only in the few labour intensive interstices of the highly developed capitalist economy.

But the author identifies other practical

problems, in this case related more to ideology than to economic circumstances.

The British workers' co-operative movement, from its earliest days to the present time, has been utopian and driven by its rejection of the capitalist system as such. Ms Thornley argues that the movement has failed to come to terms with the fact that, while offering an alternative, it is also a product of the system it rejects. Its abhorrence of the profit motive has led to inadequate capital accumulation and therefore slow growth, and its rejection of the market—for both goods and finance—has only weakened its trading position. Has co-operative ideology *really* been the cause of such problems? The evidence is sketchy here and the author makes no reference to Derek Jones' empirically based but inconclusive conclusions regarding the economic performance of British producers' co-ops.¹

Ms Thornley's principal thesis is that workers' co-ops in Britain must take on the aims and aspirations of, and become integrated with, the political labour movement if they are to play an effective and significant role in British industry. The co-ops studied, or so it appears, do not share this view, and neither do all those who are at present promoting them.

The strength of the work lies in its historical perspective and in the cross-country comparisons drawn between

Britain, France and Italy. It is weakest in its evaluation of the co-ops on which the research was centred. No substantial account is provided of their operation and performance; no direct comparisons are drawn between them and similar capitalist or state ventures; and insufficient space is devoted to *their own* assessment of their objectives and aspirations. Even though the author is concerned to evaluate the role played by the state, it is not altogether clear what its relative importance in the growth of the workers' co-operative sector has been; after all, only a minority of existing co-ops in the country have received state support.

Who will read this book? Although based on field research, it is not really aimed at academics. It has something to say to co-operators who want to work with the established labour movement, and to political activists, policy makers, and trade unionists who are casting around for innovative and politically acceptable solutions to the present economic crisis.

Those readers looking for a practical guide to establish a co-op will be disappointed. They would be better advised to turn to the book of the same title by P. Cockerton published by *Aberdeen People's Press* in 1980.² But a British reader, involved in politics and interested in co-ops, will find Ms Thornley's book stimulating and valuable.

NICHOLAS MAHONEY

¹"British Producer Co-operatives in the Footwear Industry: an empirical evaluation of the theory of financing" by D. C. Jones and D. K. Backus. *Economic Journal* No. 87, 1977.

²Reviewed in Vol. 73 No. 2 of the *Review of International Co-operation*.

Consumer Co-operation: the Heritage and the Dream by Art Danforth and Emil Sekerak

The full address of the publishers of this book, reviewed by Jerry Voorhis in our last issue, is as follows:

Consumers' Co-operative Publishing Association
841 Pomeroy Avenue, Ap.20,
Santa Clara, Ca. 95051, USA

from whom the book is available, price \$4.35 plus postage (discount for more than 5 copies).

International Co-operative Alliance

11 Upper Grosvenor Street, London W1X 9PA, U.K.

Tel: (01) 499 5991 Cables INTERALLIA

President: Roger Kerinec

Director: Dr. S. K. Saxena

Deputy Director: R. P. B. Davies

REGIONAL OFFICES

Regional Office & Education Centre for South-East Asia

Bonow House, PO Box 3312

43 Friends Colony, New Delhi 110-014, India

Tel: 635123 Cables INTERALLIA

Regional Director: R. B. Rajaguru

Regional Office for East & Central Africa

PO Box 946

Moshi, Tanzania

Tel: 4706 Cables INTERALLIA

Regional Director: E. M. Anangisye

Regional Office for West Africa

01 BP 3969

Abidjan 01, Ivory Coast

Tel: 303008 Cables: INTERALLIA ABIDJAN

Regional Director: B. D. Ndiaye

Affiliated Organisations

ARGENTINA

Asociación Argentina de Cooperatives y Mutualidades de

Seguros

Avenida de Mayo 1370 Piso 1°, Buenos Aires.

Tel. 33-0222/7138

Asociación de Cooperativas Argentinas

Av. E. Madera 940, 1106 Buenos Aires.

Tel. 221-7284 Cables ASCOOPAR Telex 21136

Confederación Cooperativa de la Republica Argentina Ltda.

(COOPERA)

Moreno 1729, Buenos Aires.

Federación Argentina de Cooperativas de Consumo

Avda. Suarez 2034, Buenos Aires.

Tel. 28-5381/3 Cables COOP

Federación Argentina de Cooperativas de Credito Ltda.

Ave. Pueyrredon 468, 2° Piso, 1032 Buenos Aires (RC 24).

Tel. 86-6283

Federación de Bancos Cooperativos de la República

Argentina (FEBANCOOP)

Florida 656 P.1°, Buenos Aires.

Tel. 393-5894 Telex 17919-FBCOP-AR

Instituto Movilizador de Fondos Cooperativos SCL

Rivadavia 1944, Buenos Aires 1033

Intercoop Editora Cooperativa Ltda.

Alberti 191, 1082 Buenos Aires

Tel. 47 21 49

AUSTRALIA

Co-operative Federation of Australia

Box 5211 AA, GPO Melbourne, Victoria 3001

AUSTRIA

Österreichischer Raiffeisenverband

Hollandstrasse 2, 1020 Vienna.

Tel. 26 360 Telex 07/6769

BULGARIA

Central Co-operative Union

Rue Rakovski 99, Sofia.

Tel. 88-03-11 Cables CENTROCOOPSOYUS

CANADA

Conseil Canadien de la Coopération

2030 boul. Père Lelievre, Quebec, G1P 2X1.

Tel. (418) 687 4997

Co-operative Union of Canada

237 Metcalfe St., Ottawa, Ont. K2P 1R2

Tel. 238 6711 Telex 053-4406

COLOMBIA

Cooperativa Familiar de Medellin Ltda.

Calle 49, No. 52-49, Medellin.

Tel. 45-00-55

CYPRUS

Co-operative Central Bank Ltd.

(Gregoriou Afxentiou) POB 4537, Nicosia.

Tel. 62921 Cables COOPBANK

Cyprus Turkish Co-operative Central Bank Ltd.

POB 1861, Nicosia.

Tel. 4257 Cables MERKAZBANK

"SODAP", Vine Products Co-operative Marketing Union Ltd.

(Cooperation St., Tsifikoudhia) POB 314, Limassol.

Tel. 2331 Cables VINUNION

CZECHOSLOVAKIA

Ustredni Rada Druztev (Central Co-operative Council)

Tesnov 5, 11006 Prague 1.

Tel. 64751 Cables UERDE

**Österreichischer Verband gemeinnütziger Bau-
Wohnungs- und Siedlungsvereinigungen**
Bösendorferstrasse 7/11, 1010 Vienna
Tel. 65-71-63 Cables GEBAAVERBAND

Konsum Österreich GmbH
(Theobaldgasse 19) Postfach 85, A-1061 Vienna.
Tel. 57-75-38 Cables KONSUMVERBAND Telex 11803

BANGLADESH

Bangladesh Jatiya Samabaya Union
"Samabaya Sadan" (1st floor), 9/D-Morijheel Commercial Area,
Dacca 2.
Tel. 255846 Cables RANGDHENU

BELGIUM

L'Economie Populaire
30 rue des Champs, 5300 Ciney (Namur).
Tel. 21-28-01

Fédération belge des Coopératives (FEBECOOP)
26-28 rue Haute, 1000 Brussels.
Tel. 513-28-60 Cables ESGECE Telex 02.224.95

Fédération Nationale des Coopératives Chrétiennes
141 rue de la Loi, 1040 Brussels.
Tel. 230-32.95

Office des Pharmacies Coopératives de Belgique (OPHACO)
602 Chaussée de Mons, 1070 Brussels 7.
Tel. 522-56-90

Société Coopérative d'Assurances "La Prévoyance Sociale"
P.S. Building, 151, rue Royale, 1030 Brussels.
Tel. 218-80-80 Telex 25.566

BOTSWANA

Botswana Co-operative Union Ltd.
POB 199, Gaborone.

DENMARK

Faellesforeningen for Danmarks Brugsforeninger (FDB)
Roskildevej 65, 2620 Albertslund.
Tel. 64-88-11 Cables EFDEBE

Det Kooperative Faellesforbund i Danmark
Reventlowsgade 14, 1651 Copenhagen V.
Tel. 12-22-62 Cables UNICOOP

De samvirkende danske Andelselskaber
(Central Co-operative Committee of Denmark)
Vester Farinagsgade 3, DK-1606 Copenhagen V
Tel. 12-14-19

EGYPT

Central Agricultural Co-operative Union
6 Abd El-Kader Hamza Street, Garden City, Cairo.
Tel. 28401

FIJI

Fiji Co-operative Union
Registry of Co-operative Societies, Development Bank Centre, Suva.
Tel. 211-258

FINLAND

Keskusuusliike O.T.K. (Central Co-operative Society)
POB 120, 00101 Helsinki 10.
Tel. 750731 Cables OSUUSTUKKU Telex 12-454

Kulutusosuuskuntien Keskuuliitto (K.K.) r.y.
(Mikonkatu 17) POB 740, 00101 Helsinki 10.
Tel. 170491 Cables KESKUSLIITTO Telex 121261 EKKSF

Pellervo Seura (Central Organisation of Farmers' Co-operatives)
(Simonkatu 6) POB 10077, 00101 Helsinki 10.
Tel. 602066 Cables PELLERVO

Pohja Yhtymä
(Runeberginkatu 5) POB 10180, 00101 Helsinki 10.

FINLAND (cont.)

Suomen Osuuskappojen Keskusunta (S.O.K.)

(Finnish Co-operative Wholesale Society)

(Vilhonkatu 7) POB 460, 00100 Helsinki 10.

Tel. 650611 Cables KESKUSKUNTA Telex 12-456

Yleinen Osuuskappojen Liitto r.y. (Y.O.L.)

(General Co-operative Union)

(Vilhonkatu 7, 00101 Helsinki 10.

FRANCE

Caisse nationale de Crédit Agricole

91-93 Boulevard Pasteur, 75015 Paris.

Tel. 273-90-00 Cables AGRICREDIT Telex CANAGRI 25-971

Confédération des Coopératives de Construction et

d' Habitation

9/11 Benoit Malon, 92150 Suresnes.

Tel. 772 9192

Confédération Générale des Sociétés Coopératives

Ouvrières de Production (SCOP)

37 rue Jean-Leclaire, 75017 Paris.

Tel. 627.89.58 Cables COOPRODUC

Confédération nationale de la Coopération, de la Mutualité
et du Crédit Agricoles

129 Bd. St. Germain, 75279 Paris.

Tel. 033-93-31

Confédération nationale du Crédit Mutuel

88-90 rue Cardinet, 75017 Paris.

Tel. 766-01-51 Telex CCCMU 640373

Confédération des Organismes du Crédit Maritime Mutuel

41 Avenue Hoche, 75008 Paris.

Tel. 227-50-46

Fédération Nationale des Coopératives de Consommateurs

(F.N.C.C.)

La Maison de la Coopération, 27-33 Quai le Gallo, 92517 Boulogne

Tel. 604 91.78 Cables FEDECOP

Telex FEDCOP BLGSN 260846

Gesamtvverband gemeinnütziger Wohnungsunternehmen e.V.

Bismarckstrasse 7, 5000 Cologne 1.

Tel. 52-50-01

Volksfürsorge deutsche Sachversicherung AG

(Besenbinderhof 43) Postfach 10 64 29, 2000 Hamburg 1.

Tel. 28 651 Cables VOLKSACH HMB Telex 21 61 740

Volksfürsorge Lebensversicherung AG

An der Alster 57-63, 2000 Hamburg 1.

GHANA

Ghana Co-operatives Council Ltd.

POB 2068, Accra.

Cables GACOCO

GREECE

Pan-Hellenic Confederation of Unions of Agricultural

Co-operatives

Ej Venizelou 56, Athens 142.

Tel. 618.645 Cables PASEGES

HAITI

Caisse Populaire Dominique Savio

(75 rue Rigaud) C. P. 15011, Pétiion-Ville.

HUNGARY

National Co-operative Council

(Szabadság tér. 14) POB 616, H.1373 Budapest V.

Tel. 113-600

National Council of Agricultural Co-operatives (TOT)

Akadémis ucta 1-3, 1361 Budapest V.

Tel. 113-600

National Council of Consumers' Co-operative Societies
(SZOVOSZ)

(Szabadság tér 14) POB 616, 1373 Budapest V.

Tel. 113-600 Cables SZOVOSZ

Fédération Nationale des Sociétés Coopératives d'Habitation à Loyer Modéré (H.L.M.)
14 rue Lord-Byron, 75008 Paris.
Tel. 563-17-31

Société Générale des Coopératives de Consommation
La Maison de la Coopération, 27-33 Quai le Gallo, 92517 Boulogne Billancourt.

Union du Crédit Coopératif
18 bis Avenue Hoche, 75008 Paris
Tel. 561.99.66 Telex Creditcop Paris 650.977

GAMBIA

Gambia Co-operative Union Ltd.
POB 505, Banjul.
Tel. Serrekunda 2580

GERMAN DEMOCRATIC REPUBLIC

Verband der Konsumgenossenschaften der DDR
(Siresemannstrasse 128), Postfach 1269, 108 Berlin
Tel. 22-38-0 Cables KONSUMZENTRALE Telex 011-2831

GERMANY, FEDERAL REPUBLIC OF

Bank für Gemeinwirtschaft AG
Theaterplatz 2, 6000 Frankfurt A./M 1.
Tel. 2581 Cables HAUPTBANKWIRT Telex 41.22.122

Bund deutscher Konsumgenossenschaften GmbH
Adenauerallee 21, 2000 Hamburg 1.
Tel. 249906 Cables COOPBUND Telex 21-62-521

Coop Handels- und Produktions-AG (HAPRO)
Sonninstrasse 18-28, 2000 Hamburg 1.
Tel. 284-1 Cables HAPROAG

Deutscher Raiffeisenverband e.V.
(Adenauerallee 127) Postfach 19 01 41, 5300 Bonn 3
Tel. (022-21) 1061 Cables RAIFFEISEN Telex 08-86-830

National Council of Industrial Co-operatives (OKISZ)
(Thoköly ut 58-60) POB 172, 1146 Budapest 70.
Tel. 188-800 Cables OKISZ

ICELAND

Samband Isl. Samvinnuúfélaga
Samband House, POB 180, Reykjavik.
Tel. 28200 Cables SIS Telex 2023

INDIA

All India Central Land Development Banks' Federation
Shivshakti (2nd Floor), B. G. Kher Road, Worli, Bombay 40018
Tel. 395349 Cables BHUMIUIKAS

Indian Farmers Fertiliser Co-operative Ltd. (IFFCO)
34 Nehru Place, New Delhi 110019.

National Agricultural Co-operative Marketing Federation Ltd.
Sapna Theatre Building, 54 East of Kailash, PB 3580, New Delhi-110024.
Tel. 631416 Cables NAFED Telex ND 3254

National Co-operative Consumers' Federation Ltd.
Deepali (5th floor), 92 Nehru Place, New Delhi-110024.
Tel. 635387 Cables KONFED

National Co-operative Union of India (NCUI)
3 Siri Institutional Area, Panshchila Marg (Behind Hauz Khas), New Delhi-110016.
Tel. 66 2751 Cables COPUNION

National Federation of State Co-operative Banks Ltd.,
Garment House (2nd Floor), Dr. Annie Besant Road, Worli Naka, Bombay 400-018.

INDONESIA

Dewan Koperasi Indonesia (The Indonesian Co-operative Council)
Jalan Jendral Gatot Subroto, Komplek PUSDIKKOP, Djakarta.
Tel. 74081-88

IRAQ

General Co-operative Union

POB 5764, Baghdad.
Tel. 86520 Cables COOPFEDRA
Telex 2685 UNCOOP

IRISH REPUBLIC

Co-operative Development Society Ltd.
35 Lower Gardiner Street, Dublin 1.

ISRAEL

"Bahan" Audit Union of Agricultural Co-operative Societies in Israel

(47 Nachmani Street) POB 622, Tel-Aviv.
Tel. 62-32-78

General Co-operative Association of Labour in Israel "Hevrat Ovdim" Ltd.

(Histadrut Building, 93 Arlosoroff St.) POB 303, Tel-Aviv.
Tel. 26.11.11 Cables OVDIM

ITALY

Associazione Generale delle Cooperative Italiane

Via Ravenna 8, 00161 Rome.
Tel. 859198

Confederazione Cooperative Italiane

Piazza dell'Esquilino 5, 00184 Rome.
Tel. 47-28-11 Cables CONFCOOPERATIVE

Lega Nazionale delle Cooperative e Mutue

Via A. Guattani 9, 00161 Rome.
Tel. 841371 Cables LEGACOOP

IVORY COAST

Chambre d'Agriculture de Côte d'Ivoire

(11 Ave. Lamblin) POB 1291, Abidjan 01.
Tel. 32-16-11

JAPAN (cont.)

National Federation of Forest Owners' Co-operative Associations

Co-operative Building (8th floor), 1-1-12 Uchikanda, Chiyoda-ku, Tokyo 101.

National Mutual Insurance Federation of Agricultural

Co-operatives (ZENKYOREN)

7-9 Hirakawa-cho 2-chome, Chiyoda-ku, Tokyo 102.
Tel. (265) 3111

JORDAN

Jordan Co-operative Organisation

POB 1343, Amman.
Tel. 23101/3 Cables ALOUN

KENYA

Kenya National Federation of Co-operatives Ltd.

(Plantation House, Haile Selassie Ave.) POB 49768, Nairobi.
Tel. 21487 Cables MUUNGANO

KOREA

National Agricultural Co-operative Federation

75, 1st Street, Chung-Jong-Ro, Sodaemun-ku, Seoul.
Tel. 73-0021 Cables KONAFCO

National Federation of Fisheries Co-operatives

88 Kyung Wun-Dong, Chongro-ku, Seoul 110.
Tel. 70-6211-20 Telex FISHCO K24359

MALAYSIA

Co-operative Central Bank Ltd.

(29 Leboh Ampang) POB 685, Kuala Lumpur 01-19.
Tel. 26531/4

Co-operative Union of Malaysia Ltd.

Peti Surat 685, Kuala Lumpur.
Tel. 23903

Federation of Housing Co-operatives Ltd.

c/o Railway Co-operative Multi-Purpose Society Ltd., Wisma-Merlin,
Jalan Sultan Ismail, POB 2528, Kuala Lumpur 04-04.
Tel. 423813

JAMAICA

National Union of Co-operative Societies Ltd.
2a Manhattan Road, Kingston 5

JAPAN

Norinchukin Bank
(Central Co-operative Bank for Agriculture and Forestry)
8-3 1-chome, Otemachi, Chiyoda-ku, Tokyo.
Tel. 03 279 0111 Cables CCBFAF Telex J.23918

Zenkoku Nogyokyodokumiai Chuokai
(Central Union of Agricultural Co-operatives)
8-3 1-chome Otemachi, Chiyoda-ku, Tokyo
Tel. 270 0041 Cables CHUOKAI

Hokkaido Federation of Co-operative Fishery Associations
West 7, North 3, Chuoku, Sapporo.
Tel. 231-2161 Cables DOGYOREN

Ie-No-Hikari Association
No. 11, Funagawara-cho, Ichigaya, Shinjuku-ku, Tokyo.
Tel. 260-3151 Cables TENOHKARI
Telex 2322367 IENOHI J

Nippon Seikatsu Kyodokumiai Rengokai
(Japanese Consumers' Co-operative Union)
1-13 4-chome Sendagaya, Shibuya-ku, Tokyo.
Tel. (404) 3231 Cables CONSUMUNION

National Federation of Agricultural Co-operative Associations (ZEN-NOH)
8-3 1-chome, Ohtemachi, Chiyoda-ku, Tokyo.
Tel. 03 (279) 0211 Cables ZENNOHREN
Telex ZENNO 222-3686

National Federation of Fisheries Co-operative Associations (Zengyoren)
Co-op Building (7th floor), 1-1-12 Uchikanda, Chiyoda-ku, Tokyo 101.
Tel. 2949611 Cables NAFEDEFISH
Telex ZENGYO J TOKYO 222-6234

Malaysian Co-operative Insurance Society Ltd.
(36 Jalan Ampang) POB 817, Kuala Lumpur 01-16.
Tel. 87915/6 Cables MCIS

National Union of Co-operatives (ANGKASA)
103 Jalan Templer, Petaling Jaya, Selangor.
Tel. 771258

National Land Finance Co-operative Society Ltd.
2 Jalan Sultan Suleiman, Peti Surat 2133, Kuala Lumpur 01-02.
Tel.

MAURITIUS

Mauritius Co-operative Union
Co-operative House, Dumas Street, Port Louis.
Tel. 2-2922

MOROCCO

Union Nationale des Coopératives agricoles laitières
Rue Patrice Lumumba, B.P. 569, Rabat-Chellah.

NETHERLANDS

Dutch Federation of Workers' Productive Co-operative Societies (ABC)
Nieuwe Gracht 5, Utrecht.
Tel. 331 331

NIGERIA

Co-operative Federation of Nigeria Ltd.
c/o Co-operative Bank Ltd., Co-operative Buildings,
New Court Road, PMB 5101, Ibadan.
Cables NICOOPFED

NORWAY

Landbrukssamvirkets Felleskontor
POB 3723, Gamlebyen, Oslo.

Norges Kooperative Landsforening (NKL)
(Revierstredet 2) POB 451 Sentrum, Oslo 1.
Tel. 20 62 90 Cables KOOPENGROS Telex 19 450 HQ

NORWAY (cont.)

Norske Boligbyggelags Landsforbund (NBBL)
Trondheimsveie 84-86, Oslo 5. Tel. 35 75 20

Samvirkebanken A/S
(Kirkegt.5) Postboks 289 Sentrum, Oslo 1.
Tel. 42-71-80 Cables SAMVIRKEBANKEN Telex 16604

Samvirke Forsikring
(Henrik Ibsensgt.9) Postboks 778 Sentrum, Oslo 1.
Tel. 20-80-30 Telex 19430 COOPA N

PAKISTAN

Mercantile Co-operative Finance Corporation Ltd.
197-A The Mall, Rawalpindi. Tel. 3754.

Punjab Co-operative Union
11 Masson Road, P O Box 905, Lahore 1

PERU

Cooperativa de Crédito Central del Perú Ltda.
Antonio Miró Quesada 247, Of. 407, Apartado 4429, Lima.
Tel. 27-3752

Cooperativa de Seguros del Perú Ltda.
Máximo Abril 552, Apartado 4360, Lima 11. Tel. 46769

PHILIPPINES

Central Co-operative Exchange Inc.
Rms. 113-115 Arle Building, Aurora Boulevard Ext., Corner J. Ruiz
St., San Juan, Rizal.
Cables CENCOPEX

Cooperative Insurance System of the Philippines Inc.
(300 De La Merced (Delta) Building, West Avenue) POB 419
Araneta Centre, Quezon City.
Tel. 97-35-68 Cables COOPINSURE

National Association of Training Centres for Cooperatives
(NATCCO)
Pleasant Homes Subdivision, Punta Princesa, POB 950,
6401 Cebu City.
Tel. 7-16-15

ROMANIA

CENTROCOOP (Central Union of Consumer Co-operatives)
Str. Brezoianu 31, 70711 Bucharest.
Tel. 13-87-31 Cables CENTROCOOP Telex 11591

UCECOM (Central Union of Handicraft Co-operatives)
Calea Plevnei 46, Sectorul 7, Bucharest.
Tel. 13-16-48

UNCAP (National Union of Agricultural Producers' Co-operatives)
Bv.N Balcescu 17-19, Bucharest.

SIERRA LEONE

National Co-operative Congress
Department of Co-operatives, Ministerial Building, Freetown.

SINGAPORE

Singapore National Co-operative Union Ltd.
(3-J/K Clifford House) POB 366, Singapore 1.

SOMALIA

Union of Somali Co-operatives Movement
POB 1272, Somali Street, Mogadishu.
Cables UDDHIS

SRI LANKA

National Co-operative Council of Sri Lanka
(Co-operative House, 455 Galle Road) POB 1669, Colombo 3.
Tel. 85496 Cables NACOSIL

Sri Lanka Co-operative Fisheries Federation Ltd.
127 Grandpass Road, Colombo 14.
Tel. 25057 Cables CO-OPFISH

SWAZILAND

Central Co-operative Union
POB 551, Manzini

Sugar Co-operative Development Institute of the Philippines
Rm. 211-213 Cuenca Gonzaga Bldg., San Juan St., Bacolod City 6001.
Tel. 20666

POLAND

Central Agricultural Union of Peasant Self-Aid Cooperatives,
Kopernika 30, 00-328 Warsaw.

Tel. 26-36-69 Cables CENTROLNA

Central Union of Building and Housing Co-operatives

Ul. Marchlewskiego 13, 00-828 Warsaw.

Tel. 20-90-29

Central Union of Work Co-operatives

Surawia 47, 00-680 Warsaw.

Tel. 28-51-86 Cables CZESP

"Spolem"—Union of Consumer Co-operatives

Grazyny 13, 02-548 Warsaw.

Tel. 45-32-41 Cables SETESES

Supreme Co-operative Council

Ul. Jasna 1, 00-013 Warsaw.

Tel. 26-72-21 Cables ENERES

PORTUGAL

Instituto "Antonio Sergio" do Sector Cooperativo (INSCOOP)

Rua D. Carlos de Mascaranhas No. 46, Lisbon 1.

Federação Nacional das Cooperativas de Consumo

(FENACCOOP)

Rua da Guine 8 R/c Dto., 1100 Lisbon.

Tel. 84-69-69

PUERTO RICO

Cooperativa Consumidores Unidos de Puerto Rico (UNI-COOP)

GPO Box "CC", San Juan 00936.

Co-operative League of Puerto Rico

458 Fernando Calder, Apartado 707, GPO San Juan 00936.

Tel. 764-2727

SWEDEN

Folksam Insurance Group

(Folksam Building, Bohusgatan 14) POB 20500,

S-104 60 Stockholm 20

Tel. 743-60-00 Cables FOLKSAM Telex 190.84 FOLKSAM S

HSB-S Riksförbund ek för

POB 8310, S-100 21 Stockholm 18.

Tel. 785 30 00 Cables HAESSEB Telex 11.724 HSB COOP

Kooperativa förbundet

POB 15200, S-104 65 Stockholm 15.

Tel. 743 10 00 Cables KOOPERATIVA Telex 19490

Kooperativa Konsumentlillesförbundet

Box 15200, S-104 65 Stockholm 15.

Tel. 44-90-60

Lantbrukarnas Riksförbund (Federation of Swedish Farmers)

(Klara O Kyrkogata 12) Fack, S-105 33 Stockholm 33.

Tel. 14-16-00 Cables LANTFORBUNDET Telex 11098 Lantek S

Oljekonsumenternas förbund (OK Union)

S-113 87 Stockholm.

Tel. 736-60-00 Cables OLJEKONSUMENTER Telex 17610

Svenska Riksbyggen

(Hagagatan 2) POB 19014, S-104 32 Stockholm 19

Tel. 34-05-20 Cables RIKSBYGGEN

SWITZERLAND

Genossenschaftliche Zentralbank AG

Aeschenplatz 3, CH 4002 Basel.

Tel. (061) 23-84-00

Coop Lebensversicherungsgenossenschaft Basel

Aeschenvorstadt 67, CH 4002 Basel.

Cables COOPLEBEN

Coop Schweiz

(Thiersteinerallee 12) POB 1285, CH 4002 Basel.

Tel. (061) 20-61-11 Cables COOPSUISSE Telex 62 133

Verband Schweizerischer Produktivgenossenschaften

c/o GBH, Sihlpostfach, 8021 Zürich.

Tel. 01/242 7133

TANZANIA

Union of Co-operative Societies Ltd.
POB 2567, Dar es Salaam.
Cables WASHIRIKA

THAILAND

Co-operative League of Thailand
4 Pichai Road, Dusit, Bangkok.
Tel. 811414

TURKEY

Köy-Koop (Central Organisation of Village Development and Other Agricultural Co-operative Unions)
Gazi Mustafa Kemal Bulvarı 97, Maltepe, Ankara.
Tel. 30 22 40 Cables KOYKOOOP
Türk Kooperatifçilik Kurumu (Turkish Co-operative Association)
Mithatpasa Caddesi 38A, Yenisehir, Ankara.
Tel. 18 82 44

UGANDA

Uganda Co-operative Alliance
POB 2215, Kampala.
Tel. 56984/6 Cables ALLIANCECOOP

UNITED KINGDOM

Co-operative Bank Ltd.
(1 Balloon St.) POB 101, Manchester M60 4EP
Tel. (061) 834 8687 Telex 884 533/4
Co-operative Insurance Society Ltd.
Miller Street, Manchester M60 0AL.
Tel. (061) 832 8686 Cables COLLECTIVE
Telex 66 86 21 CIS G

Co-operative Union Ltd.
Holyoake House, Hanover Street, Manchester M60 0AS
Tel. (061) 832 4300 Cables CONGRESS

UNITED KINGDOM (cont.)

Co-operative Wholesale Society Ltd.
(New Century House, Corporation Street) POB 53, Manchester M60 4ES.
Tel. (061) 834 1212 Cables WHOLESALÉ
Plunkett Foundation for Co-operative Studies
31 St. Giles, Oxford OX1 3LF.
Tel. (0865) 53960

URUGUAY

Centro Cooperativista Uruguayo
Dante 2252, Montevideo.
Tel. 41-25-41 Cables CENCOOPUR

U.S.A.

Co-operative League of the U.S.A.
1828 L Street, NW, Washington, DC 20036.
Tel. (202) 872-0550 Cables CLUSA

U.S.S.R.

Central Union of Consumer Societies—CENTROSOYUS
B. Tcherkassky per 15, 103626 Moscow.
Tel. 221 7253 Cables CENTROSOYUS MOSCOW K-3
Telex 7127

YEMEN ARAB REPUBLIC

Confederation of Yemen Development Associations
POB 2198, Sana'a.

YUGOSLAVIA

Glavni Zadruzni Savez FNRI
Bul. Revolucije 70/III, 11000 Belgrade.
Tel. 454-842 Cables ZASAJ

ZAMBIA

Zambia Co-operative Federation Ltd.
POB 33579, Lusaka.
Cables ZAMCOOP

INTERNATIONAL ORGANISATIONS

Confederación Latinoamericana de Cooperativas de Ahorro y Crédito (COLAC)
Apartado Postal 3280, Panama 3.
Tel. 27-3322 Cables COLAC Telex 3480092

International Co-operative Bank Co. Ltd. (INGEBA)
(Aeschengraben 12) POB 363, CH 4010 Basel, Switzerland.
Tel. 23-58-27 Cables INGEBA

International Co-operative Housing Development Association (ICHDA)
c/o Building & Social Housing Foundation,
Memorial Square, Coalville, Leics., U.K.
Tel. Coalville 39091

International Co-operative Petroleum Association (ICPA)
28 West 44th Street, New York, NY 10036, U.S.A.
Tel. 354 0870 Cables INCOPEtrol Telex 22 49 14

Nordisk Andelsförbund
3 Axelortov, 1609 Copenhagen V, Denmark.
Tel. 15.15.33 Cables NORFORBUND Telex 27 111 NAF

Organisation of the Cooperatives of America (OCA)
Avenida 46 Nro. 17 21, Aptdo. Postal 241263, Bogota, Colombia.
Cables OCAMERICA

Sociedad Interamericana de Desarrollo y Financiamiento Cooperativo (SIDEFCOOP)
(Reconquista 365, 2° piso) POB 4311, Buenos Aires, Argentina.

World Council of Credit Unions Inc.
(5910 Mineral Point Road) POB 391, Madison, WI 53705, U.S.A.
Tel. (608) 238-5851 Telex 910-296-2725 CUNA MUT MDN

Just out!

Co-operative Housing

**A publication by the International Co-operative Housing Committee
329pp. Price: £5.00 (DM19.50) (inc. post, packing and bank charges)**

It is the task of the ICA Housing Committee to promote the development of co-operative housing in all countries, not forgetting the developing countries, in order to contribute thereby to solving the housing problem from the economic and social points of view.

This book is designed to make a contribution to the realisation of this task. It is intended to answer questions which arise when a co-operative is to be founded, or for comparing co-operative movements in different countries, but is also for the general reader interested in the aims of housing co-operatives and how they function.

Available from:

**Special Secretary of the ICA Housing Committee
Lentzeallee 107
1000 Berlin 33
Federal Republic of Germany**

Please enclose remittance with order

Still available!

The International Co-operative Alliance 1895-1970

by W. P. Watkins

The definitive description of the growth and development of the ICA from its foundation in 1895 up to its 75th Anniversary in 1970.

English Edition: £2.50

French Edition: £3.50

(including post and packing)

Both available from: **INTERNATIONAL CO-OPERATIVE ALLIANCE
11 UPPER GROSVENOR STREET,
LONDON, W1X 9PA, UK**

The **Spanish Edition** (price US\$6.00) is available from:

**INTERCOOP Editora Cooperativa Ltda.,
ALBERTI 191,
BUENOS AIRES,
ARGENTINA**

Please enclose remittance with order

Review of International Co-operation



The official organ of the International Co-operative Alliance

Editor: J. H. Ollman

Assistant Editor: M. Blindell

Vol 74 No 3 1981

Contents

CONGRESS IN BRIEF—XXVIIth Congress of the International Co-operative Alliance—Moscow, USSR—13-16 October 1980

Monday	Opening of Congress	169
13 October	Welcome on behalf of the USSR Government	169
	Welcome on behalf of the Moscow City Soviet	170
	Welcome on behalf of the Co-operative Movement of the USSR	170
	The President's Inaugural Address	172
	Obituaries	173
	<i>Appointment of Congress Committee and Tellers</i>	173
	Report of the Central Committee	
	presented by Dr. S. K. Saxena, <i>Director, ICA</i>	174
	Debate on the Report	175
Tuesday	Debate on the Report (<i>cont.</i>)	187
14 October	Reply to the Debate, by Dr. S. K. Saxena	196
	Resolution on <i>Collaboration between Co-operatives</i> presented by Mr. V. Luukka (<i>Finland</i>)	199
	Co-operatives in the Year 2000	
	presented by Dr. A. F. Laidlaw (<i>Canada</i>)	201
	Co-operation of the Socialist Countries in the Year 2000	
	presented by Mr. A. A. Smirnov (<i>USSR</i>)	203
	Resolution on <i>Co-operatives in the Year 2000</i> presented by Mr. Y. Daneau (<i>Canada</i>)	207
	Debate on <i>Co-operatives in the Year 2000</i>	209

Wednesday	Debate on <i>Co-operation in the Year 2000 (cont.)</i>	. . .	222
15 October	Reply to the Debate, by Dr. A. F. Laidlaw	. . .	229
	Report on the Co-operative Development Decade		
	1971-1980 presented by Mr. P. Søliland (Norway)	. . .	230
	Debate on the Report and <i>ICA and Technical Assistance</i>	. . .	234
Thursday	<i>Announcement of ICA Officers and Executive Committee</i>	. . .	246
16 October	Debate on the Report (<i>cont.</i>)	. . .	246
	Reply to the Debate, by Mr. P. Søliland	. . .	250
	<i>Earthquake victims in Algeria: President's Announcement</i>	. . .	251
	Motions and Amendments to ICA Rules	. . .	252
	Close of Congress	. . .	254
	Farewell Message from Nils Thedin (Sweden)	. . .	254
	Venue of the 28th Congress	. . .	254
	The President's Closing Address	. . .	255
	Resolutions adopted by the Congress	. . .	255
	Amendments to ICA Rules	. . .	262
	Charter of Co-operative Tourism	. . .	265
	Resignation of Dr. S. K. Saxena, ICA Director 1968-1981	. . .	267
	ICA Regional Offices and Affiliated Organisations	. . .	273

XXVIIth CONGRESS
of the
INTERNATIONAL
CO-OPERATIVE
ALLIANCE

Moscow, USSR
13-16 October 1980





The Opening Session

XXVIIth Congress in Brief*

The XXVIIth Congress of the International Co-operative Alliance was held at the Cosmos Hotel, Moscow (USSR) from 13 to 16 October 1980, under the Chairmanship of its President, Mr Roger KERINEC. It was attended by 584 registered official voting delegates from 113 member organisations drawn from 52 countries, as well as 11 representatives from international governmental and non-governmental organisations and 512 officially registered visitors.

Monday, 13th October

Morning Session

OPENING OF CONGRESS

Mr Roger KERINEC, President of the Alliance, extended a sincere welcome to all delegates, observers and guests. He particularly welcomed the presence, as official observers, of representatives of the Food and Agriculture Organisation (FAO), the International Labour Office (ILO), the UN Industrial Development Organisation (UNIDO), the UN Conference on Trade and Development (UNCTAD), the EEC General Committee for Agricultural Co-operation (COGECA), the Joint Committee for the Promotion of Aid to Co-operatives (COPAC), the International Planned Parenthood Federation (IPPF), the International Raiffeisen Union, the Latin American Technical Institute for Co-operative Integration (LATICI), the World Federation of Trade Unions and the World Peace Council.

He also welcomed the numerous members of co-operative movements not as yet affiliated to the ICA, from Mexico, Mongolia, Spain and Vietnam, as well as the many observers from Centrosouy.

Welcome on behalf of the USSR Government

A message from Mr Leonid BREZHNEV, President of the Supreme Soviet Presidium of the USSR, was read by Mr P. STRAUTMANIS, Vice-President of the Presidium, as follows:

“To the participants of the 27th Congress of the International Co-operative Alliance: I wholeheartedly greet the delegates and guests to the 27th Congress of the International Co-operative Alliance who have assembled in Moscow to discuss the vital problems of the development of the co-operative movement and co-operation.

“The co-operative movement in our country has achieved great successes. Guided by the teaching of V. I. Lenin, the founder of the Soviet State, the Communist Party, the Soviet Government and all the people render the co-operatives all-round support and assistance in promoting the development and consolidation of their social and economic activities. The co-operatives

*The full Report of the Congress will be published early in 1982.

are an integral part of the economic and political system of Soviet society which provides all necessary conditions for the harmonious development of the individual and for raising the welfare of the people.

“At the present time, the International Co-operative Movement, with a membership of hundreds of millions, constitutes an influential public and socio-economic force. It makes a significant contribution to the struggle for democratisation of international relations and for eliminating political and economic inequality between nations.

“Today, when the reactionary forces of imperialism are striving to turn mankind back to the time of the ‘cold war’, stepping up war psychosis and escalating the arms race, it is imperative to make the efforts of all peace-loving forces, including the International Co-operative Movement, more active in the struggle to preserve and consolidate peace, curb the arms race and achieve disarmament. Co-operatives are able to do a great deal to carry out this important and urgent task.

“I wish the participants in the Congress fruitful work and new successes in pursuing the objectives of the International Co-operative Alliance, which are to serve the cause of raising the economic, social and cultural wellbeing of the working people of all countries, developing friendship, collaboration and mutual assistance among them in the name of social progress, democracy and peace.

LEONID BREZHNEV”

Welcome on behalf of the Moscow City Soviet

Mr A. Y. BIRYUKOV, Vice-Chairman of the Executive Council of the Moscow City Soviet of People's Deputies, welcomed the participants and guests of the Congress, saying that the ICA was one of the larger mass organisations concerned with major social and economic problems. The Council knew what immense efforts the members of ICA in all areas of the world made to achieve greater social justice, greater wellbeing and better cultural and educational opportunities for working people; they were convinced that the 27th Congress would serve to promote further international collaboration between co-operators and would make a fitting contribution to the cause of peace and the development of understanding between peoples.

He hoped participants would take the opportunity to visit their beautiful city, with its theatres, exhibitions and museums, and wholeheartedly wished them a successful and fruitful Congress; he assured them that the Muscovites would do their best to create the necessary conditions to make everyone's stay in Moscow memorable and joyful.

Welcome on behalf of the Co-operative Movement of the USSR

Mr A. A. SMIRNOV, Vice-President of ICA and President of Centrosoyuz, welcomed the 27th Congress on behalf of the 60 million co-operators in the USSR. He said:

“The International Co-operative Movement is one of the biggest mass movements in the world. Co-operative

organisations participate in building a new society in the socialist countries, actively struggle for the interests of the working people in the capitalist countries, and take part in the construction of a new life in the countries which have freed themselves from colonial and semi-colonial dependence.

“Great organisational work aimed at closing the ranks of the world co-operative movement is done by the International Co-operative Alliance which unites hundreds of millions of co-operators in all the continents of the world. The activity of the Alliance has intensified in the past few years. Its work in giving assistance to co-operators of the developing countries has been expanded, the Alliance’s role in developing co-operative education, collaboration among co-operatives and international co-operative trade has become stronger. The Alliance actively involves women and youth in the co-operative movement, pays great attention to the problems of co-operative democracy, and co-ordinates the activities of co-operative movements, directed at defending co-operatives against the onslaught of the capitalist monopolies.

“The Alliance actively protects the working people, takes part in the various activities of the United Nations Organisation and its Specialised Agencies, and supports the moves made by the democratic and peace-loving forces.

“A Congress of the International Co-operative Alliance is a major event in the lives of co-operators throughout the world. It sums up the results of the joint work of the member organisations of the Alliance, which is aimed at improving the living and cultural stand-

ards of their members. At the same time, each ICA Congress makes a positive contribution to the expansion and strengthening of international collaboration within the co-operative movement.

“The agenda of this Congress includes major questions which are of great importance for the International Co-operative Movement. But there is every reason to assert that the co-operative movement will be stronger if its activity proceeds with the support of the State, under conditions of an ever wider collaboration of the co-operators of the whole world, collaboration which is directed at raising the well-being of co-operators and at safeguarding peace, against the threat of war, and in accordance with the ideals, aims, tasks and principles of the International Co-operative Movement.

“As Leonid Brezhnev, General Secretary of the CC CPSU and President of the Presidium of the Supreme Soviet of the USSR has already noted in his message of greeting, great attention is paid to the questions of development and improvement of the work of consumer co-operatives in the Soviet Union. The Soviet State renders the co-operatives all-round assistance and the necessary material and moral aid, and helps them to accomplish the socio-economic tasks which face them. All these tasks are exceedingly important and responsible. The list includes the development and strengthening of economic links between town and country, the improvement of services for the population, contributing to a further rise in the material well-being and improvement of the cultural and living conditions of the working

people, and drawing the masses into public self-government.

“It was with great satisfaction that Soviet co-operators welcomed the decision to hold the 27th ICA Congress in our country. We view this not only as an opportunity to familiarise the representatives of the international co-operative public with the activities of the Soviet consumer co-operatives, but also as a chance to promote collaboration and to share experience of the development of the co-operative movement in the interests of all the countries and peoples whose representatives have come here to participate in the Congress.

“We would like also to express gratitude to Mr Roger Kerinec, President of the International Co-operative Alliance, to the members of the ICA Executive, and to all those who to a greater or smaller degree helped to prepare the Congress, and to note with satisfaction the broad representative character of the ICA Congress in Moscow. This will doubtless facilitate a wider exchange of views and experience at the Congress sittings and will make its work more successful and fruitful.

“In conclusion, allow me to express the hope that the extensive constructive programme worked out by the 27th Congress of the International Co-operative Alliance will promote the unity of the International Co-operative Movement and further growth in the collaboration of co-operators in their struggle for raising the well-being and cultural standards of the working people who participate in the co-operative movement.

“I wish the participants in the Congress successful and fruitful work.”

The President's Inaugural Address

Mr R. KERINEC said the decision to hold the 27th Congress in Moscow had been taken four years ago in Paris, when they accepted the invitation from Centrosoyus. Despite the crisis in international affairs, they had held to their decision because they were not a government organisation, and at a time when decisions taken by governments tended to create tension and endanger peace, it was perhaps good that the representatives of a popular movement such as the ICA should express their will and determination to continue to work together.

Congress would be considering the role that co-operatives could play in the year 2000. While governments were faced with the major responsibility for making social and political decisions to enable billions of people to live in peace and security, the representatives of the many millions of co-operators throughout the world also had an important role, that of making ordinary people understand the importance of the issues confronting both governments and the International Co-operative Movement. ICA had unique experience in international affairs; it was concerned with some of the most important areas of life: production and distribution of food, housing, consumer co-operation, and the circulation of money. They should also not forget what the Secretary-General of the United Nations had called the “great importance of economic co-operation”.

In a world torn by ideological clashes, threatened with pollution and depletion of natural resources, faced by growing disparities between the rich and the poor and the violation of human rights, it was essential that the International Co-operative Movement should give an

example of friendship and mutual assistance between East and West, North and South. The exchange of trade and experience between co-operatives in all sectors could make a great contribution to this end, and governments must be urged to undertake the necessary reforms, for example in agrarian policy and taxation, to enable co-operatives to play a greater role.

It was also important that co-operatives should be truly independent and popular movements; only in this way could the entire experience of the people and the technology worked out by the masses of peasants, farmers and industrial workers be made use of, and genuine development take place.

Did the ICA have effective ways and means of meeting the challenges facing it at the present moment? He was afraid not. Those who established the ICA were pioneers with great vision; their spirit must be maintained, but it was equally necessary to examine present structures and methods of operation in order to increase effectiveness. A way must be found of co-ordinating more closely the work of the various administrative bodies, auxiliary committees, regional offices, international co-operative federations, within the ICA structure, to allow for better communication between them and with the centre, and to make ICA more effective. Only if this were done would its membership increase and its prestige grow among governments and inter-governmental organisations. Let the Moscow Congress be an outstanding demonstration of the fact that the ICA was capable of giving hope to the nations, and inspire confidence that it would be able to join more effectively in the creation of a New International Order.

The President expressed the Alliance's thanks to the Ministers and representatives of the public who had attended the opening of the Congress.

Obituaries

The President closed by mentioning the names of some of the co-operators who had passed away since the previous Congress: Ernest Clarke (UK), Maurits Doms (Belgium), Harald Håkansson (Sweden), Reidar Haugen (Norway), Anton Kimml (Austria), Alexander Petrovic Klimov (USSR), Leopold Kovalcik (Czechoslovakia), Professor Paul Lambert (Belgium), B. D. Mishra (India), Asao Miyawaki (Japan), Robert Alexander Palmer (Lord Rusholme) (UK), Mrs G. E. Stanford (ICA Secretariat), S. Sultanov (USSR) and Tom Weir (UK), all of whom had been listed in the Report. To these he would like to add the name of Glenn Anderson, of the Co-operative League of the USA and a member of ICA Executive Committee, who had died suddenly a few months ago.

He said the contribution of all these co-operators to the work of the Alliance had been very great, and for this they and others like them should be remembered at Congress.

(A few minutes' silence was observed.)

Congress Committee

Congress approved the appointment of the following as members of the Congress Committee, in addition to the President and two Vice-Presidents: Dr L. A. Carello (Argentina), Dr H. Fahrenkrog (GDR), Mrs U. Jonsdotter (Sweden), Mrs J. Lokkaj (Poland), Mr B. S. Vishwanathan (India), Mr L. Wilkinson (UK).

Tellers

Congress approved the appointments of the following as Tellers: Mr. W. Briganti (Italy), Mr W. Kellerhals (Switzerland), Mr V. Kondratov

(USSR), Mr J. J. Musundi (Kenya), Mr N. T. F. Nagaratne (Sri Lanka), Mr I. Pramov (Bulgaria), Dr A. L. Reyes (Puerto Rico), Mr B. Thordarson (Canada).

REPORT OF THE CENTRAL COMMITTEE

In presenting the Report of the Central Committee on the Work of the ICA during the period 1976-1980, the Director, Dr S. K. SAXENA, expressed his sincere thanks to all colleagues in London, New Delhi and Moshi who had made this work possible, often under difficult and uncertain conditions.

He then went through the Report in detail. He referred first to the follow-up action which had been taken on the various Resolutions adopted at the 1976 Congress in Paris. In this connection he mentioned particularly the Resolution on Collaboration between Co-operatives to be moved at the present Congress, the draft Code of Co-operative Advertising Practice issued by the Press Working Party and the recent formation of a Press Working Party for the S.E.Asia Region, the President's address to the UN General Assembly's Special Session on Disarmament and ICA's participation—thanks to Centrosoyus—in the very recent NGO's meeting on Disarmament in Geneva. The Consumers Committee had followed up the resolution on Standards for Non-Food Products; the Housing Committee, among other activities, had been pressing for higher priority on housing in the affairs of the EEC; the resolutions on Women and the Co-operative Movement, and Tourism, had been followed up by the Committee and Working Party concerned, the latter

having adopted a Charter on Co-operative Tourism.

Lack of finance had unfortunately prevented the full implementation of the Long-term Programme of Work laid down at the Paris Congress, although a number of ICA's activities during the period had been directly relevant to this Programme. Since 1976 nineteen organisations had been admitted to membership of the Alliance, and ICA therefore had an excellent coverage in various parts of the world.

The Report described the work carried out by the Central and Executive Committees and the Secretariat during the period, and the setting up of a special working group to look into the composition of the Executive Committee, the position of Regional Councils within the ICA structure, and the role of the Auxiliary Committees and their relationship with each other and with the Secretariat.

The setting up of a Regional Office for West Africa had been endorsed at the previous day's Central Committee meeting, as funds were now available from Norway, the Swedish Co-operative Centre, the UN Development Programme and CIDA; a number of members were contributing to a light administrative budget, and there would therefore be no charge to the central budget.

The Director again reminded delegates of the very serious financial situ-

ation which had made work in the Secretariat extremely difficult. ICA had suffered badly in 1980 from exchange fluctuations, and if delegates wanted the ICA to survive and work actively rather than merely exist as a passive organisation, it would be necessary to evolve a system whereby the ICA did not lose, whatever happened to exchange rates.

Turning to the work of the Auxiliary Committees and Working Parties, the Director mentioned particularly the "Buy a Bucket of Water" campaign launched by the Women's Committee, the International Trade Conferences organised by the Agricultural Committee. The activities of the various Committees were detailed in the Report, and these now included the Fisheries Committee which had received committee status in 1977. Another body working very closely with the ICA was the International Co-operative Housing Development Association (ICHDA), whose activities were also described in the Report. He listed the publications issued since the previous Congress, in particular the additions to the "Studies and Reports" series.

Relations with the United Nations and other non-governmental organisations continued to be good. The Alliance had participated in the FAO World Conference on Agrarian Reform and Rural Development (WCARRD), and a team consisting of several ICA member organisations had discussed with the FAO, earlier in 1980, the role of co-operatives in encouraging local participation in development, which had emerged as the main focus of the recommendations of the World Conference. He particularly wished to express the ICA's appreciation of the support given by local organis-

ations in enabling ICA to be represented with the United Nations and its Agencies in New York, Geneva, Rome and Paris. The Director had himself had the opportunity of calling on the Secretary-General of the United Nations, the Administrator of the United Nations Development Programme, and the Chief of the Transnational Co-operation Unit, to make them aware of the co-operative point of view. Through its member organisations, ICA had been represented in a large number of meetings in various parts of the world.

Debate on the Report of Central Committee

Speakers on the **Introduction** all approved the Report of Central Committee as a true and accurate account of the activities of the ICA over the past four years since the previous Congress. Speakers also took the opportunity of thanking Centrosoyus for the excellent working conditions provided for the Congress, a sentiment expressed by many speakers throughout the Congress.

Speaking on behalf of his country's three co-operative organisations, Mr G. ROSU (Romania) stressed the importance which they attached to their membership of the ICA and their desire to contribute fully to the continuous strengthening of unity and collaboration within its framework. As founder members they had always supported the actions and objectives of the ICA programme, and had worked to promote co-operative ideas and principles and increase the ICA's role and prestige internationally.

The Romanian Movement supported the measures taken by the ICA Execu-

tive for improving work efficiency, for husbanding financial resources and assisting co-operative movements in the less developed regions of the world. It also stressed the importance of increasing the membership, which would strengthen ICA in quality as well as quantity and enable it to become more representative of the whole co-operative world. He outlined the Romanian Movement's own international relations work, and acknowledged the appreciation expressed in the Report, of CENTROCOOP's work in translating and printing the French edition of the *Review of International Co-operation*.

He assured the Congress that the Romanian Movement subscribed to the important objectives mentioned in the Central Committee's Report, and supported the measures and projects planned for the future, thus contributing to the unity and internal cohesion of the organisation.

Mr. J. KAMINSKI (Poland) said the purpose of the Congress was to discuss changes in the structure of ICA's work. Speaking on behalf of the Polish Co-operative Movement, he said that the Alliance must have the structure and personnel necessary to assure continuing relations between the co-operative movements of many countries with different social and economic systems. The Polish co-operatives greatly appreciated the activities of the Housing, Agricultural and other Auxiliary Committees.

The Report of the Central Committee testified to the fact that the ICA was keenly aware of the importance of participation in international activities, and this was shown by the report of the ICA President to the recent Emergency Ses-

sion of the UN Assembly. Its increasing co-operation with the FAO, UNCTAD and other organisations within the UN would doubtless yield fruitful results in the future.

While the future of the ICA was the subject of their discussions, their past experience must be used to help them meet the needs of an evolving world. The task of the International Co-operative Movement was to contribute to improvements in all fields of human endeavour, through education for co-operation. He expressed the conviction of the Polish Co-operative Movement that the International Co-operative Alliance would have a successful future.

Mr B. S. VISHWANATHAN (India) said the Report was a record of definite achievement, but also of some uncertainties. The Alliance had made a valuable contribution towards strengthening the co-operative movements all over the world, particularly in the developing countries. In this connection he wished to mention specifically the establishment of the new Regional Office in West Africa, and the "Buy a Bucket of Water" campaign which had shown that the Co-operative Movement could successfully mobilise international efforts to assist the developing countries to solve their massive problems.

Mr Vishwanathan mentioned the increasing role which co-operatives were called upon to play in the developing countries, the need for greater efficiency and for more effective collaboration between the movements of developed and developing countries to speed up the process of development.

He expressed concern over the note of uncertainty in the Report about ICA's

future: a strong ICA was more than ever needed; a weakening of the ICA would demoralise the entire co-operative movement and it must not become a merely notional and skeletal organisation. Congress's decision on this point would affect the future, not only of the ICA but of the entire movement. With a sense of hope and optimism he endorsed the Report of the Central Committee.

Mr N. I. SUPOTNITSKY (USSR) said that the Report indicated that the Alliance had unflinchingly pursued its aim of contributing to the establishment of lasting peace and security in the world; he gave details of the various steps it had taken towards this end, and the ways in which it had endeavoured to preserve its unity.

Soviet co-operators were well informed on the activities of the Alliance, and supported its efforts directed towards the consolidation of the international co-operative movement, towards collaboration between co-operatives at all levels, and strengthening co-operative movements throughout the world, particularly in the developing countries.

Mr J. MARIK (Czechoslovakia) said the Report accurately reflected the problems of the ICA and the whole situation of the world co-operative movement. It was right that the Congress participants who faced these problems should also be able to express their attitude towards them. The most important problem which touched them all was world peace, but others were concerned with protecting the environment and the struggle against hunger and disease. The Co-operative Movement had always taken a strong stand on all these matters

and must continue to do so, maintaining its defence of international solidarity and equal rights for all people all over the world. ICA should increase its involvement in the economic and social sphere, and Mr Marik suggested that education should be social as well as vocational, since social progress was not only the basic tradition of Co-operation but was also a guarantee for its future existence and development.

He closed by thanking the various bodies within the Alliance, and its staff, for all the work carried out during the past four years, and especially for the assistance rendered to young co-operative organisations in developing countries. Through their initiatives and realistic actions, through their conviction in the usefulness of the ICA's work, they had laid the foundations for further progress.

Mr I. PRAMOV (Bulgaria) said that it was hardly possible to reflect the vast and diversified activities of the ICA within the confines of the Report, but it did show the viability and the great opportunities for further growth of the International Co-operative Movement.

The Central Co-operative Union of Bulgaria had played its part in carrying out the spirit of the Resolutions passed at the ICA 26th Congress, in keeping with the traditions of the Bulgarian co-operatives. One such activity had been the 1977 seminar held jointly with the Agricultural Committee, on the role of agricultural co-operatives in the development of agriculture and the solution of rural problems, which had been attended by representatives from twelve developing countries. They would be organising further seminars of this type.

Collaboration between the ICA and

international organisations in the training of personnel from developing countries was also very important, and his Movement attached great significance to the strengthening of ties with the United Nations, the FAO and other international bodies.

Mr Pramov emphasised the great importance of collaboration between co-operatives, especially economic and trade collaboration, and the support given by the ICA Committees and personnel for all initiatives along these lines was greatly appreciated. But such collaboration could only take place under peaceful conditions, and for this reason Bulgarian co-operators would spare no effort to strengthen peace throughout the world and extend the activities of the ICA.

Mr W. WOLF (German Democratic Republic) said much had been done in the four years since the last Congress, especially in the matter of collaboration between the ICA and other international agencies, and in providing support for co-operative activities in developing countries. Co-operators in his country followed closely the work of the ICA, and were confident that the activities of the next few days and in the 80s would enable the Movement to consolidate and extend what had already been achieved. He wished success to the delegates and observers from developing countries, and pledged the support of the ICA in their work.

Delegates had assembled in Moscow from all parts of the world to express and exchange views on the role of the co-operative movement: it was essential to strive for continuing dialogue and to oppose confrontation and conflict. He

hoped it would be a fruitful Congress.

Speaking on the **Work Programme (1.3)** Mr N. THEDIN (Sweden) said that Dr Saxena, in his very fascinating report, had referred to the severe cuts in personnel and to the almost impossible conditions under which the staff had been asked to work. This was well illustrated by the fate of the Work Programme presented to the Paris Congress in 1976, following Mr Klimov's proposal at the Warsaw Congress in 1972. The Programme had been carefully worked out, it would cost £255,000 for the four years, and after a long and constructive debate the Programme was adopted by Congress. Now the Report of the Central Committee stated (1.3) that the Programme had not been fully implemented because of lack of resources, although the ideas of the Work Programme had been reflected in the ICA's general activities; however, during a period of financial losses and cuts in personnel, these also had been limited, especially as no additional resources had been placed at the disposal of the Director. As Mr Thedin said:

"We asked him to till a new field but we did not give him a plough and a horse, still less a tractor. We did not even give him a spade. We simply asked him to dig with his bare hands."

The serious deterioration in the ICA's finances had not been foreseen, and without finances no work programme is realistic. However, the work done in order to prepare the Programme was not without value, as it demonstrated what the ICA might achieve, given the financial resources approved by the Paris Congress. It must presumably now be accepted that it was impossible to imple-

ment the Programme, but he would like to emphasise that Dr Saxena had done wonderful work; it was difficult to work under conditions of financial strain, and Dr Saxena had done the very best possible in the circumstances. The Work Programme belonged to the past, but he believed they had learned something for the future from it, and from that point of view it had been of value.

The PRESIDENT said he associated himself with what Mr Thedin had said. Congress then adjourned for lunch.

Afternoon Session

The Discussion on the Report of Central Committee continued with reports of follow-up action on the **Resolutions** passed at the 1976 Congress.

Speaking on **Peace**, Mr S. NAKABAYASHI (Japan) referred first to the Director's International Co-operative Day appeal to ICA's 350 million members throughout the world to intensify their efforts to establish world peace, and his reminder that the world has more explosive power than food and invests 2,500 times more in the machinery of war than in the machinery of Peace. Mr Nakabayashi went on to describe the proliferation of nuclear weapons throughout the world, in spite of the UN declaration that the 1970s should be the Decade for Disarmament, and the imminent threat of nuclear war.

He then touched briefly on the 1980 World Conference against Atomic and Hydrogen Bombs held that year in Tokyo, Hiroshima and Nagasaki, attended by 105 representatives from 25 countries and 12 international organisations, including many prominent scientists and fighters for peace. The

Japanese Consumers' Co-operative Union had been playing a leading role in the Japanese Movement against Atomic and Hydrogen Bombs since 1977, and he himself had had the honour of presenting the keynote speech at the World Conference on behalf of the organisers.

Mr Nakabayashi described the terrible effects of the first two atomic bombs in the history of mankind which still afflicted more than 370 000 *hibakusha* (atomic bomb sufferers). The Japanese sincerely hoped that they might be the last victims of such inhumanity. But it was said that nuclear weapons deployed in the world had a million times more power than that of Hiroshima and their testing had produced new sufferers in many parts of the world. There would be a second UN Special Session on Disarmament in 1982 and he urged all co-operative organisations affiliated to the ICA to make representations to their governments to ensure the success of this Special Session and improve the prospects of world peace.

Mr Nakabayashi was followed by two observers Mr J. NEMOUDRY (World Federation of Trade Unions) and Mr B. PETRUS (World Peace Council).

Mr J. NEMOUDRY stressed the contribution of the ICA to the preservation and consolidation of peace. He said the WFTU had always been deeply involved in improving the socio-economic conditions of the working people in the world and supported the collective action of the developing countries in their struggle against the multinationals. He outlined briefly some of the other aims pursued by the WFTU, including its work for the establishment

of a more just International Economic Order and for more respect for the rights of working people. The WFTU sought to strengthen its links with the UN specialised agencies to achieve this end, and co-operated with the ICA so that they could synchronise their efforts in their common cause.

Mr B. PETRUS conveyed the greetings of the World Peace national committees of 135 countries. He was glad to renew, on behalf of the World Peace Council, the pledge of continuing and strengthening collaboration between the WPC and the Alliance: both were working for the defence of international peace, security, human dignity and survival itself. In the present worsening state of relations and the proliferation of nuclear weapons, he referred to the importance of the previous month's assembly in Sofia of the World Parliament of Peoples for Peace attended by 2,260 participants. He quoted extracts from the appeal issued from that assembly, and called on co-operators to act without delay, for themselves, their homes, their co-operatives, their children, for the survival of the present generation and the generations to come, before it was too late, before the first bomb dropped. Mr Petrus said that his organisation was aware that declarations at meetings were not enough and could be forgotten when participants arrived back home, and mentioned some of the follow-up action they hoped to take. He thanked the President for the opportunity to address the Congress, and again emphasised the importance of collaboration between their two organisations in their various fields of mutual interest at various levels, bilaterally, in the NGO movement and

within the UN system. He wished delegates a successful Congress.

Mr J. LACROIX (France) wished to point out that since the Paris Congress, the zones of peace and freedom had been greatly reduced throughout the world. Perhaps ICA could have done more, but the conditions which determine peace or war are mainly outside the control of ordinary people, and how should the ICA and other NGOs be expected to succeed where the United Nations have failed?

He touched on the question that new members to the ICA should not be admitted unless their statutes conformed to the Principles of the ICA; however statutes were subject to national legislations, and did not necessarily provide a reliable criterion of whether an organisation was or was not truly co-operative. He suggested that the ICA Executive Committee might consider setting up a committee composed of leading co-operative lawyers, who would be given the task of systematically examining co-operative legislation and its development, in order to assess the level of correspondence to ICA Principles, similar to the earlier ICA Commission on Co-operative Principles. The findings of such a committee would have great importance for co-operative legislators, especially as the committee would be able to liaise with the International Labour Organisation which has accumulated a lot of data on this subject.

The PRESIDENT thanked Mr Lacroix and assured him that his proposal would be noted.

Mr T. MIYAZAKI (Japan) said that the Report of Central Committee de-

voted much space to **Collaboration between Co-operatives (2.2)**, following the adoption of the Resolution at the Paris Congress. Such collaboration was essential to enable co-operatives to confront competition from the private sector, and would also bring benefit to co-operators in many countries. His own organisation, the National Federation of Farmers' Co-operatives (Zen-noh), did not confine its collaboration to the field of trade, but had also been promoting exchanges of experience and information for the development of co-operatives throughout the world.

Zen-noh's activities included the marketing of all farm produce delivered by members, and the supply of all goods needed by them on their farms and in daily life. Their international activities included: the Japan/Thai agreement mentioned in the Report; exchanges with Centrosoyus; relations with US grain co-operatives, with French dairy co-operatives, and with the Federation of Supply and Marketing Co-operatives of neighbouring China—on all of which he gave details. Out of these experiences Zen-noh had drawn some practical principles for the promotion and development of international collaboration between co-operatives, which might be obvious but Mr Miyazaki hoped they would lead to better understanding:

1. Mutual trust must be established as otherwise collaboration could not develop.
2. Mutual benefit must be ensured.
3. Collaboration must take place on equal bilateral terms with both sides willing to assume responsibility.
4. It was important to try to ensure

a continuing relationship in which there was firm determination to overcome any possible obstacles.

Mr Miyazaki closed by expressing his sincere hope for the further development of international collaboration between co-operatives during the period to the next Congress.

Mr A. E. REZZONICO (Argentina) said that the importance of making known the details of collaboration between co-operatives had been repeatedly stressed, and he thought the experience of the credit movement in his country would be useful to delegates in terms of their own national experiences.

In 1972, the Argentine credit co-operatives were in a state of crisis owing to the political situation; then the position improved through widespread financial reforms in the country, although co-operative rights were reduced. Now, as he had reported at the 4th International Conference on Co-operative Thrift and Credit held in Brazil in 1977, thanks to the collaboration of all sectors of the Argentine Co-operative Movement as well as of the international movement, they had been able to improve the situation and develop a co-operative banking system which was of crucial importance to the county's co-operative movement.

He gave details of the problems faced by the new banking system, and the means used to overcome them, and referred to Mr Lacroix's recommendation that a commission should be set up to monitor co-operative legislation. His Movement strongly supported the idea: they felt it was important that governments should create more favourable conditions for the activities of credit co-

operatives, in line with UN decisions.

His movement believed that international collaboration could be improved: they themselves needed closer co-operation with the co-operative organisations of other countries; they needed their support, and sometimes they needed finance from abroad to enable them to expand their activities. In transmitting the warm greetings of the Argentine co-operatives, Mr Rezzonico appealed to delegates to display more solidarity not only with the Latin American co-operatives but with other bodies working for the establishment of an ICA office in Latin America.

Mr A. MONIN (Argentina) also spoke about the difficulties of the co-operative movement in Argentina. Federations played a major part in their co-operative activities and had strongly supported the UN Year of Co-operation in 1975. He gave details of the co-operative credit movement in his country, and the contribution it was making to further social progress. He expressed the hope that the National Bank would sooner or later abrogate the legislation which still restricted its development.

In conclusion Mr Monin commented on the solidarity between delegates which characterised the Congresses of the Alliance, a solidarity based on the concern of all co-operative workers for the progress of the whole movement. He said their primary concern was to consolidate peace throughout the world.

Mr E. COETTE (France) said his organisation, the National Federation of Consumer Co-operatives (NFCC) had always sought for collaboration between co-operatives in the international ex-

change of products; they were now importing products from Spain, Italy, Switzerland, Africa, Israel, India and Japan. He hoped that collaboration between co-operatives within the Alliance would increase, in accordance with the desire expressed fourteen years ago at the Vienna Congress in 1966. In fact this was essential if they were to resist the threat of the multinationals.

INTERCOOP and other bodies had achieved great results, but greater organisation was needed to make co-operatives more competitive, and also to increase co-operative production to meet co-operative demand. Exchange of experience was also important, in order to use resources to greatest effect. In spite of scarce resources, the Alliance had striven to strengthen collaboration between individual movements; its voice had been heard in all countries, but it must become a still more effective vehicle for exchanges, so that more assistance could be given to those countries which consider co-operation to be the only way of solving their internal problems. Co-operators of all countries must unite, and they will then represent a powerful economic force capable of creating a new economic order in which there will be no place for greed, or for waste and misapplication of resources.

Mr. N. T. F. NAGARATNE (Sri Lanka) referred to the vital role played by the ICA Regional Offices in helping to identify areas of need, and in establishing the necessary contacts for the implementation of development programmes. He hoped that the financial constraints mentioned by the Director would not affect this role.

He described the programmes then

being carried out in Sri Lanka, the teacher training project aimed at improving managerial skills, a Regional pilot project carried out with the collaboration of the Regional Office and the Swedish co-operative movement, and the consumer education project for women funded by the consumer guilds in Sweden, the Swedish Co-operative Centre and SIDA; the latter had been successful to the extent that during recent elections 120 women had contested places on branch committees and administrative boards, of whom over 100 had gained places on the branch committees, and two on boards of directors. The concept of the food pyramid introduced from Sweden had been most effective in communicating with the rural women, to made them more diet- and health-conscious.

Mr. Nagaratne also thanked the National Co-operative Union of India and the Japanese co-operative movement for their help and support, and the ICA for its assistance in providing drinking water through the 'Buy a Bucket of Water' campaign.

Speaking on **Finance (7.)**, Mr. A. HOSSAIN (Bangladesh) said that the seven million co-operators in his country regarded the ICA as a bond of unity and a source of inspiration to continue with the struggle for economic improvements and social justice. It was essential to free the ICA from its present financial constraints, and he suggested that all national movements should use the annual International Co-operative Day to launch national savings campaigns and contribute 50% of such savings to ICA funds as a token of faith in the ideals of co-operation.

Mr. D. L. WILKINSON (UK) referred to Mr. Hedley Whitehead's remarks at the 1976 Congress (Paris) on the constraints imposed on the work of the ICA by lack of funds, and to the subsequent setting up of the Ad Hoc Committee on Finance (FABUSCOM), as described in paras. 7.6 and 7.7 of the Report under discussion. Forecasts made during the present session did not make pleasant hearing, and cuts in staff with consequent reductions in services appeared inevitable. It seemed clear that member organisations did not contribute sufficient money to the ICA to sustain the operations which they expected it to fulfil on their behalf. The list of contributions made by member organisations indicated that some movements were not paying as much as they should, or as much as their business operations showed they could afford. Membership of the ICA carried responsibilities, and one of those responsibilities was to contribute in such a manner as to enable the organisation to fulfil its tasks. He hoped that delegates, on their return home, would ensure that their organisations gave the matter the attention it deserved.

He closed by referring to the considerable sums contributed to the ICA by the movement in the United Kingdom, as well as its support of the Latin American project and its contribution of £10,000 to the establishment of the Regional Office in West Africa. He wished to echo Mr. Whitehead's closing words in Paris four years ago: 'Actions speak louder than words'.

Mr. H. N. OSAKWE (Nigeria) thought that it was paradoxical that at a time of general economic stress, ICA was

under pressure to expand its services—purely from the motive of self-preservation: if it did not expand to cover the whole world, it could not fulfil its role of working across the board to save the common man, the ordinary peasant, from the ruthless exploitation of the multinationals.

A new formula had been evolved for calculating subscriptions, which were however calculated in national currencies, and their equivalent amounts in sterling were at the mercy of fluctuating exchange rates and inflation. He believed that solidarity and good will should induce members to make up any shortfall so caused: they should realise that it was to their advantage to pay a little more to ensure ICA's solvency. Mr. Osakwe was quite sure that member organisations in West Africa would be willing to sacrifice a little more in order to ensure the survival and growth of this irreplaceable world Alliance in that Region.

Mr. G. R. GAY (UK) thought it was perhaps easier for him to speak freely now he was no longer a member of the Central Committee, but he hoped to be both helpful and constructive. Dr. Saxena and Mr. Søiland had spelt out the seriousness of the situation. It was easy to be wise after the event but, along with others, he had said at the Central Committee meeting in Copenhagen (September 1978) that the various compromises arrived at by the Executive Committee would give hostages to fortune, and perhaps the chickens had come home to roost even earlier than had been anticipated.

"I felt at the time that the original Ad Hoc Committee's report was a very good one and faced up in a realistic way

to the financial problems facing the Alliance. Now, perhaps understandably enough, in an international organisation composed of so many and such varied types of co-operative organisation it is very difficult to avoid compromises; but without the necessary financial resources the ICA can never be the force for progressive change and overall good that we all desire.

"Surely none of us can be satisfied with the report and its implications set out in paragraphs 7.4 to 7.8. The summary of the Alliance's income and expenditure in paragraph 7.5 (dealing with the financial situation) in the years since our last Congress in Paris in 1976 really says it all. The Alliance works literally on a shoestring and, make no mistake, does it extremely well, but it is not a healthy situation when the subscription income for that period of four years is less than that provided by special sponsors, and here, of course, the Alliance owes a great debt of gratitude to the Swedish Co-operative Movement.

"To cut down on expenditure is all very well, but there is a limit to that, and if it goes too far the services to member organisations and co-operative development in general will suffer, and we could finish up with an organisation that exists only on paper.

"Part of the strength of the Alliance has always been its ability to act as a pressure organisation, particularly on Governments and UN specialised and similar international bodies and to get them to act, promoting co-operative activities, and here the officers of the Alliance do a grand job. But of course we are less likely to be taken seriously by Governments and other bodies unless we adopt the degree of self-help, that is, help from internal co-operative sources, that should be inherent in our co-operative principles.

"For myself, I have felt for some time that one of our present weaknesses is our lack of membership of the major oil or energy rich States, particularly those with great wealth and relatively

small indigenous populations who could do so much to further co-operative efforts, particularly in the under-developed countries of the world although I am well aware of the good work done by many co-operative organisations on a one-to-one basis.

“As I see it, we must face up to the Alliances’s present financial difficulties, and that really means in one way or another raising additional income, preferably subscription income or, instead of the two or three lean years mentioned in paragraph 1.3, we could have a continual running down of the Alliance’s activities. If we will the end, we must will the means, and as one who holds the Alliance in the highest regard I trust that the Central Committee and the Executive will see that this should and will be done.”

Mr. P. MAUREMOOTO (Mauritius) agreed with the previous speakers that no organisation could run at a loss indefinitely. But he hoped the ICA would not become an exclusive club which only the wealthy could afford to join. There was a difference between unwillingness to pay and inability to pay. In many Third World countries, turnover—on which subscriptions to the ICA were based—bore little relation to net gains. They were facing great difficulties due to rising prices, including that of oil. Even when they could manage to pay their subscriptions, many of them could not afford to attend international meetings, and would not be here at this Congress had it not been for the kindness and generosity of Centrosoyus.

If the Co-operative Movement were to expand, surely the majority of prospective members would be found among the teeming millions of the Third World. But now it seemed that they might be excluded because their enlist-

ment and training needed financial resources which were not available.

It would be presumptuous for a small country like Mauritius to tell delegates what should be done. But he hoped the conclusion would not be to save the ICA at the expense of the Third World.

Speaking on **Technical Assistance**, Prof. E. BOETTCHER (FRG) spoke of his research in Latin America carried out on behalf of the Co-operative Institute in Münster, and the need to make such assistance more relevant to the needs of the recipients.

He was followed by Mrs. M. J. RUSSELL, Project Organiser for the **Buy a Bucket of Water** campaign launched by the ICA Women’s Committee. She described the financial success of the campaign. An up-to-date balance sheet had been distributed, and a full report would be sent to member organisations in due course.

The balance sheet showed that the largest contribution amounting to £175,000 had come from the Japanese movement. Another country which had done a magnificent job was Iceland which, with a population of only 200,000, had collected £12,500. In every country the women had been the backbone of the scheme.

But many other countries had contributed: the UK had organised money-raising events all over the country; Poland had printed several thousand leaflets in English for distribution to other member organisations; in Belgium women co-operators had worked with the Co-operative Insurance Company and enlisted the help of children in the Company’s orphanages and children’s

homes; in the Federal Republic of Germany the women of Dortmund had made a special collection, which had been matched by their Society; Zambia, which was a developing country which needed the wells, had collected £283—this would be supplemented so that some of the wells could be sited in Zambia.

Some countries had directed their contributions through other channels: for example, the three Finnish organisations had collected over £15,000 which had been directed through their Government's water scheme in Tanzania; Denmark had sold postcards to the value of 150,000 Danish marks; France was in process of making its own collection, which would go to the French-speaking countries in West Africa.

Altogether some £300,000 had been collected (£233,000 at the ICA headquarters). They had tried to reduce administrative costs as much as possible which had sometimes caused problems, as they had been dependent on the Regional Offices and other agencies to find projects; FAO had kindly waived administrative costs. Nevertheless, there were 41 wells in Afghanistan which would soon be in working order; they had sent money to India and to Sri Lanka—in Sri Lanka the women had worked with the Swedish Women's Guild on a collection on International Co-operative Day in 1979 and had collected enough money for six wells, most of which had now been sunk; £45,000 had been sent to the USA organisation CARE, which had already sunk wells in Peru and was arranging programmes in Haiti and Honduras; Hungary had provided a water purifier for Ethiopia for use on hospital sites; Bulgaria had allocated 6,000 leva which

would be used in a country with which they had a bilateral agreement.

Mrs. Russell thanked everybody for their collaboration, and hoped that in any future campaign of a similar nature, the whole membership would help.

Mr. M. DOMPER (Organisation of the Co-operatives of America, OCA) particularly thanked Centrosoyus for providing interpretation in Spanish, the fifth official language of the ICA. This had made it possible for some 200 Latin American co-operators to be present and listen to the discussions in their own language, to feel part of the 350 million members of the ICA, and this would contribute to the growing universality of the International Co-operative Alliance.

He then described the educational work of OCA in Latin America—thanks to the UK Co-operative Movement they were able to have an adviser in Bogota (Colombia)—and the educational networks and specialist centres in the various countries of the Region. This was an excellent example of co-operation at the international level, without which the movement could not exist.

Mrs. L. F. DE SANTANA (Puerto Rico) also welcomed the growing collaboration between the co-operative movements of Latin America, as expressed in the recent formation of the Confederation of Co-operators of Latin America and the Caribbean. Twelve countries had participated in the setting up of the Confederation, which was an important step forward in the economic and social development of the region. She hoped it would also be an additional link between Latin America and the ICA.

Mr. E. A. PORTER (UK) spoke of the importance of **Youth**, which was the basis of the whole future of the co-operative movement. His delegation, as many others, was concerned that there was no longer a Youth Officer in the ICA to co-ordinate the whole movement throughout the world.

He listed some of the developments in the UK stemming from the Youth Conference five years ago and the Schools Co-operative Seminar held in Paris in 1979: these included a regular youth exchange with Poland, a 'first ever' exchange with the Greek Schools Co-

operative Movement, joint exchanges with the Portuguese co-operative movement, and a pilot project whereby teachers were visiting Poland to examine the operation of school co-operatives which were at present non-existent in the UK.

He hoped that the new ICA Executive would give serious consideration not only to the possibility of holding another International Youth Conference before the next Congress, but also to the appointment of a Youth Officer to co-ordinate activities arising from such events.

Tuesday 14th October

Morning Session

The session opened with a report by Mr. R. P. B. DAVIES, ICA Deputy Director, who notified changes in the Motions and Amendments as agreed by the Congress Committee.

The Congress Committee also recommended that the time limit for speeches be strictly maintained at five minutes, except for movers of papers and motions, in view of the large number of speakers on Paper 3, "Co-operatives in the Year 2000", which would follow the Debate on the Report of Central Committee. This time limit was in accordance with Congress Standing Order No. 10.

The first speaker in the resumed debate on the **Report of the Central Committee on the work of the ICA 1976-1980** was Dr. K. H. A. KHEIR (Egypt), who as its Vice-Chairman reported on the work of the **International Committee on Agricultural Co-operation (10.1)**.

Dr. Kheir said that more than 50 delegates, from 23 countries, had attended the meeting in Moscow just prior to Congress. The Chairman, Mr. G. Kuylenstierna, had reviewed the work of the Committee since the 1976 Congress, and had given details of the

setting up of the Economic Sub-Committee to develop inter-cooperative trade as the only way of competing with the multinationals. In addition to visits and contacts made all over the world, two International Co-operative Trade Conferences had been arranged, the CLUSA/ICA Conference in New York in 1978, and the recent Second International Co-operative Trade Conference in Moscow organised jointly by the Economic Sub-Committee and Centrosoyus, at which over 100 delegates participated from 29 countries.

Since the First Conference, co-

operative transactions on international markets had attained a figure of US \$1 billion. He detailed the recommendations of the Second Conference, at which the production of a Co-operative Tractor had been announced. The Third Conference would be held in October 1982 in a less developed country and would deal with co-operative trade and access to energy sources. The Agricultural Committee had accepted this date and would co-ordinate it with the already conceived world conference on energy problems. A working group had been suggested for this purpose, comprising India, Denmark, Yugoslavia, the FAO and the ICA Secretariat.

The Agricultural Committee also discussed the problem of its Secretariat: in view of its increased activities and responsibilities, additional to the organisation of the Trade Conference, the Committee had approved that the Economic Sub-Committee should become the Economic Bureau, and the French movement had offered the services of Mr. C. Scheuer from the Economic Bureau as Executive Secretary of the Committee on the retirement of Mr. Branco Zlataric who would continue as part-time consultant.

The 1981 meeting of the Committee would be in Helsinki.

Speaking on the activities of the **Organisation for Co-operative Consumer Policy (Consumer Committee)** its Chairman, Mr. E. HANSEN (Denmark), drew attention to their new magazine, "Co-op Consumers", which had received considerable support from the Scandinavian and other countries. The magazine was also available in German and Spanish, thanks to the

good offices of BdK (FRG) and FACC (Argentina).

He reported that it had been agreed at their pre-Congress meeting, that the Committee's Executive would study the question of a more effective organisational structure, for recommendation to next year's meeting; they would of course be in close touch with the ICA in London about its own structural plans.

The Executive of the Consumer Committee had produced a discussion paper on a new consumer programme, which would be sent for comment to all members of the Consumer Committee; they were particularly interested in comments from the South-East Asia Consumer Committee and the Regional Offices in East and West Africa.

They hoped to broaden their relations with the United Nations department dealing with consumer affairs, and to be invited to participate in some of the meetings on the subject.

Further details of the Committee's work would be found in "Co-op Consumers", which had been distributed to delegates.

Mr. K. F. HARDING (Canada), on behalf of the **Fisheries Committee**, first expressed their heartfelt appreciation of the leading role taken by the Japanese National Federation of Fisheries Co-operatives (Zengyoren), especially the excellent services provided by Mr. Saito of Zengyoren as the Committee's Chairman. He also referred to the happy trading relationship which had existed for ten years between the Japanese Consumer Co-operative Union, through its agency, Japan Co-op Trade, and the Canadian fisheries

co-operatives. Such an amiable arrangement could only continue if there were frank and mutual understanding by both parties of the fact that Japan Co-op Trade naturally wanted to buy at as low a price as possible, while the Canadian Fisheries Co-operatives wanted to obtain as high a price as possible: this had occasionally led to an impasse, but so far the spirit of international co-operation, as demonstrated in the International Co-operative Alliance, had generally made a solution possible, and he hoped this would continue.

The Committee appreciated the help given by Zengyoren in providing assistance to its Secretariat at ICA headquarters. With such an example of international co-operation, they believed that the committee had a hopeful future.

Sir Arthur SUGDEN (UK) spoke on behalf of **INTERCOOP**, which had been formed ten years ago as an Auxiliary Committee of the ICA with the aim of promoting economic collaboration between its members and thus strengthening the competitive power and performance of consumer cooperatives on the market.

The co-ordination of purchases and the pooling of orders represented a very high priority in this collaboration, enabling them to improve purchasing conditions and influence the design and quality of goods. In the non-foods area collaboration was carried out within the framework of expert groups specialised in various ranges of articles. The volume of this trade had increased from US \$100 million in 1976 to US \$190 million in 1979.

In the area of foodstuffs, collaboration was mainly concentrated on the common

use of the buying offices of the UK Co-operative Wholesale Society (CWS) and the Scandinavian Nordisk Andelsförbund (NAF), whose intimate and specialised knowledge of the current market situation, quotations, placing of orders, shipping control, etc., had proved of great value. The purchases made through these offices (excluding those by owner organisations) had increased from US \$5 million in 1976 to approximately US \$25 million in 1979, the main articles being coffee, cocoa, and canned and dried fruit.

The success of this collaboration had encouraged them to enter into a joint venture—**INTERCOOP Far East Ltd.**—in Hong Kong, to assist with purchases on the Far East markets, starting with Hong Kong, Macao and China; results so far were encouraging.

INTERCOOP members had also built up an important 'own' industry, in both foods and non-foods, and exports to co-operative organisations in other countries were making progress. Turnover had increased from about US \$60 million in 1976 to US \$105 million in 1979.

Finally he emphasised that their members appreciated the exchange of experience and know-how within the various expert groups, which helped to solve both their own problems and those of the whole group. He felt sure that **INTERCOOP** would continue to improve its joint efforts into the indefinite future.

Mr. K. BACK, Vice-Chairman of the **International Co-operative Insurance Federation (ICIF)**, apologised for the absence of the Chairman, Mr. R. Lemaire, due to ill-health. Detailed

information on the activities of the ICIF were given in paras. 10. 7.1-7 of the Report, and he would not repeat this. After detailing the changes which had taken place in the composition of the ICIF Executive Committee, the International Co-operative Reinsurance Bureau and the Insurance Development Bureau, he reported on the previous week's Conference.

The Conference was attended by 139 delegates representing 49 member societies from 30 countries. One of the main items for discussion had been the recommendations made by the ICIF Executive Committee, based on a paper by a special Research Committee on the future activities of the Federation. The Conference endorsed the Executive Committee's recommendations, which were as follows:

1. To define new objectives for the Federation which are appropriate to conditions in the modern world, the objectives to include a reference to the special relationship existing between the ICIF and the ICA;
2. To expand the activities of the ICIF secretariat by improving services to members, encouraging more co-operation between members and improving liaison between the various committees of the Federation;
3. To strengthen the resources of the Insurance Development Bureau in order that the work of assisting in the formation and development of new co-operative insurance societies can be carried out even more effectively than at present, ICIF member societies

to be encouraged to participate more actively in the work of the IDB.

Finally Mr. Back reported that ICIF membership had increased from 72 members societies in 1976 to 89 at the present time. Total value of insurance premiums received by ICIF member societies amounted to nearly £5,000 million a year.

Still on the subject of **co-operative insurance**, Mr. J. J. MUSUNDI (Kenya) reported that with the support of the Insurance Development Bureau and the Nordic Co-operative Programme, the co-operative insurance agency which had operated under the aegis of the Kenya National Federation of Co-operatives between 1972 and 1978 was now a fully-fledged insurance co-operative under the name of Co-operative Insurance Services: it was registered as a private insurance company, because the Insurance Companies Act in Kenya did not provide for co-operative societies undertaking and underwriting insurance business.

The co-operative movements in Botswana, Tanzania, Uganda and Zambia each operated their own insurance agencies, and they were very pleased with the progress that had been made in the Region in this field, thanks to the support of the ICA and the Insurance Development Bureau.

They believed that co-operative insurance organisations would be able to give insurance cover to the small farmers who were not at present catered for by any of the private or State insurance companies. The numerous co-operative savings and credit societies for salaried workers also needed savings and loan protection, and

the movements had appreciated the valuable advice given by the IDB in this field.

He made a plea for more training facilities, for the staff of the insurance co-operatives as well as of those in the co-operative unions operating as agents of the insurance co-operatives; also to assist the leaders of the various co-operative unions and societies to appreciate the importance of co-operative insurance, to enable them to see through the confusing tactics of the private insurance corporations.

He endorsed the Central Committee Report, although he felt that the wide range of activities carried out by the Regional Office for East and Central Africa could have received better coverage. He also suggested that the Executive Committee should consider undertaking an evaluation of the work of the Regional Office, after more than ten years of operation.

Mrs. U. JONSDOTTER (Sweden), Chairperson of the ICA **Women's Committee**, regretted that she had elected to speak under this heading (para. 10.8) rather than under 'General (11.)', as it was a mistake to put women into a special category. Women very often comprised more than half the membership and more than half the employees: in Centrosoyus, 70% of the 3 million people engaged in co-operative activities are women; in Japan, the Co-operative Consumers Union is apparently often referred to as the Women's Union because 90% of the members are women.

Referring to the Motion on Women, Dr. Saxena had said that the follow-up of this motion was one of the main tasks of the Women's Committee. But surely it was not the responsibility of the

Women's Committee only. On the democratic principle of proportional representation, they were obviously still very far from their goal.

She then reported on two recent events. The first was a South-East Asia regional seminar held in Sri Lanka in September 1980, on the subject of enhancing women's participation in co-operative activities. Discussions covered: (1) institutional, financial and other support necessary for making women's participation in co-operatives more effective and meaningful; (2) co-operative education and leadership training for women; (3) income-generating activities; (4) family welfare. The seminar produced recommendations for action in each of the areas discussed. Women's Committees now existed in Japan, Bangladesh, India, Indonesia, the Philippines and Sri Lanka.

The second event was the Women's Conference held the previous week, attended by 160 representatives from 24 countries. There had been 46 speakers, all short and very much to the point. The conference had demonstrated the strength of women working together. Many examples were given to show that not only were women in the majority among members and employees, they were quite well represented at the middle level and were increasing at the 'next to top' level, although not yet at the top.

In a changing society, the co-operative movement could be left behind; the commitment of women was needed to create strong and growing organisations, and this should be the concern of every co-operative society and of the Alliance.

The Women's Committee was the only ICA Auxiliary Committee working towards its own destruction; it would

have achieved its aim when (1) the Central Committee contained 150 women instead of nine; (2) the Executive also included women; (3) all the Auxiliary Committees had a fair proportion of women and women chairpersons; and (4) when member organisations nominated more women co-operators to Congress. While 17 to 20 per cent of the participants in this Congress were women, which was higher than at previous congresses, they had come mainly from the USSR and the United Kingdom: many countries had not sent one woman delegate.

The Women's Committee was still needed during this period of transition, to press the issue of representation. How long that period would be would depend not only on the women but on men and women together.

Mrs. M. A. AJOSE-HARRISON (Nigeria) supported the remarks made by Mrs. Jonsdotter. The financial situation of the ICA was disturbing, but she hoped that it would still be possible to have a full-time secretary of the Women's Committee to concentrate on the increasing number of members.

She expressed thanks to the ICA for setting up the Regional Office in West Africa. She hoped that expert personnel, technical assistance and special training would be provided for members in that Region, with particular attention to a women's programme as was done in South-East Asia and East and Central Africa.

Mr. J. M. CHAMPEAUX (France), on behalf of the **Working Party on Co-operative Tourism (11.5)**, spoke of the growing tourist industry, with

estimates indicating that in the year 2000 some five or six hundred million tourists would be visiting other countries.

Tourism could be an important element in developing friendly relations between peoples, and hence a factor for peace. On the other hand, uncontrolled tourism could carry with it grave disadvantages, especially for developing countries. The Resolution along these lines adopted by the ICA Congress in Paris (1976) had led to the setting up of a Working Party, which it was hoped would soon become a fully-fledged ICA Auxiliary Committee.

The Report presented by Dr. Saxena had described the Working Party's activities, to which he wanted to add:

1. There would be a second Conference on Co-operative Tourism the following April, held jointly with the International Bureau of Social Tourism and the International Federation of Popular Travel Organisations (IFPTO), to further the fruitful exchanges already taking place between various countries.
2. It was planned to set up international co-operative holiday villages, for which some possible sites had already been identified in Southern Europe. Supplementary international co-operative funding was being sought through the ICA Banking and Insurance Committees. The 'villages' would be managed by the social tourism association of the countries in which they were located.
3. With the increasing importance of tourism, the Working Party felt that the Co-operative Movement should define a system of ethics in this context. They had therefore drawn up a *Charter for Co-operative Tourism** which they hoped

*For text of the Charter, see page 265

would be signed by all co-operative movements having their own tourist organisation, and would also encourage others to set up such bodies.

Mr. Champeaux then read the text of the Charter, which would later be distributed to member organisations.

He hoped their programme of activities, and in particular the Charter, would receive the support of Congress.

On **ICA and the United Nations (12)**, Mr. N. J. NEWIGER (Food and Agriculture Organisation, **FAO**) conveyed the greetings and best wishes of the Director-General of the FAO, and said they had enjoyed many years of constructive collaboration with the ICA. However there was scope for even closer and more practical collaboration in the future, in the context of the follow-up to the World Conference on Agrarian Reform and Rural Development (WCARRD) held in July 1979, which was of particular relevance to co-operative movements in developing countries.

The Conference had adopted a Declaration of Principles, stating that people's participation in the institutions which govern their lives is a basic human right, and this was also essential if rural development strategies were to be fully effective.

The Conference Programme of Action recommended that Governments should:

1. "encourage the establishment of self-reliant local, national and regional federations of rural co-operatives and small farmers' organisations and similar associations, with positive government support and due regard to their autonomy;

2. "promote the participation of rural people in the activities of rural development agencies and ensure that these agencies work in close co-operation with . . . the intended beneficiaries . . . ;
3. "encourage people's organisations providing various economic, social and cultural services to develop self-reliance at the community level and assist them in such ways as meeting legal and financial requirements, training of leaders and other initial needs, exercising care that their independence is not compromised;
4. "provide opportunities for rural people's organisations to participate at the local level in the identification, implementation and evaluation of development projects."

The subsequent 20th Session of the FAO Conference in November 1979 adopted a Resolution 7/79 as a follow-up to the World Conference, calling upon "all States concerned, and the FAO, to take effective measures which will assist in the establishment and strengthening of self-reliant and representative rural organisations, including rural women's and youth organisations, so that such organisations can effectively and democratically participate in the implementation of the Programme of Action".

Since then a working group on People's Participation and Organisation had been formed within the FAO, to prepare guidelines for use by Governments, FAO and other international organisations. At the same time a major programme, known as the programme on *People's Participation in Rural Development*

through Promotion of Self-Help Organisations was prepared, covering some 20 countries in various regions.

"It is based on the fact that active participation of the poor can only become a reality through adequate people's organisations at the local level which provide: (a) a significant degree of self-determination; and (b) effective access to resources and/or employment, information and technology, requisite skills and influence over relevant institutions. The programme aims to aid interested Governments, with increasing collaboration with non-governmental organisations, to develop organisational models to fit their own conditions, by: (i) providing more effective receiving mechanisms in the form of people's self-reliant organisations at the village level; (ii) support of rural employment and income raising activities of these organisations; and (iii) stimulation of existing national rural servicing agencies.

"This programme was presented on the occasion of meetings on the follow-up action to WCARRD held with representatives of different donor countries and aid organisations, such as the Netherlands, Federal Republic of Germany, USA, SIDA, ILO, as well as with the following non-governmental organisations: International Co-operative Alliance, International Confederation of Free Trade Unions, International Council of Women, International Federation of Agricultural Producers, World Confederation of Labour, World Council of Credit Unions, World Federation of Trade Unions, and others. A special meeting was held with about 20 non-governmental organisations in the United States. The preliminary reaction of donors and non-governmental organisations is very encouraging. Many of them have indicated their support and interest in becoming involved in the planning, implementation and evaluation of projects at the country level."

Dr. Newiger said the interest and active collaboration of the ICA in this important activity of the FAO was very encouraging. They were now in the process of jointly initiating projects in selected countries, an example of which was the proposed project on fishery co-operatives in the Sudan. FAO looked forward to closer collaboration with the ICA in helping co-operatives in the developing countries to help themselves.

Mrs. U. JONSDOTTER (Chairperson, ICA Women's Committee) referred to the UN World Conference held in connection with the United Nations Decade for Women, in Copenhagen in July 1980. The ICA delegation had presented a statement which pointed out that while the ICA statutes made no discrimination between the sexes, local co-operative movements could only reflect the communities in which they worked. ICA therefore welcomed the UN Decade for Women with great satisfaction. The statement went on to outline the various activities in the form of seminars and women's projects stimulated by the UN Decade, which had stimulated a growing awareness of the importance of creating equal conditions for men and women; noted with satisfaction the recognition of the role that NGOs could play; pointed to the urgent need for improving the working and living conditions of women living in the rural regions of developing countries, which constitute one quarter of the present world population; and urged that new approaches be developed in the traditional field of banking, to give women greater access to credit, as exemplified in the collective solution provided by credit unions and co-

operatives, which strengthened the role of women in marketing and income generating activities.

The statement also referred to a consultation on 'Equality for Women in Co-operatives—Legislation and Reality' held in March 1980; on this occasion it was again evidenced that in some cases restrictive legislation, particularly relating to land ownership, tended to deny membership to women, and the ICA asked for the understanding of governments to repeal laws which discriminated against women's right to inherit, own or control land or other property.

Finally the statement emphasised that in a democratic co-operative, women did not occupy positions *as women* but *as members*; there was no distinctive 'role for women', just as there was no separate 'role for men'.

Mr. V. PEROV (United Nations Conference on Trade and Development, UNCTAD) said the central theme of the Congress was an important and challenging one in a world that had undergone a more rapid and profound transformation than at any previous time in its history. As part of the UN system, UNCTAD had consistently endeavoured to meet these new challenges, to achieve the goals of a New International Economic Order, and to restructure international economic relations on a more equitable basis. To achieve these goals would require sincere political will on the part of all participants in international economic co-operation, and the support of organisations such as the ICA with its direct contacts with people at all levels of society.

UNCTAD was established by the General Assembly of the United Nations

in 1964 for the purpose of promoting international trade, especially between countries at different stages of development and with different systems of economic and social organisation. The early 1960s were characterised by the emergence of many young countries which had been liberated from colonial domination, and that dynamic new force advocated a new approach and a progressive policy of international economic relations.

Mr. Perov went on to outline some of the major activities in the field of trade and economic co-operation within the UN system. These included: continued implementation of the Integrated Programme for Commodities aimed at improving conditions in world markets for a wide range of primary products, with the creation of a Common Fund to finance buffer stocks (on which agreement had finally been reached in June 1980), and efforts to conclude international agreements on certain individual commodities; development of the Generalised System of Preferences for the benefit of developing countries without reciprocal concessions—since its inception in 1970 this had acquired major importance, not only in terms of the balance of payments of developing countries but for millions of Third World families whose livelihood depends on making and exporting a wide range of goods.

Another concern of UNCTAD was to act as an international forum for discussion of the interrelated problems of money, finance, trade and development; for resolving policy issues related to world shipping; and to discuss the problems of multi-modal transport (containers) on which a UN Convention had

been adopted in May 1980 after more than seven years of negotiations under UNCTAD auspices. UNCTAD hoped that many participants in international trade, in particular co-operative international trade enterprises, would derive benefit from UNCTAD's achievements.

The present international economic situation was exceptional in both the accumulation of difficulties and the promises it offered, and the problem was how to realise the promises. One of UNCTAD's particular tasks was to look for new answers to new problems, in collaboration with other organisations and agencies, so that mutual understanding might be promoted and co-operation enhanced, conducive to solving the problems of trade and development at various levels and to implementing the decisions taken within the UN system aimed at the restructuring of international economic relations on a just and equitable basis.

On behalf of the Secretary-General of UNCTAD, he conveyed their thanks to the International Co-operative Alliance for its role and activities in focusing public attention on matters of crucial importance to international peace and co-operation.

Dr. R. C. DWIVEDI (India) said that while it was a matter of satisfaction that the United Nations had granted the ICA consultative status, and that its specialised agencies were providing valuable support for the development of the co-operative movement, especially in the developing countries, he felt that what was also needed was greater and more specific mention of the role of co-operatives in the policies and programmes of the specialised agencies.

To illustrate his point, he mentioned the 3rd UNIDO Conference held in New Delhi, at which Dr. Saxena's presentation of the case of industrial co-operatives was highly applauded; however the recommendations of the Conference had contained no recognition of the role of industrial co-operatives in increasing employment and assisting industrialisation, in spite of the efforts made by Dr. Saxena and the delegates from Italy and Poland.

His own country had 50,000 industrial co-operatives with 20 million members; in addition there were several thousand co-operative industries. He wondered therefore how any international programme aimed at assisting industrial expansion could overlook this important sector. Perhaps the UN agencies assumed that co-operatives *per se* always had priority in every country, and hence that repeated references were not necessary; nevertheless Dr. Dwivedi felt emphasis and reiteration were still necessary, so far as was consistent with the UN approach, especially as the UN agencies functioned through governments, and many governments gave low priority to co-operative projects. He begged that this point be pressed with the UN agencies.

Reply to the Debate on the Report of Central Committee

Dr. S. K. SAXENA, ICA Director, said that it would not be possible to reply individually to all the 40 speakers who had taken part in the debate.

Peace had been mentioned by several speakers: ICA's work in this connection lay mainly in influencing public opinion and leaders; these efforts were often

inadequate and sometimes questionable. However, a more specific contribution consisted in the basic role of co-operatives themselves, which tended to correct the distortions in the distribution of wealth and power at national and international levels, and therefore promotion of the co-operative movement was a move in the direction of peace. The President's participation in the UN Special Session on Disarmament, and his own participation in the Commission on Disarmament based in Vienna, were by virtue of the international co-operative movement. Mr. Nakabayashi (Japan) had mentioned his own movement's efforts against the use of atomic bombs and armaments. In its own small way, therefore, ICA was nibbling at a problem which was quite beyond its bounds and competence.

For want of space the Report had not been able to include many of the major international activities of member organisations—such as the assistance given by CENTROCOOP (Romania) in the printing of the French edition of the *Review of International Co-operation*—but had concentrated almost exclusively on the work done by the ICA itself.

Mr. Kaminsky (Poland) had raised the question of the **adaptability** of the co-operative movement to the changing environment. A static organisation which did not respond to change would wither away and die. It was certainly important to monitor changes in legislation, taxation policies, etc., perhaps through research departments. Unfortunately co-operatives sometimes moved rather sluggishly in response to these wider changes.

Mr. Vishwanathan (India) had emphasised the need for a **strong ICA**. If ICA were to disappear, co-operative organisations would feel the need to

create another umbrella under which they could communicate constructively.

Mr. Marik (Czechoslovakia) had emphasised the **unity** of the ICA, and Dr. Saxena regarded this as the top priority: 'the co-operative family could be a very turbulent family, but gained much more by being united than by being fragmented.'

Mr. Pramov (Bulgaria) had talked about the importance of **diversity** and given details of his own organisation's activities, promising that their experiences would be made available to other countries in the form of consultations etc.

A number of speakers had mentioned the perpetual saga of ICA's **finances**. Dr. Saxena wished to make four points. (1) There should be a drive for new members, including those from the oil-producing countries. Perhaps ICA had been too conservative; obviously it must ensure that prospective members endorsed co-operative principles; this was a matter for the Executive rather than the Director. (2) The subscription basis needed urgent consideration and should be revised upwards; the present subscription was ridiculously low for an international organisation, and ICA had a smaller budget than even internationally fragmented organisations such as the trade unions. (3) In exceptional situations such as the present, when the strength of the pound had worked to the disadvantage of ICA, special appeals might be necessary. Perhaps FABUSCOM should reconsider the issue of currency exchange. Some organisations had quoted turnover figures which bore no relation in size to ICA's problems. (4) He wondered if it might be possible to link ICA's subscription to

a percentage of the country's payment to the United Nations; or to raise a levy—if that was the right word—on the commercial transactions between co-operative organisations, basically made possible by their membership of ICA; or to develop an arbitration service, whereby some income might be raised. Perhaps some of these suggestions were not realistic, but it was important to consider them.

He believed that the fear expressed by Mr. Mauremootoo (Mauritius) that developing countries would no longer be able to afford ICA membership was an imaginary one, as organisations were supposed to pay according to their economic strength. In any case, any organisation unable to pay should notify the Executive in writing—sometimes even this was not done.

He agreed that there should be no wastage of resources, but resources at present were so low that wastage, if any, was absolutely minimal. It was possible to reduce an organisation to a level at which its wings had been clipped so hard that recovery would be virtually impossible, and this was his fear at the present time.

Mr. Miyazaki (Japan) gave examples of **collaboration** between co-operatives, including some of the activities of his own organisation (Zen-noh). These were very impressive, and Dr. Saxena felt that they should be written up, as this would be extremely helpful.

Dr. Saxena referred briefly to Mr. Lacroix's (France) suggestion that a committee of jurists should consider the correspondence of national co-operative legislations to ICA Principles—an immense task; the intervention of the ICA President in Argentina on the

question of co-operative banks, his own visit to Argentina, which had given him the opportunity of discussing a wide range of topics with Dr. Vainstock and of meeting the Board of the Organisation of the Co-operatives of America (OCA), which had led to a better understanding of the nature and work of the ICA.

He felt that Mr. Nagaratne's fears (Sri Lanka) about the cutting down of Regional activities were unrealistic: 80% of the S. E. Asia office activities was financed from extra-budgetary sources, mainly from the Swedish Co-operative Centre. However it was important that the member organisations throughout the Region should increasingly take over the responsibility, financial and otherwise, of the Regional Office; this would be discussed at the next Regional Council meeting in November.

He expressed interest in the researches of Dr. Boettcher (FRG) in Bolivia. **Technical Assistance** had not been discussed in detail since 1960, and one of the purposes of the discussion on the Co-operative Development Decade at this Congress was to help in the enunciation of a long-term policy of technical assistance. It would be useful to receive more information on these researches.

Mrs. Santana (Puerto Rico) had mentioned the creation of a Confederation of Latin-American and Caribbean co-operators: this could provide a useful sub-structure if the ICA were to take a continental initiative in Latin America.

On **Youth**, there was no reason why a conference on Youth should not be organised, although the Executive Committee had felt that this question was of more direct relevance to national, rather than international, organisations.

On the reports of the **Auxiliary Committees** he had little to add. Production of a co-operative tractor, as mentioned in the report of the Agricultural Committee, was extremely important, as was the conference on energy, in which the Agricultural Committee was taking the lead.

On consumer protection, the United Nations had recently begun to show interest in this question, and it was the duty of ICA to feed it with technical information and national experience.

Concerning Mr. Musundi's suggestion for an evaluation of the work of the Regional Office in East Africa, this had been discussed recently and had been approved by the Swedish Co-operative Centre and by the ICA Executive: it would take place some time in the summer of 1981.

Dr. Saxena wished to correct Mrs. Jonsdotter: he had not said that implementation of the 1976 Congress Resolution was the "responsibility of the Women's Committee", but that it had been "under constant consideration" by the Women's Committee. He fully agreed that the position of women in the co-operative movement was much wider, and must involve the decision makers, who were seldom women.

The Charter on Tourism had been accepted by the Executive Committee and the Central Committee, and was therefore now in operation, so far as the ICA authorities were concerned.

Concerning relations with the **United Nations**, Dr. Newiger (FAO) had mentioned the follow-up to the World Conference on Agrarian Reform and Rural Development: ICA would be pleased to help, subject to its competence and its resources.

With regard to the UNCTAD and UNIDO conferences and current discussions on international development strategy and in the World Bank and the International Monetary Fund, these did not give rise to a great deal of optimism. There was little that co-operatives could do except—and this was important—try to influence their governments to take a more positive and more international outlook, in which co-operative organisations should have some kind of relevance.

United Nations was an *inter-governmental* organisation which was not automatically seized of the relevance of the co-operative form of organisation. Co-operatives must make the UN aware of this particular aspect.

Dr. Saxena apologised to those whose questions or comments he had not been able to take into account in this brief and hurried reply. (*Applause.*)

The PRESIDENT thanked Dr. Saxena for his lucid and brief summing up of the discussion on the report; the applause showed this had been appreciated by delegates. On behalf of the Congress he thanked Dr. Saxena for all the preparations he had made for the Congress and for his continuing work for its success.

He then introduced a draft resolution on "Collaboration between Co-operatives" to be moved by Mr. Luukka (Finland) which, appeared almost to summarise the Report of the Central Committee.

Resolution on Collaboration between Co-operatives

In moving the draft resolution Mr. V. LUUKKA (Finland) stressed

collaboration as an essential part of co-operative activity and pointed to the addition by the 1966 ICA Commission on Co-operative Principles of the Principle of *Collaboration between Co-operatives* to the other basic co-operative principles. It read: "*All co-operative organisations, in order to best serve the interests of their members and their communities, should actively co-operate in every practical way with other co-operatives at local, national and international levels*", thus laying a clear obligation on both the ICA and its member organisations.

Since that time the various aspects of collaboration had been discussed at intervals, and the 1974 Central Committee meeting in Vienna recommended the setting up of a Working Party on Collaboration between Co-operatives, to report to the 26th Congress in Paris in 1976. A resolution passed at the Paris Congress asked the Central Committee to report to the next Congress on progress made. This had been done in the Central Committee Report (paras. 2.2.1-12), which contained several excellent examples of advanced collaboration at national and international levels. In particular the international collaboration in the framework of INTERCOOP, Nordisk Andelsforbund and EURO-COOP, had certainly worked to the benefit of several co-operative organisations, as reported by Sir Arthur Sugden earlier. International trading was not something which could be easily undertaken by a national co-operative organisation individually: only through international agreement could co-operative trade be started effectively between countries.

While multinational corporations

tended to monopolise the fields in which they were engaged, a recent newspaper article on their policy had stated that they lowered the quality of their products to get savings for further investments: the co-operative movement must respond to this challenge through closer and more effective collaboration and the maintenance of high standards of quality.

Much of ICA's work over almost two decades to improve living conditions in the developing countries through technical assistance and dissemination of information, had been offset by constantly rising world energy prices. Nevertheless the need for information and assistance continued to increase, and developing countries remained one of the main points of active collaboration between the ICA and the United Nations. He concluded:

"We, as co-operators, are responsible for our fellow citizens. We must be prepared for the changes going on in the world economy. In the last few years many countries have experienced these changes very bitterly. We have admittedly been able to carry out many forms of collaboration at national and international levels, but this is not enough. We still have many unused resources which we must explore and make the best use of, and the need for collaboration between co-operatives is continuous and everlasting. Therefore the Central Committee took this matter up again at its meeting in Montreal last spring and decided to submit to this 27th Congress a motion on Collaboration between Co-operatives, which you all have before you.

"I am convinced that the motion will be approved by the Congress, and I am convinced that you will all make every effort to promote the implementation of its recommendations at home in your own organisations."

The PRESIDENT then put the motion on **Collaboration between Co-operatives** to the vote. It was adopted unanimously. (*For text, see p. 255*)

CO-OPERATIVES IN THE YEAR 2000

A Special Report prepared by Dr. A. F. Laidlaw

Dr. Laidlaw's paper was commissioned by the ICA Central Committee as an attempt, not so much to provide guidelines for the development of co-operation over the next two decades, as to stimulate discussion in all sectors. According to Dr. Laidlaw, his paper set out to ask the right questions rather than give firm answers. He had divided it into six parts, to cover the following areas:

- I Looking both backwards and forwards from 1980.
- II The world we live in—trends and problems.
- III What are co-operatives? Theory and practice of Co-operation.
- IV Co-operatives' problems and weaknesses.
- V What choices do co-operatives have?
- VI Major questions facing co-operatives for the future.

A separate paper was prepared by the Co-operative Movements of the Socialist countries in membership of the ICA, to deal with the special conditions in those countries.

In calling on Dr. Laidlaw to introduce his paper, the PRESIDENT thanked him for all the work that had gone into its preparation.

Dr. A. F. LAIDLAW commenced by thanking all those who had either directly or indirectly contributed to his thinking on the subject, and the ICA Executive which had given him the privilege of preparing the paper and of introducing it in person. He would be as brief as possible, in view of the large numbers of people waiting to speak after him.

He had heard three criticisms of his paper: the first, that it was too pessimistic. He had pointed out many of the

shortcomings and failures of co-operatives, but it should not be forgotten that, however successful some of them might appear, they had never lived up to the expectations and hopes of the 19th century founders and pioneers. Had they done so, many of today's problems in the world would no longer exist. The second criticism was that he had not dealt in sufficient detail with the various co-operative sectors, but this would have made the paper intolerably long, and he had tried to take a global view. The third criticism was that his report was based too much on the Western world: this was probably valid, as he was a product of Western society. But he wanted to assure the countries of Eastern

*Dr. Laidlaw's paper exists in: English, French, German, Russian and Spanish; as well as Finnish, Japanese, Swedish and Turkish. Catalan and Korean translations are in course of preparation.

Europe, of which he had visited five that, he had tried very hard to understand what they were doing, and had a tremendous admiration for their achievements; after all, he had been as critical in his paper of the excesses of capitalism in his own society as of the excesses of State control in other parts of the world. As for the Third World, in which he had spent some years, especially in India and Sri Lanka, he had no criticism of their co-operators, but he did have criticism of some of their Governments which had virtually expropriated the co-operative movements in their countries, and also perhaps of those international organisations which had gone along with too much intervention, control and decision-making on the part of governments in the Third World.

Two fears

It had been suggested that he might touch on the highlights of the report, but this would take too long. But he wanted to underline two fears he had for the future of the co-operative movement. First, he feared for its democratic character, with less and less popular participation and decision-making moving upwards; it was a question of learning how to handle bigness—whether to use it for taking more power and influence into the central organisations, or for decentralising and disseminating that power. When co-operative democracy vanished, the co-operative movement itself would be finished. A co-operative movement that did not educate would never change the world for the better.

His second fear concerned relations with the Government. While he remained firmly convinced that there were

certain things the State could and should do—e.g. it must control the commanding heights of the economy—it must recognise its limits. The State had its hands full doing the things that only the State can do; it should be prepared to recognise that some things were better done by non-State organisations and be prepared to leave the co-operative movement free to learn from its own mistakes. Only thus could co-operatives become truly self-governing and independent.

Four priorities

In preparing the paper, he had selected four priorities, four things that the co-operative movement of the world should be doing in the years up to 2000.

The first concerned food: producers and consumers co-operatively organised could solve the world's food problem; Dr. Laidlaw wanted to see the farmers, the fishermen and the consumers of the world deciding the world's major food policies through co-operative organisations.

His second priority was workers' co-operatives. He would only add to what he had said in his paper, that he believed the world was due for a second Industrial Revolution, when the ownership and control of the workplace would be returned to the workers as in the past. One warning: trade unions were sometimes indifferent or even hostile to workers' co-operatives; he considered that by sponsoring, encouraging and supporting workers' co-operatives, trade unions might be saving themselves.

The third concerned recapturing the vitality of the consumer co-operatives of the last century in a different way, not necessarily in the traditional form.

The fourth was to build communities. It was in communities of the smaller type that mankind would find its peace and contentment and its fulfilment. And a variety of different types of co-operative could help in this.

The beginning only

Finally Dr. Laidlaw emphasised that in his paper there was nothing final and conclusive:

“... This is the beginning rather than the end of a study. I might call it a prologue to planning. It may be taken as the first chapter in a very long volume on planning that the co-operative movement must be engaged on in the next 20 years. If we do not plan for our future, we can be sure of one thing; if we do not plan for it, somebody else will plan it, and I maintain that only co-operators should be planning the future of the co-operative movement with, of course, all the knowledge,

advice and assistance they can gather from all sides.

“We meet here at a time of great peril for mankind, for humanity, and it is also a time of great peril for democratic institutions, including co-operatives. If we need one word to describe our present position in the world today, it is that we are at a turning point, and the question is, in what direction are we going to go? May I add this final word. The ICA itself is at a turning point. I want to say frankly that the ICA is not nearly as strong and influential as this fine Congress might seem to indicate. Where is it going? Does it have the structure and the strength to get there? I doubt it. I leave it to you to decide where it is going and how it is going to get there.”

The PRESIDENT thanked Dr. Laidlaw wholeheartedly for reminding delegates of their responsibilities and of the fact that this report was only the beginning.

Co-operation of the Socialist Countries in the Year 2000*

Mr. A. A. SMIRNOV (ICA Vice-President) said that Co-operatives in the Year 2000 was a subject close to the heart of every co-operator, regardless of his nationality or his political or ideological views, because all belonged to the same international social movement, all were allied with its interests and destinies.

However the subject was many-sided and complex: the conditions and tendencies, and consequently the future, of the co-operative movement were far from being the same in countries with differing socio-political and socio-economic systems. Dr. Laidlaw had agreed

that his presentation dealt mainly with the problems of co-operatives in Western countries. Therefore, as agreed at the Montreal meeting of the ICA Central Committee, the co-operative organisations of the socialist countries had prepared a separate joint report. As the text had been circulated to delegates he would not repeat its content but would highlight the main provisions of the paper.

1. The socialist system, based on social ownership of the means of production, the exercise of political authority by the working people, creates the most favour-

*A report prepared jointly by the Central Co-operative Unions and Societies of Bulgaria, Hungary, GDR, Poland, Czechoslovakia and the Soviet Union.

able conditions for the development of co-operatives of all types, voluntary associations of individuals for the purpose of achieving specific economic and socio-cultural objectives. The State brings no pressure to bear upon them, a point where Dr. Laidlaw was clearly in error. The co-operative movement in the socialist countries is (a) a commercial enterprise based upon a specific form of group ownership and (b) a voluntary self-governing social organisation which functions in keeping with its own rules. The constitutions and laws of the socialist countries contain appropriate legal provisions which guarantee independence, inviolability and state support of co-operative ownership and recognise it, alongside state ownership, as a component of the economic system in the same way as it recognises co-operatives—as mass social organisations—as a component of the socio-political system.

2. Given this context, co-operatives will make further headway by the year 2000, their prestige and role in economic and social life will increase, and the scope of their work will expand. The uniformly socialist nature of the state and co-operative forms of ownership ensure unity of objectives and of the economic policy of the State and co-operation, and their close collaboration. For instance, co-operatives in the USSR base their future development on the scientifically forecast socio-economic consequences of the comprehensive programme of scientific and technical progress; the drawing up of such integrated programmes in the socialist countries makes it possible to determine scientifically the conditions of work of co-operatives at the turn of the century.

Diversified collaboration of co-operatives in socialist countries takes place in the framework of this comprehensive programme; 50 per cent of Centrosoyuz trade goes to the co-operative organisations of socialist countries.

As set forth in the joint report of the co-operative organisations of socialist countries, the major direction and immediate objectives of co-operatives in the future will be:

- Assisting to improve material and cultural standards generally, and those of co-operative members in particular; to develop education and health protection; and to resolve the housing problem;
- To improve further the position of women in the family and in society;
- The education and harmonious development of young people, the moulding of the new individual, the citizen of a classless communist society.

The co-operative movement under socialism will develop in keeping with the objective economic laws inherent in this socio-political system, including the main law of socialism which determines the central objective of social production as the fullest satisfaction of people's growing material, cultural and intellectual requirements.

3. Whereas co-operatives today differ in the extent of socialisation of the means of production and of implements of labour, by the year 2000 the main types of production co-operatives will be better developed. The experience accumulated by socialist countries at the present time indicates an improvement during the next few decades of agricultural, producer, consumer, housing and credit

co-operatives. At the same time efforts must be intensified to deal with such important questions as food, energy, and environmental protection.

4. An important characteristic of co-operation in the socialist countries by the end of the 20th century will be the further development of co-operative democracy, and a wider involvement of people through co-operatives in the management of State and social affairs and in the settlement of political, economic and socio-cultural questions.

Co-operative development in the socialist states is leading to the emergence of new and more flexible means of ensuring direct and representative co-operative democracy, taking into consideration the specific conditions and peculiarities of co-operative development, its enterprises and associations, in particular: the enhancement of the role of meetings of co-operative members and their decisions; the extension of the network and the increased role of public mass control organs; and the training and development of managers and specialists.

5. The increasing economic integration of the countries of the world socialist system will be expressed in the broadening of comprehensive collaboration among the national co-operative organisations of these countries and in long-term, planned, bilateral and multi-lateral agreements.

The co-operators of socialist countries will further develop their collaboration with the co-operative organisations of the liberated and capitalist countries, both within the framework of the ICA and on a multilateral and bilateral basis. Every assistance will be given to developing and strengthening the unity of the

international co-operative movement, to vitalising its role, and to increasing its effectiveness in resolving the pressing problems of our time, thus strengthening the prestige of the International Co-operative Alliance

In this context the co-operators of socialist countries will support the work of the co-operative organisations of capitalist countries against monopolies and their search for a democratic alternative in face of national and trans-national capitalist associations. At the same time co-operatives in the socialist countries declare their solidarity with all anti-imperialist forces in the co-operative movements of the recently liberated states and advocate the strengthening of their relations with their natural allies, the forces of world socialism and the international workers' movement.

* * * *

Having outlined the prospects for the development of co-operation under conditions of socialism for the next two decades, Mr. Smirnov went on to express some views on Dr. Laidlaw's paper, which contained extensive information on the present state of the co-operative movement in capitalist society and analysed some major trends and problems. As Dr. Laidlaw had himself noted, he set out not so much to give precise answers as to ask appropriate questions, and the questions were indeed more numerous than the suggestions for answering them. It was natural that co-operators should be preoccupied with all these problems.

However the author appeared to have ignored the struggle of the two opposed social systems in the world and their

fundamentally different approach to the development of co-operation. While present-day capitalist realities gave plenty of ground for working people's concern, co-operators of the socialist countries were confident that the global problems of our time were not fatally catastrophic, that they could be successfully solved in the conditions of a just and humane social system. The relation between co-operatives and the State was also quite different in the two systems: Dr. Laidlaw stated correctly that co-operatives in the West were obliged to struggle for their place in the economy, whereas this place was guaranteed to them by the State in the East European countries. In the view of the socialist countries, the role of co-operative organisations in the capitalist countries lay primarily in consistently defending the interests of the working people, of small and medium agricultural and industrial entrepreneurs, and in drawing representatives of the middle sections of the rural and urban population into the struggle against imperialism and its inherently unfair forms of management; also in strengthening links with other mass social organisations—trade unions, women and youth organisations—in the common struggle for peace, democracy and social progress.

The socialist countries could not accept Dr. Laidlaw's interpretation of the situation of co-operatives in the Third World, based on the conflict between the 'haves' and the 'have-nots', which they felt distorted the picture: in their view, everything depended in the final analysis on the choice by the developing countries of the correct direction for their social and economic development. Mr. Smirnov stressed that

the co-operators of socialist countries actively supported the Programme of Action for the establishment of a New International Economic Order adopted by the United Nations in 1974, and hoped that the 35th Session of the UN General Assembly would adopt resolutions useful also for the co-operative movements of liberated countries.

Therefore, since the central co-operative unions and councils of the socialist countries differed considerably from the forecast presented in Dr. Laidlaw's report, they would propose certain amendments to the draft motion *Co-operatives in the Year 2000*; these had been made available to delegates. The idea behind the amendments was to put on record the presence of two reports on this subject and consequently of two points of view on certain of the problems, and it was hoped that Congress participants would accept them.

While presenting these differing viewpoints, co-operators of the socialist countries at the same time reaffirmed their sincere striving for understanding and for consolidation of the efforts of the international co-operative movement in the struggle to resolve the global problems facing mankind.

He closed his presentation as follows:

"Historical experience proves that co-operation as a constructive effort by the masses of people, as a social movement which involves more and more millions of people, is characterised by a dynamic approach, by the intensification of its role in economic and social life, by the consolidation of its prestige in individual countries and internationally. The co-operative movement has been and remains an important form of protection of the vital interests of the working people, a component of

the working class and peasant movement, an important element of the overall front of anti-monopoly struggle, an effective force of the peoples' movement for peace, disarmament, democracy and social progress.

"Therefore, we regard the future of co-operation with optimism. We are prepared to facilitate its progress and contribute to its development. We will fruitfully co-operate with the co-operators of all countries and do everything to enable our democratic movement to continue to hold a fitting place and to play a progressive role in the life of modern society.

"May I express confidence that the 27th Congress of the International Co-operative Alliance will take an important stride forward in consolidating the international co-operative movement and in rallying all its forces in the struggle for a better future for mankind."

The PRESIDENT thanked Mr. Smirnov for his presentation which gave the approach of the socialist countries to the problem of "Co-operatives in the Year 2000". They now had two reports on the subject, and he hoped that the discussion would be interesting and fruitful.

With reference to Mr. Smirnov's suggested amendment of the draft motion, the rules governing Congress Procedure (para. 14) prescribed that amendments proposed in the course of discussion could be considered at the discretion of the President and the Congress Committee, provided they were accepted by the Congress. Delegates were invited to signify their acceptance of Mr. Smirnov's proposal. (*Accepted*).

The President said the Congress Committee would meet that evening to

consider the amendments submitted by the socialist countries.

Afternoon Session

Resolution on Co-operatives in the Year 2000

The PRESIDENT said that **Central Committee** had asked Mr. Daneau to present its motion on **Co-operatives in the Year 2000*** and that he had prepared his intervention beforehand. Therefore nothing in his statement should be taken as affecting the decision taken by Congress concerning Mr. Smirnov's proposed amendments or expressing an *a priori* position.

Mr. Y. DANEAU (Canada) thanked Dr. Laidlaw and Mr. Smirnov for their excellent presentations, which invited the Congress to consider a dialogue between two different positions.

It was his great pleasure to present the motion suggested by the Central Committee of the ICA in the light of the recommendations of Dr. Laidlaw's paper on Co-operatives in the Year 2000. As Dr. Laidlaw had already presented his main points, Mr. Daneau proposed to mention some of his own thoughts on the document and, in view of the paper presented by Mr. Smirnov, a few points in support of the motion suggested by the Central Committee.

Dr. Laidlaw's paper had avoided the dangers of over-simplification of a very complex subject, concentrating on the fact that the study was based on existing trends and suggesting ways in which those trends *might* develop. Without venturing to give a final solution it aimed at stimulating discussion; it did

*For text see p. 256.

not give a definitive answer but suggested alternative, rather than pre-determined, ways of action.

Mr. Daneau said he would confine himself to some special aspects and issues in the Paper. The first postulate was to distinguish the problems which pre-occupy the whole of mankind from those specific to the co-operative movement, although the former obviously affect the latter; hence the interest of co-operators in economic and political prospects in the world, which according to the Paper are bleak and alarming.

Dr. Laidlaw's diagnosis of the dangers resulting from the slump in the economy, depletion of energy resources and demographic expansion, the food supply problem, unemployment and environmental pollution, the increasing power of transnational corporations, accelerating urbanisation, not to mention the outlay on military resources and the danger of a nuclear explosion, coincided with other recently published studies. He had made special mention of the Third World countries, whose requirements differed radically from those facing other countries. The Third World countries comprise the majority of the world, and Dr. Laidlaw believed that if the co-operative movement wished to be successful in the future, it must first of all succeed in the developing countries.

While many factors made co-operative prospects look bleak in the year 2000, there was the paradox that co-operatives can make a contribution to the solution of long-term economic problems, and that interest in and support for the co-operative movement is increasing in modern society.

The Central Committee resolution stated that the paper should be regarded as "a continuing process of research and self-examination by the world-wide Co-operative Movement". The Central Committee therefore appealed to the members of the ICA:

1. to make a careful study of the Reports;
2. to participate in a continuing discussion of their implications;
3. to select for comment those parts particularly applicable to their own situations and problems;
4. to study and if necessary set up a research programme to examine future development throughout all sections of the co-operative system.

Dr. Laidlaw's paper was a synthesis of ideas and forecasts for the coming 20 years and gave certain guidelines for meeting the conditions in which co-operatives would be operating up to the end of the century. Co-operatives and co-operators should therefore ask themselves questions along those lines, on both the theoretical and practical aspects. The Central Committee resolution provided guidance for action and a broad spectrum of the various points for thought and discussion.

The report by the co-operatives of the Socialist countries likewise contained some very interesting information about co-operation in the perspective of the year 2000, and Mr. Daneau thanked Dr. Laidlaw and Mr. Smirnov for their detailed analyses. On behalf of the Central Committee he offered the resolution for consideration and adoption by the Congress.

Debate on Co-operatives in the Year 2000

33 speakers were listed to speak in the Debate; they will be quoted in more detail in the full Congress Report. For reasons of space, only short comments will be featured here.

Mr. J. KASPI (Israel):

“Dr Laidlaw, in his excellent paper prepared for this Congress, enlarges on the possible contribution of the co-operative movement in the coming decade, and he stresses the point that ‘various kinds of workers’ industrial co-operatives will be the greatest single contribution of the global co-operative movement to a new social order.’ “One of the gravest problems facing the world’s development in the industrial era is the exodus from villages and farms and the concentration of population in urban centres, with all that accompanies this process, such as environmental pollution, population explosion, low-income slums and the feeling of alienation of a lonely man in a big city.

“By dispersing industry throughout agricultural settlements on a co-operative basis, these problems can be overcome with greater efficiency.”

Dr. I. SZLAMENICKY (Hungary) believed that co-operatives must and could increase their competitiveness. Their organisational forms must become more flexible, to adjust to the requirements of rapidly changing markets. He detailed some measures taken to effect this in his own country, but said their success depended ultimately on international conditions, the most important of which was peace, which alone made creation possible. Therefore co-operatives must unite actively to support the forces of peace and progress, taking a strong line against increased armaments which diverted immense resources from the solution of mankind’s problems, the

elimination of poverty, of economic and social marginalisation, and the improvement of the world food situation. Hungarian co-operators acknowledged the efforts of the ICA in this field.

Mr. T. SIDIBE (International Labour Organisation) wanted to share with participants a few views of his own, arising from the report on the Co-operative Development Decade and in connection with Dr. Laidlaw’s report.

Dr. Laidlaw believed that the co-operative movement in the future should convince the United Nations and other organisations of the need to establish more favourable conditions for the development of co-operatives, in view of their contribution to improving the quality of life. There were two types of problem in which co-operatives could help: those connected with everyday activities and those related to the long-term reorganisation of the whole way of life and work of the population of the globe.

Co-operatives must be able to carry on their activities freely, working alongside other organisations with similar objectives, in order to meet the needs of all. Dr. Laidlaw believed that the Resolution adopted in 1976 by the International Labour Organisation contained an ideal definition of the policies to be carried out by governments in order to ensure co-operative development. ICA should insist on greater freedom for co-operatives. Mr. Lacroix had spoken about a

commission to investigate co-operative legislation in various countries.

On the other hand certain problems were outside the province of co-operatives and needed to be tackled on a national scale, such as agrarian reform, consumer rights and protection, work conditions, etc. What was needed here was the reorganisation of the whole machinery, into which co-operatives could be incorporated.

As stated in Mr. Smirnov's paper, in certain countries co-operatives did not yet take a very active part in economic and social development. This sprang from lack of self-knowledge: co-operators were not sufficiently aware of what they were or should be, and were therefore hampered in their activities. Better self-knowledge would enable them to use their modest resources more effectively, and make for greater understanding of the importance of the movement by those who lead society and public opinion. In this the ILO, within the framework of its possibilities, was ready to lend full support.

The ILO had always had good relations with the co-operative movement. Mr. Sidibé was convinced that by the time of the next ICA Congress their collaboration would be even more effective. As was said some 30 years ago by one of the great theoreticians of the co-operative movement, "people will come to stand under the banners of justice who are at present living under the law of chance."

Mr. J. ZAREMBA (Poland) expressed his thorough conviction about the need to increase the role of co-operation in the future. His belief stemmed from the experiences of the housing co-operative

movement in general as well as the experience of Polish housing co-operatives which had existed for over 90 years.

Co-operatives were a very flexible form of organisation, capable of adjusting to various socio-political systems and different levels of economic development. Housing demands were rising everywhere, not only in quantity but also in quality. New challenges to housing co-operatives included energy saving, modernisation of old housing stock, adaptation of flats to new living standards and new needs.

Speaking from the Polish experience, co-operatives had proved that they could build, manage and administer the housing stock better than any other organisation; they involved future tenants in the siting of buildings and in town planning, thus allowing them to influence the character of their homes; through housing co-operatives, disparities between different income groups were reduced, which led to the establishment of better human relations. Co-operative housing estates facilitated the creation of social units, involving the members in planning, building and eventually in management.

Whether they wished to or not, housing co-operatives in the future would have to accept the duty of representing the interests of their members in other matters outside the sphere of housing, such as culture, recreation, family care, etc., and would have an even greater influence on the quality of life of their members.

Mr. A. ANTONI (France) said he spoke on behalf of the Workers' Productive Committee. Dr. Laidlaw's paper had inspired them with a new spirit and

shown the great opportunities which lay before them as co-operators.

It had also shown what workers' productive co-operatives could do, not only in the field of employment but in involving people in new methods of participation and democracy in the workplace.

Mr. Antoni stressed the importance of maintaining quality of products; the transnational corporations had disrupted the balance in the world and affected living standards, but the small co-operatives could meet the challenge by using local raw materials and developing traditional skills. Their work could lead to human fulfilment, and bring people closer to the realities of the world and the realities of life.

Whatever the activities of co-operatives, they could not live in isolation. If they specialised in a particular service or product, they ran the danger of acquiring the characteristics of similar undertakings outside the co-operative movement; their members were more and more regarded not as members but as customers, and the co-operative began to lose its special character. To some extent co-operatives were trapped: they performed economic functions, but they should be aware that their work was not confined to the economic sphere. Therefore they should act jointly to work out a common strategy. Only if they fully understood the entire range of problems facing them could they be fully cognisant of their historic mission which, in the Year 2000, concerned the radical reorganisation of society and of man.

Mr. I. PRAMOV (Bulgaria) said his movement's standpoint had already been adequately reflected both in the joint

paper of the Socialist countries and in Mr. Smirnov's introductory speech.

He had read Dr. Laidlaw's paper with interest and would like to extend to him thanks and appreciation, while at the same time he was convinced that the Bulgarian co-operatives had very clear and definite prospects of successful development up to the Year 2000. However he fully agreed with Dr. Laidlaw on the necessity for ensuring that promotion of Co-operatives in the different countries of the world should be in conformity with the specific conditions in those countries; there could not exist a blueprint or pattern applicable to all countries.

He stressed a few points drawn from their own experience: first the importance of democracy; multi-purpose co-operatives had turned out to be the most viable and suitable form, especially in helping to create communities; the importance of planning; the importance of ensuring that mergers should not reduce member participation, and the need to look for new forms of collaboration, such as inter-co-operative joint ventures; the importance of a reciprocal relationship between co-operatives and government.

Dr. B. CATALANO (Italy) said that Dr. Laidlaw had asked at the end of his paper: "What of the ICA in the future?" What Dr. Catalano was about to say should not be taken as criticism of the ICA, which had done tremendous work with a restricted budget and a small staff, for whom he had every respect.

Rapid economic and social evolution had taken place in all countries in the past few years, to which co-operatives had adapted and in which many of their

national organisations had played a dynamic and positive role, responding with new social and economic activities. But ICA had lagged behind, and if the Alliance adhered to obsolete systems and structures, its members would lose interest in an organisation which could not provide the services called for by the modern world; the national organisations would then tend to become isolated within their own structures, or else develop geo-political groupings to meet their needs. If, owing to financial difficulties, the Alliance maintained its traditional and outdated functions, it would no longer correspond to the demands of many co-operative sectors which had become strong and were expanding their operations, rejecting traditional forms in favour of more progressive forms of co-operation.

As from this Congress, the ICA must decide. To remain passive and stagnant from the point of view of political leadership and of organisation and financial structure, would be to lessen its role in international life and turn it into a figurehead. By seeking new formulae, adapting to the requirements of the present day, showing interest in different types of co-operation and different methods of financial and political support, the Alliance could gain new strength and a new momentum to meet the challenges of the time. This Congress should decide whether the Alliance was to continue to work in the old way, or to win a place in the world commensurate with its 355 million co-operators and the 450 billion dollars which was the annual turnover of its member movements.

“The ICA should first understand what it is and what its objective is. It must understand the importance of

co-operation in the economic and social development of the next 20 years. It should work out a programme of initiatives and of new economic policies which would not be subject to the influence of narrow groups. This programme should correspond to the possibilities which can be implemented within a reasonable time. In this way the Alliance would increase its prestige in the eyes of its member organisations.

“With all respect to our traditions and our culture, it is possible to continue to make learned studies on the Rochdale Pioneers or to make solemn declarations on peace or on International Co-operative Day. But we should develop new and ongoing initiatives for the development of co-operative culture, calling for the assistance of other international organisations which have similar functions. We should facilitate the exchange of commodities and liaison between the co-operative movements in different countries. We shall have to find the financial means to support co-operative multinationals to oppose the capitalist multinational corporations. To that end we shall have to establish an international banking system to serve our co-operative initiatives.

“Finally, out of the finances which we obtain from our economic activities, we shall have to provide, to an extent not to be compared with the drops of water that we now throw into the sea, for a programme for the promotion of the co-operative ideal in the developing countries.

“In short, it is a matter of adapting ourselves to the era in which we live. When the Alliance regains its prestige, it will have a tremendous influence among both members and non-members, and it will have an increasingly important influence in the changing world and the changing international situation. So we are really talking about adaptation for survival. This is the alternative. It calls for a radical restructuring of all our concepts and modes of action. It calls for the partici-

pation of all of us if we still believe in co-operation and in the ICA. It will call for sacrifice and effort, but we have to have some point of departure. This point of departure could be the 27th Congress of the ICA.”

Mr. S. MILENKOVIC (Yugoslavia) believed that the Report would give a new impetus to their future work, in different countries and co-operative sectors, and in the field of international co-operation.

As a specific form of economic relations, Co-operation had from the start developed and adapted itself to prevailing working and living conditions; it had solved various problems, contributed to economic and social progress, and overcome economic and political differences and threats to democratic freedom. Co-operatives had been guided by the interests of individual citizens who had fulfilled certain economic functions through unity and the principle of mutual solidarity which excludes the exploitation of man by man. Throughout their history co-operatives had retained these underlying principles, and this had contributed to their viability and prospects of development.

He gave details of co-operative development in his own country, and said the Yugoslav co-operatives were in favour of international exchange of experience and the international development of trade, on terms which would ensure to the developing countries and to agricultural producers, access to the markets of the richer countries which in some cases were closed to them.

Mr. J. LACROIX (France) said that one positive consequence of Dr. Laidlaw's paper had been that the subject had

been discussed for the first time within the French National Co-operative Group which comprised all the different types of French co-operative. Four aspects had been considered:

1. *Democracy*—It was important that business enterprises, as the basic cells of the modern technological world, should be democratically managed, that is, should be co-operatives, in a market free from the control of either capitalist monopolies or bureaucratic paternalism. Co-operative democracy must apply equally to employees and members, and implies autonomous decision-making, independent from the State and the socio-political environment.

2. *Collective capital*—one of the fundamental points of the French co-operative tradition, a source of financing for the future generations of the year 2000.

3. *Education*—In a world which is both over- and under-informed, with widening divisions running parallel to a trend towards universalisation, where isolation and solidarity cross each other's paths without necessarily meeting, it was important to devise new educational means and a genuinely co-operative system of education.

4. *Inter-cooperation*—He would not speak at length on this as it had been eloquently covered by Mr. Antoni, but would add two personal comments.

There were two paradoxes which beset consumer co-operatives. The first was to demand that co-operatives should assert their 'difference' while at the same time casting doubts on the dividend which was its most obvious manifestation, closely linked with problems of financing, member information and commitment: the dividend was the keystone of co-operative

'difference'—if it were withdrawn, nobody should be surprised to see the building crack and the customer begin to take precedence over the member. The second paradox lay in imagining that co-operative development depended on co-operative 'puritanism', which involved telling members: "Go and buy elsewhere, perhaps at a higher price, those goods which I refuse to sell you because I want to keep my hands clean!"

Mr. Lacroix's second comment concerned a partial omission. Dr. Laidlaw had mentioned that in a multinational enterprise, the enterprise itself accumulates a power that may put it beyond the control even of its own administrators and cause it to lose sight of its objectives. But he had omitted to say that this tended to happen to any large system, public or private, national or international, capitalist or co-operative. President Kerinec in his opening address had cited cases where it was difficult to decide exactly *who* had been responsible for a certain decision—the Concorde was a case in point.

Co-operatives should ponder this matter because Co-operation must have a say to ensure that, in the Year 2000, the man who is capable of taking responsibility is the one in a position effectively to exercise it.

Mr. A. A. FERRO (Organisation of the Co-operatives of America OCA) said that Dr. Laidlaw's paper was an important contribution to the solution of some very important problems, and he agreed it could only be the beginning. In this connection a Latin American representative had said at a meeting of the United Nations General Assembly, that any attempt to preserve the old

patterns and structures of international trade would only increase the present difficulties. The developing countries were in a bad situation because they could not market their exports, and it was important to extend their opportunities in order to enable them to achieve a better quality of life.

Mr. M. KITA (Japan) spoke on the importance to his organisation, the National Union of Forestry Co-operatives, of international collaboration between co-operatives. But increased collaboration would benefit not only co-operatives but also the population in general, and he urged any observers present to join the ICA family so as to increase its influence for the betterment of the world.

He had read Dr. Laidlaw's paper with interest and appreciation. The co-operative movement in the Year 2000 must be united throughout the world in order to make its full contribution and provide a countervailing power to big business and the multinational corporations.

Mr. L. MARCUS (Sweden), after commending Dr. Laidlaw's paper, said that obviously its general character was one of its limitations, and that when it was discussed within the specific context of a country's history and culture and economic, social and political conditions, it was necessary to be more specific.

In particular, the Swedish movement had reservations about two of Dr. Laidlaw's top priorities (Part V): were they really prepared to support efforts to bring about workers' co-operatives and the great variety of new co-operatives that Dr. Laidlaw considered necessary, primarily in the big cities? They felt he

might be placing too much importance on something that was unproven.

"It is true that the existing examples of workers' co-operatives are of great interest to all co-operators. To assert at the present stage that these are the beginning of a new industrial revolution is, however, going too far. Two reasons will be given for our opinion that, at present, such an assumption is a utopian idea rather than an axiom.

"The question of the security and influence of employees and their right to share responsibility is primarily a question for these groups themselves. At present, however, Swedish employees do not regard co-operative small-scale enterprises as a general solution. They have different ideas. In exchange for partnership and owner responsibility, Swedish workers and salaried employees want to develop employee investment funds for industrial expansion. The idea that co-operative popular movements should actively act against the interests of the employees' own organisations seems uncalled for.

"To sum up, we express our interest in the future of workers' co-operatives, we support Swedish experimental activities in this field, but we refuse to give this development our highest priority.

"I now come to the question of larger and larger cities, increasing isolation of the urban population, and the possibility of creating a co-operative community of interests for various purposes. The attraction of such ideas is remarkable. The examples given are, however, not convincing. It is on the whole unclear how these co-operative forms of collaboration could be combined with the Swedish type of welfare state.

"In Sweden there is already a form of community, represented by the popular movements—trade unions, religious, cultural, co-operative and political movements, as well as non-profit-making associations. In these movements and through them large

member groups can protect many of the interests that the fourth priority of the report wants to look after. Democracy develops from below and is founded on a broad basis. It is then the task of the political bodies to summarise and to lay down the guiding principles for the development of society.

"In the report, as well as in the resolution, there is a tendency to stress the advantages of small-scale business. At the same time most of those participating in this Congress represent associations of another type.

"This is perhaps the point at which the visions of the report give rise to doubt, and one is even more doubtful about the standpoints of the resolution expressed with less delicate nuances. A co-operative one-shop society or a local agricultural co-operative cannot meet the challenge of multinational corporations. The alienation problems of the large city cannot be solved by small groups of people joining together to protect their interests. One could say that small is beautiful rather than powerful. The part played by the co-operative movement in our own and many other communities is the result of, among other things, its economic power and its capacity for continuity. In this respect the report should serve primarily as a necessary reminder of the fact that power, strength, in itself is nothing. The important thing is how it is used and to use it to serve the members. We therefore share Dr Laidlaw's opinion that self-criticism and continued analysis of our weaknesses are indispensable if the co-operative movement is to be successful still at the turn of the century."

Mr. S. FUJITA (Japan) said Dr. Laidlaw's paper, which had initiated considerable discussion among Japanese co-operators, had been translated into Japanese by the Japan Joint Committee of Co-operatives and 20,000 copies had already been distributed.

He referred to one of Dr. Laidlaw's priorities (Part V)—the need to create co-operative communities with a broad range of services and activities provided through a co-operative service centre, similar in fact to the rural multipurpose co-operatives in Japan which had played an important role in raising rural social and economic standards. He fully agreed with Dr. Laidlaw's ideas regarding the method of co-operative development in the future, but felt he should draw attention to the problems at present being faced by their own multipurpose co-operative system in its attempt to build such a community, due to growing urbanisation of the rural areas, introduction of factories, an increase in mechanisation and in the number of part-time farmers, all of which led to more diversified needs—economic, social and cultural.

Unless the multipurpose co-operatives could effectively and efficiently meet these needs, they would lose their members to the private sector. But to do this required a far higher level of training of staff than was at present possible, and there was a tendency for societies to concentrate on 'lower risk' functions, which meant they would lose their multiplicity of function and their importance as community centres. In a community where the household economy and sense of values varied so widely, it might become more difficult to identify common interests and goals.

In view of these recent developments, Mr. Fujita wondered whether it would be possible to find any common cohesive factor among the various types of co-operative housed in such a co-operative service centre, as mentioned in the paper. He felt that the vital force of a genuine

co-operative could only derive from strong unity among members at the grassroots level, where members shared their responsibilities and participated in joint activities, as had originally been the case with the Japanese rural rice-growing communities.

Mrs. J. LOKKAJ (Poland) took the opportunity to describe the history and achievements of the Polish co-operative movement. She believed that the paper on "Co-operatives in the Year 2000" had provided an in-depth picture of the present situation of the co-operative movement which should be closely studied by all national unions in order to rationalise co-operative structures and widen their own research into the future development of the co-operative movement in the spirit of democracy and the basic co-operative principles.

Mr. S. TAKEMOTO (Japan) had some comments to make on Dr. Laidlaw's plea for the re-orientation of the consumer co-operative movement.

"Dr Laidlaw, in giving his estimate of the present and future of consumer co-operatives, warns that they are facing various difficulties due to increased member alienation and apathy as a result of concentration, the greater dependence on non-member business, the diminishing importance of share capital and increased reliance on borrowed capital, and the loss of identity through using the same methods of advertising as other business, and so on.

"Consumer co-operatives should take these arguments into serious account as their own problems and seek the right solution. However, I am convinced that it is of primary importance to obtain the confidence and loyalty of members and to promote co-operative

activities based on members' efforts in order that the consumer co-operative movement may pursue the path to firm development. For that purpose, the democratic participation of members should be carried through in all spheres of co-operative activities, and even business activities should reflect members' initiatives and establish a co-operative identity.

"In this context it is of crucial importance to set up structures through which members can participate in the daily activities of co-operatives. Dr Laidlaw's paper gave some instructive comments on this problem—for example, he suggested that breaking large co-operatives into smaller units may be the only alternative in the interest of democratic participation and personal involvement.

"The Japanese Consumers Co-operative Union has been appealing to co-operative societies for the past 15-16 years to form the small groups called Han, consisting of 5-10 members, as the basic unit for members' participation in the daily activities of co-operatives. These Hans not only serve as the basis for electing delegates to the General Assembly but offer members extensive opportunities for constant participation in such areas as selecting co-operative products, improving store operation and examining consumer life itself. They also help consumer co-operatives to consolidate their economic basis by recruiting new members, raising share capital and through joint purchasing activities undertaken by the members themselves. Thus the Hans play a vital role in activating the enlarged organisation through the efforts of the members, which is the greatest asset of the co-operatives."

Mr. Takemoto then quoted the experience of his own large society, the Nada-Kobe Co-operative, to show how the Han system had contributed to converting 'nominal' members into fully committed co-operators. They had re-

cently set up a 1980s Planning Committee to study the long-term image of the consumer co-operative movement, taking full account of Dr. Laidlaw's paper.

In addition, he felt consumer co-operatives should play an increasing role in consumer protection and the fight against manipulation of the world market by multinational corporations, for which collaboration with the rest of the co-operative movement would be needed. They should also extend their contacts with members outside the 'shopping' situation to the wider field of life, covering education, culture and the work for peace as the utmost wish of member housewives, thus contributing to establishing a new creative lifestyle. In this way the consumer co-operative movement would recover the loyalty of members and the confidence of consumers and establish a firm basis for development towards the 21st century.

Miss A. GILLAN (Israel) said that Dr. Laidlaw's excellent introduction reminded her of the optimist and the pessimist both looking at a half-filled glass: the one happily commented that it was half-full—the other sadly noted that it was half-empty. Both views were based on correct information, but their main task at this Congress was not to argue whether the glass was half full or half empty but to convince themselves and the younger generation that it was possible to fill the glass to the brim.

The forces behind them were not as weak as they were sometimes tempted to believe: millions of people all over the globe, out of their own personal interest and involvement, had put the co-operative ideal into actual day-to-day practice in all sorts of forms—farming, process-

ing, marketing, manufacture, transportation, health, education, cultural and social services—in nearly all economic and social activities.

Like Israel, many countries could tell stories of achievement and success so, going back to the pessimist's view of the half-empty glass, where had Co-operatives gone wrong? Which were the little mice and rats so picturesquely described by Dr. Laidlaw, nibbling away at the noble achievements of the co-operative movement? Miss Gillan highlighted a few.

They all believed that the wine inside the barrel was of good vintage, but unless the barrel itself were strengthened, the good wine would eventually leak out. If the present crisis was an ideological one, they must search for better ways and means of handing over the co-operative principles to the youth of today and tomorrow, in other words, greater endeavour in education.

Another weak link was the lack of participation by women in leadership, decision-making and specialised positions. The co-operative movement could no longer afford to pay mere lipservice to this over 50 per cent of humanity.

Her last item was the need to increase consumer protection over a far wider range of goods and services, with special attention to the weak and vulnerable consumer.

If these weak links were strengthened, and if the affluent consumer societies of the developed countries shared their knowledge and resources with the developing countries, the whole co-operative system would be morally as well as economically strengthened, to reach the Year 2000 with hope, determination and success.

Dr. H. FAHRENKROG (German Democratic Republic) said that the Alliance was following a very human tendency in trying to work out what would be its position in the Year 2000. However, for the co-operative movement it was not a case of abstract utopian philosophy but an obligation, in order to measure progress and perhaps even to ensure the continued existence of mankind.

Co-operatives under Socialism approached the subject differently from those in the capitalist countries. The future of the consumer co-operatives in the GDR had been outlined up to the year 1990, not only in words but also in figures, as Mr. Smirnov had mentioned when introducing the paper submitted by the Co-operative Movements of the Socialist Countries. He agreed with everything that Mr. Smirnov had said, and added the further point that they were building a foundation of social security and assurance for the future, which was the living essential for those who worked in the Co-operative Movement and in Socialism.

In the GDR they consciously mobilised all the forces of the people to develop and utilise democracy, science and technology in their own service. As Karl Marx had said, only a higher level of production would make it possible “to develop the whole wealth of human nature”. For the same reason they also mobilised the forces working for peace, as an idea to bind the nation together.

As far as the ICA was concerned, he drew the following conclusions:

1. However important it was to look at the Year 2000, it was equally important to work out a concrete

programme for the intervening years, as had always been urged by all representatives of his movement in the various ICA auxiliary committees and working groups.

2. He regretted that it had not been possible to produce a single paper representing the standpoint of the whole co-operative movement throughout the world. Capitalism alone could not provide the answers, and to ignore the viewpoints of Socialism and the Developing World went against historical realism. This was particularly surprising since within the UN system and at the Helsinki Conference all countries—regardless of their social system—had discussed these points and expressed their viewpoints.
3. Co-operators in the GDR would ensure that their own guaranteed future included the further development of collaboration between co-operatives, especially in the Socialist countries, and greater assistance for the co-operatives in the developing countries.

For mankind standing on the threshold of the Third Millennium, the solving of all these problems had an effect on international life, and would continue to do so. This made it ever more important they should work together and strengthen internationalisation in all fields which, as representatives of a communist country, they saw as a positive process and an active contribution towards the Year 2000.

Mr. F. D. KOLESNIK (USSR) gave the prospects for the Co-operative Movement in the USSR over the next

twenty years, based on scientifically substantiated calculations, computations and forecasts related to demographic and other changes, and outlined some of the areas in which it would be expanding its services. He said co-operators in the Soviet Union were fully in favour of strengthening collaboration at all levels, and would actively support the proposal for collectively working out a long-term programme of international co-operation between co-operatives.

He expressed the hope that the 27th Congress of the ICA would make a great contribution to the consolidation of the international co-operative movement, and would open up new horizons for co-operators throughout the world.

Mr. J. SAITO (Japan), as Chairman of the Fisheries Committee, said they were greatly encouraged by Dr. Laidlaw's clear-cut indication in Part V of his paper, that "the most valuable contribution of co-operatives to mankind by the Year 2000 will be in food and the conquest of world hunger".

Fisheries would have an important part to play in feeding the world's growing population, especially in the developing countries, and it was obvious that if fisheries were to be promoted in these countries they must be co-operative.

He commended the formation by FAO of a fishing committee for the development of small-scale fisheries, and believed that fishery co-operatives had to be more community-oriented than, for example, agricultural co-operatives, as fishermen shared equipment and fishing rights in common. He thought they should carry out a greater multiplicity of function, perhaps including credit.

With the implementation of the 200 mile economic zone, each coastal country now controlled its own fishery resources, and fishery co-operatives would have an increasingly vital role to play.

Dr. R. HOULTON (United Kingdom) welcomed the opportunity to discuss the two papers on "Co-operatives in the Year 2000" but confessed to some disappointment that neither of them offered rigorous analysis or explicit hypotheses.

"In saying this, I turn to Part III of Dr Laidlaw's paper entitled Co-operation: Theory and Practice. I looked there for analysis but I found very little. It was concerned with description; it was concerned with co-operative theology rather than co-operative theory. In the other document I find the assertion of law-bound concepts—whatever that is. Both papers attempt to place co-operation in a world social context and both do it in a very interesting and imaginative way; but neither places co-operation within the context of the theories of the social sciences. Not even a simple Marxist analysis can be found in either paper.

"Why do I say that analysis is important? It is because I think that at the heart of our dilemma in all countries is our failure to address ourselves to the problem of conflict—conflict as a dialectical process. As far as I can see, within the co-operative movement there are conflicts of values. The co-operative principles laid down by the Rochdale Pioneers do not lie together in harmony. One principle fights another principle, and the task for the leadership and the task for the management is to try to get some kind of a working compromise.

"There are also conflicts of interest between a co-operative society and its employees, and sometimes its members. I could go on at length about the con-

licts of interest but you can all develop your own lists.

"Then there are the conflicts of roles. Dr Laidlaw spoke about the building of different levels of co-operation—the architecture of co-operation. I detect within these levels in the architecture of co-operation considerable confusion on the part of the people who are elected. They do not know what they are about a great deal of the time, and I think that that is due to the inherent conflict of roles. So we need a powerful theory which will deal with this dialectic process. We also need a theory which will deal with the process of change, with the process of innovation, and with the relationship between innovation and accountability, because accountability is the heart of democracy."

Dr. Houlton said that co-operatives usually began as innovative organisations; they demanded participation; their members had to struggle, and through that struggle came solidarity and consent and consensus. But it was not possible to go back in time: in most countries co-operatives were now well established, and had moved from the age of innovation into the age of accountability, which brought with it delegation, leading to conformity, to neutrality and finally to apathy; in some countries it got even worse, leading to the abuse of power and the alienation of the population.

It should be recognised that co-operation was a reaction of people to perceived and hostile circumstances, which might lead to co-operative institutions, which in turn produced changes in the economic base and within the State which might not necessarily favour co-operatives.

In their 'middle period' co-operatives in the UK had been an instrument for emancipation, for example the dividend

which had transferred money from the pockets of husbands into the purses of wives. Today the movement was looking outwards to the community, to the small democratic self-help groups which had grown up without help from the State or from the existing co-operative movement, was seeking partnership with these young independent and democratic groups. He thought they still had a long way to go, but they could only make progress on the basis of a soundly worked out theory.

Dr. A. E. RAUTER (Austria), after describing some of the Austrian experience, urged that the accumulated experience of the co-operative research institutes all over the world should be used to assist the development of the co-operative movement and to solve some of the problems they had discussed.

Some of the points he felt important were: closer collaboration between professional leaders, experts, and lay members; the avoidance of a technocracy through strengthened democracy; greater involvement of women and of youth. Only in this way would the International Co-operative Alliance be able to approach the Year 2000 with ideas suitable for that time, and future generations be able to realise the great ideals of the co-operative movement and influence the growth of the economy.

Mr. R. RAMAEKERS (Belgium) commented that Dr. Laidlaw's paper was so comprehensive that everybody could find in it what he was seeking: it was obvious from listening to the speakers that each had read the report in his own way. However he himself had four reasons for being less pessimistic than Dr. Laidlaw.

First, there was a widespread renewal of co-operative life and activities, new patterns and structures were being formed and more people were involved in co-operative activities. It was important that the existing national movements should take note of these new forms of activity opening up not only in the economic but in the cultural field, and formulate a better structure that would involve them.

Secondly, a wider form of consumerism was developing in which the co-operative movement must be involved, which went beyond mere consumption and was linked with the need to create a better functioning political and economic democracy.

His third point concerned relations with the State. Governments were also going through a period of crisis: there was an evolution towards federal forms of statehood, and citizens had more power than in the past. Co-operatives must be attentive to such developments, and must be bolder in their dialogues with the State and in their demands for a place in decision making.

Finally, the co-operative movement should come out of its isolation and seek common ground with other organisations working for the same ends, and this was happening in some instances.

These were developments which were taking place now, without waiting for the Year 2000, and therefore he was optimistic.

Mr. E. FRIEDLANDER (Israel) said their history showed that prophets had not always been right about the future: there would be many developments and challenges which could not be foreseen today, with no chance of

offering a universal solution for all the complex problems involved. However one point was and always would be of major importance in co-operation, and that was the human element.

In spite of the need to think big—this was a big Congress and many delegates represented organisations with hundreds of thousands or millions of members—it was essential never to forget that the basic aim of co-operation was to serve the small people, the members of the co-operatives who tried to achieve and maintain a decent existence, an acceptable standard of living. They were not numbers, they were individuals with their own specific problems and needs. Co-operation could only exist and develop as a voluntary organisation based upon education, information, understanding and mutual trust. But co-operation was a two-way street and members must be aware that they have to sow in order to reap: they must invest money, manpower and loyalty in order to build a co-operative movement which will be able to solve their problems.

In fact it could be said that “the strength of any co-operative is a direct function of the readiness of its members to contribute and to identify themselves and to strengthen their own organisation” and this again stressed the all-important human factor in successful co-operation.

Co-operatives should not restrict themselves to being big, efficient and profitable, but should concern themselves with all aspects of the community.

Mr. Friedlander said that Dr. Laidlaw’s report and his verbal introduction had been for him a unique experience, and he thanked him for this outstanding contribution. He asked the Congress to

accept his short words about the human element in the co-operatives of the future as a modest contribution by his organisation to this Congress.

Wednesday 15th October

Morning session

In the resumed debate on “Co-operatives in the Year 2000” Mr. J. J. MUSUNDI (Kenya) pointed out that it was easier for the well-established movements in the industrialised countries to look ahead over the next 20 years, than for movements operating in less developed economies. Developing countries were subject to more frequent political changes, beyond the influence of either the local co-operative movement or the ICA, and some of these changes made the operation of co-operatives virtually impossible. In spite of this there had been great progress, as was shown by the experience of his own movement, of which he gave details.

He closed by making a plea for the maintenance of the international character of the ICA by strengthening its financial status, and for more help from developed countries to enable co-operatives in the developing countries to increase their food production. Discussions showed that the co-operative movement was still far from perfect, and he echoed Mr. Friedlander’s emphasis on the importance of the individual, who must be helped by co-operation to achieve collectively what he has not been able to obtain individually.

Mr. I. CHIRILESCU (Romania) pointed to the economic gap still existing at the end of the UN Second Development Decade, and the fact that

the Third World had become poorer than before. It was essential that the wealthier countries should abandon their restrictive practices and work for a new international economic order which would benefit the whole of humanity. Military expenditure in 1980 had reached 500 billion dollars and the arms race had increased in intensity; it was necessary that all countries, irrespective of their size and social system, should act decisively in order to put an end to the arms race, since efforts towards the establishment of a new international economic order were closely connected with the maintenance of peace, in which Romania had played a leading role.

These must be the central objectives of the coming two decades, and would involve the mobilisation of all progressive forces. The co-operative movement had always been on the side of the poor; unity in will and spirit of co-operators all over the world could create a favourable framework in which the International Co-operative Alliance could influence international opinion, and it should act more decisively to make its fundamental concepts more widely known.

The Romanian movement fully supported the need to defend democracy, and to be effective both economically and socially, this would become even more necessary in the future. As shown in the report it had sent to the editors of the paper under discussion, his movement was in a state of continuous development, it had a large share in the national economy, and was protected and supported by the State. In the coming decades it would continue to be concerned with increasing the co-operative role in the country's economy, im-

proving the working and living conditions of co-operators, strengthening co-operative democracy and collaboration with other public organisations (trade union, women's, youth and sporting organisations), and training specialists able to meet intensified collaboration with the co-operative organisations of other countries, in the spirit of the foreign policy promoted by Socialist Romania.

Mrs. G. BUNN (United Kingdom) said she had waited a long time to have her name called, and had made tremendous cuts in the long speech she had intended to make; she appealed to other speakers to do the same.

Congress had been enlivened the previous day by the passionate philosophical analysis made by Dr. Houlton of the Co-operative College (UK), and she would have enjoyed pursuing this theme; but she would just say, on behalf of the UK Co-operative Movement, how grateful they were to Dr. Laidlaw for bringing together this whole series of major issues and questions, to which they should all be endeavouring to find answers.

Looking back over the 20 years since 1960 and noting how much the world had changed, technologically and in other ways, made one realise how much greater would be the changes in the next 20 years, and how important it was to turn aside from all the preoccupations of the present time, the social and economic inequalities throughout the world, to look ahead, think about the future, set objectives and goals, make decisions and take steps towards those objectives and goals

In the UK they were becoming in-

creasingly conscious of the need for co-operatives to be 'different' from their competitors, to be unique in the eyes of the community. Mrs. Bunn thought there would be some difference of opinion with Dr. Laidlaw, when he made the point that consumer co-operatives would only serve their members in the future. They understood his point, but felt their own concern was to forge stronger links with the community, as Dr. Houlton had said.

She would not comment on each of the questions posed in the final part of the paper, but if the co-operative movement is to have a future and continue to exist up to the Year 2000 and beyond, it must attract people of calibre who can and will fulfil the role of leader. There will always be people of this calibre in the wider community, and co-operatives must communicate their message outside their own circle to attract these people, making use of all the new technological tools which are being and will be developed.

On education, relations with government, capital and management requirements, etc., Mrs. Bunn was confident that the level of experience and competence in their midst would enable them to work out these problems satisfactorily.

As to the future of the ICA itself, there was no doubt that such a body would continue to be needed to co-ordinate their activities on a worldwide basis, and she suggested that the Central Committee should commission a study to review the structure and financing of the ICA, concentrating on how the Alliance could best be equipped to assist the national movements in dealing with the international problems of the future.

The Resolution on "Co-operatives in the Year 2000" was a lengthy one and

perhaps endeavoured to cover too much, since all organisations should continually be looking ahead and charting their course for the future. However, on the assumption that the Resolution would be accepted with its amendments, she also suggested that the Central Committee should select in each of the years to the next Congress, a particularly important and relevant issue and try to look at it in depth; this could be of material assistance to the national organisations in their ongoing task.

Dr. P. TONHAUZER (Czechoslovakia) said Dr. Laidlaw had done his utmost to deal adequately with the present and future problems of the co-operative movement, and in many places he had correctly evaluated the situation. However, he had purposely limited his standpoint, and therefore the attitudes and opinions expressed in the study could not have universal application, since there were fundamental differences in the conditions governing co-operative development, according to the social system of the country. For example, the statement that the gap between rich and poor would grow wider could only apply to the capitalist part of the world; in socialist countries there was a completely different outlook: economic collaboration, mutual assistance and the Socialist principles of economic integration aimed at balancing the standard of living of individual countries, combining their interests and promoting their common progress.

In view of these differences, he fully supported the analysis of the various contradictory phenomena as given by Mr. Smirnov, and supported the amendments suggested by Centrosoyus to the

motion on "Co-operatives in the Year 2000". They had clear prospects and goals. However, to be able to achieve them they needed peace to be maintained: this was the basic precondition for the future development of mankind and the co-operative movement.

Mr. R. HEIKKILA (Finland) said it was not easy to formulate universal recommendations applicable to all kinds of co-operative systems, but Dr. Laidlaw's proposals and priorities would certainly give rise to thought and discussion.

When talking about the future, it was important to remember that it was not only the environment that changed, but also the membership and its requirements: the Rochdale Pioneers had founded their society to meet their own specific needs; co-operatives today tried to meet the needs of today's members; in the Year 2000 there would be a new membership with very different demands, and it would be a sad situation if membership did not renew and the quality of life did not change. Dr. Laidlaw had perhaps not given enough attention to tomorrow's membership which, in the end, would determine the forms of future co-operation.

It was the great variety of members' needs which made co-operation so diversified, and therefore it was also necessary to accept forms and methods of co-operation which remained true to the co-operative principles but might not be relevant to one's own country. The paper had rather outspokenly classified as weaknesses, or ideologically unacceptable, some practical ways and methods which were fully accepted, successfully realised, and even necessary in many countries.

The paper had strongly emphasised co-operative independence, but mainly with regard to the State. However a growing number of other outside bodies and interest groups were increasingly interfering with the independent decision-making of co-operatives, and Mr. Heikkila wished this aspect could have received wider attention in Dr. Laidlaw's paper.

It was quite natural that a comprehensive report of this kind should contain some views with which they did not agree, and some recommendations and priorities which were not applicable to every country. But Dr. Laidlaw had stressed that the report was intended only as a beginning, and that countries should select those parts which were applicable to their own problems. Bearing this in mind, Dr. Laidlaw's report was fully acceptable.

Mr. V. MAGNANI (Italy) said that Dr. Laidlaw's paper had dealt very comprehensively with the changing face of co-operation and its different manifestations in different countries. Its constant factor was that it was a mass movement, which generated solidarity and thus altered man and society, and this aspect must always be supported; its other main contribution to the future of society was that it placed the life of individuals above monetary gain.

The co-operative movement, while it remained independent, was an essential component in society which the political and social sections were bound to respect. Thanks to the Alliance, the co-operative movement was developing along these lines in many countries. But there was still room for improvement.

Mr. Magnani also referred to the need

for restructuring the Alliance to bring it more into harmony with the realities of the co-operative movement, and to make it more flexible and more democratic. He agreed with what had been said about regionalisation.

Dr. P. KALIS (Czechoslovakia) agreed with the emphasis that Dr. Laidlaw had placed on the importance of the relations between co-operatives and the State, which was of vital importance for the future of co-operatives. But the solution of this problem depended entirely on the nature of the State and its social system; it was not possible automatically to transplant attitudes and postulates from one social system to another, nor from one period in time to another—complete freedom of management of economic affairs, for example, was no longer possible in the present world of large organisations. Economic affairs were in any case less important than education towards self-help, and this was the criterion of a true co-operative.

Many such co-operatives existed in Socialist and other countries, supported by the State for the benefit of the people. Under Socialism the relationship between co-operatives and the State is seen as responsible collaboration and a joint solution to the problems of social development. Accordingly co-operatives do not regard this collaboration as a limitation but as a safeguard of their own development. The Czech State relies upon the existence of co-operatives as a significant part of the national economy.

Dr. K. H. A. KHEIR (Egypt) very much appreciated Dr. Laidlaw's contri-

bution to the discussion, but himself felt that the most important element in co-operative development for the Year 2000 was education, and he described the extension of co-operative education which had taken place in Egypt, attended by hundreds of students from all the Arab world and from Africa and Asia in addition to employees from the various Egyptian co-operative sectors.

Co-operative practice was now a subject for scientific study and research, and also for teaching the future leaders of the nations, because it was important that the key men in politics and government—parliamentarians, lawyers, economists, educators, physicians, engineers, agronomists—should have sufficient knowledge of the co-operative movement, its aims and achievements, to at least enable them to recognise co-operation when they came across it, and deal with it with due regard to its distinctive nature.

His other point was the need for the various ICA Auxiliary Committees to be more in touch with each other's activities: for example, the Agricultural Committee should know what was happening in the Women's Committee, since women's activities played an important role in agriculture.

Mr. J. SOBIESZCZANSKI (Poland) was convinced that even in the Year 2000 food production and the problems of agriculture would constitute priority tasks in both developing and developed countries, and he described the measures taken in Poland by agricultural co-operatives to improve production, to attempt to achieve self-sufficiency for the country in food and agricultural raw materials within a certain period of years.

His delegation fully supported Mr. Smirnov's presentation of the general assumptions of the co-operative movements in the Socialist countries, as well as the proposed amendments to the resolution.

"In our country we shall be working, as in the past, not only to develop the traditional principles on which the Polish co-operative movement is based, but also to implement new aims which will assist social progress and the humanisation of life, as well as friendship and peaceful coexistence between nations."

Mrs. U. JONSDOTTER (Sweden) reminded participants that yesterday she said she had chosen the wrong part of the Agenda under which to report on the work of the Women's Committee: today she had definitely chosen the right point: Dr. Laidlaw asked (Pt.VI, 1) "Where are the leaders for future development?", and went on to stress the need for a great body of lay leaders, *women as well as men*, not just to make a success of co-operatives but also to work towards building a new kind of society. While she hoped that in the future there would be no need for such distinctions between men and women, it was certainly true that if the co-operative movements disregarded the women's experience, they would be deprived of a great reserve of knowledge.

Dr. Laidlaw quoted the saying that first-class leaders attract first-class people to work with them but second-class leaders attract third-class people to work under them. There were certainly many first-class leaders among women. The question was: how many were represented in this Congress, and how many would be represented in the Congress of the Year 2000?

Mr. AZIZ MOHAMMAD IBRAHIM (Malaysia) had found the paper on "Co-operatives in the Year 2000" very interesting because, as a developing country, forward planning went with economic development and they were planning ahead for the next twenty years. To be successful, ICA too must plan positively for the next twenty years of co-operation, and if it did this it would receive the support of the governments of the developing countries.

Many ICA papers had stressed its objective of helping the world community, but he was sure all would agree that the rural community must be given priority, to raise incomes and improve the livelihood and social background of the rural people. They had just completed the Co-operative Development Decade: he hoped that the coming decades would also see progress and support from governments for the developing countries. He expressed thanks for the help given by several developed countries to the agricultural and fishery sectors in Malaysia, much of which was continuing.

The developing countries were very grateful for Dr. Laidlaw's paper, as they would now be able to tell their governments to look at what the ICA was doing in forward planning, not only in theory but also in practical terms.

"Let us move forward together. The paper may be theory but the practical side is very important if we want to succeed in our co-operative activity in the Year 2000."

Mr. S. P. SRIVASTAVA (India) felt that Dr. Laidlaw's paper was among the most valuable documents available to co-operators, especially Part VI which elaborated the major issues and crucial

questions concerning the future of the co-operative movement in the world.

Co-operatives in the developed countries had experienced phenomenal economic growth, which had led to specialisation and integration and, in some cases, to a lessening of the differences between them and the private sector. In the developing world the picture was different: the Third World could no longer use international trading channels for its economic development—as was done earlier by countries now in the developed category—and the widening gap between rich and poor nations was not only a statement of fact but also a challenge to co-operatives as a world movement.

For the problem of multinationals, whose effects were particularly strongly felt in the developing countries, Mr. Srivastava believed that the only solution was to set up international economic co-operative organisations, which would have the added advantage of encouraging co-operators in developing countries to enter international markets and thereby decrease their dependence on their governments. ICA should also encourage bilateral trade agreements between co-operatives, as well as co-operative joint ventures in the developing countries.

“We have two decades at our disposal. By 1995 the ICA will be celebrating its centenary. Let us strengthen the hands of the ICA, which is the only co-operative link at international level. It must be made powerful and strong to fight against such forces as are opposed to the development of co-operatives. The ICA has played a commendable role in bringing the trading co-operatives together on business terms. Let these trading co-operatives, which have benefited or will benefit from ICA co-ordination, consider creating a patron-

age fund for the ICA, by contributing a certain share of their income accruing out of the business transactions carried out through the ICA. This would be an additional source of finance for the ICA in future years.”

Mr. Srivastava also recommended that the Economic Bureau of the Agricultural Committee of the ICA should be equipped and strengthened to promote and develop inter-cooperative trade relationships.

Having looked back and analysed their failures and achievements, they must now correct their mistakes and look forward to a better future for the co-operative movement.

Mr. F. E. GRABIEL II (USA) said the Co-operative League of the USA (CLUSA), was in full agreement with the idea of assessing the present position of co-operatives and looking forward to planning their future development. CLUSA supported the motion as amended, and also supported further study on the matter.

He had brought with him copies of the report of a committee of leading United States co-operators, formed to examine co-operation in the USA in the Year 2000, entitled “Co-op USA — Co-ops in the Year 2000”. These were available for participants, but in view of the limited number he asked that each delegation should limit itself to one or two copies.

One of the major hopes of CLUSA for the year 2000, was for a world in which co-operation could flourish, which meant a world at peace. All co-operators must work to reduce tension and to promote peace. The motto of the Co-operative League of the USA was “Common

ground for co-operatives", which meant that co-operatives with differing ideas and interests could come together to work on common problems without acrimony. It was important to concentrate, not on the political differences in the world, but on those matters on which they could work together. In this spirit of co-operation it would be possible to look forward to the Year 2000—a year of peace, opportunity and promise for co-operatives around the world.

Mr. A. A. SMIRNOV (USSR) said there was no need to reply to comments on the paper submitted by the Socialist co-operators. Discussion of the two reports had been meaningful and friendly, and some of the speeches and suggestions made were very interesting, in particular that of Dr. Houlton (UK). He agreed with Dr. Houlton that neither of the reports was complete, but this was only the beginning of a long in-depth study of co-operative development in all its aspects to which, as many speakers had said, this fruitful exchange of views was an important contribution.

Reply to the Debate on Co-operatives in the Year 2000

In replying to the debate, Dr. A. F. LAIDLAW wanted simply to clarify a few points.

"About 40 delegates spoke during the last day and a half. I am appreciative of the praise and I am equally appreciative of the criticisms of my paper. If anything, the praise was all too generous and the criticisms perhaps not sharp enough or sufficient. That is why I appreciated particularly the statement made yesterday by Dr. Houlton from the Co-operative College in the United Kingdom. I think that he

hit the nail on the head when he said that we need to clarify the ideological basis of the co-operative movement. I support him completely in this and I hope that the delegates will take that message back to their organisations.

"Yesterday one of the delegates from Sweden, Mr Marcus, intimated that my report seemed to favour the small co-operatives as against the large co-operatives. I should like to make the point very clearly that I am not against big co-operatives; in fact, I see and understand the necessity of large co-operatives. A razor is a good instrument for shaving but it is a very poor instrument for cutting down trees. In the same way, we need big co-operatives for big jobs, and all I am asking is that the big co-operatives do two things. They must create and build an appropriate structure for a big organisation. This is what many of the big co-operatives simply have not done.

"Secondly, if the co-operatives are big they must have an educational and communications system appropriate to their size. Again, this is what many of the big co-operatives have not done. I emphasise that we need big co-operatives but we also need intermediate co-operatives and many small co-operatives. What we are looking for is appropriateness, that co-operatives should be appropriate in size for the job that they have to do. A co-operative that has to move 50 million bushels of wheat, for example, cannot be a small co-operative. I want to make it clear not only to Mr Marcus but to all delegates that we should be looking for appropriate size rather than small size.

"I return to the remarks of Dr Houlton. I agree completely with the concept that in the co-operative movement we are continually trying to reconcile conflicting views or conflicting positions. We are trying, for example, to reconcile our respect for the individual with concern for the membership, for the collective, and for the group, and that is a conflict. We are trying to reconcile the fact that a co-

operative is both a business enterprise and a social movement, and sometimes there is conflict there. We are trying to reconcile the fact that co-operation is something universal and yet we have to adapt it to national and even local or regional needs and aspirations and traditions. So the co-operative movement, in a way, is a whole bundle of these conflicts, and instead of using the word "conflict" we are trying to turn conflict into mutuality and thus co-operation.

"If I may say so, there is one more conflict within the co-operative movement—not a conflict but a duality—that we are continually trying to harmonise and reconcile practical hard-headed commonsense business with the dream and the vision that we have for a better world.

"I should like to comment very briefly on what Mrs Bunn from the United Kingdom said this morning about my insisting on a closed membership for consumer co-operatives. I recommend this because I regard non-member business in consumer co-operatives as a sign or a source of weakness rather than of strength. By closing the membership and carrying on business only with members in the consumers' co-operative we strengthen the bond between the member and the co-operative, and also put the responsibility for raising capital, and so on, where it belongs—on the person who uses it.

"I should like to make a brief comment on the remark from one of the delegates from Italy this morning as to where the co-operative sector belongs in the economy. In my view, the co-operative sector does not belong with the public sector or with the private sector but somewhere between, and hopefully in the co-operative sector we shall adopt the good features or some of the characteristics of the public sector and at the same time blend with it some of the characteristics of the private sector. By combining the two we shall create something different and better than anything else.

"I thank all the people who spoke on 'Co-operatives in the Year 2000'. May I suggest that we leave here as both realists and dreamers; that we work hard in a practical way with the job to be done in co-operatives, but always having in mind that if we are to make progress and to plan for the year 2000 we must also dream creatively." (*Applause.*)

The PRESIDENT thanked Dr. Laidlaw. The applause he had received confirmed everybody's appreciation of his paper and his contribution.

He then introduced the **Central Committee Motion on Co-operatives in the Year 2000***, as amended by the Congress Committee, which was carried with one vote against and one abstention.

REPORT ON THE CO-OPERATIVE DEVELOPMENT DECADE 1971-1980

Presentation of the Report and of the motion on "ICA and Technical Assistance"*

Mr. P. SØILAND (Norway, ICA Vice-President) assumed that he had been asked by the Executive and Central Committee to present the Report on the

Co-operative Development Decade because, with other colleagues from the Executive, he had served on the Co-operative Development Committee, which would provide some background to his remarks.

*For text see page 256.

At the end of this Development Decade it might be worth reminding themselves about its history. At an early stage the ICA, in common with many national movements, had recognised the need for co-operative development in the less developed countries, and the subject appeared on the agenda of the 1954 Congress; also at this Congress the decision was taken to launch the Co-operative Development Fund. In 1960 the ICA established a Regional Office for S.E.Asia; in 1966 the ILO declared that co-operatives were instruments for economic and social progress; in 1969 the UN Economic and Social Council called for an assessment of the contribution which co-operatives could make to the implementation of the UN's work, and approved a resolution calling for close collaboration between the United Nations, its Agencies and member organisations, both in developed and less developed countries.

He reminded them of these points in order to underline the responsibility which they took upon themselves when they decided to declare the 1970s a Co-operative Development Decade. Had they lived up to this responsibility? Had the optimism of the "golden 60s, when everything seemed possible" produced practical results? How many co-operatives of different kinds had been founded in the various sectors? How were they doing economically? Was it possible to register clearly that the members of these new societies had benefited from the co-operative system?

"... Most of these questions cannot be answered, but from the official ICA statistics certain figures can be given. We had a little over 49,000 consumer societies throughout the world in 1970;

they had increased to 63,000 in 1979. We had in 1970 a little more than 8,000 fishery co-operatives; they increased to 18,000 by the end of 1979. We had in 1970 42,500 housing co-operatives; at the end of 1979 there were 67,000. I could mention more. The biggest increase has been with agricultural co-operatives, because they increased from 145,000 societies in 1970 to almost 270,000 in 1979.

"Now one must be permitted to draw the conclusion that during the Decade a great deal has happened with regard to the development of co-operation. But has it happened because of the Co-operative Development Decade or is it merely because of activities started by other organisations and institutions? It is a fact that support for co-operative development has come from many sources during the decade, from a number of countries and governmental agencies for technical assistance. I could refer to many countries in this respect. I could refer to activities carried out by the socialist countries, which have been of great importance. I could mention the substantial support which has been given by the World Bank, by FAO, ILO, UNESCO, and other UN Agencies. Some member organisations of the ICA have organised fund-raising campaigns and carried out special projects of their own. Personally I will argue that the activities which we have registered on the part of institutions and organisations which have been working on their own have been inspired by the International Co-operative Alliance and its work in connection with the Development Decade. I think I can say—in any case, I believe it—that the activity which we have seen would have been less if it had not been for the efforts undertaken by the ICA.

"The report which is now before the Congress is a fairly long one, and it would be impossible for me to go through it page by page. I hope that many of you have had the opportunity to read it. There are, however, certain

points that I want to make on the report.

"The report describes a considerable programme of activity. In these pages are reported many seminars and conferences held either at international or regional levels, dealing with issues of fundamental and basic importance for co-operative development. The report shows that training and educational programmes have been carried out benefiting different forms of co-operation. A great many important research programmes have been supported and carried out. The report tells how the Regional Offices have taken many initiatives and have carried out a great deal of activity in different fields. AGITCOOP, the Advisory Group for International Training of Co-operators, has been set up during the Decade. CEMAS, the Co-operative Education Materials Advisory Service, has been set up during the Decade. I shall not go further in referring to the report, but I thought it was right for me just to mention some of the important parts, for which I think we owe the Secretariat our thanks.

"According to the formulation applied by the ICA, the tasks connected with the Development Decade were to undertake a concerted and intensive campaign for the promotion of co-operatives in the developing countries. So the question arises, has the campaign during the Co-operative Development Decade really been concerted and intensive? Some people may take the view that the Co-operative Development Decade has not produced what we had in mind. Some people ask the following question: Would not the activities have been just as versatile without the Co-operative Development Decade? These questions I cannot really answer, but I would remind you of what I have already said, that it is my belief that the activities would have been less without the work done by the ICA on the basis of very, very limited resources indeed.

"Development work performed by the ICA and its member organisations

cannot be done without money or the necessary financial resources. During the Development Decade the economic situation in the world has changed dramatically. The 1970s have been very different from those years which I called the golden 1960s. These changes in the world economy have hit first the developing countries and then the industrialised countries in the world. The everyday question for the ICA Secretariat, within the Headquarters and in the Regional Offices, has been: Do we have the necessary money? Do we have the financial resources?"

Mr. Søliland then referred to the difficulties over the ICA's Long Term Programme of Work proposed at the 1976 Congress, which had already been mentioned, and for which the money had not been forthcoming. An important part of this had also concerned development. He would go more fully into the ICA's financial problems the following day, but in connection with development it was impossible not to mention finance. For example, out of 170 member organisations the Development Fund was regularly supported by only four or five. This was also affected by the rather dark and complex international economic situation within the framework of which they had to work. But he felt that "we member organisations" could have done more; the Development Decade could have been something greater if they had followed it up. It was his personal opinion that in the coming years member organisations must do more in spite of the economic difficulties they had to face.

But when discussing co-operative development, they must remember that in the 1980s development was needed everywhere, not only in the less advanced

countries. All member organisations must study their position, their working methods and forms of organisation in order to meet this challenge, whether in the developed or developing, socialist or capitalist countries. He would not go further into this, but underlined the following points in connection with the developing countries:

“(1) As soon as possible after this Congress, the Development Committee and the Executive Committee should study in detail the Secretariat’s report, taking into consideration the discussion which will now take place in Congress. The purpose of such a study must be to draw up a policy for the development work which can later be considered by the Central Committee.

“(2) The policy which we draw up and the programmes which we construct must be within the framework of what is economically possible. If I were to say something more about these first two points, (1) and (2), it is that after 10 years of experience we should really study our policy, how our work is organised, and see whether we can do the job better.

“(3) I believe you will agree with me that we cannot do anything without money, and here the Development Fund plays a fundamental role. How could we get more money for the Development Fund? I know on the basis of my experience that it is no use sending out appeals. It is no use going round with your hat in your hand begging for money. That gives you nothing. The problem is whether it will be possible for us to devise a system according to which the Development Fund could grow automatically? I am thinking of such things as this: when you have calculated your ordinary subscription to the ICA, you should add 5 per cent of the subscription which automatically should go to the Development Fund. This is not something which I propose today, but

it is something which we must look into and see whether it is possible to devise a system by which we can get some financial resources.

“(4) Many of our members have been able to establish contacts and negotiate agreements with the technical assistance agencies in their respective countries. Many more members must try to do the same, because that can produce money.

“(5) There is the question of co-ordination between all those organisations which are struggling towards the same aim and purpose. I shall not go deeper into this, but I think that even if we have reached a certain amount of co-ordination, more could be done in this field, and we have to try to do it.

“(6) We have touched on the Regional Offices, and I want to underline how important these Regional Offices are and that very many things can be developed and carried through by the Regional Offices. May I in this connection say that our Regional Office in South-East Asia and our Regional Office in Central and East Africa would not have been in existence today as ICA operative units if it had not been for the substantial support given by the Swedish Co-operative Movement. We have now decided to open from 1st January a Regional Office for West Africa. It will be a small office. The money to start the office and to pay for the administration for a couple of years has been collected. A three-year work programme in education and training has been worked out. That training and educational programme will be financed by the Norwegian Co-operative Movement in collaboration with the Norwegian Development Agency.

“(7) As the Regional Offices strengthen their position in the regions where they work, more responsibility should be transferred from the Headquarters to the Regional Offices. This corresponds with the idea on which we built our activity, namely self-help.

“(8) We have already during the Congress touched on the importance of the Auxiliary Committees. Many of them are doing a fine job in development work. We should study how that collaboration from the Auxiliary Committees could be extended.

“(9) In preparing this introduction and in connection with certain papers which I have been studying, it has struck me that the question of multi-purpose societies should be more closely studied.

“(10) The technical assistance programmes carried out by the ICA have mainly concentrated on education. I would like to ask whether it would be possible to link the educational and training programmes more closely to practical projects?

“(11) We shall study more closely whether it is possible to increase trade between the lesser developed countries and the industrialised world.

“Those are the points which I would like to put in the forefront of my contribution, and which fit in with the text of the Motion on Technical Assistance. I formally move the Central Committee’s Motion on Technical Assistance to the Third World, and seek the unanimous support of Congress.”

Debate on the ICA and Technical Assistance

Mr. M. BANKOVER (Israel) believed that the main task to be faced by the world in the coming years was the advancement of developing societies in order to reduce the gap between them and the developed societies. In this connection certain features of the workers’ co-operative movement made it one of the pillars of economic progress in developing societies.

He mentioned three particular features of the workers’ productive movement in

Israel which he thought might be of interest: societies raised capital from their own members but also internationally; all national and international financing was channelled through the workers’ co-operative movement; and their societies covered a wide range of products and services. He described their contribution to the Israeli economy and to transforming Israel into a modern and developed society.

He hoped the Israeli experience might be useful to those developing countries now in the same phase of development in which Israel had found itself several decades ago. They were willing to share their experiences.

Chief J. E. BABATOLA (Nigeria, Chairman of the ICA Provisional Regional Council for West Africa) expressed satisfaction that during the latter part of the Co-operative Development Decade the ICA had come to identify itself with the co-operative aspirations of his own developing region.

He described the great strides taken in his own country during the Decade, thanks to certain international organisations and to national co-operative bodies such as the Swedish Co-operative Centre and the Canadian Centre for the Development of Co-operatives in the developing countries, as well as to India which had given Nigerian co-operators the opportunity of attending a seminar the previous year.

If what had been achieved in West Africa during the past two or three years was any indication for the future, he believed great progress would be made in the next few years, thanks to the ICA. However, although co-operatives in the developing countries were grateful for

what had already been done, they felt the quality of aid needed to be improved in the future. Regarding education, for example, educational aid appeared to consist purely of imported programmes which had very little relevance to local conditions, whereas they had local talent which needed only a little further training to enable it to be made use of; they did not need the wholesale import of so-called experts and competent advisers. He hoped this would be borne in mind during the coming two decades.

Mr. S. SULEMESOV (Bulgaria) said the paper on the Co-operative Development Decade 1971-1980 reflected the practical aspects of the co-operative principle of collaboration between co-operatives. He elaborated on Bulgaria's contribution to the Decade, and also referred to the international meeting on the "Role of Industrial Co-operatives in the Industrialisation of Developing Countries" organised by his Central Co-operative Union and UNIDO in Bulgaria in November 1979. He added that the Bulgarian Government also rendered assistance to the developing countries on a large scale, within the framework of international agreements.

However, while aid to developing countries should be directed to all types of co-operatives, especially those in difficult circumstances, it must not be forgotten that the co-operative movement's progress would depend ultimately on the utilisation of its own resources. The Bulgarian co-operative societies had begun with very small resources: now the consumer co-operatives covered 100 per cent of capital investments out of their own funds, and the agricultural producers' and workers' productive co-

operatives each covered 85 per cent. Where co-operative societies lacked sufficient funds of their own, the Central Co-operative Union granted loans free of interest. Co-operators in the developing countries should not be afraid of the difficulties, since most co-operative organisations in the developed countries had begun their activities in the same conditions. The Central Co-operative Union would continue to do its best to extend practical assistance to the developing countries.

Dr. H. FAHRENKROG (German Democratic Republic) described some of the contributions made by co-operatives in the GDR to the Decade: for example in one year alone (1977) approximately 66 specialists from developing countries had been trained by their co-operatives; more than 10 billion Marks had been spent on scholarships for co-operators from Asia, Africa and the Far East; high level seminars had been conducted for specialists from India, Malaysia and other countries; contributions had been made to the ICA Development Fund.

The Consumer Co-operative Union of the GDR would continue to assist the developing countries, especially in the training of personnel. They would also try to contribute to the process of stabilisation of the co-operative movement, since it was important that co-operatives should not only utilise fully the assistance offered but should also rely upon their own resources.

Afternoon Session

Mr. N. BLUMENTHAL (Israel), the first speaker in the resumed debate on the **Co-operative Development**

Decade, felt that while there existed a well-developed network of consumers' co-operatives which benefited millions of consumers throughout the world, the co-operative productive arm—the industrial co-operatives—needed to be further developed, especially in developing countries, since they were a vital factor in ensuring proper exploitation and a just distribution of resources. His own organisation, Koor Industries, considered it a duty to contribute to the general strengthening of the developing economies.

The ICA Open World Conference on Industrial Co-operatives held in Rome in October 1978 had declared that industrial co-operatives provided a third alternative to capitalistic, market-orientated enterprises on the one hand, and State enterprises on the other; indeed the industrial co-operative integrated the economic goals of the one with the national and social goals of the other—industrialisation of development areas, provision of employment, promotion of economic independence and workers' wellbeing. He described how Koor Industries had performed this function in Israel, even before the State was established.

The Rome Conference had called for close co-operation between the ICA, its Workers' Productive Committee, UNIDO, the ILO, trade unions and other organisations, in promoting the development of industrial co-operatives. His own organisation was willing to contribute its own experience and its assistance to any sister country in the setting up and development of industrial co-operatives, for the benefit of fellow workers and for a better society.

Mr. Z. Sh. SIRADJEV (USSR) referred to the assistance being given by Centrosoyus to the countries of Asia, Africa and Latin America. In the Soviet Union they fully understood the problems of the newly liberated nations, since without a developed industry and agriculture, or a diversified infrastructure, they would not be able to consolidate their national sovereignty and independence. About 90 per cent of the means provided under agreements between the Soviet Union and the developing countries was channelled into industrial development, and thanks to the Soviet Union a number of countries had set up new branches of their national economy and were extending the extraction of minerals and the production of fertilisers. Trade with the developing nations was encouraged, and as long ago as 1965 the Soviet Union unilaterally abrogated tariff barriers for products from the developing nations.

This assistance was fully shared by the Soviet co-operatives, which had brought about co-operative links with other co-operatives on a bilateral basis. During the past Decade the Centrosoyus higher education establishments trained over 1,800 co-operators from the developing countries. Trainees' travelling expenses were paid by Centrosoyus and textbooks and clothing were provided free of charge. Centrosoyus had spent some 5 million roubles, over £3 million, during the Decade. It had also organised annual seminars for more advanced abstract discussions, which had been taking place since 1975 and were attended by representatives from more than 42 countries; lectures and seminar documents were published in English, French, Spanish and Arabic.

Centrosoyus would continue to do everything possible to assist the co-operatives of the developing countries.

Mr. W. SIELANKO (Poland) described the contributions made by the Polish Central Union of Work Co-operatives to the Co-operative Development Decade which had included: preparation for UNIDO of a report on the role of co-operatives in industrial development; provision of a knitting factory and the necessary training for Bangladesh co-operatives; organising seminars and setting up a Centre for Industrial Co-operatives in Warsaw to provide courses, in collaboration with UNIDO, on the organisation of industrial co-operatives; an exhibition in Poznan of co-operative products; seminars on the organisation of invalids' co-operatives and the rehabilitation of handicapped persons; missions to Turkey, Mali and other countries to assist in the elaboration of programmes of assistance from both UNIDO and the co-operative organisations; co-operation with the co-operatives of Hungary and other countries with regard to education; organisation of a seminar for co-operators from South-East Asia.

He added that the Polish Co-operative Movement had made a substantial contribution to the "Buy a Bucket of Water" Campaign organised by the ICA Women's Committee. They would continue their efforts during the coming decade: while helping to develop existing forms of co-operation, they would continue to look for ever more effective ways of assisting the developing nations.

Mr. H. WHITEHEAD (United Kingdom) said that the need for co-

operative development in the developing countries was recognised by everybody and needed no debate; the point at issue was the provision of technical assistance. As Mr. Søiland had said, this was the responsibility of each and every co-operative movement in membership of the ICA, with their reserves of practical experience in the planning and development of newly organised co-operatives of all types in the developing world, on a self-help basis. ICA needed the technical support of its auxiliary bodies, and Mr. Whitehead referred in passing to the excellent record of the International Insurance Federation in this respect.

In addition, co-operative movements in the developed countries must collaborate with their respective government technical assistance agencies, and the UK movement had been successful in obtaining financial support from the UK Overseas Development Administration for various projects, including: the engagement of an education adviser in Latin America; a Co-operative Liaison Education and Research unit (CLEAR) based at the Co-operative College, Loughborough; and a 3-year research study on industrial co-operatives in developing countries. They hoped to do more in the future.

In his excellent analysis of the results of the Co-operative Development Decade, Mr. Søiland had said it embraced contributions of both East and West; as Dr. Bonow had once said, co-operation was "without boundaries".

"I submit to this Congress that we can best endorse the report and give approval to the motion by our determination, as member organisations of the ICA, to increase our aid and financial support. We could consider the possibility of 5 per cent—some

may only be able to give less, some more—to the Development Fund so that the ICA can continue its important role in co-operative development.”

The UK Co-operative Movement would do all it could to assist in fulfilling the aspirations of the motion, which it would be supporting in due course.

Mr. K. NOVAK (Czechoslovakia) said that the Czechoslovak Co-operative Movement considered the Co-operative Development Decade as the project, not only of the ICA but also of the individual co-operative movements. While they fully realised that the co-operative movements alone could not solve the complicated problems of the national economies of the developing countries, they were in a position to play a significant role if orientated as people's movements linked with the progressive forces in society.

When the Czechoslovak Co-operative Movement decided to support the Decade, a wide publicity campaign ensured a climate favourable to the Decade which made it easy to raise contributions for its co-operative solidarity fund. The Czechoslovak workers' productive co-operatives donated 40,000 CDD badges as the Movement's contribution to the ICA Development Fund.

The Central Co-operative Council concentrated on further education and training of higher and middle level co-operative personnel from developing countries: during the Decade more than 1,000 persons participated in various educational projects, mainly in international co-operative seminars, and 30 students from developing countries graduated at Czechoslovak universities. Further assistance to developing countries included: provision of co-operative

experts, through the foreign trade company Polytechna; technical assistance amounting to 4 million Czechoslovak crowns; assisting with co-operative legislation and providing information about legislative modifications in Czechoslovakia at various stages of its development; developing inter-cooperative trade links through its two foreign trade companies, Unicoop Prague and Intercoop Bratislava.

They were expanding their accommodation at the Central Co-operative College, in order to be able to welcome more co-operators from developing countries, and would continue to organise further education and training as a way of providing assistance to those countries.

Mr. W. BRIGANTI (Italy) gave details of the work of the Lega Nazionale in providing assistance for developing countries, working on the underlying principle that in order to assist their co-operative movements it was first necessary to consider the general situation. Thus their first contacts were made at ministerial level to ascertain practical needs. He said the Italian Government had no specific development body, but would guarantee financing of certain projects.

The Lega had experience in various countries in Africa, Asia and Latin America. Its work covered four aspects: (1) building up the food industry; (2) extension of trade exchanges; (3) construction, both housing and infrastructural; (4) technical aid and expertise for the agricultural sector. The Lega also provided training for co-operative personnel, as they considered this very important in the development of co-operation. They believed that the

Alliance had not done enough so far, and should collaborate more with the UN Specialised Agencies although the problem of finance was becoming greater as a result of inflation and the indebtedness of the developing countries.

However, one serious problem was the lack of a purposeful policy on the part of many developed countries.

“ . . . I was convinced on this matter during the conference of UNIDO and UNCTAD last year, which Dr Saxena, myself and our Polish friend attended as representing the Alliance, and we heard the paper by the Group of 77 which did not even mention the word ‘co-operation’. For our part, we regard co-operation as a means of political, social and economic advance and progress. For this reason there is much for the ICA to do to convince the world of the importance of co-operative development and of the possibility of helping to establish the New Economic Order and the realistic policies of the Brandt Report. We support the idea of Mr Søiland concerning allocations to the Development Fund.”

Mr. F. FERREIRA DA COSTA (Portugal) made the point that it was almost impossible to assist the less developed countries while they were under colonial control, and for this reason 25th April 1974, the date of the Portuguese democratic revolution, had been important in that it had allowed a new life to begin for Angola, Mozambique, São Thomé, Guinea-Bissau and Cabo Verde, as well as for Portugal. He himself had earlier been arrested as a member of a committee for the liberation of the ex-colonies, and when he was appointed by Mario Soares the then Prime Minister, as President of the *Instituto “Antonio Sergio” do Sector Cooperativo* (INSCOOP), he felt it a duty

to carry on this work. With the support of SIDA/SCC and UNDP/ILO, INSCOOP invited co-operators from the ex-colonies to attend its courses on education and training, management, investment projects, etc. The following February they hoped to visit some of these new African democratic republics, using their own tropical and equatorial experience, and the fact that they spoke the same language, as a bridge. They also had contacts with Brazil and with most of the Central and Latin American co-operative organisations, as well as with the Organisation of the Co-operatives of America (OCA).

Mr Søiland had referred to prospects for the 1980s. INSCOOP were concerned about many points, including the future of the Portuguese agrarian reform co-operatives. On the other hand they were providing strong support for the Portuguese productive and artisanal co-operatives which now had an important role: before the Revolution there had been ten co-operatives of this type, now there were about 700, for which INSCOOP provided technical assistance with specialised courses as well as financial assistance; they were also attempting to prepare leaders and experts for all types of co-operatives. In this connection he expressed their thanks to the many countries which had invited Portuguese co-operators to visit their organisations including Czechoslovakia, Bulgaria, the Netherlands, Poland, Sweden, Israel, and countries in North and South America. They were currently in process of organising a co-operative bank with the collaboration of experts from CLUSA.

He was impressed by Dr. Laidlaw's study. Looking to the future did not

imply a lack of realism: people had two eyes and needed both. They must improve the effectiveness of existing co-operatives in the coming years, and must also look to the future and accept changes and new experiences. In Portugal suddenly all types of new co-operatives were springing up—fishery, productive, artisanal, services, with workers' participation. They were also studying the development of a co-operative community centre.

He closed by expressing appreciation of the ICA's work, and his thanks for this opportunity of addressing the Congress.

Mr. J. PAL (Hungary) said that since its inception the Hungarian People's Republic had believed that support for and assistance to the developing countries was essential. The Hungarian Co-operative Movement devoted some 1 million forints to assistance for co-operatives in developing countries, in collaboration with the Polish Movement. During recent years Hungarian productive co-operatives had supplied the complete equipment for various small-size enterprises in developing countries, together with the necessary training of personnel, fully adapted to the countries' social and economic conditions. Farm productive co-operatives also maintained trading contacts with co-operatives in developing countries on the basis of governmental and co-operative bilateral agreements.

In addition to general co-operative training for co-operative personnel in the developing countries, the Hungarian movement also held international seminars from time to time, in conjunction with the UN Agencies, with the ICA, and with the Polish movement.

All three branches of the Hungarian Co-operative Movement, with the assistance of the Government, were helping to build stronger ties with the various co-operative movements in the developing countries, and believed that the Co-operative Development Decade should be extended. They would continue to assist and support the developing countries and their co-operatives.

Mrs. K. BENIWAL (India) thought the ICA had made notable progress since the Paris Congress in 1976 and during the Co-operative Development Decade; by arranging conferences, study tours and the exchange of information, ICA had tried to make co-operation an effective means of development and to have it accepted as such by governments and international organisations.

She had three points she would wish the ICA to consider:

- (1) If it were possible to produce dedicated co-operators all over the world, men and women, this would ensure that whatever might be the political or economic system in any country, it would be impossible for any national government to crush the co-operative movement. Mrs. Beniwal suggested that national governments should be contacted through the ICA and urged, with the collaboration of UNESCO and other bodies, to prepare a syllabus of education which would ensure that the tender minds of children should grow to regard co-operation as the very life of society: if a child acquired this philosophy at an early stage in his life, no one would later be able to change his or her mind.

“Co-operation is not a routine matter: it is a psychological thing, it is

a philosophy of life. Therefore we should start at the very beginning and prepare a syllabus for general education from the pre-primary stage to the university level so that we shall have genuine, devoted and dedicated co-operators all over the world.”

(2) Women comprised 50 per cent of the world; if they were afforded the amenities and facilities for education, they would impart that education to their children and to other households. Mrs. Beniwal felt that if the education and training of women were taken seriously, most of the world's problems would be easily solved. In addition, women co-operators in the developing countries were mostly either ill-trained or semi-trained, and lacked managerial and technical skills, since training facilities tended to be concentrated on the men. It was the duty of the ICA, along with other international bodies and agencies, to prepare a programme to assist women to get the education and training they needed.

(3) In the developing and under-developed countries, the credit and production side was doing reasonably well: producers obtained good co-operative loans and used modern production techniques. It was on the marketing and distribution side that the rich became richer and the poor poorer, because of corporate power and vested interests. This was an important matter for the co-operative movements of these countries. She requested that the ICA and the UN Agencies should send in experts from countries with flourishing marketing and consumer co-operatives: “Effective marketing and distribution by a co-operative Movement is the only way to eliminate capitalism, exploitation and vested interests.”

The Rochdale Principles of Co-operation were important, but the most important job was to press for a new world economic order; if this was not achieved, then it would not be possible to fulfil co-operative aims and objectives. She was proud that their great Prime Minister, Mrs. Indira Gandhi, on the occasion of the platinum jubilee of their Co-operative Union, had assured the co-operative movement that she wanted it to flourish and to work for the amelioration of the weaker sections of society, and that all help would be given to the co-operative organisations in India.

Mr. J. J. MUSUNDI (Kenya) noted that one result of the work done during the Co-operative Development Decade was that some other donor agencies, including the World Bank, had come to recognise the important role that co-operatives could play as a vehicle for accelerating social and economic development in the developing countries.

According to the report on the Decade, it was apparent that education had come high on the list of activities, and he echoed Mrs. Beniwal's plea for more education based on the needs of the developing countries, which were badly in need of managerial expertise in their co-operatives.

Mr. Musundi had served as a member of the Co-operative Development Committee, and knew how numerous were the requests from developing countries for assistance. He appealed to co-operatives in all countries to contribute to the Development Fund; his own movement in 1978 had contributed a drum which was later sold and fetched some £1,000—he wished they had more drums to hand over, but he pledged his

movement's continued support of the Fund.

During the past Decade the Government of Kenya had also been able to extend training to co-operative staff from other developing countries (Ethiopia, Botswana, Jamaica, Namibia, Swaziland, Afghanistan, Papua New Guinea, Somalia, Ghana, and others) in keeping with the purpose of the Development Programme, which was to assist co-operatives to help themselves and be able to assist others.

He closed by urging that the Development Decade should be extended to the Year 2000, and that co-operators should continue to support the Development Fund, which would be the most important aspect of the ICA Development Programme.

Mr. D. CRACOGNA (Argentina) began by emphasising the positive achievements of the Co-operative Development Decade, despite the scarcity of material resources.

He then referred to Mr. Soiland's comments in his introductory speech, concerning the difficulty of effectively evaluating the effects of the Decade on co-operative development in the developing countries. Mr. Cracogna said it was necessary to devise some mechanism for the objective evaluation and appraisal of co-operative activities, not only in the economic field but also the social aspects. Only such a mechanism would make it possible to remedy defects in both the national and the international movements.

Some research had already been done on this subject, notably by the ILO, and he proposed that the Central Committee should set up a group of experts,

including perhaps representatives of the FAO and ILO, to elaborate ways and means of appraising co-operative activities in the social as well as the economic field.

Mr. D-Y RHEE (Korea) spoke about the agricultural co-operative development in his country, which he thought would be of interest also in the context of development over the next two decades.

Multi-purpose agricultural co-operatives in Korea were organised in 1961 by merging the former Korean Agricultural Bank and the existing agricultural co-operatives; the movement now consists of 1,487 primary co-operatives, 140 county co-operatives and a national federation, a total membership of 2 million farmers or 90 per cent of all farm households, and an average membership of 1,300 farmers per co-operative.

During the past decade they had taken certain steps to improve services and training facilities and to increase production. These steps included: amalgamation of primary societies to improve viability; implementation of a mutual credit programme (started in 1968); marketing of agricultural co-operative produce through their own co-operative chain stores (started in 1970) as part of the rural consumer movement; from the early 1970s, installation of improved facilities by primary co-operatives—offices, chain stores, agricultural marketing centres, warehouses, milling plants and farm machinery service centres.

They had worked in close collaboration with the ICA Regional Office for S.E. Asia and the other national co-operative organisations in the Region, hosting study visits for participants of re-

gional seminars, and also other meetings.

He closed by extending his heartfelt thanks, not only to Centrosoyus for its hospitality but also to the Soviet Government for their specially thoughtful arrangements for his delegation.

Mrs. B. LINDSTRÖM (Sweden) spoke on the importance of co-operative **insurance**, in ensuring the viability of co-operatives and the development of the co-operative movement. As Secretary of the Insurance Development Bureau (IDB), the committee within the International Co-operative Insurance Federation responsible for providing technical assistance, she had been surprised at the lack of interest in insurance shown by co-operators in both developed and developing countries.

She drew attention to the recent report by UNCTAD which stated that for the year 1977, out of the total volume of insurance premiums amounting to some US\$ 300 million, the whole Third World accounted for only 5 per cent. This did not reflect lack of *need* in those countries, but rather that existing schemes were not suitable. It was important for the developing countries to establish domestic insurance companies and to devise insurance programmes adapted to and compatible with local conditions; this was also mentioned in the UN programme for a New International Economic Order.

The advantage of co-operative insurance was that funds remained inside the movement; if co-operatives insured with private companies, they were contributing to the growing power and influence of private capitalists. The IDB could help co-operatives to establish their own insurance operations,

through provision of education and training, and practical help and advice. During the past few years the IDB programme has been based on movement-to-movement assistance: when a new insurance society is set up, a long-established co-operative insurance society undertakes to organise and be responsible for the technical assistance but without any financial interest in the new company.

She ended by supporting Mr. Søiland's plea for more co-ordination and liaison between the different ICA Auxiliary Committees, which would greatly benefit the co-operative movement as a whole.

Dr. R. C. DWIVEDI (India) congratulated Mr. Søiland on his excellent review of the achievements of the Co-operative Development Decade, which gave an indication of the developments that should take place particularly in the Third World countries during the 1980s.

In India the co-operative movement made vast progress during the Decade, and further diversified to serve the entire community, especially the poorer sections—the small and marginal farmers, landless labourers, artisans, fishermen, handloom weavers, as well as the educated unemployed and disabled persons. The National Co-operative Union of India also made efforts to provide education and training facilities in the under-developed regions of the country, to supplement financial allocations under the Five-Year Plans. The Co-operative movement is now a well-established sector of the national economy, covering 98 per cent of villages, with 350,000 co-operative societies with a total membership of 100 million. Some two dozen

national co-operative federations provide support and help to the various sectors. A new experiment is being conducted to co-operativise the entire village economy and village management. Training has been improved, especially in management, with as many as 10,000 personnel attending courses every year. Member education is regarded as an essential input, and co-operation has been introduced in the schools and colleges to help equip the people of the nation with the concepts, ideals and philosophy of the co-operative movement.

During the Co-operative Development Decade the Indian movement collaborated directly with international organisations, including the UN Specialised Agencies, providing the services of faculty members of co-operative institutions to ILO to assist MATCOM to organise and conduct courses in the Asian and African countries, as well as providing facilities under the Colombo Plan. The FAO has set up a regional centre in collaboration with the NCUI and the Government of India, to assist in training functionaries working in the agricultural financing institutions of Bangladesh, Nepal and Sri Lanka. The Indian co-operative movement also supported the activities of the ILO Regional Office and of other international organisations, and established bilateral relations and collaboration with movements in several other countries.

The Decade enabled them to develop a clearer vision and perspective, which would enable them to make further strides in the future. He thanked the ICA for the assistance received during this period and expressed the hope that its guidance would be consistently available during the 1980s.

Mr. M. LUNGU (Zambia) had unfortunately not been able to contribute to the earlier discussions on the Report of the Central Committee, but wanted to quote, as an example of collaboration between co-operatives, a recently signed agreement between the Swedish movement and the Zambia Co-operative Federation to establish the Zambia Seed Company, which would take over the certification and distribution of seed in the country early in 1981. He hoped other co-operative organisations would consider the prospect of joint ventures for the benefit of both parties.

“My delegation is alarmed at the prospect of liquidating the ICA because it is insolvent. We of the Third World know what poverty means. We also know what it is to go without food. It becomes worse still to know that your ‘provider’ is dying also of hunger . . . We owe it to ourselves to find ways and means to alleviate the situation so that the ICA can continue to provide varied services to the co-operative movements, more especially those of the developing world.”

Concerning the Co-operative Development Decade, his movement was grateful to the ICA for its vigorous campaign in the field of co-operative education in the East and Central African region, and also to the Swedish co-operative movement which had poured both money and personnel into supporting their education programme, including the construction of a co-operative college in Lusaka.

“Most of our co-operative societies which started after Independence collapsed . . . (through lack of knowledge) . . . The efforts of the ICA, SCC, Centrosoyus and the British Co-operative Movement and other organisations in providing scholarships and facilities for co-operative education

have opened new avenues of knowledge in the running and operation of co-operative organisations in our country. We hope that other co-operative organisations will emulate this example and offer wider opportunities to co-operative movements in the developing countries to learn from their experience."

Although their long-term education programme was not without problems—limited resources, lack of materials, illiteracy—his movement felt that the Co-operative Development Decade had been successful as regards co-operative education, and they would support the motion.

Mr. N. THEDIN (Sweden) quoted both Dr. Laidlaw and Mr. Søiland as implying that the Development Decade had been only partially successful, and added: "We have not done all that we really should have done".

Dr. Laidlaw placed great importance on the active participation of co-operative members when he said: "If participation is an index of vibrant democracy, then far too many co-operatives could be described as undemocratic." Mr. Thedin quoted this, because he believed that perhaps one important result of the Co-operative Development Decade had been to increase solidarity within the national movements of developed countries, Sweden in particular. Development aid was linked with development co-operation; the Swedish fund-raising campaign had been launched not only to raise money.

"It was just as much to make our members aware of the situation, of our responsibilities, of the need for solidarity in action. This necessitated information and discussion, and that in

turn influenced public opinion and facilitated our efforts to rally the support of the Swedish Development Agency, SIDA, for co-operative projects.

"I want to underline this very strongly: the efforts to involve the members in actions of international solidarity have benefited our own movements. One of the results is the fact that it has been possible to unite all the various co-operative organisations in a joint effort to support development activities in the Third World, through the SCC and in close collaboration with the ICA. We are, of course, grateful that through these joint efforts, and with the strong support of SIDA, we have been able to finance a large part of the costs of the ICA Regional Offices in Asia and Africa over these years.

"But it is not past achievements that make me especially happy today; it is rather what is in store. If the CDD has not been a spectacular success, it has prepared the ground for new developments. I think first of the important decision, taken here in Moscow, to start the third Regional Office, in West Africa. This is done with a substantial degree of support from Norway but also from several other sources—France, the United Kingdom, UNDP, and so on. We have good reason to look forward to the establishment of a similar office in Latin America in the not too distant future. Thus the outreach of the ICA will be largely increased. That is essential, because it is in the field that the work has to be done.

"It is quite obvious that the need for co-operative action in the developing countries is more and more recognised, not least in the UN agencies. Wealth does not trickle down. It has largely to be built by the peoples themselves, through self-help and mutual aid. Here there is an immense field for co-operative aid to self-help. Obviously, different kinds of assistance to the self-help efforts are called for. Uganda, for example, is a country where the infra-

structure has been severely damaged. Large parts of the country are stricken by social unrest and by famine. The Swedish movement has taken the initiative to assist the co-operators in Uganda. It is in the first instance a movement-to-movement action but it is naturally carried out in conjunction with the ICA Regional Office.

"In other countries the assistance is of a more technical nature—for instance, in the form of management training and member education. You have just heard Mr Lungu mention the project in Zambia. The Zambian and Swedish movements will most probably

be responsible for the implementation not only of the co-operative aid but also of the official assistance to Zambian co-operation.

"There is hope in our discussions today. We find that more and more organisations contribute to our common development effort. We recognise the challenge, and a growing number of co-operative movements are prepared to meet it. Mr Søliland's idea concerning the strengthening of the Development Fund came at the right moment because it opens up better possibilities for this kind of support. Our universal co-operation strengthens all of us!"

Before declaring the session closed, the **PRESIDENT** announced that the list of members of the new **Central Committee** had been distributed, and asked for Congress approval of the new Committee which was due to meet in a few minutes' time.

The new ICA Central Committee was approved.

Thursday 16th October

Morning Session

The **DIRECTOR**, Dr. S. K. Saxena, announced that Mr. Roger Kerinec had been re-elected ICA President at the previous day's meeting of the new Central Committee.

The **PRESIDENT** took the Chair amid acclamation and thanked the Congress for its confidence in him. He announced that the two Vice-Presidents, Mr. Smirnov and Mr. Søliland, had also been re-elected. (*Applause.*)

The **PRESIDENT** then announced the composition of the new **ICA Executive Committee** as follows: Y. Daneau (Canada), S. Fujita (Japan), R. Heikkilä (Finland), J. Kaminski (Poland), F. L. Lair (USA), V. Magnani (Italy), L. Marcus (Sweden), M. Marik (Czechoslovakia), J. J. Musundi (Kenya), O. Paulig (FRG), A. E. Rauter (Austria), B. S. Vishwanathan (India), H. W. Whitehead (UK).

The first delegate to speak in the resumed debate on the **Co-operative Development Decade 1971-1980** was Mr. Y. FOREST (Canada) who stressed the great interest of French-speaking Canada in the co-operative principles. He also suggested that while economic

problems might have placed constraints on ICA initiatives, they might also have given the developed countries some awareness of what was daily faced by the developing countries, an awareness they often seemed to lack.

The French-speaking co-operative

movement in Canada has close links with the French-speaking co-operatives in Africa and with movements in the Caribbean and Central and South America. During the Decade they had set up a special organisation, International Services, to provide assistance to developing countries, in the form of training of cadres, supply of educational material and trade exchanges. The Co-operative Union of Canada, representing the English-speaking movement, was also closely linked with the developing countries.

He considered it most important to strengthen the feeling of solidarity between co-operatives in the different countries; for example his organisation had set up a committee to study the possibility of granting credit to co-operatives in the developing countries. This solidarity would be strengthened if all co-operatives were to make their members more aware of the international aspects of the world co-operative movement.

Mr. J. M. APPIAH (Ghana), speaking on the motion on *ICA and Technical Assistance*, referred to the disastrous effects of population growth, food shortages, and inflation on the Third World countries, and the need to increase agricultural production by improved methods and by organising farmers into co-operatives. He believed—as presumably also did most of the delegates—that only co-operatives could meet the needs of the non-wage-earning sectors of the population, mainly resident in the rural areas.

While he appreciated that the ICA had made some efforts towards co-operative development in the less developed

countries, these had unfortunately made little impact in his part of the world. His delegation felt that Congress should adopt a resolution to empower the Executive Committee to give more attention to the food problems of the developing world, in collaboration with the World Food Programme.

Mr. Appiah also appealed to donor countries and organisations, which had already done much to help the co-operative movements of developing countries, to continue their financial contributions to ICA development efforts.

Dr. J. C. ROUT (India), after describing the problems of the developing countries, said emphatically that the developed countries could not remain mere spectators but must disseminate their knowledge of science and technology, and must formulate plans for training the co-operatives of those countries for better production and all-round social development instead of manufacturing destructive weapons for the elimination of mankind. They should strengthen the ICA to enable it to expand its technical assistance work.

Dr. Rout described the efforts of his country's co-operative banking institutions, through their primary village agricultural credit co-operative societies, to raise the living standards of small marginal farmers and agricultural labourers by advancing loans at concessionary rates of interest; 50 per cent of the loan was subsidised by the Government. Indian co-operative credit institutions had advanced 82,500 loans during the past five years, of which 60 per cent had gone to that category of borrower.

He asked the developed countries to help the co-operative credit banks in the

developing countries, by providing grants or loans at nominal rates of interest, or by strengthening the ICA Co-operative Development Fund to act as a consortium for providing such aid.

He further requested the ICA to use its good offices to secure interlending by the World Bank and other international monetary organisations to the co-operative credit structures in the developing countries, to minimise their interest burden.

Mr. F. TEMU, speaking on behalf of Mr. P. NDAKI (Tanzania) agreed with previous speakers that the report on the Co-operative Development Decade indicated that there had been a remarkable development in the co-operative movements of various countries, co-operative training and economic activities had been expanded, and new co-operative societies founded, though not without some problems. If these obstacles to development were analysed, it would be found that while some were due to internal conditions, others were beyond the control of the movements and even of their Governments.

In Tanzania agricultural co-operatives constituted about 80 per cent of the movement, although there had been recent developments in other directions such as housing, consumer, transport and small industrial co-operatives. Initially the agricultural co-operatives had achieved their goal of marketing their products at reasonably fair prices for the peasants. Today this was no longer the case: because of worsening international economic conditions, fair prices were not easily obtained in the markets; in some cases countries were unable to pay fair prices due to local factors such as

subsidies to their own producers for higher productivity.

He called upon the ICA to continue its co-ordinating role and to take every opportunity of procuring assistance—from those institutions concerned with bridging the growing gap between developed and developing countries, UNCTAD, FAO, UN, UNDP, UNESCO—for the economic development of co-operatives in the developing countries.

He also urged that the duration of technical assistance projects should be calculated in such a way that, by the end of the project term, the transfer of the necessary expertise will also have been completed.

He took the opportunity of thanking those co-operative movements which had assisted the development of the Tanzanian movement and continued to do so. He personally believed that such bilateral collaboration was the best method of carrying out technical assistance.

“The Union of Co-operative Societies has a high respect for the services of and co-ordinating role played by the ICA and in particular I wish to congratulate the President of the ICA, Mr Kerinec, and the Director, Dr Saxena, on their able leadership, especially at this time of economic crisis. I also wish to congratulate the various Committees of the ICA on their efficient work and contributions which have led to the expansion and strengthening of the co-operative movement.

“Finally, I wish, on behalf of the Tanzanian delegation, to express the hope that the draft motion on technical assistance will be endorsed and to wish the Congress all success.”

Mr. F. E. GRABIEL (USA) declared

the support of the Co-operative League of the USA for increased efforts to develop the co-operative system, to provide technical assistance and to promote trade and collaboration between co-operatives, particularly with respect to the developing countries; in addition CLUSA wholeheartedly seconded the remarks made by Mr. Whitehead the previous day.

“Indeed, the Co-operative League, which was founded in 1916, was organised on the same basis: we drew from the experiences of the Northern European co-operatives in order to determine our form and direction. Those co-operatives and countries provided a rich heritage and a strong foundation on which we were able to build.”

Delegates would be aware that CLUSA had an extensive programme of aid and provided technical aid and assistance, consultancy and other services, to co-operative organisations in several countries. CLUSA supported the draft resolution, in that it called on the Central Committee to study the question of technical assistance and determine a long-range policy, but believed that the role of the ICA should be defined by the expertise of its various members: many ICA member organisations had built up expertise, ability and capability, in providing assistance to developing countries, and it would be a wasteful duplication of effort for the ICA to attempt to create identical expertise and capability. “We need not reinvent the wheel.”

The role of the ICA should be to serve as a co-ordinating and umbrella agency, as a clearinghouse of information for its members, and as a means of influencing international and national organisations.

The Co-operative League was ready and willing to assist the ICA in this work, and to serve on any committee or sub-committee which the ICA might set up to develop a plan of action for the development and co-ordination of its co-operative goals.

Mr. AZIZ MOHD. IBRAHIM (Malaysia) said that many speakers had already stressed the importance of assistance to rural communities, and he urged that the ICA should place more emphasis on the development of co-operatives in these communities, which would continue to need advice, help and support.

He spoke particularly of the fisheries sector in the developing countries; most fishermen came from the rural communities and were classed among the poor, and he asked the ICA to consider six specific areas of activity in the four years to the next Congress:

1. The ICA should plan more educational courses and training programmes in developing countries, organised from the developed countries, in order to help the fishermen's co-operatives and their members in developing countries, these courses to be arranged by the ICA through its Regional Offices and to be particularly in the field of technology, in aquaculture, fish-farming and prawn breeding techniques, to ensure a better income for the fishermen alongside their present operations in the sea.
2. In the promotion of the development of co-operatives, the ICA should suggest to the Governments of developing countries that they should give greater financial help to fishery co-operative movements to enable their members to benefit from and make progress on projects which are economically viable.

3. The ICA should make a study of the development plans of Governments in developing countries from time to time, through their member organisations, to ensure that the ICA development programme for co-operatives is in line with Government policies in the respective countries.

4. The ICA should collaborate with the Governments of developing countries and request them to give greater encouragement for the carrying out of education and training programmes for fishermen in deep-sea fishing activities, as well as techniques which could give greater income from better catches of fish and marine products.

5. In order to have a greater impact on the food production programme, the ICA should request the Governments of developing countries to carry out a research and study programme by exploring new fishing grounds in the present vast areas of sea of each country.

6. In line with the policies for the development of the fisheries programme, the ICA should request Governments of developing countries to give greater emphasis to the rural community by extending greater financial support, either by grants or loans, to the members of fisheries co-operatives, or to the co-operatives, so that they can acquire their own fishing boats equipped with the latest and most modern fishing equipment, thus dispensing with the middlemen who exploit the poor fishermen.

Mr. Aziz reminded participants that Malaysia had hosted the ICA S.E.Asia Regional Meeting in Kuala Lumpur in 1979 for five days, of which two had been devoted to discussions on the fishery sector, especially the education and training aspects. He hoped that at the 1984 Congress the ICA would devote more space to fisheries than in the present report, where the fisheries sector had only one paragraph.

Reply to the Debate on the ICA and Technical Assistance

Mr. P. SØILAND (Norway, ICA Vice-President) was sure delegates would understand that it would not be possible for him to comment separately on the contributions of each of the 26 speakers in the debate. However he assured them all that note had been taken of what they had said, and that this material would be studied after the Congress with a view to making ICA development work more effective.

He was grateful for the information which the various speakers had given about their own countries' development activities. ICA had always been aware that many countries carried out **independent development activities**, and he had touched on this the previous day when he wondered whether the Co-operative Development Decade had in fact made any difference. He asked that such countries would keep ICA informed of their activities, so that ICA could co-ordinate its own activities and thus more effectively use its available funds in this field.

He touched on the problem of countries with **non-convertible currencies**, despite which certain countries—the GDR, Poland, Hungary, Romania—had found ways of contributing, and he thought that with joint discussions it would usually be possible to find a helpful solution.

He agreed with several speakers that future ICA policy should deal more with **agricultural and fishery** co-operatives, because they could help with increasing the production of food.

He also agreed that **workers' productive** co-operatives could be of great help

in increasing the infrastructures of the developing countries; the Chairman of the Workers' Productive Committee had in fact attended a special meeting of the ICA Executive to talk about his committee and what they might be able to do.

Of **insurance** he had little experience, but it seemed to him that for many families in the developing countries, insurance was a matter of producing children. The introduction of insurance would have great significance here, and he recognised that the International Co-operative Insurance Federation had done some work on these problems; the Federation had promised to place an expert in the ICA Regional Office for East & Central Africa and he hoped they might also offer an expert for the West African office.

Mr. Søiland referred to the interesting experiences in connection with **multi-purpose** co-operatives described by delegates from Israel, Japan and Korea, and hoped it might be possible to set up more multi-purpose village co-operatives to extend the range of services which could be provided for members.

Finally, **education and training** were of vital importance, particularly in management: if a co-operative collapsed through bad management, it meant a

setback to co-operation in that area for years. He felt that education and training linked to practical projects was the most effective method, and thought they could learn much from what was being done in Latin America and especially in Argentina.

The motion on 'ICA and Technical Assistance' had already been moved and had been supported by many speakers, so he assumed Congress would vote for the motion.

The **PRESIDENT** then introduced the **Central Committee motion on ICA and Technical Assistance***, which was carried unanimously.

Earthquake victims in Algeria

The **PRESIDENT** drew the attention of participants to the earthquake in Algeria, which had taken place while they were at the Congress and about which some of them might not have heard. Considerable damage had been caused and some thousands of people had lost their lives. The Agricultural Committee had taken the initiative with a view to assisting the relief efforts and would choose a delegation to go to the scene of the disaster to find out in what way the ICA could help.

*For text see page 256.

MOTIONS AND AMENDMENTS TO ICA RULES

1. Resolutions

The texts of the Resolutions adopted by the Congress, including an emergency motion concerning the *Seat of the ICA* proposed by Mr. H. W. Whitehead (UK) on behalf of the Executive Committee, are given at the end of this report (see pp. 255 *et seq.*).

2. Amendments to ICA Rules*

The PRESIDENT asked Mr. Søliland to introduce the Amendments to ICA Rules, which had already been adopted unanimously by the Central Committee.

Mr. P. SØILAND (Norway, ICA Vice-President) said the Central Committee had given these amendments full consideration, and he hoped that the Congress would also be able to take a unanimous decision on them, especially as the question of finance had already been referred to by several speakers.

“Already in the middle of the 1970’s when the Executive Committee dealt with the drawing up of a new work programme it became clear that it was necessary to study carefully the ICA’s financial situation. The result of this was that the Central Committee, in the spring of 1976, when we had our meeting in Sofia, decided to set up a special Ad Hoc Committee on Finance, and the changes in Rules arise from its report to the Central Committee.

“When we started our work after the Paris Congress in 1976, we had a deficit in that year of nearly £12,000. For the four-year period after the Paris Congress our total deficit has been a little more than £78,000, and the deficit for 1980 is estimated to be between £15,000 and £20,000. These

losses have been covered by drawing on the ICA reserves, and now the reserves are down to such a limit that it is impossible to draw on the reserves which had been built up at an earlier stage.”

Mr. Søliland said the present subscription formula dated from 1972 and incorporated characteristics which not only made calculation difficult but also militated against the maintenance of an adequate income for the ICA which would keep pace with cost increases. The Ad Hoc Committee on Finance had therefore set out to devise a new formula which would give an adequate income from subscriptions and be in keeping with Article 16 of the Rules which states that “Every organisation affiliated to the ICA shall pay an annual subscription in proportion to its development and economic importance.”

“The task before the ad hoc committee was to construct a formula which could be fairer in this respect, so that every member of a co-operative sector would pay at the same rate. The formula should be easy to apply. The formula should make it possible to achieve the same result whether or not member organisations pay directly or aggregated through a national organisation. Subscriptions should be calculated in national currency, because it is important to try to meet the effect of inflation in the respective countries. When they calculate in national currency as turnover, premium income and so on increase, the sum of subscription in national currency will increase similarly. It should be easier to forecast subscription both for the member organisation and for the ICA and, of course, to provide the ICA with a growth in resources that corresponds to the strength of its members.”

*For texts, see p. 262.

Mr. Søliland then explained the principles on which the new formula was based, why it had differentiated between the various co-operative sectors, and how it would affect delegations to Congress. He said the new formula had been adopted by the Central Committee meeting in Copenhagen in September 1978, and put into effect from 1 January 1979.

In moving the adoption of the new rules, the PRESIDENT said they were structurally more flexible, and also fairer. They were the result of a very thorough and long piece of work and he thanked the members of the Ad Hoc Committee for their contribution to the working principles of the Alliance. He suggested they should be taken as a whole, and not presented for approval article by article. However, he understood there was one speaker on Article 28.

Mr. G. HADDRELL (Canada) quoted Article 28, which reads: "*The Central Committee shall have the following duties: (a) to interpret the policy and to carry out the programme of the ICA established by the Congress . . .*"

"At this Congress the Canadian delegation deliberately kept a low profile because of the report of our native son, Dr Alex Laidlaw, for whom we have great respect and pride. We wanted to see how his report would be received, particularly as it was the theme of the entire Congress. We cannot imagine a theme more significant than the subject of "Co-operatives in the Year 2000" and in the 20 years from now until then.

"It is apparent also that we Canadians are in accord with the other report entitled "Co-operatives in the Socialist

countries in the Year 2000", because we have agreed unanimously with the resolution which combines these two reports as a document of this Congress.

"This brings us to the position at which we should be able to go home from this Congress and analyse the two reports that we have adopted with unanimity, with the objective of determining how we can combine the experience and the recommendations of both reports to promulgate a universal co-operative movement; a movement which would have an acceptable level of State assistance without State domination; a co-operative movement which we could describe as having the same fundamental principles and practices in the Socialistic states as in the capitalistic States; a co-operative movement which has the social and economic welfare of the people as its primary concern, no matter what the countries in which it resides.

"Whether or not we can achieve this state of universal co-operation we are not certain, but we must have hope. We have hope. Mankind must exist on hope and in the faith of the brotherhood and the sisterhood of man, for we believe that there is just no alternative.

"In conclusion, and to give stress to the timeliness of this Congress, I should like to quote a statement from the eminent British philosopher, Bertrand Russell. Upon being interviewed during the tenth decade of his life, he was asked "What further words of advice would you leave for a world which seems to be in great peril?" Without a moment of hesitation he replied, "Co-operate, for unless mankind learns to co-operate it will perish from the face of the earth." Is there any better message that we could take home from this Congress?"

The PRESIDENT endorsed Mr. Haddrell's philosophy, and put the amendments to the vote. They were *carried unanimously*.

CLOSE OF CONGRESS

Farewell Message From Nils Thedin

The PRESIDENT announced that Mr. Nils Thedin was retiring from international co-operative activities on account of age, and had asked for a few moments in order to bid them farewell.

Mr. NILS THEDIN (Sweden) wanted to share with them two or three of his experiences.

"I would like to take you back to the London conference of the ICA in 1945. It was the British movement, we shall never forget, that carried the ICA through the war, and immediately after the war it was Lord Rusholme who invited us to come to London and discuss the future of the ICA and the future of international Co-operation. We came from 14 countries. There were the visionary Americans Howard Cowden and Axelsson Drejer, there was the sharp, intelligent Soviet delegate, Suvarov, there were Albin Johansen and Mauritz Bonow, and many others. We assembled in a city badly damaged by the war. The mighty dome of St Pauls rose above a desert of stone and rubble. But at that conference two decisions were taken; one related to a new world economic order that was remitted to the United Nations, and the other related to the creation of an International Co-operative Petroleum Agency. The ICA looked forward. The ICA was needed. And how much needed the ICA is. That is something that I have experienced many times over the years, but I shall never forget that first time."

He went on to talk about the ICA's post-war initiatives to bring back into the international movement, first the Federal Republic of Germany, and later Poland and Hungary.

"Of course we need Poland, of

course we need Hungary, of course we need to have all these co-operative movements from different political, economic and social systems, because it is the strength of the International Co-operative Alliance that we can bring together representatives from all over the world, from all the various political systems, to provide a common platform to plan for practical co-operation, to try to learn to understand one another better, to try to strengthen the community of interest that is at the bottom of international co-operation.

"In these words I have tried to convey to you the conviction that has become stronger and stronger in my mind that the international co-operative movement is in a unique position to make an important contribution to peace by trying to eradicate all the misunderstandings and distrust and to create confidence. We can do that if we strengthen what is common to us, and that is our co-operative ideology.

"I thank you for these 35 years I have been allowed to work with the ICA. It has been my privilege that the Swedish Co-operative Movement has given me this task and I am immensely grateful for it and for all the wonderful contacts that these years have created with co-operators from all over the world. Thank you very much." (*Applause.*)

The PRESIDENT said that Mr. Thedin had made an immense contribution to the international co-operative movement since World War II, and as a very old friend he wanted to thank him once again.

Venue of the 28th Congress

Mr. O. PAULIG (Federal Republic of Germany) said all participants were warmly grateful for the hospitality they had received during this Congress. The co-operators of the Federal Republic of

Germany wanted the hospitality to continue, and extended a very heartfelt invitation to the ICA to hold the next Congress in the City of Hamburg.

He was warmly thanked by the PRESIDENT.

Closing Address

The PRESIDENT expressed the thanks of the Congress to all who had helped to make its work run smoothly: the rapporteurs, the speakers, the interpreters, the ICA secretariat staff, the verbatim reporters, guests and observers; last but not least he thanked Centrosoyus, its Chairman and Vice-Chairman, and its entire personnel who had catered for their welfare during the Congress. The delegates' future memories of Moscow would always be linked with a successful 27th Congress.

The spirit of the Congress had been one of friendship and mutual understanding, and one of great tolerance because they had understood and accepted differences. Mr. Kerinec emphasised the high quality of the interven-

tions. He hoped that when delegates returned to their countries they would remember and try to implement what had been voted for in Moscow, so that their actions might correspond to their words.

Finally he thanked delegates for easing his task as Chairman, and wished them a pleasant stay and a safe return. (*Applause.*)

Mr. P. SØILAND (Norway, ICA Vice-President):

"The President has thanked everybody and of course we agree with what he has said, but there is one other person whom we should also thank. Some of us have had the opportunity to go out and smoke and have a cup of coffee, but the President has had to sit in his place from early morning till late evening. On behalf of us all, I want to thank him for the way in which he has led us through our Agenda and the way in which he has conducted the Congress. I am sure that every delegate will join me in thanking the President." (*Applause.*)

The PRESIDENT' then declared the 27th Congress closed.

RESOLUTIONS ADOPTED BY THE XXVIIth CONGRESS

1. COLLABORATION BETWEEN COOPERATIVES

The 27th Congress of the International Cooperative Alliance,

REAFFIRMING its belief in the principle of cooperation between cooperatives proclaimed at its 23rd Congress in Vienna in 1966;

RECALLING the Resolution adopted at the 26th Congress which, inter alia, called for efforts to expand collaboration;

RECOGNISING that some progress in collaboration between cooperatives has been made in the last four years, but that inter-

national collaboration between cooperatives has made only limited progress during this time;

EMPHASISES the importance of closer collaboration between cooperatives during the 1980s in the face of the growing power of the multi-national corporations and in view of the difficult trading conditions that seem likely during the decade;

REQUESTS member organisations during the 1980s urgently to seek trading opportunities with cooperatives in other countries and to explore the possibilities of joint ventures in developing and developed countries and to promote collaboration through exchange

visits, exchange of staff, exchange of publications and in other ways;

ASKS the Central Committee of the Alliance in consultation with its Auxiliary Committees to monitor progress made in collaboration between cooperatives and to explore ways and means of extending it.

2. ICA AND TECHNICAL ASSISTANCE

The 27th Congress of the International Cooperative Alliance,

ACKNOWLEDGING that the ICA's Co-operative Development Decade, 1971-1980, has made an important contribution to cooperative development in developing countries;

RECOGNISING that the Co-operative Development Decade's contribution could not meet all the needs expressed in this period;

NOTING the ongoing discussion within the UN Bodies on the New International Economic Order to which cooperatives and cooperative ideology have so much to contribute in bridging the gap between the richer and the poorer countries;

EMPHASISING that rural development and the provision of more adequate public facilities in the countryside is of vital importance in raising living standards and reducing poverty, and that cooperative development is an essential factor in promoting participatory rural development;

RECALLING that many governments recognise the value of the cooperative formula as an important instrument for the economic, social and cultural development of their communities;

WELCOMING the fact that many governments and cooperative movements are prepared to increase their support for cooperative development;

REGRETTING that the donations to ICA's own Development Fund come regretfully only from a few organisations;

PROPOSES that in the period to the next Congress in 1984, further efforts be made by cooperatives in developed countries, by governments of developing countries, and by trade unions, religious groups, voluntary associations, to increase their efforts to develop the cooperative system, to provide technical assistance and to promote trade between cooperatives;

ASKS that the Central Committee draw up a long-term policy for cooperative development which should set out guidelines for ICA's technical assistance work; cover the type of assistance to be given, the way the ICA should work in developing countries, the use of the Development Fund, the beneficiaries of technical assistance and the links with national, social and economic plans;

CALLS ON member organisations to expand the ICA's Development Fund so that it can play an increasing part in cooperative development;

REQUESTS that an assessment of progress be submitted to the next Congress.

3. COOPERATIVES IN THE YEAR 2000

The 27th Congress of the International Cooperative Alliance,

WELCOMES the Report on Cooperatives in the Year 2000 prepared by Dr Laidlaw at the request of the Central Committee, and also welcomes the joint report prepared by the Central Cooperative Unions and Councils in Bulgaria, Czechoslovakia, German Democratic Republic, Hungary, Poland, USSR, which describe the economic environment in which cooperatives will probably operate during the next two decades as well as their prospects for the Year 2000;

NOTES that the Report prepared by Dr Laidlaw takes a sombre view of economic prospects during the next two decades particularly in view of the growing oil shortage, its likely effect upon continuing inflationary pressures and rising unemployment, and the probability of continuing trade recession and rising trade barriers and breakdown of the international monetary system;

ACCEPTS that these Reports view with alarm the growing gap between the rich industrialised countries and the poor developing ones in spite of efforts by the UN and certain agencies to help developing countries; and COMMENDS the far-reaching proposals of the Report of the Independent Commission on International Development Issues;

NOTES that these Reports take account of the environmental crisis, the need to conserve natural resources and control pollution and the drift to the towns; and of the prospect of severe food shortages as world food

production falls short of the needs of growing populations;

AFFIRMS the vital need, if peace is to be secured and disaster is not to engulf mankind, for a significant reduction to be made in expenditure on armaments;

RECOGNISES that cooperatives will face increasing difficulties in a world in which wealth continues to be concentrated in a few countries and in the hands of a few individuals in many of those countries; and in the face of the growing power and wealth of multi-national corporations run for the profit of the few;

WELCOMES certain basic economic and social trends which help to bring hope to mankind: such as increasing concern about the inadequacy of a profit-motivated economy to meet human needs; proposals for an international development strategy by the United Nations to bring a fairer distribution of wealth and income and the benefits of development and the greater personal participation in a New International Economic Order; the emancipation of women;

DECLARES that growing interest in and support for cooperative development is one of these trends and that such development can make a major contribution to resolving some of the economic and social problems facing the world;

DECLARES further that the highest priority should be given to:

- (i) the development of agricultural cooperatives including agricultural producer cooperatives among small farmers, particularly in developing countries, with a view to increasing food production and raising the real incomes of primary producers;
- (ii) the promotion of industrial cooperatives and the conversion of existing industrial enterprises to the cooperative form or organisation so as to contribute to: an increase in incentive and productivity; a reduction in unemployment; an improvement in industrial relations and the development of a policy for a more equitable distribution of incomes;
- (iii) the further development of consumers' cooperatives in such a way as to emphasise the features which distinguish them most clearly from private traders and sustaining their independence and effective democratic control by members;

(iv) the creation of clusters of specialised cooperatives or a single multi-purpose society, especially in urban areas, in such a way as to provide a broad range of economic and social services: housing, credit, banking, insurance, restaurants, industrial enterprises, medical services, tourism, recreation, etc. within the scope of a single neighbourhood cooperative;

REGARDS these Reports as the beginning of a continuing process of research and self-examination by the World-wide Cooperative Movement; and therefore

ASKS member organisations to consider ways in which they, either by themselves or through representations to their governments for action or both, can help to bring about the implementation of these four priorities for cooperative development;

ASKS member organisations:

- (i) to make a careful study of the Reports;
- (ii) to participate in a continuing discussion on their implications;
- (iii) to select for comment those parts which are particularly applicable to their own situations and problems;
- (iv) to study and if necessary set up a research programme to examine future development throughout all sections of the cooperative system;

REQUESTS the United Nations and its Agencies to pursue with all possible vigour their objective of devising an international development strategy to create a New International Economic Order which will bring about a more participatory society and a fairer distribution of the fruits of development, and at the same time create more favourable conditions for sustained cooperative development;

REQUESTS member organisations to report regularly to the Central Committee the results of their investigations into the future directions of their own movements, and for the Central Committee to receive a special report in 1982 on this aspect.

4. PEACE

The 27th Congress of the International Cooperative Alliance, representing 350 million cooperators in 65 countries with varied economic, political and social systems; **CONFIRMS** its belief that peaceful co-existence is essential if worldwide economic and social progress is to be achieved;

DECLARES its firm conviction that the United Nations Organisation is the indispensable authority for promoting lasting peace and security throughout the world;

REAFFIRMS all the Resolutions on Peace adopted at previous Congresses and Central Committee Meetings, the most recent being the Resolution passed by the Central Committee at its Meeting in May 1980 in Montreal;

UNDERLINES its determination to support the United Nations in its endeavours to develop constructive programmes for peace and international cooperation.

5. AID TO SELF-HELP IN HOUSING PROVISION

The 27th Congress of the International Cooperative Alliance,

REGARDS with increasing concern the catastrophic and inhuman housing conditions of millions of inhabitants of the developing countries;

RECALLS the existence of inadequate housing conditions in many parts of the world;

REFERS to the Declaration by the United Nations World Conference on Human Settlements held in Vancouver in 1976, and to the appeals that were issued to governments, non-governmental organisations and the parties affected, that measures should be taken to ensure better housing and living conditions;

DEPLORES the paucity of results that have so far been achieved in pursuance of the Vancouver Declaration;

FEARS that failure adequately to incorporate policy on housing and settlements in development efforts as a whole will result in a further dramatic worsening of the housing and living conditions of millions of people;

STRESSES that cooperatives and other non-profit making organisations have in the past been successful in working for housing provision for socially disadvantaged classes of society, and that these organisations have supported self-help for the impoverished;

DECLARES that, in view of the worsening of the housing situation on the world scale, cooperatives and non-profit making enterprises desire to increase the efforts being made to satisfy the basic need that housing represents;

DEPLORES the fact that government

support for the work of cooperatives is still very meagre in many countries;

CALLS UPON governments to aid initiatives of a cooperative and self-help nature by means of a framework of appropriate legal and institutional conditions;

CALLS UPON governments to give low-cost access to land, infra-structure and public services, and to make such access available without prejudice for cooperative and self-help housing;

DEMANDS that expensive technology, standards and building materials should be replaced by resources that are available locally and suitable for self-help use;

ENTREATS governments and non-governmental organisations to work together more effectively, so that a large number of dwellings will have been built by cooperatives and self-help by the time the next Congress of the International Cooperative Alliance takes place.

6. MEASURES ON CONSUMER PROTECTION

The 27th Congress of the International Cooperative Alliance,

RECALLS the Declaration of Consumer Rights adopted at the 24th Congress of the ICA in 1969;

WELCOMES all reports on initiatives that have since been taken by ICA members to implement this Declaration;

FINDS that the consumers' situation still remains critical;

REGRETS that a reasonable standard of nutrition, clothing and housing is not available for the majority of consumers and that adequate standards of safety and a healthy environment free from pollution are not a fact for all consumers;

REGRETS that access to unadulterated merchandise at fair prices and with a reasonable variety is still a vague hope for many consumers;

REGRETS that access to relevant information on goods and services and to education on consumer topics is more the exception than the rule;

REGRETS that influence on economic life and democratic participation is not given to consumers to a reasonable degree;

EMPHASISES the need for closer collaboration for expansion and development of increased consumer protection in developed as well as developing countries by promoting

contacts through exchange visits, improved communications, greater exchange of publications, greater collaboration on general initiatives to increase the role of the consumer, thus contributing to greater world-wide social and economic justice;

RECOMMENDS ICA member organisations to aim for increased consumer protection in the field of the right to a reasonable standard and quality of life, the right to safety, the right to be informed, the right to choose, the right to be heard, the right to representation and participation, and the right to recourse and redress;

WELCOMES the intention of the ICA Consumer Committee to formulate an ICA programme on consumer protection as a step forward from the Declaration of 1969; **REQUESTS** the ICA Consumer Committee to continue to extend and to deepen its work based on guidelines of its recently adopted working programme and a new set of rules; **CALLS** on all member organisations of the ICA to promote the protection of consumers and to improve living conditions for consumers by strengthened support for the Consumer Committee in its world-wide work for an increased quality of life for consumers in developed and especially in developing countries.

7. THE ROLE OF THE FAMILY IN HOUSING COOPERATIVES

The 27th Congress of the International Cooperative Alliance,

CONGRATULATING the ICA Housing and Women's Committees on the holding of a Joint Seminar on "The Role of the Family in Housing Cooperatives" in 1979 in Sweden; **BELIEVING** that the participation of families in the planning and management of housing benefits the individual as well as society and that such participation efficiently contributes to the provision of good housing for families and to developing individuals and strengthening the democratic functions in society;

NOTING the big differences between the countries represented at the Seminar as far as the practice of the Role of the Family in Housing is concerned and that all organisations work within the economic and legal conditions laid down by the State, and that in some cases these conditions stimulate an active participation of the family in the planning and management of housing, and

in other cases put obstacles in the way of such a role;

NOTING that the participants of the Seminar on the Role of the Family in Housing Cooperatives have been urged to try to utilise ideas and suggestions submitted to the Seminar, and not to let obsolete traditions and changing conditions within their respective organisations and countries act as an obstacle in furthering such ideas, and to try to spread those ideas within their organisations and relevant bodies;

REQUESTS member organisations of the International Cooperative Alliance and in particular its Housing Committee and Women's Committee to contribute by spreading information material and arranging further seminars of a similar kind;

URGES member organisations

- (i) to examine statutes regulating cooperative housing in their countries in order to remove any obstacles to an improved housing democracy;
- (ii) to help those working in different housing organisations to gain more knowledge about procedures in various countries aimed at improving democracy in housing cooperatives and the progress made in this field;
- (iii) to request their government authorities to initiate legislation that facilitates the development of housing democracy.

8. INTERNATIONAL YEAR OF THE DISABLED

The 27th Congress of the International Cooperative Alliance,

NOTING that 1981 has been declared by the United Nations as the International Year of the Disabled;

DRAWS ATTENTION to the problems of full integration of invalids and their rehabilitation into society;

NOTING that the Cooperative Movement in a number of countries has attained considerable success in giving disabled people the possibility of full participation within the framework of the Cooperative Movement in social, economic and cultural life;

UNDERLINES the achievement of housing cooperatives in the field of constructing flats for disabled people and in overcoming the architectural difficulties as well as contributing specialised cooperatives for invalids, in solving the difficult problems of professional rehabilitation and work access;

APPEALS to all member organisations of the International Cooperative Alliance to pay special attention to these questions and to help cooperatives for invalids in their activities and development;

REQUESTS all member organisations to take an active part in the International Year of the Disabled by developing national programmes of action and broadening the collaboration between cooperative organisations of different countries in order fully to utilise the cooperative form for the rehabilitation of invalids.

9. COOPERATION OF THE INTERNATIONAL COOPERATIVE ALLIANCE WITH OTHER MASS ORGANISATIONS

The 27th Congress of the International Cooperative Alliance,

DECLARING that internationalisation of the economy, which has reached a scale hitherto unknown, promotes the establishment of new inter-relations between different mass movements—nationally, regionally and internationally, and increases the effectiveness of their struggle for people's rights;

DRAWING ATTENTION to the process whereby production and capital are increasingly concentrated, thus increasing the influence of national and international monopolies and the business activities exercised by them, which damages society as a whole and especially consumers;

UNDERLINES the need for the Cooperative Movement to interact at all levels with other mass organisations pursuing the same goals as cooperatives, which will enhance their role and importance and will promote the success of the efforts to raise the standard of living of the working people, to ensure durable peace and security;

RECALLS the Resolution on Collaboration between Cooperatives and Trade Unions adopted at the 25th Congress of the International Cooperative Alliance;

APPEALS to all member organisations to develop cooperation with the professional unions and other mass social organisations at local, regional, national and international levels which will promote the strengthening of the position of the cooperatives and their success in reaching their goals.

10. ROLE OF THE INTERNATIONAL COOPERATIVE ALLIANCE IN THE CONSOLIDATION OF THE CO OPERATIVE MOVEMENT

The 27th Congress of the International Cooperative Alliance,

RECALLING that among the basic aims of the International Cooperative Alliance are: the assistance of the development of cooperation in all countries; the safeguarding of the interests of the Cooperative Movement in all countries; the strengthening of the friendly and economic relations between cooperative organisations at the national as well as on the international levels;

APPROVING the direction of the activities of the cooperative organisations towards safeguarding the social and economic rights of working people in accordance with the fundamental rights and freedom of man and with the principles of justice, simultaneously promoting the development of the forms of land-ownership and means of production which do not permit any exploitation of individuals and which guarantee equal rights for all and create conditions leading to a real equality of people;

SUPPORTS the UN Charter of Economic Rights and Duties of States, and the Declaration and the Programme of Action for the establishment of a New International Economic Order;

WELCOMES the Resolution adopted by the 23rd Session of the General Assembly of the United Nations on "The National Experience in the field of Promoting the Cooperative Movement";

RECALLS its many efforts to support trust, cooperation and mutual understanding towards preserving peace through all the world;

EXPRESSING its firm belief that detente and the improvement of the political climate throughout the world will create favourable conditions for extending cooperation between peoples and between their cooperatives;

EXPRESSING THE WISH that the advantages of collaboration for the good of social progress would be used to the benefit of all, regardless of their present level of economic and social development;

NOTES WITH SATISFACTION the activity of the affiliated organisations of the International Cooperative Alliance for improving information to the public about the aims and actions of the Cooperative Movement;

RECOGNISES the importance of the part the Working Party on the Cooperative Press could play in the International Cooperative Alliance, as well as individual members in increasing support for collaboration and mutual understanding;

REQUESTS the Executive and Central Committees of the International Cooperative Alliance to work out methods for strengthening the part played by the ICA in the consolidation of the International Cooperative Movement in cementing its unity and extending the collaboration of cooperatives on all levels;

CALLS ON all member organisations of the International Cooperative Alliance to pay attention to the international exchange of experience within the framework of the International Cooperative Alliance in the field of growth, the further development and diversification of the Cooperative Movement, and actively to promote both at the national and international levels the social and economic benefits rendered by cooperatives to all levels of society and in particular to the poorer sections of the community.

11. THE USE OF MASS MEDIA IN THE COOPERATIVE MOVEMENT

The 27th Congress of the International Cooperative Alliance,

RECALLING that one of the objects of the ICA as stated in its Rules is to propagate Cooperative Principles and methods throughout the world;

CALLS ATTENTION to the Resolution 4301 adopted in 1970 by the General Conference of UNESCO, concerning the contribution of the mass media in strengthening international mutual understanding and its contribution for peace and better life for mankind and for the struggle against propaganda for war, racism, apartheid and hatred between the peoples, and also

MINDFUL of the contribution of the mass media in propagating the Cooperative Principles;

CONSIDERS that cooperation must use the mass media for the sake of propagating the principles of mutual respect and understanding with the object of reaching equality of rights for all peoples and nations, and for economic and social progress;

UNDERLINES the necessity of a greater utilisation by cooperative organisations of the mass media for active propagation of the objects and principles of cooperation as a means of raising the living standard of the mass of the working people, and of developing and strengthening the world's Cooperative Movement;

APPEALS to all national Cooperative organisations actively to use the mass media for promoting the establishment of durable peace and security ensuring economic and social equality for the working people from all countries according to the objects as stated in the Rules of the International Cooperative Alliance.

12. WOMEN AND THE COOPERATIVE MOVEMENT

The 27th Congress of the International Cooperative Alliance,

RECALLING that the United Nations has declared 1976-1985 the Decade for Women under the theme "Equality-Development-Peace";

CONVINCED that the equal and effective participation of women in the process of development is possible only when equal access to education and professional training is available and that these opportunities can be provided by the appropriate institutions in the respective social climates;

BEARING IN MIND that the equal participation of women in the process of development and in political life should contribute to the preservation of peace throughout the world;

AWARE that the setting up of a New International Economic Order and the wish for more intensive economic and social progress in the developing countries should to a great extent contribute to the gradual integration of women in the cooperative movements of those countries;

RECALLING the Resolution on The Role of Women in the Cooperative Movement adopted by the 26th Congress and its recommendations to the member organisations and

also the actions carried out by the International Cooperative Alliance in connection with the International Year of the Child in 1979;

RECOGNISES the contribution and desire of the Women's Committee of the International Cooperative Alliance to include women in the broad economic and social activity and also activities of an educational and cultural nature in the Cooperative Movement;

CALLS on its member organisations in all countries to continue their efforts to achieve full equality for women in political, social and economic life; and

IS CONVINCED that it is necessary for all social forces concerned with the role of women to carry out joint activities by combining their efforts in this direction not only with international but also with national organisations and institutions.

EMERGENCY RESOLUTION— THE SEAT OF THE ICA

The 27th Congress of the International Cooperative Alliance,

ACCEPTING that Article 6 (Seat of the ICA) provides that the seat of the ICA shall be situated in such country and at such place as the Congress shall determine;

NOTES certain factors affecting the financial resources and efficient working of the ICA Secretariat;

APPRECIATES the need to secure new premises when the present lease of the premises in London at 11 Upper Grosvenor Street expires;

REQUESTS the Executive Committee to explore the possibilities of locations other than London, and

AUTHORISES the Central Committee to determine the seat of the Head Office and to report the decision to the next Congress.

AMENDMENTS TO ICA RULES

ARTICLE 9—APPLICATIONS FOR MEMBERSHIP

Add new sentence at the end of the last paragraph. The third paragraph will now read:

"Before any application is submitted to the Executive the Director shall make appropriate enquiries as to the suitability of the organisation concerned to be admitted to membership of the ICA. All applications must include the calculation of the subscription due under the current subscription rates, with an undertaking that if membership is granted, the sum can be transferred to the ICA's account."

ARTICLE 11—CESSATION OF MEMBERSHIP (paragraph (b))

Delete all after the word "subscription" in line 2, and substitute new text.

The new paragraph (b) of Article 11 will now read:

"Membership of the ICA shall cease . . .

(b) "By non-payment of subscriptions: any organisation which in two successive years has not paid its sub-

scription, nor made a specific request for lency which has been approved, shall be removed from the list of members."

ARTICLE 13—OBLIGATIONS OF MEMBERS (paragraph (b))

Insert after the words "Article 16 and 17" the words:

"as authorised from time to time by the Central Committee".

New paragraph (b) will now read:

"Every organisation affiliated to the ICA shall have the following obligations . . .

(b) *To pay, during the first three months of each financial year, an annual subscription according to the provisions of Article 16 and 17, as authorised from time to time by the Central Committee, and to declare the basis upon which it is calculated."*

ARTICLE 17—RATE OF SUBSCRIPTIONS

Paragraph 1—delete all after the words "Central Committee" in line 3.

Paragraph 2—delete the existing paragraph and substitute new text.

Paragraph 3—delete the existing paragraph and substitute new text.

Article 17 will now read:

- “1. The subscription to be paid by each affiliated organisation shall be calculated in accordance with the scales applicable to the different types of cooperatives laid down by the Central Committee.
2. *Until the Central Committee shall decide otherwise, the types of cooperatives for which organisations shall pay are as follows:*
 - (i) *Consumer, agricultural, and all other types of organisations not specified below;*
 - (ii) *Housing;*
 - (iii) *Insurance;*
 - (iv) *Banking, including credit and financial institutions.*
3. *The Central Committee shall be responsible for working out the rates of subscription for the above types of cooperatives and shall adopt such formulae as will ensure adequate resources for the Alliance, including, if considered appropriate by the Central Committee, a minimum and a maximum rate.”*

ARTICLE 22—REPRESENTATION AT CONGRESS

Delete existing sub-paragraph (b), and substitute new text.

Delete last paragraph and substitute new text.

Article 22 will now read:

- “Representation at Congress, subject to the full discharge of their financial obligations to the ICA shall be accorded to affiliated organisations as follows—provided that the organisations of one country, or of a union of countries, or supra-national or international cooperative organisations, shall not exercise more than 15 per cent of the total voting power of the Congress—
- (a) All member organisations shall be entitled to one delegate;
 - (b) *Until the Central Committee decides otherwise, all member organisations shall be entitled to one additional delegate for each complete £300 of*

subscription after the first £300 of subscription. The Central Committee shall have the power to revise the subscription figure used as a basis for calculating the number of delegates to Congress in the light of changes in monetary value which may occur.

Each delegate shall have been for at least twelve months previous to appointment a member of the affiliated society or union making the nomination, or of a constituent member of such union.

A fee, as determined by the Central Committee, shall be paid for each delegate, and shall be sent to the Secretariat with the nomination form.”

ARTICLE 28—DUTIES OF THE CENTRAL COMMITTEE

After sub-paragraph (e) insert new paragraph (f).

Re-number existing paragraph (f) as (g), and insert after (g) new paragraph (h).

Re-number existing paragraphs (f), (g), (h), (i), (j), (k), (l), (m) and (n).

Article 28 will now read

“The Central Committee shall have the following duties:

- (a) To interpret the policy and to carry out the programme of the ICA established by the Congress.
- (b) To elect the President and the two Vice Presidents of the ICA, also the Executive.
- (c) To appoint the Director of the ICA and to fix his remuneration.
- (d) To appoint the Auditor.
- (e) To confirm the budget of the ICA drawn up by the Executive.
- (f) *To adopt such formulae for subscriptions, including a minimum and maximum rate, as will ensure adequate resources for the Alliance.*
- (g) To decide the agenda and the date of the Congress, as well as the order of Congress business, and to report on all matters submitted to Congress.
- (h) *To determine the fee for Congress delegates and to fix the subscription figure used as a basis for calculating the number of delegates to Congress.”*

Sub-paragraphs (i) to (n) remain the same as sub-paragraphs (g) to (l).

ARTICLE 32—DUTIES OF THE EXECUTIVE (paragraph (b))

After the word “under” in line 2, delete “Article 17 of the Rules” and substitute:

“the formula as laid down by the Central Committee”.

The rest of the paragraph remains the same.

Sub-paragraph (b) will now read:

“(b) To examine the requests from member organisations for special consideration regarding the fulfilment of their obli-

gations under the formula as laid down by the Central Committee, and if, in the opinion of the Executive, a reduction in the financial obligation of any organisation is justified, it shall fix the subscription it considers appropriate, also the representation rights of the organisation concerned under Articles 22-27. In exercising this right, the Executive shall take particular account of the stage of development of the country and the organisation concerned.”

CHARTER OF CO-OPERATIVE TOURISM

“The undersigned Co-operative Organisations:

CONSIDERING —that tourism has become in a great number of countries a basic social and economic feature of our times;

- that it is a privileged means of becoming aware of the underlying unity of humanity, and is an important factor in the development of relations between peoples, and hence a special instrument for promoting international understanding and peace;
- that it is, and must remain, an affirmation of individual freedom;
- that it must be open to the greatest number of people and offer the best conditions regarding price and objective, accurate information;
- that subsequently and because of its specific function, the Co-operative Movement should take an interest in it.

DRAWING FROM —the principles of action set down by the “Bureau International du Tourisme Social” (International Office of Social Tourism), at the time of its General Assembly in Vienne, October 1972;

- the International Co-operative Publicity Charter, adopted by the Co-operative Press Working Party in September 1978;

PLEDGE THEMSELVES TO —ensure between them the absolute respect of the engagements they subscribed, and the application of the present Charter;

- promote the development of tourism for their members at the national and international level, by implementing the following principles of their activities:

ON THE NATIONAL LEVEL —the setting up, support and development of any organisation which facilitates the opportunity of holiday stay and travel to their members, offering fair costs and good quality service;

- support of actions of all representative organisations of social tourism, especially by intervention towards national and international Public Authorities to develop measures to aid investment in tourism (material aid) and to allow the greatest possible number of people to go on holidays (individualised aid);

ON THE INTER- NATIONAL LEVEL **(a) about information** —complete information for users by accurate and objective advertising about services available, especially concerning:

- content of stays and tours
- transport and accommodation conditions
- content and guarantee of price and cancellation conditions
- conditions and terms of payment
- conditions of insurance and assistance and claims procedure;

(b) about services quality

- systematic and prior consultation of the Co-operative Tourism Organisations of the host country at least once a year before finalising of plans for tours or stays;
- the commitment of the Co-operative Organisations of the host country;
- to ensure for travellers coming from abroad the same conditions of welcome and information as those offered to travellers from within their own country;
- to provide help in all circumstances, especially in case of difficulty or an unforeseen occurrence during the stay to travellers coming from such Co-operative Organisations that are signatory to the present Charter;
- to work out a system of International Co-operative Mutual Assistance;
- the creation of an “International Co-operative Tourism Level” for the exchange programmes respecting the principles above defined and including a knowledge of co-operative life in the host country.

(c) about international co-operation

- Active collaboration with all international organisations which are working towards the same objectives of defending and informing the consumer who is travelling or on holiday;
- Development of inter-co-operative relations to give both a better knowledge of co-operative realities, and to develop friendship between peoples;
- The multiplication of contracts aiming at creating clearing houses for international co-operative exchanges of service;
- Help in setting up Co-operative Organisations specialised in tourism for those member countries of the ICA which are still without such organisations.



Resignation of Dr. S. K. Saxena - ICA Director 1968-1981

Dr S. K. Saxena resigned from his post as Director of the International Co-operative Alliance on 30th April, 1981, to take up other international co-operative duties. We are pleased to publish the following tributes to his work for the ICA.

From ROGER KERINEC, ICA President:

I have often previously had occasion to express my high opinion of Suren Saxena. His exceptional qualities are known to all: his intelligence, his clear mind, his understanding of people and things, his precision, his intellectual honesty, his sense of humour.

We all owe him a great deal for having greatly extended and increased appreciation of the Alliance within the UN group of organisations, which today recognises the quality of the contribution we can make to resolving the grave problems confronting our world: problems of peace and war, problems of assistance to developing

countries, the problem of understanding between peoples who would otherwise remain apart.

We also owe him much for having given the regionalisation of our activities the importance it merited, in South-East Asia, in Africa, in North and South America, as well as the work undertaken by our specialist Committees and Federations.

From my years of friendly collaboration with him, I shall preserve the memory of relaxed moments in an atmosphere particularly conducive to work, mingled with other moments when we shared our worries and anxieties.

I thank him for the considerable work he achieved in the service of our Alliance.

From MAURITZ BONOW, former ICA President (1960-1975):

In my capacity as President of the ICA between 1960 and October 1975, I had the privilege of very close personal collaboration with Dr Saxena.

Dr Saxena has outstanding qualifications which have been manifested in his work during two decades both as head of ICA activities in New Delhi and later as Director of ICA headquarters in London. Dr Saxena's very solid knowledge of economics and co-operation acquired through his academic education in India, Holland and Sweden and his intimate experience of co-operative forms of enterprise with their many-sided activities, both in the developing countries and the industrialised countries, have enabled him to render the ICA especially, and the International Co-operative Movement generally, a service the value of which can hardly be over-estimated.

Dr Saxena has conscientiously and efficiently carried out the policies drawn up by the authorities of the ICA and has in several cases personally taken initiatives of far-reaching importance.

I would personally like to underline the fact that Dr Saxena is very much appreciated by the staff at headquarters and in the Regional Offices; because of his personal leadership qualities he has succeeded in establishing a spirit of teamwork with ICA personnel and with the elected representatives of ICA member-organisations, especially those who are active in ICA official bodies, thus contributing powerfully to enhancing the role of the ICA in economic and social development throughout the world.

Now that Dr Saxena is leaving the post of Director, all his friends and collaborators extend to him and his family their best wishes. We thank him most sincerely and hope that his future co-operative work will be as successful as it has been in the past.

From ROBERT DAVIES, Deputy Director, ICA:

The Director leaves the ICA after 22 years' service of which six were spent as Regional Director in New Delhi and twelve at the Head Office in London, and we are very sorry to see him go.

His appointment as Director in 1968 was a very appropriate one for this stage in the development of the International Co-operative Movement. His educational background combined the best of Indian and European traditions, with a degree

from the University of Agra (India), further studies at the Institute of Social Studies at The Hague and the University of Amsterdam (both in the Netherlands), followed by a period as Research Scholar in Sweden.

He has been the only Indian Director of ICA's first Regional Office—for South-East Asia—opened in New Delhi in 1960, and his activities there laid an excellent foundation for its subsequent work and ensured development of a bond between the co-operative movements of the Region, which up to that time had had no direct contact. He helped to bring the Japanese Movement into the ICA, and also with the creation of IDACA, the Institute for the Development of Agricultural Co-operatives in Asia, in Tokyo.

When he was appointed Director in London, his experience in South-East Asia made it natural for him to give Technical Assistance to the Third World a priority place on the ICA's programme. This has kept the ICA abreast of the growing awareness in the world of the needs of the developing countries and of the vital importance of ensuring that they do not lag behind in the general advance towards improved economic and social conditions.

Over the years he has endeavoured to raise the level of ICA's standing in the United Nations and its Agencies, and what one might call his "public relations" work in this field has been outstanding. He had many meetings with the Secretary General of the UN and the Directors General of several of its specialised agencies (including the World Bank) and after every meeting ICA's image stood higher: our concern now is to live up to the expectations which those international organisations have of the ICA.

He has played a major part in developing a series of ICA World Conferences for the various co-operative sectors—agriculture, fisheries, thrift and credit, industrial co-operatives—and was instrumental in ensuring the participation of Non Governmental Organisations in the follow-up to the FAO World Conference on Agrarian Reform and Rural Development (WCARRD).

International co-operators are made, not born, and Dr Saxena has played his part in trying to make national leaders think and act internationally. Thanks to his work, the International Co-operative Movement has a cohesion which it previously lacked, and we hope the Alliance will remain a constructive force in international co-operation.

We all wish him success in his new work.

Postscript

At his last public engagement as ICA Director, in an address to the Board of CLUSA on 30th March, 1981 in Washington (USA), Dr Saxena said:

I am doubly appreciative of this opportunity of addressing the highest co-operative body in this land.

I shall be brief and point to just a few of the areas which I consider of crucial importance to the co-operative movements of 70 countries represented in the International Co-operative Alliance, through 120 member institutions, and representing

a total constituency of 355 million individual members including men and women from North, South, East and West. This is bound to lead to some sweeping generalisations.

I am concerned at the lack of collaboration among co-operatives which is visible at the national, and more pointedly, at the international level. Some of you would no doubt remember that the principle of collaboration among co-operatives was a United States' contribution to the debate on the Co-operative Principles, when we adopted the new set of principles at our Vienna Congress in 1966. I was recently attending the 5th International Conference on Co-operative Thrift and Credit in New Delhi, and looking at the audience from the podium, one was struck by the large dimensions of the Co-operative Credit Movement: there was the World Council of Credit Unions, with its continental chapters, CUNA, NACCU, COLAC, ACOSCA, ACUL, a number of co-operative banks which figure in the world banking league including the *Crédit Agricole* of France which occupies the first place, the Raiffeisen network of credit institutions which gather in their hands, I am told, a sizeable share of the total savings in the Federal Republic of Germany, our own Banking Committee representing the INGEBA, the BfG, the Bank Hapoalim of Israel. One could not but be struck by the financial strength of the co-operative sector, if only they could find common and joint areas of action. If this could be brought about, we would genuinely begin to move in the direction of an international co-operative credit system with important implications for world economic development.

Unfortunately, the consumer-producer divide runs rather deeply in our movement. We have accepted, perhaps without much critical analysis, the consumer-producer dichotomy, instead of emphasising the complementarity of the two roles.

In order to facilitate inter-action, we have created a string of nine specialised committees in the structure of the ICA—in the fields of Agriculture, Banking, Consumer Policy, Fisheries, Consumer Wholesaling, Housing, Insurance, etc. These are our technical bodies and I invite CLUSA to make increasing use of this existing mechanism.

The second area which is of great concern to the international co-operative movement is the problem of lack of development in the Third World countries, how to provide assistance so that they can achieve a reasonably sound economic standard. This is an area in which CLUSA has considerable experience, and I would like to applaud the scope and significance of the US co-operative contribution in this field—the India fertiliser project which surely must remain a landmark both for its size and its role in increasing agricultural production; the dairy and oilseed programmes; the grain storage scheme in Rwanda; the advice on structural changes in Thailand; the work of the large US co-operative organisations, NRECA with its long-term impact on social and economic change, and the FCH in the construction of homes overseas and many other important activities in the Third World.

In the ICA, our work in this field started with the adoption of the Long Term Programme of Technical Assistance adopted in Lausanne in 1960—and now we have three Regional Offices—in South-East Asia, in East and Central Africa, and the one recently founded in Bingerville in Ivory Coast for 16 countries in West Africa. There

are discussions going on in Latin America and Argentina has offered to host a Regional Office for the Region.

Perhaps there is a need for a better considered enunciation of ICA's Policy in the Third World and we hope to do this exercise in Helsinki; also I believe a greater interaction between your overseas programmes and our own Regional Offices would be to our mutual advantage.

And the final area of concern which needs more thought and research is that of the relationship of Co-operative Movements with the State. Among co-operative classicists this subject arouses strong feelings; they believe relations with the government should be formal and minimal. The situation in the East European Countries, although not exactly similar in each country, is of course the opposite and relations between the two tend to be very close.

In mixed economies, or capitalist economies—these are relative terms—co-operatives often function with varying degrees of support, or the lack or withdrawal of support (your Consumer Bank is a case in point), depending upon the shifting policies of the parties in government. The problem in developing countries in this respect remains acute. Even in other industrialised countries, it is not unknown. At a meeting I attended in Oxford, England, the result of recent cuts in ODA support loans affected the Co-operative College, the Plunkett Foundation, the British Council and so on. The problem is not easy. Ultimately the approach must be along the following two lines:

- (i) to ask for increased involvement and support from the members, and
- (ii) to launch a vigorous exercise in persuading the Authorities of the role of voluntary organisations in pluralist democracies.

Often it is ignorance about the positive role of Co-operative Organisations rather than antipathy towards the movement which causes strains between the movement and the government.

I want to convey to you all, through the Chairman, the greetings of ICA and my sincere appreciation of your invitation to me to say a few words on this occasion.

Studies and Reports

FIFTEENTH IN THE SERIES

CO-OPERATIVES IN THE YEAR 2000

CONTENTS

The Resolution adopted by the 27th Congress of the International Co-operative Alliance

Foreword by the ICA Director

Co-operatives in the Year 2000

A Paper prepared for the 27th Congress of the International Co-operative Alliance, Moscow, October 1980
by A. F. Laidlaw

Co-operation of the Socialist Countries in the Year 2000

Joint Document of Central Co-operative Unions and Societies of Bulgaria, Hungary, GDR, Poland, Czechoslovakia and the Soviet Union

Price: £2.50

Please order from:

THE INTERNATIONAL CO-OPERATIVE ALLIANCE
11 Upper Grosvenor Street, London W1X 9PA, U.K.

enclosing cheque with order

International Co-operative Alliance

11 Upper Grosvenor Street, London W1X 9PA, U.K.

Tel: (01) 499 5991 Cables INTERALLIA

President: Roger Kerinec

Director: Andre E. Saenger*

Deputy Director: R. P. B. Davies

REGIONAL OFFICES

Regional Office & Education Centre for South-East Asia

Bonow House, PO Box 3312

43 Friends Colony, New Delhi 110-014, India

Tel: 635123 Cables INTERALLIA

Regional Director: R. B. Rajaguru

Regional Office for East & Central Africa

PO Box 946

Moshi, Tanzania

Tel: 4706 Cables INTERALLIA

Regional Director: E. M. Anangisye

Regional Office for West Africa

01 BP 3969

Abidjan 01, Ivory Coast

Tel: 303008 Cables: INTERALLIA ABIDJAN

Regional Director: B. D. Ndiaye

*A profile of the new Director will appear in our next issue.

Affiliated Organisations

ARGENTINA

Asociación Argentina de Cooperatives y Mutualidades de Seguros

Avenida de Mayo 1370 Piso 1°, Buenos Aires.
Tel. 33-0222/7138

Asociación de Cooperativas Argentinas

Av. E. Madera 940, 1106 Buenos Aires.
Tel. 221-7284 Cables ASCOOPAR Telex 21136

Confederación Cooperativa de la República Argentina Ltda. (COOPERA)

Moreno 1729, Buenos Aires.

Federación Argentina de Cooperativas de Consumo

Avda. Suarez 2034, Buenos Aires.
Tel. 28-5381/3 Cables COOP

Federación Argentina de Cooperativas de Crédito Ltda.

Ave. Pueyrredón 468, 2° Piso, 1032 Buenos Aires (RC 24).
Tel. 86-6283

Federación de Bancos Cooperativos de la República

Argentina (FEBANCOOP)

Maipú 374-9° piso, 1006 Buenos Aires.
Tel. 46-9946 Telex 17919-FBCOP-AR

Instituto Movilizador de Fondos Cooperativos SCL

Rivadavia 1944, Buenos Aires 1033
Tel. 48-9061

Intercoop Editora Cooperativa Ltda.

Moreno 1733/41, 2093 Buenos Aires
Tel. 47 21 49

AUSTRALIA

Co-operative Federation of Australia

Box 5211 AA, GPO Melbourne, Victoria 3001

AUSTRIA

Österreichischer Raiffeisenverband

Hollandstrasse 2, 1020 Vienna.
Tel. 26 360 Telex 07/6769

BULGARIA

Central Co-operative Union

Rue Rakovski 99, Sofia.
Tel. 88-03-11 Cables CENTROCOOPSOYUS

CANADA

Conseil Canadien de la Coopération

2875 boul. Laurier, 6c., Ste. Foy, Quebec, G1U 2M2
Tel. (418) 653 7052

Co-operative Union of Canada

237 Mercalfe St., Ottawa, Ont., K2P 1R2
Tel. 238 6711 Telex 053-4406

COLOMBIA

Cooperativa Familiar de Medellín Ltda.

Calle 49, No. 52-49, Medellín.
Tel. 45-00-55

CYPRUS

Co-operative Central Bank Ltd.

(Gregoriou Afxentiou) POB 4537, Nicosia.
Tel. 62921 Cables COOPBANK

Cyprus Turkish Co-operative Central Bank Ltd.

POB 1861, Nicosia.
Tel. 4257 Cables MERKAZBANK

"SODAP", Vine Products Co-operative Marketing Union Ltd.

(Cooperation St., Tsifikoudhia) POB 314, Limassol.
Tel. 2331 Cables VINUNION

CZECHOSLOVAKIA

Ústředni Rada Druztev (Central Co-operative Council)

Tesnov 5, 11006 Prague 1.
Tel. 64751 Cables UERDE

**Österreichischer Verband gemeinnütziger Bau-
Wohnungs- und Siedlungsvereinigungen**
Bosendorferstrasse 7/11, 1010 Vienna.
Tel. 65-71-63 Cables GEBAAVERBAND

Konsum Österreich GmbH
Postfach 110, A-1121 Vienna.
Tel. 57-75-38 Cables KONSUMVERBAND Telex 11803

BANGLADESH

Bangladesh Jatiya Samabaya Union
"Samabaya Sadan" (1st floor), 9/D-Motijheel Commercial Area.
Dacca 2.
Tel. 255846 Cables RANGDHENU

BELGIUM

L'Economie Populaire
30 rue des Champs, 5300 Ciney (Namur).
Tel. 21-28-01

Fédération belge des Coopératives (FEBECOOP)
26-28 rue Haute, 1000 Brussels.
Tel. 513-28-60 Cables ESCEGE Telex 02.224.95

Fédération Nationale des Coopératives Chrétiennes
141 rue de la Loi, 1040 Brussels.
Tel. 230.70.90

Office des Pharmacies Coopératives de Belgique (OPHACO)
602 Chaussée de Mons, 1070 Brussels 7.
Tel. 522-56-90

Société Coopérative d'Assurances "La Prévoyance Sociale"
P.S. Building, 151 rue Royale, 1030 Brussels.
Tel. 218-80-80 Telex 25.566

BOTSWANA

Botswana Co-operative Union Ltd.
POB 199, Gaborone.

DENMARK

Fællesforeningen for Danmarks Brugsforeninger (FDB)
Roskildevej 65, 2620 Albertslund.
Tel. 64-88-11 Cables EFDEBE

Det Kooperative Fællesforbund i Danmark
Reventlowgade 14, 1651 Copenhagen V.
Tel. 12-22-62 Cables UNICOOP

De samvirkende danske Andelselskaber
(Central Co-operative Committee of Denmark)
Vester Farimagsgade 3, DK-1606 Copenhagen V
Tel. 12-14-19

EGYPT

Central Agricultural Co-operative Union
6 Abd El-Kader Hamza Street, Garden City, Cairo.
Tel. 28401

Central Consumers' Co-operative Union
168 El Tahrir Street, Bab El Luk, Cairo.
Central Producers Co-operative Union
Cairo.

FIJI

The Co-operative Union of Fiji Ltd.
c/o Co-operatives Dept., Fiji Development Bank Centre,
POB 2356, Government Bldgs., Suva.
Tel. 211-615

FINLAND

Keskusuusliike O.T.K. (Central Co-operative Society)
POB 120, 00101 Helsinki 10.
Tel. 750731 Cables OSUUSTUKKU Telex 12-454

Kulutusuusliikuntien Keskusliitto (K.K.) r.y.
(Milkonkatu 17) POB 740, 00101 Helsinki 10.
Tel. 170491 Cables KESKUSLIITTO Telex 121261 EKKSF

Pellervo Seura (Central Organisation of Farmers' Co-operatives)
(Simonkatu 6) POB 10077, 00101 Helsinki 10.
Tel. 602066 Cables PELLERVO

Pohja Yhtymä
(Runeberginkatu 5) POB 10180, 00101 Helsinki 10.

FINLAND (cont.)

Suomen Osuuskappojen Keskuskuunta (S.O.K.)

(Finnish Co-operative Wholesale Society)

(Vilhonkatu 7) POB 460, 00100 Helsinki 10.

Tel. 650611 Cables KESKUSKUNTA Telex 12-456

Yleinen Osuuskappojen Liitto r.y. (Y.O.L.)

(General Co-operative Union)

Vilhonkatu 7, 00101 Helsinki 10.

FRANCE

Caisse nationale de Crédit Agricole

91-93 Boulevard Pasteur, 75015 Paris.

Tel. 273-90-00 Cables AGRICREDIT Telex CANAGRI 25-971

Confédération Générale des Sociétés Coopératives

Ouvrières de Production (SCOP)

37 rue Jean-Leclaire, 75017 Paris.

Tel. 627-89-58 Cables COOPRODUC

Confédération nationale de la Coopération, de la Mutualité et du Crédit Agricoles

129 Bd. St. Germain, 75279 Paris.

Tel. 033-93-31

Confédération nationale du Crédit Mutuel

88-90 rue Cardinet, 75017 Paris.

Tel. 766-01-51 Telex CCCMU 640373

Confédération des Organismes du Crédit Maritime Mutuel

41 Avenue Hoche, 75008 Paris.

Tel. 227-50-46

Fédération Nationale des Coopératives de Consommateurs

(F.N.C.C.)

La Maison de la Coopération, 27-33 Quai le Gallo, 92517 Boulogne

Tel. 604-91-78 Cables FEDECCOOP

Telex FEDCOP B LGSN 260846

Gesamtverband gemeinnütziger Wohnungsunternehmen e.V

Bismarckstrasse 7, 5000 Cologne 1.

Tel. 52-50-01

Volksfürsorge deutsche Sachversicherung AG

(Besenbinderhof 43) Postfach 10 64 29, 2000 Hamburg 1.

Tel. 28 651 Cables VOLKSACH HMB Telex 21 61 740

Volksfürsorge Lebensversicherung AG

An der Alster 57-63, 2000 Hamburg 1.

GHANA

Ghana Co-operatives Council Ltd.

POB 2068, Accra.

Cables GACOCO

GREECE

Pan-Hellenic Confederation of Unions of Agricultural Co-operatives

El Venizelou 56, Athens 142.

Tel. 618.645 Cables PASEGES

HAITI

Caisse Populaire Dominique Savio

(75 rue Rigaud) C. P. 15011, Pétion-Ville.

HUNGARY

National Co-operative Council

(Szabadság tér. 14) POB 616, H.1373 Budapest V.

Tel. 113-600

National Council of Agricultural Co-operatives (TOT)

Akademis utca 1-3, 1361 Budapest V.

Tel. 113-600

National Council of Consumers' Co-operative Societies (SZOVOSZ)

(Szabadság tér 14) POB 616, 1373 Budapest V.

Tel. 113-600 Cables SZOVOSZ

**Fédération Nationale des Sociétés Coopératives
d'Habitation à Loyer Modéré (H.L.M.)**
14 rue Lord-Byron, 75008 Paris.
Tel. 563-17-31

Société Générale des Coopératives de Consommation
La Maison de la Coopération, 27-33 Quai le Gallo, 92517 Boulogne
Billancourt.

Union. Tel. 604.91.78 Cables EMDEGE Telex 27094 EMDEGE

Union du Crédit Coopératif
18 bis Avenue Hoche, 75008 Paris
Tel. 561.99.66 Telex Creditcop Paris 650.977

GAMBIA

Gambia Co-operative Union Ltd.
POB 505, Banjul.
Tel. Serrekunda 2580

GERMAN DEMOCRATIC REPUBLIC

Verband der Konsumgenossenschaften der DDR
(Stresemannstrasse 128), Postfach 1269, 108 Berlin.
Tel. 22-38-0 Cables KONSUMZENTRALE Telex 011-2831

GERMANY, FEDERAL REPUBLIC OF

Bank für Gemeinwirtschaft AG
Theaterplatz 2, 6000 Frankfurt A/M 1.
Tel. 2581 Cables HAUPTBANKWIRT Telex 41.22.122

Bund deutscher Konsumgenossenschaften GmbH
Adenauerallee 21, 2000 Hamburg 1.
Tel. 249006 Cables COOPBUND Telex 21-62-521

Coop Handels- und Produktions-AG (HAPRO)
Sonninstrasse 18-28, 2000 Hamburg 1.
Tel. 284-1 Cables HAPROAG

Deutscher Raiffeisenverband e.V.
(Adenauerallee 127) Postfach 19 01 41, 5300 Bonn 3
Tel. (022-21) 1061 Cables RAIFFEISEN Telex 08-86-830

National Council of Industrial Co-operatives (OKISZ)
(Thököly ut 58-60) POB 172, 1146 Budapest 70.
Tel. 188-800 Cables OKISZ

ICELAND

Samband Isl. Samvinnuúfélagá
Samband House, POB 180, Reykjavik.
Tel. 28200 Cables SIS Telex 2023

INDIA

All India Central Land Development Banks' Federation
Shivshakti (2nd Floor), B. G. Kher Road, Worli, Bombay 400018
Tel. 395349 Cables BHUMIUIKAS

Indian Farmers Fertiliser Co-operative Ltd. (IFFCO)
34 Nehru Place, New Delhi 110019.

National Agricultural Co-operative Marketing Federation Ltd.
Sapna Theatre Building, 54 East of Kailash, PB 3580, New Delhi-
110024.

Tel. 631416 Cables NAFED Telex ND 3254

National Co-operative Consumers' Federation Ltd.
Deepali (5th floor), 92 Nehru Place, New Delhi-110024.
Tel. 635387 Cables KONFED

National Co-operative Union of India (NCUI)
3 Siri Institutional Area, Panshchila Marg (Behind Hauz Khas),
New Delhi-110016.
Tel. 66 2751 Cables COPUNION

National Federation of State Co-operative Banks Ltd.,
Garment House (2nd Floor), Dr. Annie Besant Road, Worli Naka,
Bombay 400-018.

INDONESIA

**Dewan Koperasi Indonesia (The Indonesian Co-operative
Council)**
Jalan Jendral Gatot Subroto, Komplek PUSDIKKOP, Djakarta.
Tel. 74081-88

IRAQ

General Co-operative Union
POB 5764, Baghdad
Tel. 86520 Cables COOPFEDRA
Telex 2685 UNCOOP

IRISH REPUBLIC

Co-operative Development Society Ltd.
35 Lower Gardiner Street, Dublin 1.

ISRAEL

"Bahan" Audit Union of Agricultural Co-operative Societies in Israel
(47 Nachmani Street) POB 622, Tel-Aviv.
Tel. 62-32-78

General Co-operative Association of Labour in Israel ("Hevrat Ovdim" Ltd.
(Histadrut Building, 93 Arlosoroff St.) POB 303, Tel-Aviv.
Tel. 26.11.11 Cables OVDIM

ITALY

Associazione Generale delle Cooperative Italiane
Via Ravenna 8, 00161 Rome.
Tel. 859198

Confederazione Cooperative Italiane
Piazza dell'Esquilino 5, 00184 Rome.
Tel. 47-28-11 Cables CONFCOOPERATIVE

Lega Nazionale delle Cooperative e Mutue
Via A. Guattani 9, 00161 Rome.
Tel. 841371 Cables LEGACOOOP

IVORY COAST

Chambre d'Agriculture de Côte d'Ivoire
(11 Ave. Lamblin) POB 1291, Abidjan 01.
Tel. 32-16-11

JAMAICA

National Union of Co-operative Societies Ltd.
2-2a Manhattan Road, Kingston 5
Tel. 92-95 360 Telex JACUL JA 2231

JORDAN

Jordan Co-operative Organisation
POB 1343, Amman.
Tel. 23101/3 Cables ALOUN

KENYA

Kenya National Federation of Co-operatives Ltd.
(Plantation House, Haile Selassie Ave.) POB 49768, Nairobi.
Tel. 21487 Cables MUUNGAINO

KOREA

National Agricultural Co-operative Federation
75, 1st Street, Chung-Jong-Ro, Sodaemun-ku, Seoul.
Tel. 73-0021 Cables KONAFCO

National Federation of Fisheries Co-operatives
88 Kyung Wun-Dong, Chongro-ku, Seoul 110.
Tel. 70-6211-20 Telex FISHCO K24359

KUWAIT

Union of Co-operative Societies
POB Safat 1836
Cables ESTEHLAKIA

MALAYSIA

Co-operative Central Bank Ltd.
(29 Leboh Ampang) POB 685, Kuala Lumpur 01-19.
Tel. 26531/4

Co-operative Union of Malaysia Ltd.

Peti Surat 345, Petaling Jaya.
Tel. 572577

Federation of Housing Co-operatives Ltd.

c/o Railway Co-operative Multi-Purpose Society Ltd., Wisma-Merlin,
Jalan Sultan Ismail, POB 2528, Kuala Lumpur 04-04.
Tel. 87915/6 Cables MCIS

Malaysian Co-operative Insurance Society Ltd.
(36 Jalan Ampang) POB 817, Kuala Lumpur 01-16.
Tel. 87915/6 Cables MCIS

JAPAN

Norinchukin Bank

(Central Co-operative Bank for Agriculture and Forestry)

8-3 1-chome, Otemachi, Chiyoda-ku, Tokyo.

Tel. 03 279 0111 Cables CCBAF Telex J.23918

Zenkoku Nogyokyodokumiai Chuokai

(Central Union of Agricultural Co-operatives)

8-3 1-chome Otemachi, Chiyoda-ku, Tokyo

Tel. 270 0041 Cables CHUOKAI

Hokkaido Federation of Co-operative Fishery Associations

West 7, North 3, Chuoku, Sapporo.

Tel. 231-2161 Cables DOGYOREN

Ie-No-Hikari Association

No. 11, Funagawara-cho, Ichigaya, Shinjuku-ku, Tokyo.

Tel. 260-3151 Cables TENOHKARI

Telex 2322367 IENOHJI J

Nippon Seikatsu Kyodokumiai Rengokai

(Japanese Consumers' Co-operative Union)

1-13 4-chome Sendagaya, Shibuya-ku, Tokyo.

Tel. (404) 3231 Cables CONSUMUNION

National Federation of Agricultural Co-operative

Associations (ZEN-NOH)

8-3 1-chome, Ohtemachi, Chiyoda-ku, Tokyo.

Tel. 03 (279) 0211 Cables ZENNOHREN

Telex ZENNO 222-3686

National Federation of Fisheries Co-operative Associations

(Zengyoren)

Co-op Building (7th floor), 1-1-12 Uchikanda, Chiyoda-ku,

Tokyo 101.

Tel. 2949611 Cables NAFEDFISH

Telex ZENGYO J TOKYO 222-6234

National Federation of Forest Owners' Co-operative

Associations

Co-operative Building (8th floor), 1-1-12 Uchikanda, Chiyoda-ku,

Tokyo 101.

National Mutual Insurance Federation of Agricultural

Co-operatives (ZENKYOREN)

7-9 Hirakawa-cho 2-chome, Chiyoda-ku, Tokyo 102.

Tel. (265) 3111

National Union of Co-operatives (ANGKASA)

103 Jalan Templer, Petaling Jaya, Selangor.

Tel. 771258

National Land Finance Co-operative Society Ltd.

2 Jalan Sultan Suleiman, Peti Surat 2133, Kuala Lumpur 01-02.

Tel.

MAURITIUS

Mauritius Co-operative Union

Co-operative House, Durmas Street, Port Louis.

Tel. 2-2922

MEXICO

Confederación Mexicana de Cajas Populares

Apartado Postal 42-005, Mexico 4, DF.

Tel. 546 57 23

MOROCCO

Union Nationale des Coopératives agricoles laitières

Rue Patrice Lumumba, B.P. 569, Rabat-Chellah.

NETHERLANDS

Dutch Federation of Workers' Productive Co-operative

Societies (ABC)

Nieuwe Gracht 5, Utrecht.

Tel. 331 331

NIGERIA

Co-operative Federation of Nigeria Ltd.

c/o Co-operative Bank Ltd., Co-operative Buildings,

New Court Road, PMB 5101, Ibadan.

Cables NICOOFPED

NORWAY

Landbrukssamvirkets Felleskontor

POB 3723, Gamlebyen, Oslo.

Norges Kooperative Landsforening (NKL)

(Reviserstredet 2) POB 451 Sentrum, Oslo 1.

Tel. 20 62 90 Cables KOOPENGROS Telex 19 450 HQ

NORWAY (cont.)

Norske Boligbyggelags Landsforbund (NBBL)
Trondheimsveie 84-86, Oslo 5. Tel. 35 75 20

Samvirkebanken A/S
(Kirkegt.5) Postboks 289 Sentrum, Oslo 1.
Tel. 42-71-80 Cables SAMVIRKEBANKEN Telex 16604

Samvirke Forsikring
(Henrik Ibsensgt.9) Postboks 778 Sentrum, Oslo 1.
Tel. 20-80-30 Telex 19430 COOPAN

PAKISTAN

Mercantile Co-operative Finance Corporation Ltd.
197-A The Mall, Rawalpindi. Tel. 3754.

Punjab Co-operative Union
11 Masson Road, P O Box 905, Lahore 1

PERU

Cooperativa de Crédito Central del Perú Ltda.
Antonio Miro Quesada 247, Of. 407, Apartado 4429, Lima.
Tel. 27-3752

Cooperativa de Seguros del Perú Ltda.
Máximo Abril 552, Apartado 4360, Lima 11. Tel. 46769

PHILIPPINES

Central Co-operative Exchange Inc.
Rms. 113-115 Arle Building, Aurora Boulevard Ext., Corner J. Ruiz
St., San Juan, Rizal.
Cables CENCOPEX

National Association of Training Centres for Cooperatives
(NATCCO)

Pleasant Homes Subdivision, Punta Princesa, POB 950
6401 Cebu City.
Tel. 7-16-15

ROMANIA

CENTROCOOP (Central Union of Consumer Co-operatives)
Str. Brezoianu 31, 70711 Bucharest.

Tel. 13-87-31 Cables CENTROCOOP Telex 11591

UCECOM (Central Union of Handicraft Co-operatives)
Calea Plevnei 46, Sectorul 7, Bucharest.
Tel. 13-16-48

UNCAP (National Union of Agricultural Producers' Co-operatives)
Bv.N Balcescu 17-19, Bucharest.

SIERRA LEONE

National Co-operative Congress

Department of Co-operatives, Ministerial Building, Freetown.

SINGAPORE

Singapore National Co-operative Union Ltd.
(3-J/K Clifford House) POB 366, Singapore 1.

SOMALIA

Union of Somali Co-operatives Movement
POB 1272, Somali Street, Mogadishu.
Cables UDHIS

SPAIN

Unión Nacional de Cooperativas de Consumo de Espana
General Oraa 70, 2º dcha., Madrid-6.
Tel. 262 17 23

SRI LANKA

National Co-operative Council of Sri Lanka
(Co-operative House, 455 Galle Road) POB 1669, Colombo 3.
Tel. 85496 Cables NACOSIL

Sri Lanka Fisheries Co-operative Federation Ltd.
127 Grandpass Road, Colombo 14.
Tel. 25057 Cables CO-OFFISH

SWAZILAND

Central Co-operative Union
POB 551, Manzini

Sugar Co-operative Development Institute of the Philippines

Rm. 211-213 Cuenca Gonzaga Bldg., San Juan St., Bacolod City 6001.
Tel. 20666

POLAND

Central Agricultural Union of Peasant Self-Aid Cooperatives,

Kopernika 30, 00-328 Warsaw.

Tel. 26-36-69 Cables CENTROLNA

Central Union of Building and Housing Co-operatives

Ul. Marchlewskiego 13, 00-828 Warsaw.

Tel. 20-90-29

Central Union of Work Co-operatives

Surawia 47, 00-680 Warsaw.

Tel. 28-51-86 Cables CZESP

"Spolem"—Union of Consumer Co-operatives

Grazyny 13, 02-548 Warsaw.

Tel. 45-32-41 Cables SETESES

Supreme Co-operative Council

Ul. Jasna 1, 00-013 Warsaw.

Tel. 26-72-21 Cables ENERES

PORTUGAL

Instituto "Antonio Sergio" do Sector Cooperative (INSCOOP)

Rua D. Carlos de Mascaranhas No. 46, Lisbon 1.

Federação Nacional das Cooperativas de Consumo

(FENACOOOP)

Rua da Guine 8 R/c Dto., 1100 Lisbon.

Tel. 84-69-69

PUERTO RICO

Cooperativa Consumidores Unidos de Puerto Rico (UNI-COOP)

GPO Box "CC", San Juan 00936.

Co-operative League of Puerto Rico

458 Fernando Calder, Apartado 707, GPO San Juan 00936.

Tel. 764-2727

SWEDEN

Folksam Insurance Group

(Folksam Building, Bohusgatan 14) POB 20500,

S-104 60 Stockholm 20

Tel. 743-60-00 Cables FOLKSAM Telex 190.84 FOLKSAM S

HSB:S Riksförbund ek för

POB 8310, S-100 21 Stockholm 18.

Tel. 785 30 00 Cables HAESSBE Telex 11.724 HSB COOP

Kooperativa förbundet

POB 15200, S-104 65 Stockholm 15.

Tel. 743 10 00 Cables KOOOPERATIVA Telex 19490

Kooperativa Konsumentgillesförbundet

Box 15200, S-104 65 Stockholm 15.

Tel. 44-90-60

Lantbrukarnas Riksförbund (Federation of Swedish Farmers).

(Klara O Kyrkogata 12) Fack, S-105 33 Stockholm 33.

Tel. 14-16-00 Cables LANTFORBUNDET Telex 11098 Lantek S

Oljekonsumenternas förbund (OK Union)

S-113 87 Stockholm.

Tel. 736-60-00 Cables OLJEKONSUMENTER Telex 17610

Svenska Riksbysggen

(Hagagatan 2) POB 19014, S-104 32 Stockholm 19

Tel. 34-05-20 Cables RIKSBYSGGEN

SWITZERLAND

Genossenschaftliche Zentralbank AG

Aeschenplatz 3, CH 4002 Basel.

Tel. (061) 23-84-00

Coop Lebensversicherungsgenossenschaft Basel

Aeschenvorstadt 67, CH 4002 Basel.

Cables COOPLEBEN

Coop Schweiz

(Thiersteinallee 12) POB 2550, CH 4002 Basel.

Tel. (061) 20-61-11 Cables COOPSUISSE Telex 62 133

Verband Schweizerischer Produktivgenossenschaften

c/o GBH Sihlpfostfach, 8021 Zürich.

Tel. 01/242 7133

TANZANIA

Union of Co-operative Societies Ltd.

POB 2567, Dar es Salaam.
Cables WASHIRIKA

THAILAND

Co-operative League of Thailand

4 Pichai Road, Dusit, Bangkok.
Tel. 811414

TURKEY

Köy-Koop (Central Organisation of Village Development and Other Agricultural Co-operative Unions)

Gazi Mustafa Kemal Bulvari 97, Maltepe, Ankara.
Tel. 30 22 40 Cables KOYKOOP

Türk Kooperatifçilik Kurumu (Turkish Co-operative Association)

Mithatpasa Caddesi 38A, Yenisehir, Ankara.
Tel. 18 82 44

28
88

Yol-Koop (Union of Consumers' Co-operatives of the Road Construction and Building Workers of Turkey)

Selanik Cad.23, Kat.4-5, Yenisehir, Ankara.
Tel. 17 30 94 Cables YOL-KOOP

UGANDA

Uganda Co-operative Alliance

POB 2215, Kampala.
Tel. 56984/6 Cables ALLIANCECOOP

UNITED KINGDOM

Co-operative Bank Ltd.

(1 Balloon St.) POB 101, Manchester M60 4EP
Tel. (061) 834 8687 Telex 884 533/4

Co-operative Insurance Society Ltd.

Miller Street, Manchester M60 0AL.
Tel. (061) 832 8686 Cables COLLECTIVE
Telex 66 86 21 CIS G

Co-operative Union Ltd.

Holyoake House, Hanover Street, Manchester M60 0AS
Tel. (061) 832 4300 Cables CONGRESS

UNITED KINGDOM (cont.)

Co-operative Wholesale Society Ltd.

(New Century House, Corporation Street) POB 53, Manchester M60 4ES.
Tel. (061) 834 1212 Cables WHOLESALÉ

Plunkett Foundation for Co-operative Studies

31 St. Giles, Oxford OX1 3LF.
Tel. (0865) 53960

URUGUAY

Centro Cooperativista Uruguayo

Dante 2252, Montevideo.
Tel. 41-25-41 Cables CENCOOPUR

Federación Uruguaya de Cooperativas de Ahorro y Crédito

(18 de Julio 1485, piso 7) CP 1667 Correo Central, Montevideo.
Tel. 41 44 17 Cables FUCAC

U.S.A.

Co-operative League of the U.S.A.

1828 L Street, NW, Washington, DC 20036.
Tel. (202) 872-0550 Cables CLUSA

U.S.S.R.

Central Union of Consumer Societies—CENTROSOYUS

B. Tcherkassky per 15, 103626 Moscow.
Tel. 221 7253 Cables CENTROSOYUS MOSCOW K-3
Telex 7127

YEMEN ARAB REPUBLIC

Confederation of Yemen Development Associations

POB 2198, Sana'a.

YUGOSLAVIA

Glavni Zadruzni Savez FNRJ

Bul. Revolucije 70/III, 11000 Belgrade.
Tel. 454-842 Cables ZASAJ

ZAMBIA

Zambia Co-operative Federation Ltd.

POB 33579, Lusaka.
Cables ZAMCOOP

INTERNATIONAL ORGANISATIONS

Confederación Latinoamericana de Cooperativas de Ahorro y Crédito (COLAC)
Apartado Postal 3280, Panama 3.
Tel. 27-3322 Cables COLAC Telex 379 3592

International Co-operative Bank Co. Ltd. (INGEBA)
(Aeschengraben 12) POB 363, CH 4010 Basel, Switzerland.
Tel. 23-58-27 Cables INGEBA

International Co-operative Housing Development Association (ICHDA)
c/o Building & Social Housing Foundation,
Memorial Square, Coalville, Leics., U.K.
Tel. Coalville 39091

International Co-operative Petroleum Association (ICPA)
28 West 44th Street, New York, NY 10036, U.S.A.
Tel. 354 0870 Cables INCOPEXTEL Telex 22 49 14

Nordisk Andelsförbund
3 Axelortvej, 1609 Copenhagen V, Denmark.
Tel. 15.15.33 Cables NORFORBUND Telex 27 111 NAF

Organisation of the Cooperatives of America (OCA)
Avenida 46 Nro. 17 21, Aptdo. Postal 241263, Bogota, Colombia.
Cables OCAMERICA

Sociedad Interamericana de Desarrollo y Financiamiento Cooperativo (SIDEFCOOP)
(Reconquista 365, 2° piso) POB 4311, Buenos Aires, Argentina.

World Council of Credit Unions Inc.
(5910 Mineral Point Road) POB 391, Madison, WI 53705, U.S.A.
Tel. (608) 238-5851 Telex 910-296-2725 CUNA MUT MDN

Still available!

The International Co-operative Alliance 1895-1970

by W. P. Watkins

The definitive description of the growth and development of the ICA from its foundation in 1895 up to its 75th Anniversary in 1970.

English Edition: £2.50

French Edition: £3.50

(including post and packing)

Both available from: **INTERNATIONAL CO-OPERATIVE ALLIANCE
11 UPPER GROSVENOR STREET,
LONDON, W1X 9PA, UK**

The **Spanish** Edition (price US\$6.00) is available from:

**INTERCOOP Editora Cooperativa Ltda.,
ALBERTI 191,
BUENOS AIRES,
ARGENTINA**

Please enclose remittance with order

Review of International Co-operation



The official organ of the International Co-operative Alliance

Editor: J. H. Ollman

Assistant Editor: M. Blindell

Vol 74 No 4 1981

Contents

Welcome to the new ICA Director—Andre E. Saenger	287
Congress Follow-up:	
1. Co-operatives in the Year 2000, <i>by Lars Marcus</i>	289
2. ICA and Technical Assistance, <i>by Peder Søiland</i>	294
Reflections on the 30 years' history of the Japanese Consumers' Co-operative Union and its Future Development, <i>by Sadao Nakabayashi</i>	297
Functional Literacy and Numeracy through Co-operatives—a Pilot Project in Sierra Leone, <i>by S. M. D. Gabisi</i>	306
Credit Co-operatives and Commercial Ventures in Nigeria: Lessons from Kwara State, <i>by Ifeyori I. Ihimodu</i>	312
Participation and Education in Integrated Human Settlement Co-operatives—a DESWOS Workshop, <i>by B. Heinen</i>	324
NKL, Norway—75th Anniversary, <i>by Harald Korsell</i>	329
Retirement of two noted International Co-operators—Paul Derrick and Hanns Ollman	333
Editor's Commentary:	
Words, Words, Words . . . !	335
Forthcoming International Conference—CICOPA	335
Sub-Regional Workshop on Co-operative Librarians and Documentation Officers—S.E.Asia	336
Nordic Governments support the UN Secretary-General's Report on Co-operatives with Text of Resolution	338
125 Years of Consumer Co-operatives in Austria	339
1300th Anniversary of the Founding of the Bulgarian State	340
A Lightning Tour of New Co-operative Literature in the UK, <i>by Peter Clarke</i>	343
Book Review: John Jordan: Developing Worker Co-operatives (<i>Paul Derrick</i>)	351
ICA Regional Offices and Affiliated Organisations	353
1981 Index	364

The ICA is not responsible for opinions expressed in signed articles.



Andre E Saenger

Welcome to Andre Saenger the new ICA Director

Mr. Saenger was appointed Director at the Central Committee Meeting in Helsinki in September and took up his duties at the beginning of October 1981. Born 14 July 1920 in Vevey, Switzerland, he is a Swiss citizen, married and the father of three children.

After completion of his commercial and business administration studies, at the Commercial High School, St Imier (1938), Mr Saenger did his army service (mobilization 1939-1945) and was simultaneously employed by Co-operative Switzerland, Basel, where he held various posts in the Audit Department before becoming the Executive Secretary of the Press and Education Department, in which capacity he participated in many international meetings and seminars of the National Commission for UNESCO.

In 1955, he joined the International Labour Organization (ILO) as technical assistance expert and was assigned to Iran, later to Tunisia. Subsequently, he became associated with the United Nations Development Programme (UNDP) where he served as Deputy and then Resident Representative. He was successively assigned to: Tunisia, Egypt, Morocco, Benin, Zaire and Geneva, as Deputy Regional Representative for Europe.

In 1967, at the request of the Executive Director of UNIDO, Vienna, he was seconded by UNDP to this Organization where he served as Chief, Programme Co-ordination, then Deputy Director of the Technical Co-operation Division.

In 1976, after having served in the Cabinet of the Executive Director, he was assigned to Geneva, where he opened the UNIDO Office for Liaison with International Organizations.

From 1974-1977, Mr Saenger co-operated closely with the European Management Forum where, within the framework of "project banks" he organized contacts between industrialists of developed countries and representatives from selected developing countries.

In 1977 Mr Saenger was assigned as Deputy Director to the UN Division of Narcotic Drugs. He was in charge of all field operations, i.e. conception, formulation, execution and evaluation of aid programmes oriented towards elimination of drug abuse. He frequently travelled to Thailand, Laos, Burma, Pakistan, Afghanistan, Nepal, etc.

For 25 years, Mr Saenger has been in close contact with numerous international organizations, in particular all those of the UN system and with many NGOs. He has travelled in more than 60 countries and has established contact with practically all governments of the developing countries wanting assistance in different aspects of their development.

In August 1980, upon retirement at 60 from the UN, Mr Saenger became the Permanent Representative of the International Co-operative Alliance (ICA, London) to the international organizations in Geneva. He is a member of the Advisory Panel of the Castolin-Eutectic Institute, Lausanne and adviser to two management consulting companies in Geneva and Zurich. He has been offered consultancy missions by the International Trade Center UNCTAD-GATT and by UNIDO.

Mr Saenger has served as an auditor of the Swiss Association of Technical Assistance Experts. He has written many essays and articles on development aid including a contribution on the "Integrated Rural Development of the Golden Triangle". He is fluent in French, German and English, has a good knowledge of Spanish and Italian, and a nodding acquaintance with Arabic and Farsi.

We at the ICA very much look forward to working with Mr. Saenger, and wish him every success in his new assignment at a difficult time in the affairs of the ICA and of the world.

Congress Follow-up

1. Co-operatives in the Year 2000

by **Lars Marcus** (Sweden)

In Moscow in 1980, the ICA Congress discussed two reports on the theme "Co-operatives in the year 2000." Co-operators from all over the world agreed that this was to be seen as the beginning of "a continuing process of research and self-examination by the world-wide Co-operative Movement".

We all, with a few national modifications, accepted Dr. Laidlaw's development perspectives. This meant that in its development work up to the turn of the century, the Co-operative Movement was to give top priority to:

1. The development of agricultural co-operatives among small farmers, especially in developing countries, with a view to increasing food production and raising the real incomes of primary producers;
2. The promotion of industrial co-operatives and the conversion of existing industrial enterprises to the co-operative form of organisation so as to contribute to increased incentives and productivity, improved industrial relations, and the development of a policy for a more equitable distribution of incomes;
3. The further development of consumer co-operatives in such a way as to emphasise the features which distinguish them most clearly from

- private traders and sustain their independence and effective democratic control by members;
4. The creation of clusters of specialised co-operatives or single multi-purpose societies, especially in urban areas, in such a way as to provide a broad range of economic and social services: housing, credit, banking, insurance, restaurants, industrial enterprises, medical services, tourism, recreation, etc., within the scope of a single neighbourhood co-operative.

This is what we said last year.

Those present with good memories may, however, recall that in Moscow I made certain comments in connection with Dr. Laidlaw's report. The essence of those remarks was that the goals of collaboration and independence could also be achieved by methods other than co-operative: in Sweden it would be difficult for the Co-operative Movement to promote the emergence of workers' co-operatives against the will of the large trade union organisations. I further said that the co-operative structures which Dr. Laidlaw would like to see emerging in big cities correspond in Swedish tradition to what we call the *popular movements*, that is social, political, trade union, religious, cultural and of course

also co-operative organisations. Finally I pointed out that the attractiveness of small co-operatives must not be allowed to obscure the fact that there were good reasons for the existence of large co-operative organisations such as those in which the majority of the congress delegates worked. One such reason was the historical process leading up to their emergence.

Similar reservations may have been made by many. Once made, they by no means prevented the Swedes from supporting the resolution. The purpose of our remarks was only to prevent a vision from developing into an illusion. The short perspective is nearly always a support for, not an obstacle to, a *truly* long perspective.

The approach I have chosen here will therefore be a continuation of the thoughts underlying my statement in Moscow. From our own domestic co-operative debate I will single out a number of questions to which we have been looking for answers and where we have now made some progress. I shall not be making any recommendations but I hope to give my friends and colleagues all over the world some ideas for their own thinking and development work.

Co-operative activity and above all co-operative expansion require a reasonable climate in which to grow. How, then, was the situation in Sweden in this respect, we asked ourselves about ten years ago.

In the early seventies, an examination of existing school textbooks showed that the co-operative form of enterprise was practically not mentioned at all. The students were given a picture of an economy where enterprises are built by capital, risk-taking and personal initia-

tive. The long-term effects of such education at school certainly do not favour the implementation of our Moscow resolution.

We later went on to examine higher education and research. It turned out that students at our leading institutions for the education of business economists were able to complete their education without having a single lecture on co-operatives. This in turn was a result of the circumstance that practically no research was conducted on co-operatives at university level; enterprises which did not have return on invested capital as their goal but were based instead on ideas of co-operation were, if not unknown, at least more or less incomprehensible to economic scientists. This gave us strong reasons to consider the dangers of, as it were, retiring into our shell, as we had up to then been doing in this respect.

This unfortunate situation had other consequences, too. The same lack of knowledge was, of course, to be found among many state and local government officials: they were products of our educational system. When laws were written and directives formulated, it was always taken for granted that enterprises were capitalistic. Subsequent attempts were made to adapt the existing rules to co-operative enterprises. Sometimes this was not possible. On several occasions only private enterprises have benefited from company tax reliefs.

Similarly, private enterprises have been able to utilise large amounts of risk capital from funds administering state money. For co-operatives no similar solution has been found since, in our operations, we may not disregard the co-operative principle of limited interest on capital. Our arguments in discussions

on these issues met with resistance for the simple reason that non-cooperators did not understand that co-operative requirements in this respect can be satisfied only if the unique character of co-operatives is respected.

This is the first issue I wish to bring up—the need for a higher general level of co-operative knowledge in the community at large. I am now going to tell you what we have done in this field.

Back in the early seventies, my own organisation set up a small department to handle contacts with the schools. Its chief functions were twofold: to influence the opinions of producers of textbooks and other study material, and to produce material itself. Today this department is no larger than before but is now able to offer the regular Swedish school system, and particularly its higher and specialised stages, study materials on co-operatives. There is an increasing and encouraging demand.

Gradually this activity came to be a concern of the entire co-operative group. As one result, a special consumer co-operative institute was created. The emphasis was now placed on co-operative research. A handful of employees at the institute began establishing contacts with the universities. Our libraries and archives saw an increase in demand. Interest among young university students grew rapidly, because this is the time of the ideas of Alex Laidlaw, but public funds allocated to research still heavily favoured private and state-owned enterprises.

In this situation, a number of factors caused the Swedish government to appoint a special commission to investigate the role of co-operatives. A member of the Swedish parliament, who is also

president of KF, demanded that such a commission be set up. An agricultural co-operator, in his capacity as Minister of Industry, followed up the parliamentary decision by giving the commission judicious terms of reference. The commission's work was recently completed. In the final chapter of its report, written in full agreement between the representatives of the political parties in parliament and those of the co-operative movement, the first real government research programme for co-operative development is presented. This means an important step forward. It has also enhanced our possibilities of being loyal to the four priorities laid down in Moscow.

I just mentioned that there were other reasons, besides research and education, why the commission on co-operatives was appointed. From the very outset, the terms of reference stated that the movement's capital problems were to be dealt with and that proposals should be presented. First, inflation and declining profits generally in Swedish trade and industry during the years after 1974 have caused special problems for several co-operative industrial companies since they cannot meet their need for risk capital in the same way as private companies can. Secondly, there was already a lack of equality in financing terms as compared with private companies. Thirdly, the community now began to show some interest in new co-operative establishments. Chambers of commerce and similar associations aided private companies but it turned out, not unexpectedly, that these bodies were not very helpful when a workers' co-operative needed assistance. This contributed to the paradoxical situation that Swedish

employee-owned enterprises which were intended to be co-operative were organised as joint-stock companies, which in itself is harmful to the unique character of co-operatives.

The proposals now presented by the commission recommend that co-operatives be given comparable, although not identical, preconditions to private enterprises. Here is a brief summary of the proposals:

—The interest on member shares, which has up to now been subject to double taxation, will be taxed only with the receiver.

—Allocations to reserve funds will be stimulated by halving the tax in many cases.

—Members of agricultural co-operatives will be given generous conditions for saving in the form of member shares through deferred tax.

—Tax reliefs on savings in the form of stock purchases, which have hitherto given companies quoted on the Stock Exchange considerable contributions of risk capital, will now be enjoyed by co-operative members as well.

—Further, a new form of shares—called 'B' shares—will be created so as in certain situations to enable public funds to form co-operative risk capital, for example, in the creation of workers' co-operatives.

—The commission finally suggests that a special fund of S.Kr. 400 million—to be utilised as co-operative risk capital—be made available to the Co-operative Movement as a whole. This proposal should be seen in connection with the debate on so-called wage-earners' funds that we are

currently having in Sweden—a debate some of you are familiar with. To those who are, I would just like to say that many of us feel that the problems connected with these funds are getting particularly difficult as far as the co-operative movement is concerned. Ultimately, any financial collaboration with the state implies a restriction of member ownership and consequently of co-operative self-determination. The management of the suggested fund can be organised in many different ways, as can the terms connected with the capital contributions.

In what ways the various branches of the Co-operative Movement will react to the commission's ideas is so far unknown.

Co-operative information, education and research, as well as co-operative financing, are problems that those present here are very familiar with. They are also of crucial importance to our expansion plans. Here I have only wished to indicate in what direction the Swedish Co-operative Movements are going. And now I will deal with some other problems.

What, indeed, is a co-operative?

If special working conditions are created for the co-operative sector of our economy, it is important that this sector should be identifiable. We ourselves laid down rules at the 23rd ICA Congress but these are not adequate in all situations.

The simplest way to put it would be to say that co-operatives are those organisations which have been admitted as members of the ICA. This, however, would make things more difficult for all new co-operatives and might create the danger of abuse of power on the part of the already established co-operatives.

On the other hand it is difficult to envisage that co-operative legislation should also cover, for example, groups that are speculating in capital yield and might find our form of enterprise advantageous for this purpose. The right to defer the payment of tax debts when saving for shares might constitute one such temptation.

There is another reason why keen attention is necessary when considering our development perspectives. The co-operative form of enterprise enjoys a good reputation almost everywhere. The creation of new co-operatives on a large scale with many subsequent bankruptcies as a result of inadequate knowledge, experience and planning, would be fatal.

It is true that co-operative enterprises are regulated only in economic and democratic terms. In practice, however, co-operatives have always had a distinctly social character and have organised large groups of people who have understood that solidarity has a higher dimension than merely promoting one's self-interest or a narrow group interest. We in any case do not want, in our country, new co-operatives which deviate from this popular movement tradition.

Having submitted its main report, the Swedish commission on co-operatives will conclude its work by attempting to give the country a new co-operative law. In connection with this new legislation, a number of questions present themselves.

This brings me to the last of the problems I want to discuss. Do we in the established Co-operative Movement in actual fact want co-operative expansion in the manifoldness we accepted in Moscow? I believe that many will hesitate the day they are put to the test.

In Alex Laidlaw's vision, I at any rate saw a structure quite different from the one we have in the Western world today. Involvement, direct influence and direct responsibility were part of the challenge he got us to accept.

What do we do the day a group of young people wish to open a health food co-operative within the trading area of a local co-op society and want to buy products from the regional co-operative warehouse? What do we do when a local group of members wants to take over a co-operative shop that we have decided to close down? What do we do when member groups think that our distribution costs are getting too high and want to put in voluntary work to buy large-size packs direct from the warehouse? Should we say, on grounds of principle, that they do not belong to our family but to the opposite camp?

A clear vision and generosity instead of short-sighted selfishness are needed to further the development of the consumer interest in Sweden and elsewhere. To safeguard too zealously what is ours, the form in which our movements exist today, may prevent us from participating in developments demanded by the members' interests.

The same problems are to be found in agricultural co-operatives and surely in other consumer co-operatives as well.

Laidlaw's thoughts and ideas are a good exercise programme to counteract the rigidity and inertia stemming from age, power and bureaucracy in our own movements. But how much are you in fact prepared to invest in the form of risk money in this development towards innovation? Are we in Sweden doing the right thing when we act carefully on the suspicion that this might after all be just

a co-operative illusion? We can say in our defence, however, that we are trying to support this development with the community's resources.

Finally, with these four references to the current debate in Sweden I have supplemented the views that I stated in Moscow on behalf of the Swedish Co-operative Movement. The vision we have been given of long-term co-operative development will encounter many practical problems. I have mentioned here.

1. Information, education and research.

2. Financing.

3. Preserving the unique character of our form of enterprise.

4. The responsibility of the established co-operative enterprises.

There are, of course, other problems but for the areas I have touched on I have briefly indicated how we have tried to create better basic conditions for the co-operative sector. Without conscious action in this respect, the visions will become little more than illusions. And in our activity, illusions are dangerous.

2. ICA and Technical Assistance

by **Peder Søiland** *Vice-President, ICA*

First, I would like to refer to the Resolution on Technical Assistance unanimously adopted at the 27th Congress in Moscow.* One of the basic paragraphs of the resolution

PROPOSES: that in the period to the next Congress in 1984 further efforts be made by co-operatives in developed countries, by governments of developing countries, and by trade unions, religious groups, voluntary associations: to increase their efforts to develop the co-operative system, to provide technical assistance and to promote trade between co-operatives;

Another paragraph in the resolution

ASKS: that the Central Committee draw up a longterm policy for co-operative development which should set out guidelines for ICA's technical assistance, cover the type of assistance to be given,

the way the ICA should work in developing countries, the use of the Development Fund, the beneficiaries of technical assistance and the links with national, social and economic plans.

As I see it these two paragraphs call for an ICA statement which makes clear, to co-operative organisations in developed countries as well as in developing countries and to governments and their technical assistance agencies, the importance of co-operative efforts for economic and social progress. Because of other important tasks it has not been possible for the Executive Committee to present such a document to this meeting of the Central Committee. Such a document should, however, in my opinion be presented to the Central Committee at its meeting in 1982.

One of the main problems in connection with our development work is the

* Texts of all Resolutions adopted by the ICA XVIIth Congress (1980) were featured in the previous issue of this journal.

lack of financial resources. This concerns the ICA especially. In 1954 we had hoped that the founding of the ICA Development Fund would guarantee the necessary resources for that part of the work which ICA was able to organise. Today we all know that this has not been the case. We are therefore bound to try to raise money from elsewhere. But let us not forget the last paragraph of the Moscow resolution which urges member organisations to expand the ICA Development Fund. This paragraph was also unanimously adopted by Congress delegates.

I shall not use time to try to analyse and explain the situation in many of the developing countries. We all know well enough about the misery and poverty under which millions of people live. We all know that the gap between the rich and the poor grows wider despite the efforts of the past 25 years. Our task is to try to help millions of ordinary people to help themselves through the co-operative way of working. A greater part of resources coming from governmental agencies and UN bodies must be transferred to the development of co-operation.

What seems to be most urgent?

1. The poverty in rural areas and villages calls for action. The production of food must be increased. Co-operative forms of working are important in this respect.
2. The question of employment is very relevant. Small industries in villages and rural areas organised on a co-operative basis will be one of the means which has to be taken into consideration. This goes along with development of agriculture.
3. Development of community services.

4. Education and training combined with practical projects, pilot projects. The idea of self-help must be understood. People must learn to understand that they can gain from collaboration on a co-operative basis.
5. The possibility of organising multi-purpose co-operatives must be thoroughly studied.
6. Co-operative organisations in developing countries must work together with their respective governments. The governments in developing countries must lay down conditions and create an environment which make it possible for co-operatives to grow. Governments in developing countries must understand the importance of co-operative organisation, because co-operative forms enable people to help themselves.

What can be done and how can the work be organised?

1. The ICA member organisations and the ICA itself must effectively contribute to the international debate for more aid, a more enlightened policy in providing aid, and for more effective use of aid.
2. Would it be possible for co-operative organisations both in developed and developing countries to organise joint committees where technical assistance could be discussed and planned?
3. Such committees in developed countries should contact their governments and technical assistance agencies and insist that more money be transferred to co-operative development. This has been done in some countries with very good results. Such committees could organise practical collaboration with the respective tech-

nical assistance agencies for direct engagement in co-operative projects, as is already being done in some developing countries.

4. Technical assistance programmes based on movement-to-movement assistance should be encouraged, bearing in mind that the ICA should play the co-ordinating role in such programmes.
5. Many of the UN Agencies such as ILO, UNDP, FAO and UNESCO are engaged in development work of different kinds. Through COPAC, efforts should be made for better co-ordination. Is it possible to consider organising co-operative development committees in areas where the ICA and UN bodies are represented and to ask governments in such areas to join in "co-operative development committees"?
6. The role of the ICA itself is of great importance as a co-ordinating body. The ICA must appeal for and inspire technical assistance work through its headquarters and through the ICA Regional Offices.

Some of the auxiliary committees of the ICA could come closer to the

question of how to organise adequate technical assistance by launching projects in their own fields. Possibilities for increased trade between co-operative organisations in developed and developing countries must be investigated.

The problems involved in technical assistance for the development of co-operation are many. On the other hand we know that there is an increasing interest in the Third World for co-operative development. Many governments of developing countries have taken co-operatives into consideration in their national plans for economic and social progress. The possibilities exist, but the crucial question is, how can the work be more fully understood and better organised? The necessity for progress has never been so obvious. World expertise agrees that co-operative forms are important in mobilising people to help themselves.

We are entering a new period of technical assistance and we have learned from our past experiences. Let us hope that it will be possible to work out a document which can clearly explain to everybody what co-operatives can do if we join our forces and act co-operatively.

Reflections on the 30 Years' History of the Japanese Consumers' Co-operative Union and its Future Development

by
Sadao Nakabayashi
President

We are very happy to publish this article by Mr. Nakabayashi, with its reflections on the past and future of his movement and of Co-operation in general. The author is an 'elder statesman' of the international movement, having served for a great number of years on the Authorities of the ICA as well as in his own movement.—Ed.

The Japanese Consumers' Co-operative Union (JCCU) now celebrating its 30th Anniversary, involves 6,750,000 members and is playing a vital role in restraining price rises and abolishing hazardous consumer goods, etc. However, we face various complicated problems and foresee that our future is in no way an easy one. When I read the messages conveyed by co-operative organisations of many countries on the occasion of our 31st Congress held in Tokyo on June 11-12 this year, I realised that many movements had the same problems—and this encouraged us.

This year we launched the Second Medium-Term Plan for the period 1981-83 during which we expect to establish the future prospects of the Japanese movements. To stimulate investigation and long-term planning within co-operatives we are organising nationwide discussions on "Co-operatives in the Year 2000",* as initiated by the ICA. We highly appreciated the late

Dr. A. F. Laidlaw's analysis of the present situation of the co-operative movement in the world, which pointed out its problems and gave serious warnings. In this context his report is a "must" book for all co-operators and the Japanese Joint Co-operative Committee had planned to invite him to discuss the themes raised in his report. This plan was unfortunately disrupted by his sudden death. But his comments at the Moscow Congress of 1980 still remain in my heart:

"There are some criticisms of my report because it may seem too pessimistic. I point out a lot of the shortcomings and weaknesses of the co-operative movement. . . It is only by diagnosing the illness within the co-operative movement that we can ensure its health and soundness."

*A paper commissioned by the ICA Central Committee and presented to the XXVII Congress in Moscow (1980) by its author, the late Dr. A. F. Laidlaw.

Some Congress Discussions

I recall the time when Dr. M. Bonow presented the paper on "Co-operation in a Changing World" at the 21st Congress held in Lausanne in 1960, and co-operative organisations in many countries carried out intensive actions for rationalising shop structures and integrating their movements. Three years later the Bournemouth Congress of 1963 decided to review the Rochdale Principles, and extensive studies and discussions took place within the Commission on Co-operative Principles and all the Alliance's affiliated organisations between then and the Vienna Congress of 1966.

At that time the drive for rapid economic growth had captured the whole world and further concentrations of capital took place. Many co-operative organisations, involved in tough competition with big enterprises, faced managerial difficulties. In such a situation the opinion prevailed within the movements that the co-operative way of management could not compete against private enterprise, and the possibility of changing from the co-operatives form to joint stock companies was discussed in some of the agricultural co-operatives in Japan. However, as a result of the ICA's discussions through the five members of the Commission, it was recognised that the tougher became the competition with big business, the more important it was that co-operatives should adhere to the Co-operative Principles based on democratic administration by their own members, equal voting rights and open membership. In addition, since it was essential to promote collaboration between co-operatives at local, national and international level in order to face up to

the multinational corporations, a new principle of inter-cooperation was added when the present Co-operative Principles were formulated at the Vienna Congress in 1966.

After a thorough investigation of the principles of the Rochdale Pioneers and in response to the new era of highly developed capitalism, it was reaffirmed that, in spite of the necessity of modernising co-operative enterprises to meet the challenge from private business, the solidarity of the members was the key factor and the prerequisite of expansion.

Then at the Hamburg Congress of 1969, the ICA took up the theme of "Contemporary Co-operative Democracy" and promoted reforms in management and organisation. The Warsaw Congress of 1972 intensively discussed "Multinational Corporations and the International Co-operative Movement": here co-operators realised that technological innovation and modernisation of management in private enterprise had advanced beyond all expectations. In particular, the emergence of supermarkets and superstores aimed at mass sales had completely changed the face of retail trade; the new products of the large monopolies forcefully advertised in the mass media, by using such catch phrases as "modernising consumer life" or "especially for the consumer", make a fool of the consumer. The development and spread of electric appliances such as refrigerators, washing-machines, colour TV sets, etc., has certainly changed many people's daily lives and brought about higher living standards, but this also has a negative side which has caused harm to humanity. Although every human being has the instinctive desire to eat delicious food, wear beautiful clothes

and live in a nice house, these desires are directly stimulated by the mass media. The mass sales shops increased their market share as the spearhead of capitalism in the distributive trades; the supermarkets, as the representative type of the mass sales shop, had already appeared in the early 1930s in the United States, had begun full-scale development in the late 1940s and were launched in the European countries in the 1950s. Among others, the Swedish co-operative movement promptly introduced these new methods, and Dr. Bonow reported to the world co-operative movement on this experience at the Lausanne Congress of 1960.

In Japan, the Nada Kobe Co-op sent study teams to the USA around 1960 and opened self-service shops in 1961. Other co-operatives began studying self-service and supermarket operations, and in the late 1960s many co-operators visited the USA to learn advanced retail techniques. In the course of such rapid progress many mistakes were made and some of the larger co-operatives faced difficulties. At the JCCU Congress held in Fukushima in 1970, heated discussions took place on the organisational and managerial problems involved, and we Executives pledged ourselves to adhere to the Co-operative Principles, based upon self-criticism.

Not long afterwards, Co-op Nederland was purchased by private enterprise in April 1972 and the transformation of co-operatives into joint stock companies took place in the Federal Republic of Germany in November 1974.

Consumers and Technological Progress

Based on the experience of Tsuruoka

Co-op, which organised its members in small groups to strengthen solidarity among them and protect their lives from the aggressive profiteering of the large monopolies, the 12th JCCU Congress of 1962 decided on a policy of promoting Han groups* as the basic unit for members' activities. This policy has had a great influence on the Japanese Movement. I am deeply moved that international discussions within the ICA should follow the lines of our own experience. There are of course numerous problems which arise in carrying out the policy of Han groups: difficulties in organising busy housewives, in activating Han meetings, in electing Han leaders and in involving working women, etc. In spite of these problems, Han groups have grown steadily and by the end of March 1981, 27.9% of the total membership had been organised in approximately 237,000 Han groups. The increase in sales at co-op shops for the fiscal year 1980 was 9.9%, surpassing the increase in the private supermarkets (7.4%) for the first time. In my opinion this can be attributed to the support of housewives through the Han groups, and their increased confidence in and appreciation of the potential of co-operatives.

I believe it is an important task to strengthen the loyalty of housewives to meet the challenge of the multinationals and other big manufacturers which are tending to concentrate further and dominate the markets. Especially with the approach of the 21st century our main concern should be to observe the Co-operative Principles and expand the co-operative movement, at a time of

*Women's grassroots activist groups working at community level.

scientific and technological advances in the micro-electronic and nuclear industries and increasing alienation in a society over-burdened with information. Dr. Laidlaw's report was highly informative on the progress of science and technology, but I found it unfortunate that he gave no indication of a policy to be pursued. I believe the most important task of tomorrow's co-operative movement is to tackle this problem. Modern science and technology were developed by human beings but they should not be allowed to get out of control, as has happened with the production of nuclear weapons. When electricity charges were raised in Japan last year the women's and consumer organisations launched a campaign against the increases, but this received little support since most consumers did not know how much they were paying: with the widespread introduction of computerised automatic payment systems for gas, electricity and telephone charges, taxes, etc., housewives are not aware of the amounts, except for co-operative members who carry out regular household bookkeeping.

This tendency will increase in the future, drastically altering lifestyles through automatic money transfers and use of credit cards supported by advanced on-line systems in banks—but it will also degrade and alienate man. This is the serious situation to which the co-operative movement must turn its attention, based on human dignity and its crucial importance for the future of mankind. It is essential that people should think, judge and act for themselves in order that they may preserve their humanity and human autonomy. I am convinced that consumer co-operation should provide the place for such independent

actions, as consumers must retain their individuality.

Housewives have many demands and concerns, the most important of which is for high-quality safe goods at reasonable prices. Consumer co-operatives in the industrialised countries have done much to meet these demands, and the Japanese Consumers' Co-operative Union is also working along the same lines with its own CO-OP branded products. As competition becomes tougher in the distributive trades, the problem of the right products would seem to become more important in the future. The physical distribution of goods, including warehousing, is another important subject in which we hope to draw on the advanced experience of other countries through INTERCOOP and the ICA Consumer Committee, but it is a pity that distance hampers more frequent exchanges. In this context we hope for the strengthening of ICA's function as an information centre, and would stress the importance of ICA's leadership in promoting collaboration between co-operatives to meet the challenge of the multinationals and to protect workers, farmers and consumers from their malpractices.

Peace and Co-operative Philosophy

The 27th Congress of the ICA in Moscow (1980) unanimously adopted the Resolution on Peace. I was very happy to observe that co-operators throughout the world in membership of the ICA were peacelovers and advocates of detente, irrespective of their political system, religion or ideology. In this respect I felt the Moscow Congress was highly successful since the ICA, one of the most influential non-governmental organisations, was able to express

a united view on this very controversial problem. International tension is particularly acute at the present time, with local wars in many places and the threat of nuclear war. I believe that the abolition of nuclear weapons is the greatest task of the contemporary world for the future of mankind. I cannot forget the appeal for peace made by Lord Noel Baker, the British Nobel Peace Prize Winner, at the International Symposium on the Damage and After Effects of the Atomic Bombing in Hiroshima and Nagasaki, held in July/August 1977. He surprised us by his emphasis that the International Co-operative Alliance was one of the most important organisations for world peace. Since that time the JCCU has worked confidently to promote and unite the movement against the A- and H- bombs. This year many co-operatives displayed the panel photographs of atomic bombing and drew enormous response from consumers all over Japan; they were also shown at the ICA Central Committee meeting in Helsinki (September 1980). We expect that more than 1,000 exhibitions will have been held during the year, supported by the enthusiasm of housewives for peace. In our experience, housewives are all essentially pacifist, irrespective of religion, ideology or class. This seems natural when it is the mothers who bear and bring up the world's children.

In this context, I believe peace is the mainstream among the various streams of thought in the world, and the ICA's role becomes more important against the increasing drive towards armaments and war. As indicated in Dr. Laidlaw's paper, we should make efforts in every country to reduce military expenditure, to abolish poverty and disease, and to solve

the food and energy problems for the benefit of humanity. Having attended all ICA Congresses and Central Committee meetings since the Stockholm Congress of 1957, I am pleased to note the atmosphere of solidarity within the ICA and the willingness to settle difficult problems through mutual understanding, as compared with the late 1950s, as a result of the efforts of its Executive officers, Presidents and Vice-Presidents. Such an atmosphere of consensus is most significant in the present international climate. Managerial skills are important, but we should not forget that our main weapon in the fight against the large stores, the spearhead of market domination by the multinationals, in defence of consumers' lives and rights, is the co-operative philosophy, based on the solidarity of members.

It seems to me important that we should discuss these points from a fundamental standpoint. Reflecting on the discussions on the Co-operative Principles which took place between the 1963 and 1966 Congresses, I believe we should consider the application of the Principles to the present situation of severer competition and advanced technology, by the use of scientific research methods, because we believe that the Principles are not necessarily fully observed in many countries, as Dr. Laidlaw pointed out. It is inevitable that movements will make mistakes but I believe that the countervailing power of the consumer co-operatives stems from combining good management with the confidence and support of members, whatever the situation may be. In this connection I was encouraged by the kind remarks of Mrs. U. Jonsdotter, Chairman of the ICA Women's Committee, when

she said at the Moscow Congress that the Japanese consumer co-operative movement was truly a housewives' movement, which was a firm basis on which it could develop.

It is now important to enrich and modernise the activities of the Han groups, to make the co-operatives a housewives' organisation, both in name and deed. In present-day Japan, a woman's capacity is mostly unused once she is married, with a dominant husband, even though she may be cultured and well educated. It is the mission of the co-operative movement to enable women's talents to flower and to enrich their lives. The average age of women participating in social affairs in Japan is now becoming lower, year by year, as care of their children finishes earlier and a large number of housewives in their 30s and 40s are participating in Han activities. I am convinced that the Japanese movement will make further progress as those housewives play a more active part in their co-operatives.

Inter-cooperation and Future Development

The future of the Japanese consumer movement is by no means clear ahead. The higher grows our prestige in society, the stronger the anti-cooperative campaign and the greater the obstacles: there are increasing pressures on co-operatives in such matters as more rigid regulation of shop hours and non-member business, and amendments to Consumer Co-operative Law to be placed before the coming session of the National Parliament. Naturally we are fighting such moves, both alone and in collaboration with fraternal organisations.

In this sense it can be said that we are

treading a thorny path compared with the more advanced co-operative movements of other countries, but we have the advantage that we have established very good relations with agricultural, fishery and other co-operatives in the field of organisational and business collaboration. For instance, a large variety of tins and juices of our CO-OP brand are produced in the factories of agricultural co-operatives, and purchases of vegetables and fruit direct from producers are also widely carried out. With regard to rice, the principal food in Japan which is regulated under the food control system, consumer co-operatives deal direct with the agricultural co-operatives, which guarantees the quality. Our rice has won a good reputation among co-operative members, and functions as an instrument for the expansion of co-operatives. Likewise the popular fish from inshore fishing is supplied to our members in collaboration with the National Federation of Fishery Co-operatives. Here I must also mention the international collaboration between JCCU, the Hokkaido Federation of Fishery Co-operatives, and the Prince Rupert Fishermen's Co-operative of Canada. This collaboration has made a great contribution to the progress of the consumer co-operatives under difficult conditions.

However, the key problem is how to strengthen the capacity of consumer co-operation itself, which primarily requires recruitment and training of talent. I always feel very envious of the splendid training facilities and systematic education schemes of the world's co-operative movements. In Japan the agricultural co-operatives have good training facilities at national and local levels, but the consumer co-operatives

operate only short-term seminars and correspondence courses.

In order to overcome this backwardness as quickly as possible, we recently decided to seize the opportunity of the 30th Anniversary of JCCU and the 60th Anniversary of the Nada Kobe Co-operative, to set up a National Co-operative Education Fund in memory of the late Dr. Toyohiko Kagawa. The initial investment of 300 million yen will be contributed equally by JCCU, Nada Kobe Co-operative and other co-operatives, while the return on capital will be used to finance various education programmes, including domestic and overseas study visits to encourage younger co-operators.

In this connection I would like to draw attention to the existence of university co-operatives as a supplementary factor in the education system of the Japanese consumer co-operative movement. At present 139 university co-operatives exist, in most major universities all over the country. Every year some 200 graduates get jobs in consumer co-operatives as a result of their university co-op activity. Therefore I regard them as a school for the fostering of co-operative activists. In the 1960s and 70s these young co-operators have come out from the campuses and set up consumer co-operatives in the neighbouring communities. They overcame the limitations of the earlier co-operative organisations which were often regarded as welfare work, or as a kind of 'hobby circle'. Naturally their efforts have sometimes been over-exaggerated and they have sometimes made mistakes, but they have played an enormous role in promoting the co-operative movement. Their participation has given vitality to

the movement as a whole and has contributed to the modernisation of management. In future we should be able to establish management methods rooted in the logic of consumerism, to compete with the large monopolies and demonstrate the *raison d'être* of consumer co-operatives in the distributive trades: in this connection I have high hopes of the contribution of these graduates.

We now plan to strengthen integration at national level, based on local collaboration, and to carry out amalgamations during the period of the Second Medium-Term Plan (1981-83). For this we need to consolidate merchandising capacity by combining purchasing power and integration of business activities. It will also be important to rationalise the physical distribution system against future competition. It has been said that the distributive trades are a jungle, and it will be the co-operative mission to blaze a trail through it in the interests of price stabilisation. The aim of the private supermarkets is to completely absorb local purchasing power by means of discount concessions and to establish oligopoly in the retail market. Although it is widely recognised that their goods are not necessarily cheap, they are nevertheless extending to many cities and are causing conflict with consumer co-operatives, local retailers and consumers.

I assume a similar tendency exists also in other countries. Therefore the struggle with these supermarkets is an urgent task for the consumer co-operative movement.

Building Peaceful Communities

From the days of Robert Owen and the

Rochdale Pioneers, consumer co-operation has been a community-based organisation. I believe that the philosophy of co-operation and solidarity cannot be conceived apart from the community, although social habits have undergone drastic changes in the course of socio-economic progress. If we think only in terms of dazzling economic and scientific progress, we may lose sight of the picture as a whole. Generally speaking, the maximisation of capital generates its own logic, and highly advanced science becomes independent of the human hands which developed it. In the distributive trades, management of the big chainstore operations is deeply rooted in the logic of capital, and their aggressive competitive drive seeks only profits with no concern for the idealism of human beings. Recent trends in the multinationals and the increase of international tension are the direct consequences of such logic.

There seems to be a certain confusion in the modernisation efforts of co-operative organisations, which results from paying too much attention to urgent measures for competing with the large retailers, without giving sufficient consideration to their community roots. The community is where the people live, and there can be no permanent life apart from it. In view of socio-economic changes, shorter working hours and the future drastic changes in the living environment, I believe the community, and consumption in its widest meaning, will prove to be very important problems. In the long run the natural place of man, which is in the community as the place where people live and are formed, will be more important than his economic life at the workplace, which has occupied the

key position for far too long, especially in Japan.

I entirely agree with the comments recently made by some economists that the 1980s will be the decade when the big monopolies will attempt to exploit consumers in all aspects of life through the distribution process. And I can only assume that the change in consumer consciousness, apathy concerning peace, etc. are a result of this process. While we have to rely on the economists and sociologists to investigate this further, consumer co-operation is also actively concerned with these matters. As I mentioned earlier, when the big chain stores move into a community, it is left the poorer because all profits are transmitted to their head offices, while consumer co-operatives contribute to the development of the community through refunds to its members.

There may of course be much criticism as to the gap between principle and practice in the co-operative movement; however, we hope to devote ourselves to pursuing its ideals. It is our intention and ardent desire to promote merchandising, store operation, physical distribution and integration, all in conformity with the needs of the housewife in the long depression which we see ahead, and to achieve the targets set by the JCCU Second Medium Term Plan on the basis of the housewife's trust, thus making our contribution to the international co-operative movement. In response to the new circumstances, co-operatives will have to make greater efforts to construct honest, happy and peaceful communities by strengthening their information activities and encouraging the housewife's cultural and recreational activities. In any case, I must stress

that we must make it impossible for executives to "direct" or "act for" members, since it is the members who are the germ of the development of the co-operative movement.

In conclusion I look forward to the strong leadership of the International

Co-operative Alliance in the 1980s. I believe the solidarity and philosophical leadership of its officers, led by our President Mr. R. Kerinec, will overcome the present financial difficulties. For never has the existence of the Alliance been so important for world peace.

Two books from the ICA Regional Office for S.E. Asia—

Report and Papers of the

Open Asian Conference on Co-operative Management

Kuala Lumpur, 1979.

116 + viii pp. Rs.25.00

How to improve Effectiveness of National Co-operative Organisations

Report and Papers of the Regional Seminar—

New Delhi 4-14 February 1980.

220 + viii pp. Rs.40.00

Available from:

**ICA Regional Office & Education Centre for S.E. Asia
Bonow House
43 Friends' Colony
POB 3312
New Delhi-110-014
INDIA**

Functional Literacy and Numeracy through Co-operatives — a Pilot Project in Sierra Leone

by
S. M. D. Gabisi
*Project Director**

How it all started

This project, which was preceded by a feasibility study in 1978 funded by UNESCO and the UK Overseas Development Administration, is due to run to the end of 1981. The project itself has been jointly sponsored by the Sierra Leone Government, the Commission of the European Communities, and the International Co-operative Alliance (through a contribution made to its Development Fund by the Norwegian *Solidaritetsfond*).

The purpose of the Project is to enable men and women to become literate and numerate in the language spoken in the community where the project is located so that they may become more useful to themselves by understanding and managing their economic and social lives better.

The project came into operation on 1st January 1980 at the request of the Registrar of Co-operative Societies, Mr. S. M. D. Gabisi, through the Ministry of Development and Economic Planning. It is located exclusively in the Bo District in the Southern Province and covers

five pilot villages in the rural areas (Falu, Konia, Ngolahun, Largo and Mbundorbu) and one co-operative Society, the Bo Gara Centre, in Bo itself.

From January to December 1980, there were two hundred and forty participants on roll, sixty-four of whom were female. The places selected for the classes possess co-operative societies and also have very mixed characteristics: urban and rural; near a good road, remote from roads; wealthy (from diamond mining) and poor; with and without a school; co-operatives with swamp rice farming, and with only up-land rice farming; with and without a market; with a successful co-operative, and with a problematic co-operative. Although the project was organised through co-operatives the functional content of the course was not limited to them but embraced all the major concerns of the participants. It was assumed that if the co-operative members were taught literacy and numeracy skills, this would stimulate new co-operative activities as well as providing means to manage them.

The first six months of the project

*Mr. Gabisi was formerly Registrar of Co-operatives, Sierra Leone.

from January to June were devoted to base line study, materials development and teacher-training. These activities were conducted by a team comprising a Literacy Methods and Materials Design Consultant, Socio-Economist, Literacy Methods Expert and the Co-ordinators. Exploratory visits were first carried out. These visits were intended to introduce and familiarise the project staff of the earmarked villages, to understand their location and to meet the people. This was followed by field research which concentrated on information from co-operative members as well as from the District Officials. The purpose of interviewing the co-operative members was to identify their needs, their attitudes towards literacy, their aspirations and expectations. The interview of the officials was concerned with the involvement of the officials in the development project from the operational and administrative perspectives—what successes or failures they had experienced and what solutions they had applied. It was also thought necessary to visit institutions doing similar work in order to know what was already available in the country. This avoided the danger of duplication and also established cordial relations with institutions engaged in similar activities.

The materials design workshop was a sequel to the field research and the visits to other institutions doing similar work. It took place from 3rd to 29th March, 1980. However, team work was essential in the exercise since functional literacy materials needed the expert knowledge of Agricultural, Health, Co-operative and Social Welfare workers as well as a host of other experts, depending on the subject matter chosen. One Agricultural

Officer and a Health Sister participated in the materials design workshop. They provided the technical input when the primers on health and agriculture were being designed. Supplementary materials such as teachers' guides, posters, flash cards and wall charts were also produced during the workshop. As adult literacy teachers should command respect in the community where they served, it was thought necessary to identify them during the base line study. While the materials design workshop was in progress, twelve prospective part-time teachers were invited to Bo so that they could see the materials produced and gain some techniques for teaching adults. The training period for the teachers lasted for three weeks after which they were asked to return to their respective villages. The production of two primers on health and agriculture together with the teachers' guides was not enough but it was vital to know the reaction of the people to the materials. This was the essence of the pre-testing exercises which took place in three project villages. It was particularly necessary to find out about the appropriateness of the diagrams and the expressions used in the primers. The prospective participants were also given the opportunity to express their opinions about the frequency and duration of the classes. The information collected was important in drawing up the time-table for the classes subsequently.

The role of the traditional rulers in Sierra Leone in the implementation of any rural development programme cannot be over-emphasised. They are not only executors of Government policy but they are also responsible for the well-being of the rural people. It was with this in

mind that frequent meetings have been held between the project staff and the Paramount Chiefs in whose chiefdoms the project villages were located. The respective Paramount Chiefs have spoken to their people about the personal advantages they would derive from the project. They have for example told the people, among other things, that in the very near future, those people who were unable to read and write would not be eligible for election as section or town chiefs. They added that if for example a section or town chief were illiterate he would be unable to write out receipts for taxpayers. Where this function was delegated to another person, this might lead to fraudulent conversion and either the section or town chief would be held responsible. The Paramount Chiefs concluded by saying that one of the prerequisites for the election of even a paramount chief today was literacy.

A further attempt to involve the local people in the affairs of the project led to the formation of the local advisory committee. This committee was in addition to the National Advisory Committee. The local advisory committee of the project comprised the following:-

The Paramount Chief of Kakua Chiefdom

Principal Assistant Registrar, Southern Province

Principal Agricultural Officer, Southern Province

Social Development Officer, Bo District

The Director, Provincial Literature Bureau

Senior District Officer, Bo District

The Director, National Training Centre for Rural Development

The Principal, Bunumbu Teachers College

Senior Health Superintendent, Bo District

Head, Department of Agricultural Economics and Extension, Njala University College

The Committee was formed in March 1980 and met twice during 1980 to hear reports about the progress of the project from the Co-ordinator. The members also made several suggestions to the project staff for improving the project.

While the local advisory committee met exclusively in Bo the National Advisory Committee met in Freetown. Frequent meetings between the project staff and other officials concerned with development have also taken place. This was meant to avoid the tendency towards compartmentalisation, since the scope of rural development was so broad that no single institution could handle it alone effectively.

In order to ensure that participants were involved in the management of classes, class committees were formed in all the project villages after the commencement of classes on 6th June, 1980. The class committees were charged with the responsibility of encouraging members to attend classes and to tackle problems relating to the purchase of kerosene for the class lights and the organisation of community projects. At Largo, the class committee organised the class members to build a self-help classroom which would accommodate approximately forty participants. This classroom has been used for the present functional literacy and numeracy class and for other meetings. Members of

other classes were encouraged to undertake further development projects.

One other method devised during the year was to encourage the visit of specialist Government Agencies especially when it was felt that a particular sort of information would be useful to the members of the class. The Social Development Officer, Bo District, was in this connection invited to address the participants in two project villages on the relevance of literacy to the personal lives of the people. He also stressed the need for women to be literate and appealed to the members to allow their wives to attend classes. Later, a lady worker in the same Ministry of Social Welfare and Rural Development also spoke to the female participants about the methods to be used in running their homes and family gardens. The Health Education Officer, Bo District, also addressed the participants on village sanitation. To encourage more women to attend the classes, interviews with female participants were taped and the cassettes of such interviews played at other classes. This helped to arouse the interest of the women.

The recent trend in the project villages has been the emphasis on swamp rice production because of the higher productivity of the inland valley swamps. It was also found that the upland system of rice cultivation has the disadvantage not only of producing lower yields but also intensified land tenure problems. In view of the importance of swamp rice cultivation in the project region, some of the literacy material was based on its improvement. To help participants to put into practice some of the ideas they have learnt from the primer, meetings have been held with them to discuss the

possibility of cultivating community swamp rice. To encourage specialist expertise, Peace Corps Volunteers in charge of community swamp rice development, resident in the project region, have been invited to the meetings. They have often brought out good suggestions about the project. These meetings continued throughout the project villages for the swamp work to begin in February 1981.

As classes started in the project villages on 6th June 1980, an appraisal was made of the impact of the project on the Co-operatives, and the people themselves from that time on to December 1980. This included for example how literacy and numeracy have helped the members to keep co-operative records of savings and loans. It also looked into any increase that might have taken place in the membership of the co-operatives as a result of the project.

While trying to assess the impact of the project on the co-operatives in the project region, a simulation exercise was done on the participants of Ngolahun by A. S. Tucker, Project Co-ordinator and M. B. J. Foray, Co-operative Area Officer. The adult literacy class was regarded as a monthly meeting of the village co-operative society. A volunteer from the advanced group was asked to write on the blackboard the names of all the members present and their monthly savings. This was done successfully and the total savings for that day were also recorded. Some members of the class volunteered to read the names on the black-board and the savings. At last all the members of the class were asked to write their names in the exercise books. A few people were able to do this successfully. At Mbundorbu the vice

president of the co-operative was able to recognise that the Sunday School teacher had not entered his church dues of twenty cents per Sunday for three Sundays, because he was numerate.

At other project villages, participants spoke about some of the advantages they have derived from the project. One of them said that he was delighted because he could read and write his name. Others said they noted with pleasure that they could recognise their savings and have also gained some information on the new techniques to be adopted in the cultivation of swamp rice. The president of the co-operative at Largo said that he was particularly grateful for the benches and desks prepared for them which were used not only for the class but for other meetings as well. Recordings of these speeches were made and the cassette was played at other project villages to arouse the interest of the participants.

Although the target people for the project were the members of co-operatives, non-members were also allowed to join the classes. The purpose of this was to encourage them to join the co-operatives. This has brought some positive results. At Ngolahun, nine members have joined the co-operative and at Konia eleven. Some people in the other project villages have promised to join the existing co-operatives.

Nothing better showed that the project was gaining ground than the frequent requests made by other villages within Bo District to have classes. Requests have already been made by people from Bumpeh, Sumbuya, Feilor, Nyandiamia and Buma villages. Classes have already been extended to two of these villages, Feilor and Nyandiamia, because they

were located within the project region. Other areas would be considered in due course having in mind the distance and the number of the project staff.

Direct Effect on the Co-operative Societies in the Project Area

After the Functional Literacy and Numeracy Project had run for about 6 months within a twenty mile radius of Bo, other people within the project area became very anxious to join in.

In the Tikonko chiefdom the two co-operative villages, Nyandiamia and Feilor, which joined the project, have of their own volition provided the basic requirements—books, chalk, lamp, kerosene etc. These two villages lie within two and a half miles radius of Ngolahun, the only recognised project village in the chiefdom.

Co-operative-wise, membership has increased and is expected to further increase in the not too distant future. Ngolahun Thrift and Credit Co-operative Society which formerly had a membership of 16 men and 3 women has now 9 new members, 6 men and 3 women, and three others decided to join during the following session on 14th February, 1981. Nyandeyana with a project membership of 57 has now an increased co-operative membership of 6. Also Feilor which has a project membership of 41 has now an increased co-operative membership of 5.

In the Kakua Chiefdom, Largo also has a soaring membership. A splinter group is anticipated at Sumbuya, where the President of Largo Thrift and Credit Co-operative Society has requested an extension. Co-operative membership has also grown by 7 new members. Also

Falu is doing very well, membership has increased by 5.

In the Baoma chiefdom, Konia and Mbundorbu have made remarkable strides. Due to the primers used, both societies have embarked on inland swamp cultivation. Konia already has a bonded swamp and Mbundorbu has acquired a large swamp which is being bonded with the help of Peace Corps volunteers.

General Attitude of Members

The attitude of members towards learning is exemplary and progress in both Literacy and Numeracy aspects of the project is superb.

At Ngolahun, participants are now able to write their names, read passages in other Mende books, add, subtract and divide figures up to class 4 level. One participant, Moiwaa Serifu, in a mock co-operative meeting was able to write the names of his colleagues, amount saved and at the end, totalled the amount correctly. In this simulated co-operative meeting it was proved that even in the absence of a secretary or inspector, with the introduction of the project it is now possible to record the financial transactions in a society. This, the participants agreed, would free them from any dubious recording in their personal pass-books.

In an interview with some of the participants the following benefits derived from the project were enumerated: Wudi Lambui said that the inhabitants of Ngolahun use the benches and desks pertaining to the project on social gatherings; this is an added blessing. Moiwai Sheriff added that it is now easy for them to note down their own private transactions, formerly it was a very difficult affair to give correct dowry items because of illiteracy and lack of numeracy. Karimu Musa said that he is happy that he will no longer be cheated in his pass-book because he is now able to read the figures; he is also happy that he can now read and write his own language.

At Mbundorbu in the Baoma chiefdom, the Vice President of the society Mr. Paul Joseph, who before the project's inception was virtually illiterate, had an open confrontation with the church leader in the village for failing to record his church's monthly dues for 3 consecutive months. Whether it was deliberate or not, the truth stands that Mr. Paul Joseph as a participant in the project was able to detect some omission in his monthly dues card, because he can now read and understand. He too expressed great gratitude to the project promoters.

Credit Co-operatives and Commercial Ventures in Nigeria: Lessons from Kwara State*

by

Ifeyori I. Ihimodu
*Department of Economics,
University of Ilorin,
Nigeria*

1. Introduction

Co-operative organisation has a fairly long history in Nigeria. It began with the Strickland Report which was submitted in 1934, on the Introduction of Co-operative Societies in Nigeria. Kwara State was part of Northern Region until 1967 when it was carved out from the latter. Therefore the Kwara State Co-operative organisation was part of the Northern Nigerian Co-operatives before 1967. Co-operative Societies in the State are much older than the State itself. The first society, the Railway Staff Co-operative and Loans Society of Jebba, was registered in 1950. The fact that a credit society was the first to be registered would suggest several things about such societies: first, the ease with which credit co-operatives can be organised, especially among wage earners (apart from earning wages, members are probably used to other traditional credit associations whose main objective is to

mobilise credit, e.g. "esusu" or "adashe"); secondly, the attention that credit and its mobilisation are accorded in the economy. Even in the traditional sector of developing economies people are aware that credits are very important but are at the same time scarce. One of the ways of solving the problem is therefore to encourage individuals to accumulate as much as possible through personal savings. The Thrift and Credit Societies afford members the opportunity to mobilise the available funds.

Despite their long history in Nigeria, co-operative societies had been left almost exclusively in the hands of regional or state governments until very recently. One therefore tends to feel that the Federal Government did not recognise the possible role that the institution could play in the development of the economy. Recently however, the Federal Government has taken some interest in the development of co-operatives. In

*An earlier version of this paper was presented in Ilorin at the 1980 Conference of the National Association of Co-operative Credit Unions of Nigeria (NACCUN). Comments by participants at the Conference are hereby acknowledged. Financial assistance for the study on which this paper is based was provided through the Senate Research Grant of the University of Ilorin.

fact the top officials of co-operatives have begun to advocate that co-operatives be recognised as the third distinct sector of the economy, on a level with the private and public sectors.¹ The timing of the change in the Federal Government's attitude towards Co-operative Organisation coincided with the period of scarcity of essential commodities which led to very high prices in the economy. From the white paper on the Report of the Review Panel on the Principles, Laws and Regulations of Co-operatives in Nigeria, the Federal Government seems to have realised that co-operatives can play a vital role in the economy, particularly in the areas of agricultural produce purchasing and marketing, and the distribution of essential commodities. It is now believed that co-operatives can help in the distribution channels of the economy.² Co-operatives in general have some important roles to play in the development of any economy. One of these is the mobilisation and productive utilisation of credits. In this respect, societies which are mainly concerned with credit mobilisation readily come to mind. These are the co-operative thrift and credit societies.

This paper attempts to examine the need for Thrift and Credit Societies, not only to mobilise credits, but also to utilise these scarce resources economically. That is, there is a need for the societies to engage in profit-making ventures. It must be realised that profitable ventures, are risky and there-

fore credit co-operatives can legitimately be scared of the risks. However, these societies can be assumed to be better placed than most others to use the available funds most productively. In this study, specific examples are drawn from Kwara State, but can also be found in most other states of Nigeria. Some potentially profitable co-operative ventures in Kwara State, most of which had failed, are briefly examined. The underlying causes of failure are discussed in order to allay the fears of societies which might want to engage in similar activities.

In the rest of the paper, Section 2 examines co-operative thrift and credit societies in general, and in Kwara State in particular. In Section 3, the roles of co-operatives in industrial ventures are examined with reference to Kwara State. The advantages inherent in thrift and credit societies with respect to investments are discussed in Section 4 while the final section presents the conclusions.

2. Co-operative Thrift and Credit Societies in Kwara State

Co-operative thrift and credit societies aim mainly at creating and providing credit facilities for their members at a reasonable rate of interest. This function has made the societies very popular in most developing countries because of scarcity of credit. In Nigeria, and in Kwara State in particular, produce marketing co-operatives are the most important in terms of size, that is, in

¹This was one of the recommendations made to the government by a panel set up in 1976 to review the Principles, Laws and Regulations of Co-operatives in Nigeria.

²The government accepted the recommendation of the Co-operative panel to appoint Co-operative Societies as licensed buying agents (L.B.As.) of the marketing (commodity) boards. It was also agreed that some imported essential commodities and most domestically manufactured goods be distributed through the co-operatives.

number of societies and their membership. One reason for this is the degree of government assistance to such societies. Produce loans are advanced to them, and the government also provides facilities such as storage, bags etc. Thus members of these societies can expect specific assistance from the government. Credit societies, on the other hand, can hardly benefit from government assistance. Therefore credit co-operatives tend to be relatively more independent than other types of societies. Of recent years the role of produce marketing societies has tended to decline mainly because of the establishment of other societies such as group farming and industrial co-operatives.

Although co-operative thrift and credit societies are the oldest in the State, they have remained small in number. From Table I it is clear that these societies are almost insignificant in the co-operative system. Before 1977/78, the number of these societies fluctuated between 10 and 28. The last two years

from 1977/78 witnessed a phenomenal increase to 57 and 64 respectively. The credit societies represent an average of 7.5% of the total number of co-operatives in the state. The average membership per society is low, averaging 65 persons and ranging between 20 and 133 persons. Since membership will determine the societies' ability to accumulate funds, low membership would have adverse effects on the performance of the societies in realising their main objectives. However when compared to all co-operatives in general, membership is higher in credit and thrift societies. Membership of all co-operatives averaged 55 persons, ranging between 44 and 93. Thus, thrift and credit co-operatives have some advantages over other societies. The tendency to have high membership is not unconnected with the difference between producer co-operatives on the one hand, and consumer and credit societies on the other: while producer co-operatives call for full-time membership, consumer co-

TABLE I
Co-operative Thrift and Credit Societies in Kwara State (1969-79)

Year	No. of Societies	Total Membership	Average Membership per Society	Average Membership (All Co-ops)	No. of CTCS as % of total Co-ops
1969/70	12	240	20	50	4.4
1970/71	13	963	74	52	4.7
1971/72	10	396	37	46	4.4
1972/73	18	2,390	133	62	6.0
1973/74	20	1,700	85	58	5.7
1974/75	28	1,964	70	56	7.3
1975/76	21	1,177	56	93	9.0
1976/77	28	1,609	58	46	9.5
1977/78	57	3,027	53	44	12.0
1978/79	64	3,679	58	44	12.6

Source: Kwara State Statistical Digest

operatives are organised mainly by part-time members, which tends to make the co-operators less committed.

The importance of a co-operative cannot be regarded as synonymous with the size of its membership. Rather, it is the ability to perform the functions for which it was established. In the particular case of credit and thrift societies, it is the ability to mobilise local credit. All co-operative societies need to raise some funds internally in order to carry out their functions. In Kwara State, the financing of co-operatives has depended very largely on the government. But credit and thrift societies benefit the least from government funds. For example, they do not normally engage in the marketing of agricultural produce and therefore do not benefit from the produce purchasing advance, the largest source of government funding to the co-operatives. Also these societies do not receive loans for the purchase of raw materials for co-operative industries since they do not engage in industrial activities. The societies are perhaps the most independent of all co-operatives, that is they tend to come closest to the ideal of the co-operative objective of self-reliance. It has been observed that the degree of government control over co-operatives bears a direct relation to the size of funds provided by the government.³

Since external (government) funds are not significant in the financing of credit societies, one may compare the internally generated funds of these societies with those of others. It appears that the size of

these societies is more than reflected in the funds that they generate. Table II which shows the financial position of these societies in the 1975/76-1978/79 period, suggests that most of the internal funds of the state co-operatives were generated by credit and thrift societies. For instance, share capital is paid by members of all co-operative societies, with the prices varying according to types of societies. During the period, while the number of credit societies represents an average of 11% and membership was 12% of the total of all co-operatives, they account for over 19% of the share capital. Savings is the main function of credit societies and therefore it is not surprising that a fairly large amount was recorded. In 1978/79, the savings of these societies amounted to about N96,000*. In the four years from 1975/76, the average savings was N61,832 per year. This represents about 49% of the accumulated savings. In general, the average savings per member of all co-operative societies is quite low, being only N4.70. On the other hand, for the credit societies, the average is N29.40. Although this per capita saving is low, it is much higher than that of other societies. This points to the fact that thrift and credit societies can be made to generate much larger internal funds than others, if adequate attention is paid to them.

The co-operative system in the state is greatly in debt to the state government. It is not likely that the organisation can ever repay these debts. Most of the debts were incurred from the produce

³See I. I. Ihimodu, "The Financing of Co-operatives and its Implications for the Independence of Co-operative System", mimeo (1979).

*N1=approx. £0.80p.

TABLE II

The Financial Position of Thrift and Credit Co-operatives—Kwara State

Year	Share Capital (N)	Savings (N)	Share Capital as % of all Co-operatives	Savings as % of all Co-operatives	Savings Per Head—Credit and Thrift Societies (N)	Savings Per Head—all Co-operatives (N)	Credit and Thrift Societies—Share of Total Co-operatives Membership (%)
1975/76	11,889.44	52,014.32	16.8	67.2	44.20	3.35	9.0
1976/77	13,102.00	50,138.80	32.0	34.5	31.20	4.34	9.5
1977/78	23,167.75	49,307.17	16.4	34.8*	16.30	3.86	12.0
1978/79	35,804.42	95,870.40	22.0	58.9	26.06	7.12	12.6
Average	20,990.52	61,832.25	19.4	48.9	29.44	4.71	10.9

Source: Kwara State Statistical Digest.

purchase advances. Among the many reasons for such debts is the diversion of funds from purposes for which they were granted, to less productive or even non-productive areas.⁴ Another reason is that some societies do not have profitable ventures in which to invest. Since some societies or Unions do not generate much funds on their own, they can hardly be expected to use external loans productively. Although the statistics of different societies with respect to their debts are not readily available, one could assume that credit and thrift societies are not greatly in debt. This is because the produce purchase advances are not extended to them, neither are the food trade advances. Although the State Government assists co-operatives in the payment of officials' salaries, this is limited to the unions' staff, since primary societies hardly employ paid officials. It is obvious that thrift and credit societies have had to stand on their own feet and therefore they depend less on outside assistance. Perhaps this state of affairs is not so much design as the accident which makes these societies unattractive for government support. The fact that credit societies tend to be more financially self-sufficient may have important implications for their ability to undertake profitable ventures.

3. Co-operative Efforts in Industrial Investments in Kwara State

The need for co-operatives to engage in profitable investments has long been realised and has led to the formation of

the different co-operative sectors. Apart from the agricultural produce marketing societies, which are in the majority, there are industrial, group farming and other kinds of co-operative societies. After a long period of domination by the produce marketing societies, the relatively new agricultural co-operatives (group farming) have almost taken the lead. In 1973/74 for example, there were only 28 group farming societies with 1,356 members as compared to produce marketing with 288 societies and 16,269 members. By 1978/79 however, the number of group farming societies had risen to 167 with a membership of 5,404, while produce marketing societies had fallen to 178 with 8,989 members. This phenomenon of rapidly growing group farming societies and the decline of marketing co-operatives can partly be explained by co-operators becoming more aware of the benefits inherent in the former. Farmers can be better served as members of group farming co-operatives. Also other economic benefits accruing to members of group farming outweigh those of produce marketing. Thus, many societies which were previously registered as produce marketing have become group farming societies.

Industrial co-operatives which are more difficult to establish because of the relatively larger initial capital costs and the required technical and managerial expertise, have remained very few in the state. In fact, one can hardly categorise any of the primary societies as industrial concerns. The closest to industrial primary societies are the few weaving

⁴As an example, the produce purchase advances made to some Co-operative Unions were diverted to purchasing dried yams for their agro-allied industries. See I. I. Ihimodu "The Performance of Co-operative Agro-allied Industries in Kwara State: Lessons for small Scale Enterprises", mimeo (1979).

TABLE III
Performance of Co-operative Agro-Allied Industries
in Kwara State

Industries	Ownership	Date Established	Number of Observations	Average Monthly Expenditure (N)*	Average Monthly Gross Revenue (N)	Average Monthly Net Revenue (N)	Net Revenue to Total Revenue %
1. Omu Aran Yam Flour	Irepodun MCU Ltd.	1972	14	2,929.05	3,408.41	479.36	14.1
2. Erin Ile Yam Flour	Oyun CCMU Ltd	1975	22	2,513.35	2,879.18	365.83	12.7
3. Oke-Oyi Yam Flour	Ilorin CCMU Ltd.	1978	9	1,752.88	1,866.11	113.23	6.1
4. Isanlu-Ijowa Yam Flour	Irewole MCU Ltd.	1978	16	1,440.15	1,471.43	31.28	2.1
5. K.C.F. Gari Mill	K.C.F. Ltd.	1972	10	1,085.96	398.07	-687.89	-172.8
6. Omupo Gari Mill	Ifelodun MCU Ltd.	1978	7	533.00	312.86	-220.14	-70.4
7. Koro Ekiti Gari Mill	Irepodun MCU Ltd.	1978	7	361.16	186.43	-174.73	-93.7

Note: C.C.M.U. = Co-operative Credit and Marketing Union
M.C.U. = Multipurpose Co-operative Union
K.C.F. = Kwara Co-operative Federation Limited.

*N1 = approx. £0.80p.

Source: I. I. Ihimodu, "Performance of Co-operative Agro-allied Industries in Kwara State: Lessons for small scale Industries," mimeo (1979)

and tailoring co-operatives. However, none of these industrial societies employs modern techniques. The weavers, for instance, still use the traditional looms and old methods of operation.

The fact that co-operatives need to engage in profitable investments is felt not only by the members alone. The stage of development in the developing countries would suggest that all agents need to contribute to the growth of their economies. In Kwara State, the government has made deliberate attempts to encourage co-operative societies to engage in profitable investments. Instead of relying on the small primary societies the government prefers the much larger units, like the co-operative unions or the apex organisation, which have been assisted to establish some agro-allied industries in different parts of the state. There were eight of these industries functioning in 1978 while two others were in the pipeline, but a 1979 study showed that most of the concerns were performing well below expectation.⁵

Table III shows some important indices of performance of seven of the industries. It is observed that five were yam flour while the remaining two were gari mills. Four of the industries were established in 1978, only a year before the study, while two had started operation in 1972. Although the period of observation cannot be considered to be very long, ranging between 7 and 22 months, some observations can be made about their performance. In general, the performance was not impressive. While four of the industries could be said to be

making some profits, the remaining three were running at heavy losses. In particular, the three gari mills were being run at a loss ranging between 70% and 173% of total revenue. On the other hand, though the four yam flour mills were making some positive net gains, these represented only a small fraction of total revenues, ranging between 2% and 14%. In fact none of the gari mills was able to cover labour costs despite the fact that the industries were not labour intensive, contrary to what might be assumed.⁶ Even for the mills that earned some net revenues, these can hardly be considered high yields on the investments committed.

It may be asked at this juncture why co-operatives should engage in these ventures when all these industries have performed so poorly. It appears that the causes of poor performance are not necessarily inherent in the ownership of the concerns, but rather in the fact that the industries were neither well conceived nor well managed. Factors responsible for their problems include: their location, which appeared to be influenced by politics (ironically during a military regime); the need to strike a balance between the various political units (local government areas), coupled with co-operative insistence on some uniformity of function in the different geographical areas. Also raw materials for the industries were rather scarce in their respective locations, therefore long distances had to be travelled to acquire them. For example, the dried yams used in the Ijowa-Isanlu Flour Mill were

⁵See I. I. Ihimodu, "The Performance of Agro-allied industries . . .".

⁶The K.C.F. gari mill employed ten workers, while the other 2 gari mills had seven workers each.

obtained from Borgu Local Government Area and Kishi in Ondo State, more than 400 kilometres from the plant. The same was true of all the other yam flour mills, except the Borgu Mill. It can therefore be inferred that perhaps political considerations took precedence over economic criteria in the location exercise.

The staffing of the industries was also alleged to have added to the inefficiencies. The affairs of the industries were run from the union headquarters by officials in charge of the industries, who in many cases had little or no knowledge of the business. Besides no attempt was made to conduct any market research for the industries in order to determine their viability before they were established. No wonder, then, that by the end of 1979 most of the flour mills had to be shut down for lack of demand for the product. In addition, the union stores were stocked with both processed flour and dried yams, which latter continued to deteriorate at a fast rate.

It is rather difficult to explain why there was insufficient market for yam flour in a state like Kwara. The problem would seem to be one of lack of advertisement and inappropriate pricing, because there were competing commodities, at least in the market for staple foods in general. In the case of the gari mills, since they were not making any net gains, they depended entirely on transfers from the government for their existence. This situation made it most difficult for the industries to be able to repay loans granted them in the form of food trade advances. The situation became worse because some unions diverted loans made for other purposes to these industries in order to keep them alive. For example, a few unions pur-

chased dried yams with the produce purchasing advance granted for the purchase and marketing of export crops. The dried yams, could not be used because of the alleged lack of market. A few co-operative unions therefore could trace their large debts to the existence and mismanagement of the agro-allied industries.

By the end of 1979, most of these industries had had to accept, rather involuntarily, the recommendations of the 1979 study. The three gari mills and three of the four flour mills were forced to shut down. These experiences of co-operative industries in Kwara State are anything but pleasant. Why then would one advocate co-operative involvement in industries and other commercial ventures? What do credit and thrift societies have to enable them to succeed where the co-operative unions have failed?

4. The Potential Role of Credit and Thrift Co-operatives in Profit-Making Investments

The failure of co-operative industrial enterprises in Kwara State does not necessarily stem from the fact that the industries were owned by co-operative societies. On the contrary, the major cause of failure would seem to be the fact that the enterprises had access to relatively unlimited financial resources, which to a large extent did not have to be accounted for. Therefore the unions could afford to waste the resources and run at a loss almost indefinitely. There is a strong belief that if these industries had been operated by primary societies, especially credit and thrift, a different performance might have resulted. Credit and Thrift Societies, as has been noted,

are the least assisted in Kwara State. Therefore they have been able to keep alive and grow without government assistance. As evidence of their ability, one needs only to observe their performance in the task of mobilising domestic savings, as was seen earlier. It was noted that members of these societies represent only 11% of the total, but contributed over 60% of the savings. Given the low level of income of the majority of the people, there cannot be any doubt as to whether these societies are successful.

Credit and thrift societies are therefore the main source of accumulated savings of Kwara Co-operative Organisation. The major alleged constraint impeding the development of industrial or commercial enterprises in Nigeria is capital. The problem of lack of capital is felt more in the rural areas. The main sources of capital open to rural entrepreneurs are self finances and funds from relatives and friends. With credit co-operative societies which are capable of raising relatively sizeable funds, part of this problem can be regarded as solved. Several small and medium sized ventures can be undertaken with accumulated savings and capital shares. Also there exists the possibility of raising larger funds from members, if co-operatives can embark on some commercial ventures. The banking system and other financial institutions have not been of much help to small and even most medium scale enterprises in the state. The conditions required to obtain loans are too difficult for this class of enterprise: the need to present collateral securities in the form of landed property or funds has placed these resources beyond the reach of most small enterprises. Thus, even though institutions

like the Nigerian Industrial and Development Bank, and Agricultural and Co-operative Banks exist, they mainly serve the interest of big businesses. However, since members of credit and thrift societies can pool their small financial resources together, some securities acceptable to financing houses can be mobilised. Besides, one expects that these societies are better able to write feasibility studies, which are often required by banks and other institutions. Co-operatives which specialise in mobilising credits have a greater chance of mobilising needed funds, either internally through larger savings and shares, or from banks and other financing houses.

Given the required funds, another equally important issue is how to translate them into profitable investments. This is where the co-operative union industries in Kwara State seem to have failed. It can be assumed that credit co-operatives are in a better position in this respect than other forms of societies and the co-operative unions. The funds raised through personal savings of the members may be better managed than those from other sources, especially the government. Members will insist on proper accounting for these funds. This is one of the reasons behind the success of these societies in generating the funds that they have accumulated. Members have served as treasurers, secretaries, etc., in their small societies. The experiences gained in these capacities can be transferred to the larger concerns. Banking procedures also are known to some members since the larger societies deal with banks. Knowledge of these financial issues can be helpful in larger investments.

The appointment of officers to run the enterprises can be done without outside interference because of the degree of independence existing in the societies. Such officers would be paid employees, given the commitment that will be required of them. One would expect that competent individuals will be appointed and that there would be a close watch on their activities since the societies and not the government would be financially responsible for the enterprises. Even when funds are obtained from banks and other sources, they would need to be repaid. The repayment can be made only if the enterprises make profits. Government grants, if made, may be expected to be productively employed in the same way as funds from other sources. In fact it would appear that government efforts should be directed more at these primary societies, since loans seem to have a greater chance of being repaid here than in the case of co-operative unions.

Within Kwara State, many ventures in which credit societies could invest may be identified. It would be appropriate, given the limited funds that can be generated internally and the size of societies, to embark on small-scale ventures. This can be extended to medium-scale investments as more capital becomes available. Some likely potential ventures would include tomato and vegetable processing. A few local governments like Edu, Kogi and Borgu grow a lot of fruit and vegetables, thus small processing plants could be established there. Given the existing, and most likely future, demand these in-

dustries are likely to be viable. Bakery products, especially bread, are in short supply in many parts of the state, including the state capital. In the capital, the market is that of an oligopoly with a dominant baker who acts as the price leader. Besides the dominant baker, none of the others has modern equipment e.g. slicers.⁷ The local government headquarters and other towns and villages suffer even more from an inadequate supply of bakery products. Co-operative credit societies could achieve some success in the market of bakery products.

Another area in which the societies could venture is distribution. The demand for construction materials like cement, asbestos, pipes, etc. is quite high. Credit co-operatives might engage in the distribution of these materials. Also the newly established brewery and soft drink plants in the state offer distribution opportunities for these societies. Among the medium-scale enterprises that may be considered by credit co-operatives are blockmaking and saw milling, among others. These seem particularly attractive considering the rate at which the construction industry is growing. The demand for housing appears to be very high in most towns, especially in the capital and all local government headquarters. The list of possible potential investments is almost inexhaustible. The importance of these activities would depend on the strength of the co-operatives in question.

The mistakes of the co-operative industries financed and controlled by the State Government must be avoided

⁷A feasibility study of Bakery Products in Ilorin and its Environs, conducted by the Department of Economics, University of Ilorin in 1978, revealed this market structure.

by primary credit co-operatives. This is necessary in order to avoid the inevitable collapse of such investments. It is expected that since credit co-operative funds are not free, officials would be made accountable for them.

5. Conclusions

Attempts have been made in this paper to show the need for primary co-operatives, especially credit societies, to engage in profitable investments. The fact that some co-operative industries have failed does not necessarily mean that all such ventures are destined to fail. It seems that credit co-operatives could avoid such failure. These societies are to some extent independent, and therefore can use some initiative. Also, credit and thrift societies are used to managing small funds and can therefore be expected to transfer that knowledge from small to relatively larger concerns.

A number of issues seem to be raised by this paper. First, it appears that the government would be better off by directing more attention to viable small primary societies. The resources pumped into the co-operative union industries would have yielded greater dividends if given to primary credit and thrift co-operatives. This is not to argue against encouraging the unions financially. However, such encouragement

should be given only when it can be made productive. The virtual neglect of primary credit co-operatives by the government seems to have robbed the co-operative organisation, the government and the people of the areas of a lot of economic benefits. Secondly, the societies themselves have not really ventured into commercial concerns. However, it would be necessary for them to first embark on some projects before they can expect assistance from the government. In fact, the government should make it a condition that societies first demonstrate their capability before assistance is granted. Among the mistakes made by co-operative union industries which can be avoided are wrong location of enterprises and the lack of market research for the products.

Finally, it is expected that if credit and thrift societies were to make a mistake, they would be prepared to face up to it immediately. The attempt to cover up or support undesirable industries for too long can only succeed in ruining an organisation. This lesson has been clearly brought out in this analysis of the co-operative industries in Kwara State. However, while the government can cover up in certain cases and get away with it, small primary societies cannot do so because of the very limited financial resources at their disposal.

Participation and Education in Integrated Human Settlement Co-operatives — A DESWOS Workshop*

by
B. Heinen

In December 1980 the Workshop on "Integrated Co-operatives for Satisfying the Basic Need of Shelter in Slum and Squatter Areas" took place. 26 participants and resource persons from 13 African, Asian and Latin American countries met in Marburg, Federal Republic of Germany, to discuss questions such as:

- Can housing co-operatives provide solutions to the problems of slum and squatter dwellers?
- Are there appropriate forms of self-help organization especially concerned with this target group?
- Has the integrated approach a chance to succeed?

The workshop was organized as part of the development policy of the Federal Republic of Germany, by:

- The Carl Duisberg Gesellschaft e. V. (CDG), which plans, develops and organizes professional training programmes in Germany as well as abroad;
- The Deutsche Entwicklungshilfe für soziales Wohnungs- und Siedlungswesen e.V. (DESWOS—

German Development Assistance Association for Social Housing), whose objective is the promotion of non-profit and self-help housing in developing countries. DESWOS initiated and prepared the workshop.

- The United Nations Centre for Human Settlements (UNCHS), an organization of the United Nations system located in Nairobi, Kenya, which promotes and implements the development of human settlements.

The objectives of the workshop express a rethinking of the entire concept of promotion of self-help organizations in slum and squatter areas, as under:

- to improve the living conditions of slum and squatter dwellers, to help them realize their economic and social potential, to enhance their self-confidence and to make them aware of their potential power to influence their own development,
- to come forward with concrete criteria and proposals for setting up demonstration or pilot projects of

*DESWOS—German Development Assistance Association for Social Housing (FRG)

adjusted forms of self-help organizations using the integrated approach,

- to evaluate experiences gained with projects and to provide food for thought and information in order to come closer to participative models of self-help organizations which are related to actual socio-cultural realities.

The integrated approach aiming at appropriate forms of self-help organizations has decisive consequences on the content and methods of training programmes and consultancy schemes; therefore, a further objective of this workshop was:

- to identify suitable contents for training programmes and consultancy schemes to promote popular participation for use in demonstration projects, furthermore, to identify suitable teaching materials for this purpose.

1. Rigidity of Formal Requirements versus the Need for Flexibility

The integrated approach for the development of housing co-operatives for slum and squatter settlements and related poor urban areas was envisaged as more than the mere provision of housing, and rather as a concept that takes into consideration the life of the people in a comprehensive manner in order to meet their total basic needs. Consequently it was pointed out that housing programmes must be a means for socio-economic improvement of the living conditions of the inhabitants, which must take into consideration people's cultural background, needs, and requirements.

The first major requirement for the operation of housing co-operatives, therefore, is that housing has to be seen in the context of a continuous social process. To start a self-help housing project among slum and squatter dwellers in the form of a registered housing co-operative was considered to be inadequate, because the requirements for registration (especially economic viability) were difficult to meet and the organizational framework prescribed under co-operative law is too rigid. As an alternative, the workshop recommended a pragmatic approach beginning with a simple and flexible organizational framework for mutual self-help groups which can develop later, as the need arises and resources become more available, into the more formal type of co-operative.

It was noted that co-operative laws in most countries are too rigid and tend to over-emphasize the viability requirement in financial terms which would automatically tend to exclude slum and squatter dwellers. It was noted also that simple organizational forms without elaborate requirements are more suitable to these areas. Smaller groups are seen as the most practical form of organization in operational terms. On the other hand, to divide the community into smaller groups demands more attention in terms of administration and management. Furthermore, it may be important to have one large organization to act as a pressure group and to represent interests vis-a-vis government agencies. The two concepts could be combined by creating a large organization to cover the whole project area but which is subdivided into small self-help groups for the construction of housing blocks or units.

However, the establishment of a

formal co-operative may often provide the only means of receiving financial support for the acquisition of land and of obtaining legal recognition. Depending on the local situation, therefore, rigidity should be avoided and the best of the two concepts (the formal and the informal organization) be borrowed in order to gain more flexibility.

The workshop stressed that co-operatives should not be understood as the starting point of a development process, but should become an instrument or tool for carrying out that process.

2. Participation

The magnitude and complexity of housing problems in the world are too great for government and private agencies to solve on their own. Participation of the people concerned is a necessity in itself. If the development of human settlements is to succeed the question of participation in planning, decision-making and implementation by the target community is extremely important.

Participation can be conceived as the direct involvement of the community in the making of decisions and implementation of programmes which concern them. Participation does not mean simply the mobilization of people to implement the independent decisions of governments and professionals. Participation requires two-way communication, i.e. listening and response in both directions. It must not be considered as a way of cheap mobilized labour or as a mechanism for the solution of partial problems at the local level.

Participation is not easy, and that is why it is often considered a nuisance. Nevertheless, participation can be facilitated by providing continuous in-

formation in clear and meaningful terms to the community involved during the planning and implementation stages. It can also be stimulated by providing opportunities for early and continuing involvement in the selection of alternatives. To be effective, participation requires the free flow of information among all parties concerned and should be based on mutual understanding and trust.

From the point of view of the people, participation is a natural tendency that springs from strong common needs or tasks that have to be performed. In this connection, participation may be short-term or long-term depending on the problems, but also depending on the objectives of the project.

3. Organization and Social Awareness

In addition to the government intervention and the general legal and political framework that will always affect this kind of project, three main interacting agents were identified:

- The communities or target groups;
- Non-governmental agencies or main supporting agencies in the field of technical and managerial assistance which sometimes are also promoters as well as supporters;
- Financial supporters (national and international supporting agencies, donors).

In a project conceived with the broad objective of participation in power the community or target group plays a double role, being both object and subject of the project. It becomes an objective but also it is the main resource. To take advantage of itself as a resource

it is necessary to attain organization and social awareness. This must be achieved step by step in a process of learning from experience and building from the simpler to the more complex forms of organization.

The following stages can be identified in this process:

—The first step will be to form groups with very concrete, clear, relatively short-term objectives. The group must be small enough to be easily managed by its representatives (15-30 persons). Unification of the different small groups and general co-ordination could be arranged by an outside promoter.

—When these groups are consolidated or if the community by itself has already acquired some experience without the support of an external agent, the next step would be to build the community level organization, formally based on the groups and varying according to the size of the community and the type of organizational experience it has had.

This organization must try to achieve simple goals in the beginning and later diversify its operations. The external supporting agency should gradually lessen its influence in decision-making and should play the role of an outside sponsor and consultant, always encouraging the projection of the community to the outside world and its relation with other organizations and direct contact with bureaucratic and governmental institutions. Relations with other organizations will lead the community organization to try to federate with similar communal or other types of organization.

—In the third stage the community forms a federation with other organizations for the purpose of intervening in the solution of broader problems of regional or national importance and of helping other communities to develop. The supporting agency at this stage has a side role to play, if any.

These three stages try to illustrate the process rather than establish a rigid procedure which will vary in different situations and in the different elements of an organization.

4. Education

Participation in the “power-oriented perspective” can only work with well informed participants. Thus the training, educational and dissemination activities of the external agents must be a central feature of the project.

To start such a programme the following measures are required during the information stage:

- a demonstration that the project is serving felt needs;
- clear, visible and short-term objectives (a house, increase of income, water supply, etc.);
- clearly understood benefits as compared to costs (what does it cost me and what do I get);
- where benefits are not obvious, they should be stated in such a way that the recipients can understand them;
- there must be a real possibility of obtaining the objective;
- the steps leading to achievement of the objectives must be explained in clear terms;
- the role of the supporting agency must be explained and understood;

—the recipients must be prepared to commit their resources and to support the project.

As an indication of procedure when setting up such programmes, types of information, education and training programmes were identified for community members and community workers.

It was felt that it would be helpful if the organizers of the workshop could make the following material available to promoters:

- Case studies which should be presented as full cases so that they can be used as samples to develop others;
- Slides on construction with hand-outs to these slides;
- Manuals as a guide for co-operative workers containing participative teaching methods, role of promoters, how to approach people, etc.

5. Follow-ups

Due to its interregional nature and its wide scope, the Marburg Workshop was not able to explore in depth the prevailing

needs for adequate teaching material and training programmes. It is hoped to organize a follow-up sub-regional workshop in East Africa on “Teaching Materials and Training Programmes for Co-operative Modes of Participation in Slum and Squatter Settlements”. At the sub-regional level it will be possible to deal more specifically with the discussion and evaluation of appropriate teaching materials and training programmes in the light of the actual practical needs of ongoing projects for the urban poor.

The main objectives of the workshop will be to identify the training needs in integrated co-operative projects for slum and squatter settlements and to elaborate appropriate teaching materials and training programmes which can strengthen participation in co-operative forms of development, with emphasis on the following subjects;

- administration and management
- self-help building techniques
- complementary fields of human settlement activities

and finally, the financing and legal aspects.

NKL, Norway

75th Anniversary

by
Harald Korsell

The Norwegian Co-operative Union and Wholesale Society (NKL), in June 1981 celebrated its 75th anniversary. The roots of the Norwegian co-operative consumers' movement were planted in Norwegian soil in the middle of the last century. The pattern was copied from France, Germany and Switzerland and later was inspired and influenced mostly by co-operative experiences in England. The first attempts were made under the auspices of a social, semi-revolutionary movement headed by Marcus Thrane, but were crushed together with Marcus Thrane's own movement.

A second start was made in the 1860s under the sponsorship and endorsement of Eilert Sundt, a pioneer in social science, Jacob Neumann Mohn, an outstanding civil servant and Helge Væringsaasen, a rich proprietor and patron of the arts. Unfortunately the Movement faded away as a severe depression struck the country in 1878. Some local co-operative societies survived however, thus forming a platform from which the next co-operative step could be taken "in the fullness of time".

The new standard-bearer was Ole Dehli, a well know lawyer in Oslo and a liberal politician who was familiar with the Movement in England and became its new spokesman in the Norwegian capital, where he succeeded in reestablish-

ing and consolidating the scattered forces. He saw clearly the importance of creating a joint central co-operative body and after several attempts a meeting of representatives from 29 local societies met in Oslo and agreed upon founding the Norwegian Co-operative Union and Wholesale Society, the NKL, on the 27th of June in the year 1906.

It was a very feeble and tiny Society that was born 75 years ago, just one year after the country gained its complete political independence after having been in a personal union with Sweden since the year 1814. The only assets of the new Co-operative Central Organisation were confidence in the future, the devotion of the "founding fathers" and the firm belief that the Movement would be an instrument for promoting a better standard of living for the common people.

The first business transaction took place in 1907, when the wholesale sector purchased and stocked 20 sacks of potato flour meal. The event illustrates the very modest beginning of its commercial development. It should be noted that at the 75th anniversary the turnover of NKL is approximately 4,000 million Norw. Crowns.

Growth continued steadily and at the outbreak of the first World War the number of societies was 149 with a membership of 31,000. NKL's turnover

had passed 3 million Norw. Crowns.

The first World War was a threat to the young Movement not yet solidly consolidated, but it withstood the ordeals of food-shortages and restricted imports and was ready to cope with the challenges of the post-war period with its serious unemployment and economic crises. The 1920s and 30s became a period of growth. NKL started its own production through subsidiary companies like the soap factory, the flour-mill, the shoe-factory and the margarine factory. New local co-operative societies sprouted in townships and in the countryside, which is still its stronghold.

At the 25 year jubilee in 1931 the number of affiliated societies was 445 with a membership of 11,000 and the turnover reached 30 million Norw. Crowns. NKL branches had been organised and were in operation in Oslo, Trondheim, Stavanger, Bodø, Bergen, Kristiansand and Drammen. This was indeed remarkable progress in the course of 25 years of which several were marked by economic depression and setbacks.

The period to the outbreak of World War II is characterised by steady growth. At the last Congress of NKL before the war, the then chairman of the NKL the ardent co-operator Andreas Juell said in his opening speech to the Congress:

“In the past 3-year period we have made greater numerical progress than ever before. We have 103 new local co-operative societies, thus bringing the total number of societies to 626. Our first aim—a coop society in every municipality in our country—is very near. We have 30,000 new members and thus we have altogether 170,000 member-families. It means that approximately 25 per cent of the total

population are members of coop societies affiliated with the NKL. Our wholesale turnover increased from 41.4 million Norw. Crowns in 1935 to 56.6 million in 1938. The turnover of the local societies has in the same period increased from 130 to 183 million . . .”

The Nazi invasion and the following occupation were a severe trial for the Movement in all respects. War damages, rationing and shortage of supplies were key words for those years. Besides the Co-operative Movement was a thorn in the side of the occupiers and their Norwegian followers.

In 1948 the two prominent leaders for many years, Andreas Juell and Randolf Arnesen, retired and were replaced by Sverre Nilssen and Peder Søiland. Sverre Nilssen served till 1952, when Olav Meisdalshagen, wellknown member of Parliament and former Minister of Agriculture and Minister of Finance, took over. Peder Søiland was elected president in 1960 and served for 20 years until last Congress, when Magne Bølviken, by profession a barrister, succeeded him.

Let us jump back to the year 1956, when NKL celebrated its 50th anniversary. The following quantification marks the development that had taken place since the 25th anniversary in 1931. The then chairman Olav Meisdalshagen told the big audience assembled in the Oslo Town Hall:

“There are now 1,150 coop societies with 300,000 members affiliated to the NKL. The societies run more than 2,000 shops and last year turnover was 1,000 million Norw. Crowns.”

The years from 1956 up to the present 75th anniversary have been a period of construction, co-ordination and co-



The President and General Manager of NKL—Magne Bølviken and Knut Moe receive congratulations from Karl Erik Persson, the General Manager of KF, Sweden.

operation between the local coop societies and their apex organisation, the NKL. Very many ardent co-operators and co-workers deserve credit for the results achieved. Among those whose names deserve to be put in the foreground we find Peder Søiland, President of NKL for not less than two decades, and the General Manager Knut Moe, who has served in the capacity of General Manager since 1968. A well-organised system of supplying the societies from district warehouses has been introduced, advanced EDP-systems are in operation and modern marketing methods under the logo "S" have meant a face-lift for the whole movement.

The structural side has been marked

by a decrease in the number of societies from 1,150 in 1956 to 643 now. There is still a long way to go before the movement can be said to have a satisfactory structure as far as the optimal size of the individual societies is concerned. However, the movement is moving in the right direction, albeit a bit slowly.

The 75th anniversary was celebrated by a magnificent gathering in the Oslo Town Hall in the presence of the Prime Minister, Mrs. Gro Harlem Brundtland, and the Lord Mayor of Oslo.

The President Magne Bølviken said in his speech to the audience of 1,500 people:

"Today our Movement is a popular movement with 530,000 members

co-operatively organised through 643 societies running 1,700 shops all over the country. The local coop societies have 26 per cent of total Norwegian sales of everyday commodities and between 10 and 20 per cent of other goods. The total sales of the societies amounted to 8,600 million Norw. Crowns."

He also made public the news that NKL on the occasion of its 75th anniversary had decided to grant one million Norw. Crowns for installations in the shops to improve and facilitate conditions for handicapped people. Another million Norw. Crowns was granted to coop shops in remote places as a helping hand and sign of solidarity to fellow co-operators in such areas.

In his speech the General Manager Knut Moe emphasised the development of the NKL from its modest beginning to a large scale co-operative enterprise. He concluded his speech by saying:

" . . . In the course of a period of 20 years we have constructed new warehouses for our 10 sales regions. I'm speaking of highly specialized buildings tailor-made for rational distribution of goods and equipped with advanced technology and staffed with competent people. Parallel to the carrying through of the programme for constructing new warehouses, systematic cooperation between the societies and their

joint organisation has been implemented. The policy we have pursued has resulted in fewer, but larger societies with a versatile chain of shops. Under the logo "S" we find today in towns and in the countryside besides the coop shop for daily goods, also the "near-to-hand-shop", The S-Market, the Domus department stores, the Domus Interior, the "OBS Large Market" and the S-Electro-shops. On the production side we have during recent years closed certain undertakings in fields where conditions on the market made further activity impossible. On the other hand new industries have been developed. Let me emphasize some few points in our development which deserve to be mentioned. First, the immense and revolutionary development of the shop itself. We are proud of the leading role played by the Movement in this respect. I will also point out the benefits reaped through cooperation between the Nordic Co-operative Central organisations. I have in mind the Nordisk Andelsförbund (The Scandinavian Co-operative Wholesale Society) and the industrial enterprises jointly owned by the Movements in the Nordic countries. It has, indeed, been a fruitful development from the moment of the first business transaction of storing 20 sacks of potato-meal—mentioned in my introductory remarks—up to the present situation where the NKL turnover in the year of our 75th anniversary will surpass 4,000 millions Norw. Crowns."

Retirement of Two Noted International Co-operators

With the retirement of Paul Derrick and Hanns Ollman, the International Co-operative Alliance this year loses a great body of co-operative knowledge and experience in the international field.

PAUL DERRICK joined the ICA in October 1966 from *Reynolds News*. His journalistic experience obviously contributed to the success of the *Consumer Affairs Bulletin*, which has now been replaced by *Co-op Consumers* (published in Denmark)

His main contribution to the work of the ICA has been in the preparation of reports on a wide range of subjects, all of which reflected his interests, in particular, co-operative legislation and taxation, workers' co-operatives, consumer legislation, multinationals, but the list is endless. His knowledge covered many countries, and he was never known to refuse a request for a brief—although his thorough research converted each brief into a monograph!

He rendered stalwart assistance on the occasion of the Robert Owen Bi-Centenary in 1971, became the Secretary of the Bi-Centenary Committee, and bore the

brunt of the limelight focussed on the Bi-Centenary by Robert Owen's descendants and followers.

He was keenly concerned that co-operatives in the UK should not be discriminated against in the matter of taxation, and devoted much effort and time in attendance at parliamentary committee meetings, in lobbying, to procuring what he considered a fair legislative position.

His other main platform was workers' productive co-operatives, and his articles pushed this idea long before it became a fashionable academic subject, and before the economic climate turned the thoughts even of governments to their feasibility.

Paul is one of those people who always have time—for discussion, to impart information, or just to be friendly—and we know he will continue to be very busy in his lifelong dedication to furthering co-operative ideas and ideals.

* * *

HANNS OLLMAN—to a large area of the ICA membership, Hanns *is* the ICA. He came to us early in 1962, a record not surpassed by W. P. Watkins, and probably only by Miss G. F. Polley (1932-1963). He is a truly international co-operative figure, with contacts all over the

world through ICA journals and through the vast number of individual visitors, journalists, travelling groups from various ICA member organisations, international students' groups from both the Co-operative College in Loughborough and the UK Department of

Employment courses—who visited the ICA and wanted a concise but interesting account of its history, work, policies and objectives. Hanns has dealt with all requests, whether in person or by correspondence, courteously and effectively, and like Paul Derrick, he always has time for people.

He participated in the work of the ICA Commission on Co-operative Principles in the 60s, and originated and edited the *Studies & Reports* series.

He has edited the *Review of International Co-operation* since 1963 and has made of it a prestigious journal which attracts articles from leading co-operators all over the world, although contributors have never received any payment. He was also operative in setting up the International Working Party on Co-

operative Press in 1970, and the Regional Press Working Parties in S. E. Asia (1980) and E. & C. Africa (1981), which have led to useful personal contacts between co-operative editors and made possible the exchange of features and articles between the papers of different countries, a useful instrument in the internationalisation of the ICA membership. His assistance at ICA Congresses has been invaluable.

No one can doubt Hanns' commitment to the work of the ICA and the cause of International Co-operation, and we hope his activities after retirement will be on a level with those of Will Watkins who, at 88, is still very active in the co-operative field. We understand he hopes to take on freelance assignments, and we wish him all success in this venture.

R.P.B.D.

Editor's Commentary

Words, Words, Words . . .

We are indebted to the *CEMAS Bulletin* (No. 2-1981) published by the ICA's Co-operative Materials Education Advisory Service, for the following definition of the distinction between "education" and "training", which are often used indiscriminately to mean the same thing, even by professional educationalists.

" . . . Often both are used as if the writer is unsure which he requires. Provided the idea being conveyed is clearly expressed, perhaps it does not matter very much even though the linguistic purists might object.

"If, however, we use the words in direct reference to the purpose of education and training it might be necessary, if we are to be clear what we are about, to be more precise. But first we have to be certain about purpose. Is it to *enable* people to do something they had not been able to do before, or to do it better? Or is it that they should actually do something they had not done before, or do it better? The distinction is real. It is between simple ability to do, and ability combined with willingness to do. One being a matter of skill only and the other a matter of behavioural change.

"This analysis, and the definitions which flow from it, has been found of much advantage in planning CEMAS activities, particularly in regard to the Field Education Development project. Once the possible confusion between the two words is removed the significance and interdependence of each, in achieving performance, becomes clear and meaningful.

"If that is so it offers both a definition of the words "education" and "training" and an assertion of their interdependence. Both are necessary to the level and kind of performance required. The function of training is to create ability and the function of education is to create willingness. Together they are capable of creating actual performance. So we need both, each fulfilling its own role. One without the other leaves a deficiency which risks failure in achieving actual performance.

"So if we take as our purpose both ability and willingness to perform in a certain way we have to provide for both these qualities. Ability being the acquisition of the necessary knowledge and skills. Willingness involving the motivation to use the ability to perform and, if necessary, to change behaviour in order to do so."

Forthcoming International Conference

The General Secretary of the International Committee of Workers' Co-operative Productive and Artisanal Societies reports that the 2nd International Workers Productive Conference will be held in Warsaw (Poland) in September/October, 1983. The theme for the conference will be "*For a democratic industrial revolution: Worker Co-operatives on the horizon of the third millennium*". The work of the Conference will be carried out in plenary sessions, and also in working groups which will deal with 3 general topics:

- (a) Rural development and industrial development;
- (b) From handicraft to industry through co-operation;
- (c) Self-management: the answer to the problem of employment

The conference will be organised by the Central Union of Work Co-operatives, 47 Zurawia Street, Warsaw (Tel. No. 287201, telex: 813608 CZSP PL), where a secretariat for the conference will be established.

The International Committee of Workers' Co-operative Productive and Artisanal Societies is also following up a proposal to honour the International Year of the Disabled by compiling a study on Co-operation and the Disabled. This study, derived from data collected by its members and other co-operative organisations, will contain references to:

- Specific laws and regulations regarding the integration of the disabled in the economic sector through workers' productive co-operatives;
- Number of co-operatives by sector including turnover and membership in the individual countries;
- Assistance (social, economical, health, etc.) provided for by the law or by co-operative regulations;
- Other information useful for obtaining a systematic picture of the situation.

The conference recommendations will contain a proposal to international organisations and to the United Nations, to promote:

- (a) professional training for the disabled;
- (b) their integration in the working population through producer co-operatives.

It is intended to produce and publish this study in at least 2 languages, English and French, and it is hoped that contributions towards the expenses of this publication will be made by the United Nations and some governments.

Naturally, the success of this initiative depends on the spirit of collaboration of as many co-operative organisations as possible throughout the world, and depends entirely on the secretariat of the International Committee of Workers' Co-operative Productive and Artisanal Societies receiving as much information as possible at their headquarters. It is hoped that such information and data could reach the Secretary General of the Committee *as soon as possible*.

It is hoped that readers of the Review of International Co-operation will cooperate and send information on that subject to: CICOPA—Secretariat, "Co-operatives and the Disabled", Via Torino 135, 00184, Rome, Italy.

Sub-Regional Workshop of Co-operative Librarians and Documentation Officers

A sub-Regional Workshop of Co-operative Librarians and Documentation Officers was held by the International Co-operative Alliance, Regional Office and Education Centre for South-East Asia (ICA ROEC) in collaboration with the

Agricultural Credit & Co-operatives Institute (ACCI), Philippines, from 14th to 29th April, 1981 in Los Banos, Laguna, Philippines. Twentythree participants from Afganistan, Indonesia, Republic of Korea, Malaysia, the Philippines, Singapore and Thailand attended the workshop.

The workshop was directed by Mr B. D. Pandey, Librarian and Documentation Officer, ICA ROEC, New Delhi.

Mr Bernard Howcroft, Manager (Information), Wholesale Co-operative Society Ltd., Manchester, UK, Chairman of the International Working Party of Co-operative Librarians and Documentation Officers, participated as resource person and acted as the chairman of the workshop for its full duration. The services of a few more resource persons were drawn from the co-operative movements of India, Sri Lanka and the Philippines.

The objectives of the workshop were to review the present state of co-operative libraries in the participating countries, and to impart skills to co-operative librarians and documentation officers.

To provide the workshop participants with an opportunity to get to know the working of co-operative libraries in the Philippines, a two-day study visit programme was arranged in and around Manila.

The workshop discussed the present situation of co-operative library documentation, information services and systems in the participating countries. The participants identified the various problems faced by the co-operative library movement of their countries and felt that library and information activities are given low priority within the co-operative movements. As a result of this apathy there is no co-operative library system in many participating countries, resulting in users not getting information on the co-operative movement of their own country.

The workshop also provided guidance in practical work such as classification, cataloguing, documentation and bibliographical work.

Recommendations

The workshop emphasised the need to conduct national level intensive courses for prospective co-operative librarians and orientation courses for trained librarians. It recommended the formation of a National Working Party for Co-operative Librarians in each of the participating countries culminating in a Regional Working Party for Co-operative Librarians and Documentation Officers of South-East Asia. The workshop felt that teaching packages on library and information science should be prepared for the training of Librarians and Documentation Officers. The development of regional/national clearing houses for co-operative information systems, exchange of accession lists and other co-operative literature among the co-operative librarians of South-East Asia, and collaboration and co-operation with the activities of the International Working Party of Co-operative Librarians and Documentation Officers were also recommended by the workshop. It requested the ICA ROEC to consider offering a fellowship programme for co-operative librarians of South-East Asia.

Nordic Governments support the UN Secretary-General's Report on Co-operatives* — New York, 19 October 1981

The following is taken from a statement made on behalf of the five Nordic countries by Ms. Marjatta Rasi, the Finnish delegate, in support of the UN Secretary-General's report on "National Experience in Promoting the Co-operative Movement":

"The co-operative movement has been an integral part of the economic and social structure and development in the Nordic countries during the past hundred years. The Nordic Governments have taken a positive attitude towards the co-operative movement and established the necessary legal framework for its activity.

"Our national experience has shown the contribution that co-operatives can make to the development process not only from predominantly agrarian societies into industrial economies but also to the modernisation of production facilities in sectors of primary production. The success and expansion of the co-operatives have also shown their adaptability to the economic needs of society at varying stages of development. What began as a local self help movement before the turn of the century has grown into an integral part of national economy in such fields as agriculture, industrial production, marketing and distribution, housing credit and insurance, thereby contributing to the raising of the standard of living . . .

"The Secretary-General's report concerning national experience in promoting the co-operatives deserves according to the opinion of the Nordic delegations careful consideration. Some of the conclusions drawn in the report about promoting the co-operatives in the developing countries are in line with the experience the Nordic countries have gained from their joint projects in the developing countries.

"The Nordic countries share the concluding remarks of the Secretary-General that co-operatives offer important means whereby people can organise services for themselves at reasonable cost and become involved in their own welfare and development. International and bilateral development co-operation agencies should increase the flow of technical, managerial and material assistance for co-operative development with particular reference to the less-advantaged population groups. The role of the joint committee for the promotion of aid to co-operatives should be strengthened so that it may have enhanced capacities for co-ordinating development agency assistance activities concerning co-operatives."

The intervention of the five Nordic countries, Finland, Norway, Sweden, Denmark and Iceland, was the first major presentation in the debate on the agenda item No. 78 which was the report of the Secretary-General, now several years in preparation, at the United Nations.

It is expected that the delegates from several other countries will take the floor in support of the Secretary-General's report and that a resolution will be presented to Committee Three for later deliberation and then presented to the General Assembly for action in November or December before the conclusion of the General Assembly meeting, December 15.

* Document A/36/115 *National Experience in Promoting the Co-operative Movement*—is available in the six languages of the UN (Arabic, Chinese, English, French, Spanish, Russian) from United Nations National Information Offices in UN member countries.

Text of the Resolution adopted by the Third Committee for Recommendation to the General Assembly

The General Assembly,

Recalling its resolution 33/47 of 14 December 1978 on national experience in promoting the co-operative movement and other relevant resolutions referred to in this resolution,

Desiring to promote the implementation of the International Development Strategy for the Third United Nations Development Decade,

Reaffirming that co-operatives play an important role in socio-economic development of developing countries,

Convinced that exchange of national experience relating to co-operative movement among countries plays an essential role in strengthening the co-operatives for the benefit of their members and in overcoming difficulties in the development of various co-operatives,

1. *Takes note* of the report of the Secretary-General on national experience in promoting the co-operative movement;
2. *Invites* the regional economic commissions and specialised agencies concerned to make further efforts with a view to promoting the co-operative movement as an effective instrument for the improvement of the well-being of population;
3. *Requests* the Secretary-General to prepare in consultation with the Member States and organisations concerned of the United Nations system a comprehensive report on national experience in promoting the co-operative movement, paying a special attention, *inter alia*, to the following aspects:
 - (a) role of co-operatives in overall social and economic development, particularly in rural areas;
 - (b) participation of landless peasants, women and youth in co-operatives;
 - (c) potential of co-operatives to increase the material welfare of their members;
 - (d) interrelationship between agrarian reform and the agricultural co-operatives;
 - (e) difficulties faced by countries in the establishment and development of co-operatives and their experience in overcoming them;
4. *Further requests* the Secretary-General to submit through the Commission for Social Development and the ECOSOC the abovementioned report to the General Assembly at its thirty-eighth session for discussion under agenda item entitled "National experience in achieving far-reaching social and economic changes for the purpose of social progress".

125 Years of Consumer Co-operatives in Austria

On 25th September, 1981, a memorial plaque was unveiled in Lower Austria, in the community of Steinfeld-Teesdorf where, in 1856, the first consumer co-operative in Austria was founded. Many leaders of the world co-operative movement, including its President, Mr. Roger Kerinec, assembled in Vienna to celebrate with Konsum Austria the 125th Jubilee of the existence of consumer co-operatives in that country.

It is interesting that, twelve years after Rochdale, another group of weavers asked for permission to create a consumer co-operative in order to purchase staple foods, of reasonable cost and quality, for themselves and their fellow-workers, thereby founding the consumer co-operative movement in Austria.

Out of this simple beginning has grown an organisation of 800,000 members, an organisation that has managed to create a national consumer co-operative movement with almost 20,000 staff in all parts of Austria, and which today supplies not only the staple foods but all types of consumer goods for its members.

After its rebirth in 1945, the Austrian consumer co-operative movement proved that dynamic rebuilding, together with a determination to centralise production and services, can create a unified national movement.

The visitors to the celebrations came from twenty national co-operative movements, and enjoyed the privilege of being received by the President of the Austrian Republic. They also witnessed the opening ceremony of the Austrian movement's new regional warehouse in Hirschstetten, at which the Chancellor, Dr. Kreisky, was the main speaker.

In his address on this occasion, President Kerinec stressed the excellent pioneering work done by the Austrian movement and conveyed the greetings and best wishes of the world co-operative movement to our Austrian co-operative friends.

1300th Anniversary of the Founding of the Bulgarian State

And finally, we have been asked by the Central Co-operative Union of the People's Republic of Bulgaria to publicise the 1300th anniversary of the founding of the Bulgarian State, which is celebrated this year. Important initiatives and events are being organised in all spheres of social, political, economic and cultural life. During these 13 centuries of dynamic development, the history, culture and traditions of the Bulgarian people have been closely connected with the historical and spiritual traditions of other nations, and these relations across borders have to a great extent determined the present and future of Bulgaria as part of the contemporary world. Therefore the 13th centenary of the founding of the Bulgarian State is of both national and international significance.

The Central Co-operative Union, which has experienced vigorous growth in the years of Bulgaria's socialist reconstruction, is taking an active part in the preparations for the celebration of this remarkable anniversary.

“Taking into consideration the close friendly relations and good feelings between the Bulgarian people and yourselves, between our co-operative organisations, we

appeal to you to contribute to the popularisation of the spiritual and cultural achievements of Bulgaria among the widest public circles, and to support all initiatives undertaken in your country with regard to this jubilee.

“The Central Co-operative Union is deeply convinced that the celebrations on the occasion of the 1300th anniversary of the founding of the Bulgarian State will contribute to promoting mutual understanding and friendly relations between our people and our co-operative organisations.”

We take this opportunity of wishing the Bulgarian Co-operative Movement every success in their celebration of this great event, and in all their future operations.

Studies and Reports

FIFTEENTH IN THE SERIES

CO-OPERATIVES IN THE YEAR 2000

CONTENTS

The Resolution adopted by the 27th Congress of the International Co-operative Alliance

Foreword by the ICA Director

Co-operatives in the Year 2000

A Paper prepared for the 27th Congress of the International Co-operative Alliance, Moscow, October 1980

by A. F. Laidlaw

Co-operation of the Socialist Countries in the Year 2000

Joint Document of Central Co-operative Unions and Societies of Bulgaria, Hungary, GDR, Poland, Czechoslovakia and the Soviet Union

Price: **£2.50**

Please order from:

**THE INTERNATIONAL CO-OPERATIVE ALLIANCE
11 Upper Grosvenor Street, London W1X 9PA, U.K.**

enclosing cheque with order

A Lightning Tour of New Co-operative Literature in the UK*

by

Peter Clarke

Research Officer, Co-operative Party

The tremendous growth of interest in co-operation and the rapid expansion of new co-operatives has been matched by an explosion of literature on the subject. Without exception it is sympathetic and friendly in its approach and as such can be regarded as advocating the further development of co-operatives. However, some specifically proselytises.

A number of guides and handbooks offering practical advice to would-be co-operators and co-operative developers are available and there are not a few academic studies of new co-operatives. Books and pamphlets are only one component of this burgeoning literature: there is also a growing periodical press and many unpublished, often mimeographed, papers are in circulation which it has, unfortunately, not been possible to include here.

Furthermore it is necessary to specify "new" literature because, despite popular belief, the literature on industrial and workers' co-operatives, as well as other forms of co-operatives which are now experiencing growth, goes back many, many years. The literature on co-operatives is vast, particularly if one also includes that relating to co-operat-

ives in other countries. Inclusion of this literature could be justified on the grounds that some lessons of co-operative development are transferable from one country to another.

Librarians from six co-operative libraries during 1980 compiled a list of accessions on co-operatives for 1979. The result is a book of 125 pages and 560 entries.

Advocacy

A spectrum of views exists within the literature advocating the development of co-operatives. These range from Peter Jay, who clearly supports the idea of co-operatives being a "third force" in the economy, standing between capital and labour, and the Institute of Workers Control which advocates a form of co-operative which is totally state funded and is therefore perhaps best thought of as a collective rather than a co-operative.

Lying somewhere between these two are the views of the Co-operative Party which has, over the years, published many pamphlets advocating the development of new co-operative enterprises. Parentage can be traced to the Party's 1952 policy statement, "The People's

*Reproduced by kind permission from the booklet published under the same title.

Industry", which emphasised that co-operatives are as valid a form of social ownership as nationalised industries. In 1976 a policy statement on workers' co-operatives was approved. This followed the publication, in 1975, of two issues of Co-operative Party Notes on workers' co-operatives. More recently, issues of Co-operative Party Notes have been devoted to the Co-operative Development Agency, and Credit Unions.

Speakers' Notes have also been issued on the Co-operative Development Agency. The Party is the publisher of Harold Campbell's pamphlet, "A Roof Over Your Head, the Co-operative Way". It has also published "Co-operative Development Under Labour 1974-1979". It has published several works by that prolific advocate of industrial co-operatives, Paul Derrick.

More recently the Party has published a pamphlet by Alfred Morris MP, Minister for the Disabled throughout the 1974-1979 Labour Government. In it he calls for the development of industrial co-operatives for disabled people in the United Kingdom as part of the 1981 International Year of the Disabled Person. Tom Hood and the Share Community have, quite independently, begun working on similar proposals.

Other individuals are responsible for works of advocacy in the past few years. Some, like Bert Oram, have been life-long co-operators. At the 1979 Co-operative Congress, which is the supreme forum for those co-operatives affiliated to the Co-operative Union, Bert Oram, then Chairman of the Co-operative Development Agency, presented a special paper on opportunities for the development of new forms of co-operat-

ives. This was received with acclamation. He believed that it was not unbusiness-like to talk about the idealism which has always inspired the Co-operative Movement. He likened the idealism of the pioneers of retail societies with that of the pioneers of new co-operatives, and called on the retail movement to support such co-operatives.

Under Bert Oram's leadership the Co-operative Development Agency embarked on a limited programme of publications advocating co-operative development and offering advice and assistance to would-be co-operators. Its newsletter, "CDA News", is published quarterly.

In 1978 David Watkins MP was responsible for a Fabian Society Tract on the Industrial Common Ownership Movement (ICOM). In 1976 he promoted the Industrial Common Ownership Bill. The Tract examines the Industrial Common Ownership Movement and the prospects for co-operative development. It places such developments within the context of the debate on industrial democracy.

A more substantive work is that of Robert Oakeshott, "The Case for Workers' Co-operatives". It is to be commended as a welcome antidote to the "magic wand" school of co-operative development and gives much interesting information on co-operative productives, the "Wedgewood Benn Co-operatives" and common ownerships. It draws international parallels with France, Italy, the Mondragon region in Spain and many other countries. However, the work's great strength is badly affected by its politically contentious approach. Oakeshott damns the Labour Party's efforts on co-operatives, ignores the

Co-operative Party and proposes that the Liberal Party offers the only hope for further political action on co-operatives. He supports the "third force" view of co-operative development. Essays edited by Alasdair Clayre develop this theme in a highly abstract and theoretical context.

Another "individual view" is presented by Alastair Campbell in the ICOM pamphlet "Worker Ownership".

After some three years research, Jenny Thornley's book, "Workers' Co-operatives: Jobs and Dreams", has appeared. Her conclusion is full of worthy comment but offers no blue-print for future action.

Some works of advocacy go beyond making out the general case and advance specific proposals. In 1977 the Building and Social Housing Foundation, directed by Peter Elderfield, published a remark-

able plan for a self-supporting co-operative village, drawn up by Konrad Smigielski. Conscious of the energy crisis, this self-supporting co-operative village is planned around alternative energy sources. The Green Town Group and the Town and Country Planning Association have since 1979 been seeking to implement similar but independently derived proposals for a third garden city in a small area of Milton Keynes. The Third Garden City is to be based upon principles of self-sufficiency, energy conservation, co-operation and small-scale development.

Alan Taylor's pamphlet, "Making the Most of Workers' Co-operatives—The Local Agency Approach", appeared at the Local Co-operative Development Agency Conference in March 1980. Taylor notes that worker co-operatives

**NEW CO-OPERATIVES—
A LIGHTNING TOUR OF NEW LITERATURE
BY PETER CLARKE, RESEARCH OFFICER
CO-OPERATIVE PARTY (UK)**

Co-operatives are springing up in almost every field these days—the newspapers are continually referring to industrial co-operatives, workers' co-operatives, housing co-operatives, credit unions, transport co-operatives, community co-operatives and many more. Local authorities, town planners, industrialists, economists, accountants, lawyers, academics of various ilk, and community groups are amongst those who are interested in the co-operative form of organisation and they require accurate and up-to-date information on new co-operatives.

"New co-operatives—a lightning tour of new literature" by Peter Clarke, sets out to provide a practitioner's guide to new literature on new co-operatives. Over eighty references are given, together with names and addresses of publishers.

Copies can be obtained from:

**The Co-operative Party
158 Buckingham Palace Road
London SW1W 9UB**

Price: 55p inc. postage UK

encounter greater difficulties in struggling to establish themselves than conventional enterprises, and he makes out a case for local CDAs. Local CDAs can not only stimulate new co-operative development but can also provide real and practical assistance to the co-operatives in membership of a local CDA. The pamphlet offers a model for the establishment of local CDAs and gives an area by area guide to activities as well as a synopsis of relevant statutory powers and information on various sources of finance.

In the housing field John Hands' book, published by the Society for Co-operative Dwellings in 1975, advocates the development of housing co-operatives by a Co-operative Housing Agency, and of secondary housing co-operatives with government and local authority backing. Hands states that "co-operation is no simple theory; it is nothing if not practical". The book traces the origins and principles of co-operation and looks at co-operative housing in theory and practice at home and abroad. As a work of advocacy it is sound but as a manual for action it is weakened by defining a housing co-operative too narrowly as "a co-operative society which corporately owns a housing estate in which the member occupies, or is a prospective occupier of, a dwelling". This adherence to the 'par value' model was carried forward into the work of the Co-operative Housing Agency.

A more pragmatic approach to housing co-operatives is found in Harold Campbell's, "A Roof Over Your Head, the Co-operative Way" (published by the Co-operative Party). Harold Campbell was the chairman of the Department of the Environment's working party on

housing co-operatives set up by Housing Minister, Reg Freeson, MP in 1974. This pragmatic approach is reflected in the "Co-operative Outlines" produced by the Housing Corporation's late Co-operative Services Unit.

A number of guides give assistance to and advocate the development of credit, bulk buying, food and transport co-operatives. "The Credit Union Book", issued by the Credit Union League of Great Britain, offers a comprehensive guide to self help financial co-operatives. The National Consumer Council's "Bulk Buy Book" and "Food Co-ops" by Colin Hines give a wealth of information on starting bulk buying food co-operatives.

An adjunct to these latter two is the pamphlet, "Uhuru—A Working Alternative" produced by and describing the work of the Uhuru collective in Oxford. The National Council for Voluntary Organisations has produced a number of guides on the various types of transport co-operatives and has issued a manual on alternative rural services by Stephen Woollett.

Manuals and Handbooks

The growth in the number of manuals and handbooks has been very welcome because as recently as 1976 there was little printed advice available to would-be co-operators. Now a whole range of such works is available.

The Co-operative Development Agency has issued an interim guide to setting up industrial co-operatives and a guidance booklet for local authorities. These authoritative works will, I am sure, become standard works in their field.

"Workers' Co-operatives—A Handbook" by Peter Cockerton, Tim Gilmour

White, John Pearce and Anna Whyatt, was issued early in 1980. This is an updated version of the Scottish handbook published in 1977. It provides a fair guide to those planning to develop a co-operative. In the introduction the retail Co-operative Movement is dismissed as "Consumer Capitalism" and the CDA and Industrial Common Ownership Act 1976 are damned with faint praise. Though the authors clearly place their hope in the development of a strong workers' co-operative sector they state that "their future role will depend on existing co-operatives being able to demonstrate that it is possible to work to the co-operative ideal and earn an adequate wage at the same time". However, the book offers no inspiring vision of the future nor comments on appropriate structures and firm links with the Labour Movement.

Of equal stature is the work of David H Wright. His book, "Co-operatives and Communities" places co-operatives in the context of community based employment initiatives and gives a wealth of information on alternative approaches to co-operative development (via the Industrial and Provident Societies Acts, the Co-operative Productive Federation* and ICOM). Like Cockerton *et alia*, Wright points to the development of local level support organisations or federations of co-operatives as being of vital importance at this stage of the development of a workers' Co-operative Movement.

Quite different in scope, but of comparable merit, is the Scottish Highlands and Islands Development Board's manual for community co-operatives. An-

other short guide, which consists mainly of a series of check lists and questions, is provided by John W Lewis. Alan Taylor via the Town and Country Planning Association, has provided an equally short but more discursive guide. John Pearce's ICOM pamphlet, "Sources of Finance for Small Co-operatives", is an essential guide to the various forms of finance available to small co-operatives, whilst Nicholas Albery gives 160 tips and useful ideas for possible consumer and producer co-operatives to put into action.

Roger Sawtell's "How to Convert a Company into an Industrial Co-operative", a revamped version of his ICOM pamphlet, is the only guide available to converting a company into a co-operative. The publishers, the CDA, stress that this pamphlet illustrates one of a number of pathways and that the guide offered is based on English law.

An invaluable perspective on these English texts is provided by Antoine Antoni's "The Co-operative Way—Practical Advice on Self Management in Worker Co-operatives" which was, in 1980, translated from the French and published by ICOM. Antoni is the Secretary General of the French Confederation of Producer Co-operatives (SCOP). Jenny Thornley has very neatly assessed the French Co-operative Productive Movement.

Directories

Pre-eminent must be "In the Making—A Directory of Co-operative Projects". This has been in existence for a number of years and provides information on co-operatives which are launching them-

*The functions of the Co-operative Productive Federation are now being carried on by the Co-operative Productive Board, Co-operative Union.

selves, or about to be launched, and are looking for assistance or new members. To date directories have been published annually and in some years supplements have appeared. Once a co-operative is adjudged to have "made it" it is dropped, which is a pity. The 1981 guide includes a number of innovations. If it could evolve into a guide to all new co-operatives yet retain its lively and original style it would be an invaluable source of information.

The Chief Registrar of Friendly Societies reports on his duties in relation to Industrial and Provident Societies in part three of his Annual Report. These Reports contain much useful and authoritative information. The Annual Reports of the Co-operative Development Agency will, no doubt, come to be seen in the same light.

The 1981 Directory of Housing Co-operatives, compiled by the Housing Corporation, provides a wealth of information on the co-ops in existence in summer 1980. ICOM has published a directory of its member common ownerships and co-operatives. The Education Department of the Co-operative Union in 1977 issued two sets of notes giving information, addresses and bibliographies on worker's co-operatives and housing co-operatives, and although the information may be a little out of date they are still valuable.

Studies and Appraisals

A number of studies and/or appraisals have appeared, the best known of which focused on the co-operatives of the Mondragon region in Spain. "Worker Owners", a report published by the Anglo-German Foundation for the Study of Industrial Society in 1977, put

Mondragon on the map and aroused widespread interest. However, this did, in fact, supersede an earlier study by one of the co-authors published by ICOM in November, 1974.

The authors of the 1977 study, Alastair Campbell, Charles Keene, Geraldine Norman and Robert Oakeshott, drew very clear lessons from their study of Mondragon. First, they identified the need for capital involvement by members of the co-operative. Secondly, they saw the need to attract high calibre management. Thirdly, they stressed the importance of the link with the *Caja Laboral*, the regional investment bank advisory and servicing agency. This report became a springboard for Job Ownership Limited in the UK, directed by Robert Oakeshott and chaired by Liberal MP, Jo Grimond.

Not surprisingly, many who are pioneering the development of co-operatives in Britain have now visited Mondragon. However, the Royal Arsenal Co-operative Society in London is the first retail co-operative society in the UK to publish its own report and conclusions on Mondragon. They were impressed by the physical appearance of the co-operatives and by the way the co-operatives had created co-operatively organised institutions to satisfy their particular needs. Senior members of the *Caja Laboral* had drive, entrepreneurial spirit and dedication to their cause but the study group had reservations about the question of "shop-floor" democracy in the co-operatives. They found that "although control of the co-operative is vested ultimately in the general assembly of workers, the day to day running is firmly in the hands of the appointed management . . . management alone have the ability to research

new policies and it is therefore extremely difficult to challenge management at general assemblies". A benevolent paternalism existed. Yet these co-operatives had a working industrial democracy which does not exist in capitalistic enterprises.

The report urged that this democracy should move on "to a further stage where the old divisions between those who make decisions and those who accept them ready made is broken down". The group felt that the development of trade unions in Spain, legalised early in 1977, may be one way in which the "shop floor" would become more closely involved with the management of the enterprises. As far as Britain was concerned, the group concluded that the trade union role was crucial in the development of producer co-operatives.

1977 also saw the publication of a survey of contemporary British worker co-operatives by Paul Chaplin and Roger Cowe. As an impartial study this is well worth attention. The survey was of twenty-four existing co-operatives and five which were being planned. The authors conclude that "the problems of setting up a co-operative enterprise are no different from those encountered in establishing a conventional small business—basically, finding the money and getting premises from which to operate. Also the sources of finance for the co-operatives were very much the same, being personal savings and bank loans." Many groups appeared to fail in one or more of the crucial areas of control, job allocation and wage payments; the authors advocate the weakening of conventions which surround these areas

as the best means of maintaining co-operative practice over a long period. They also believe that the trade union movement could determine the destiny of the new Co-operative Movement.

The Open University's Co-operatives Research Unit was formed in 1978 to consolidate and provide a framework for developing research into co-operatives as well as providing advice, information and training aids. Three impressive series have started: Occasional Papers, Case Studies and Monographs. Those which have appeared so far are listed in the bibliography.* They are a must for anybody embarking upon academic research in the field of co-operatives.

Finally, two publications from an academic stable although from people who have been involved with the particular co-operative experiments they describe. John Pearce has written up his experience of an industrial co-operative experiment in Cumbria for York University. However, this is more of a guide to, and case study of, political lobbying of a local authority.

Professor Tony Eccles' assessment of the Kirby Manufacturing and Engineering workers' co-operatives (KME) provides a detailed appraisal of that venture. Eccles concludes that the two key factors are, first, the necessity to arrange a logical structure for democratising the enterprise which spreads power and responsibility and ensures that the co-operative can become involved and committed to the goals and policies of the enterprise; secondly, that it takes a great deal of time and sustained effort to enhance the management skills of workers so that they can run their own

*Not included here for reasons of space, but see advertisement p. 345.

affairs effectively and democratically. His book on KME is to be published by Pan Books during 1981.

A worthy cross-sectoral comparison of appraisals of co-operatives can be made with the two studies of the Summerston Housing Management Co-operative published by the Scottish Development Department of the Scottish Office. Before promoting co-operatives more widely, the Scottish Office has been keen to see how the Summerston Co-operative worked in practice and thus these two published studies have a good deal of political importance.

Conclusion

A number of gaps in the literature can be identified. First, we really do need an authoritative academic study which will draw together the many strands of work and appraisals of co-operatives which have been carried out to date and which, maybe, will start to develop a methodology. Leonora Stettner has a work at, or approaching, the press which will be a valuable contribution in this direction.

Secondly, though perhaps more difficult, we need a definitive, more complete, practical guide to setting up a

co-operative. The CDA hopes to supersede its interim guide in the near future and, perhaps, this will go some way towards filling this gap.

Thirdly, we really do need to solidify political support for co-operatives. The Labour Party's Discussion Document, published in September 1980, though welcome, is unlikely to do this. The work of the Co-operative Party's Commission on Employment will be particularly important in this context.

This tremendous growth of interest in co-operative enterprise and in the volume of literature on the subject is to be welcomed. The bigger and better the co-operative sector in Britain the happier I will be. But reading through this literature day in and day out, the one thing that concerns me is that no one seems to be thinking about where we are going, i.e. what the horizon is and what, at the end of the day, is the ultimate objective of all this co-operative activity.

I believe that the ultimate objective is the establishment of a Co-operative Commonwealth and instead of complaining about this gap I have been busy writing a pamphlet to fill it—"Towards a United Co-operative Movement".

* * * * *

Note: A number of the publications mentioned have been reviewed in previous issues of the Review. Ed.

Book Review

Developing Worker Co-operatives by John Jordan, *Co-operative College of Canada 141 105th St. West, Saskatoon, Sask, Canada.* \$2.00

John Jordan is the Research Director of the Co-operative Future Directions Project in Canada, and this booklet is one of the Working Papers produced by the Project. It is an excellent survey of the progress and prospects of workers' co-operatives in Canada and elsewhere. He first draws a distinction between workers' co-operatives and various other ways of extending workers' participation in decision-making and ownership. He notes, for example, Employee Stock Ownership Plans in which workers share in ownership through a trust, but usually not in the control; and the numerous cases in which workers acquire shares in the companies in which they work, sometimes though not usually in order to save their jobs. He also notes the productive enterprises of agricultural and consumers' co-operatives, and surveys the achievements of workers' co-operatives internationally, referring to French, Italian and British experience, the plywood co-operatives in the USA, and paying special attention to the successful Mondragon co-operatives in Spain. He says that there are a few workers' co-operatives in most Canadian cities, especially in Quebec, and names a few such as Harpell in printing and Tricofil in textiles.

Perhaps the most important part of the booklet is its look into the future. Mr

Jordan argues that it is important that legislation and Model Rules should make very clear that the success of industrial co-operatives depends very much upon the way in which they are organised. He insists on the importance of membership being a function of employment, as at Mondragon, and not a function of shareholding as in Britain—where the Registrar refuses to allow co-operatives to issue non-voting preference shares on the ground that shareholders are members and must therefore have votes. There is no such problem with companies although companies, unlike co-operatives, are associations of investors.

Secondly Mr Jordan argues that there should be substantial member shareholding in workers' co-operatives, both because the capital is needed and to sustain member commitment. Thirdly he argues that saving by co-operatives should not be wholly collective and that there should be some member participation in the growth of assets, as at Mondragon. In the fourth place he argues that the law should provide for statutory indivisible reserves, and should prohibit the distribution of residual assets on a winding-up to shareholders in proportion to shareholdings: this would prevent premature winding-up for the sake of capital gains. It is an excellent short survey and should give Federal and Provincial legislators in Canada something to think about.

PAUL DERRICK



Wiley

CHICHESTER · NEW YORK
BRISBANE · TORONTO

HOUSING CO-OPERATIVES IN DEVELOPING COUNTRIES

A Manual for Self-help in Low Cost Housing Schemes

by **A.C. Lewin**, *U.N.D.P. Consultant, West Germany*

This practical manual is for those dealing with the organisation and implementation of self-help housing groups in developing countries. It looks at the organisation, construction and legal processes associated with self help housing groups and their activities. It would be of value to those engaged in co-operative housing schemes as well as to administrators, social planners and social researchers more generally interested in housing and co-operative schemes in developing countries.

Contents:

Part One: Urban Self-Help Housing in Developing Countries; Housing Co-operatives in Industrialized & Developing Countries.

Part Two: The Vertical & Horizontal Organisation of Self-Help Housing Societies; The Planning of a Housing Co-operative; Funding Aspects; The Formation Process & Interim Administration; Co-operative Training and Education; Self-Help Construction; Additional Aspects of Management and Administration; The Legal Framework; Housing for the Lowest Income Groups.

February 1981

0471 27820 3

0471 27819 X

approx. 192 pages

(cloth) approx. \$36.00/£13.00

(paper) approx. \$16.50/£6.00

Published in Association with Intermediate Technology Publications Ltd.



John Wiley & Sons Limited

Baffins Lane · Chichester · Sussex PO19 1UD · England

International Co-operative Alliance

11 Upper Grosvenor Street, London W1X 9PA, U.K.

Tel: (01) 499 5991 Cables INTERALLIA

President: Roger Kerinec

Director: Andre E. Saenger

Deputy Director: R. P. B. Davies

REGIONAL OFFICES

Regional Office & Education Centre for South-East Asia

Bonow House, PO Box 3312

43 Friends Colony, New Delhi 110-014, India

Tel: 635123 Cables INTERALLIA

Regional Director: R. B. Rajaguru

Regional Office for East & Central Africa

PO Box 946

Moshi, Tanzania

Tel: 4706 Cables INTERALLIA

Regional Director: E. M. Anangisye

Regional Office for West Africa

01 BP 3969

Abidjan 01, Ivory Coast

Tel: 303008 Cables: INTERALLIA ABIDJAN

Regional Director: B. D. Ndiaye

Affiliated Organisations

ARGENTINA

Asociación Argentina de Cooperatives y Mutualidades de

Seguros

Avenida de Mayo 1370 Piso 1°, Buenos Aires.
Tel. 33-0222/7138

Asociación de Cooperativas Argentinas

Av. E. Madera 940, 1106 Buenos Aires.
Tel. 221-7284 Cables ASCOOPAR Telex 21136

Confederación Cooperativa de la República Argentina Ltda. (COOPERA)

Moreno 1729, Buenos Aires.

Federación Argentina de Cooperativas de Consumo

Avda. Suarez 2034, Buenos Aires.
Tel. 28-5381/3 Cables COOP

Federación Argentina de Cooperativas de Crédito Ltda.

Ave. Pueyrredon 468, 2° Piso, 1032 Buenos Aires (RC 24).
Tel. 86-6283

Federación de Bancos Cooperativos de la República

Argentina (FEBANCOOP)

Maipú 374-9° piso, 1006 Buenos Aires.
Tel. 46-9946 Telex 17919-FBCOP-AR

Instituto Movilizador de Fondos Cooperativos SCL

Rivadavia 1944, Buenos Aires 1033
Tel. 48-9061

Intercoop Editora Cooperativa Ltda.

Moreno 1733/41, 1093 Buenos Aires
Tel. 47 21 49

AUSTRALIA

Co-operative Federation of Australia

Box 5211 AA, GPO Melbourne, Victoria 3001

AUSTRIA

Österreichischer Raiffeisenverband

Hollandstrasse 2, 1020 Vienna.
Tel. 26 360 Telex 07/6769

BULGARIA

Central Co-operative Union

Rue Rakovski 99, Sofia.
Tel. 88-03-11 Cables CENTROCOOPSOYUS

CANADA

Conseil Canadien de la Coopération

2875 boul. Laurier, 6e., Ste. Foy, Quebec, G1U 2M2
Tel. (418) 653 7052

Co-operative Union of Canada

237 Metcalfe St., Ottawa, Ont., K2P 1R2
Tel. 238 6711 Telex 053-4406

COLOMBIA

Cooperativa Familiar de Medellín Ltda.

Calle 49, No. 52-49, Medellín.
Tel. 45-00-55

CYPRUS

Co-operative Central Bank Ltd.

(Gregoriou Afxentiou) POB 4537, Nicosia.
Tel. 62921 Cables COOPBANK

Cyprus Turkish Co-operative Central Bank Ltd.

POB 1861, Nicosia.
Tel. 4257 Cables MERKAZBANK

"SODAP", Vine Products Co-operative Marketing Union Ltd.

(Cooperation St., Tsifikoudhia) POB 314, Limassol.
Tel. 2331 Cables VINUNION

CZECHOSLOVAKIA

Ustredni Rada Druztev (Central Co-operative Council)

Tesnov 5, 11006 Prague 1.
Tel. 64751 Cables UERDE

**Fédération Nationale des Sociétés Coopératives
d'Habitation à Loyer Modéré (H.L.M.)**
14 rue Lord-Byron, 75008 Paris.
Tel. 563-17-31

Société Générale des Coopératives de Consommation
La Maison de la Coopération, 27-33 Quai le Gallo, 92517 Boulogne
Billancourt.
Tel. 604-91-78 Cables EMDEGE Telex 27094 EMDEGE

Union du Crédit Coopératif
18 bis Avenue Hoche, 75008 Paris
Tel. 561.99.66 Telex Creditcop Paris 650.977

GAMBIA
Gambia Co-operative Union Ltd.
POB 505, Banjul.
Tel. Serrekunda 2580

GERMAN DEMOCRATIC REPUBLIC
Verband der Konsumgenossenschaften der DDR
(Stresemannstrasse 128), Postfach 1269, 108 Berlin.
Tel. 22-38-0 Cables KONSUMZENTRALE Telex 011-2831

GERMANY, FEDERAL REPUBLIC OF
Bank für Gemeinwirtschaft AG
Theaterplatz 2, 6000 Frankfurt A/M 1.
Tel. 2581 Cables HAUPTBANKWIRT Telex 41.22.122

Bund deutscher Konsumgenossenschaften GmbH
Adenauerallee 21, 2000 Hamburg 1.
Tel. 249006 Cables COOPBUND Telex 21-62-521

Coop Handels- und Produktions-AG (HAPRO)
Sonninstrasse 18-28, 2000 Hamburg 1.
Tel. 284-1 Cables HAPROAG

Deutscher Raiffeisenverband e.V.
(Adenauerallee 127) Postfach 19 01 41, 5300 Bonn 3
Tel. (022-21) 1061 Cables RAIFFEISEN Telex 08-86-830

National Council of Industrial Co-operatives (OKISZ)
(Thököly ut 58-60) POB 172, 1146 Budapest 70
Tel. 188-800 Cables OKISZ

ICELAND

Samband Isl. Samvinnufélaga
Samband House, POB 180, Reykjavik.
Tel. 28200 Cables SIS Telex 2023

INDIA

All India Central Land Development Banks' Federation
Shivshakti (2nd Floor), B. G. Kher Road, Worli, Bombay 400018
Tel. 395349 Cables BHUMIUIKAS

Indian Farmers Fertiliser Co-operative Ltd. (IFFCO)
34 Nehru Place, New Delhi 110019.

National Agricultural Co-operative Marketing Federation Ltd.
Sapna Theatre Building, 54 East of Kailash, PB 3580, New Delhi-
110024.
Tel. 631416 Cables NAFED Telex ND 3254

National Co-operative Consumers' Federation Ltd.
Deepali (5th floor), 92 Nehru Place, New Delhi-110024.
Tel. 635387 Cables KONFED

National Co-operative Union of India (NCUI)
3 Siri Institutional Area, Panshchila Marg (Behind Hauz Khas),
New Delhi-110016.
Tel. 66 2751 Cables COPUNION

National Federation of State Co-operative Banks Ltd.,
Garment House (2nd Floor), Dr. Annie Besant Road, Worli Naka,
Bombay 400-018.

INDONESIA

**Dewan Koperasi Indonesia (The Indonesian Co-operative
Council)**
Jalan Jenderal Gatot Subroto, Komplek PUSDIKKOP, Djakarta.
Tel. 74081-88

IRAQ

General Co-operative Union
POB 5764, Baghdad.
Tel. 86520 Cables COOPEDRA
Telex 2685 UNCOOP

IRISH REPUBLIC

Co-operative Development Society Ltd.
35 Lower Gardiner Street, Dublin 1.

ISRAEL

"Bahan" Audit Union of Agricultural Co-operative Societies in Israel
(47 Nachmani Street) POB 622, Tel-Aviv.
Tel. 62-32-78

General Co-operative Association of Labour in Israel "Hevrat Ovdim" Ltd.
(Histadrut Building, 93 Arlosoroff St.) POB 303, Tel-Aviv.
Tel. 26.11.11 Cables OVDIM

ITALY

Associazione Generale delle Cooperative Italiane
Via Ravenna 8, 00161 Rome.
Tel. 859198

Confederazione Cooperative Italiane
Piazza dell'Esquilino 5, 00184 Rome.
Tel. 47-28-11 Cables CONFCOOPERATIVE

Lega Nazionale delle Cooperative e Mutue
Via A. Guattani 9, 00161 Rome.
Tel. 841371 Cables LEGACOOP

IVORY COAST

Chambre d'Agriculture de Côte d'Ivoire
(11 Ave. Lamblin) POB 1291, Abidjan 01.
Tel. 32-16-11

JAMAICA

National Union of Co-operative Societies Ltd.
2-2a Manhattan Road, Kingston 5
Tel. 92-95 360 Telex JACUL JA 2231

JORDAN

Jordan Co-operative Organisation
POB 1343, Amman.
Tel. 23101/3 Cables ALOUN

KENYA

Kenya National Federation of Co-operatives Ltd.
(Plantation House, Haile Selassie Ave.) POB 49768, Nairobi.
Tel. 21487 Cables MUUNGANO

KOREA

National Agricultural Co-operative Federation
75, 1st Street, Chung-Jong-Ro, Sodaemun-ku, Seoul.
Tel. 73-0021 Cables KONAFCCO

National Federation of Fisheries Co-operatives
88 Kyung Wun-Dong, Chongro-ku, Seoul 110.
Tel. 70-6211-20 Telex FISHCO K24359

KUWAIT

Union of Co-operative Societies
POB Safat 1836
Cables ESTEHLAKIA

MALAYSIA

Co-operative Central Bank Ltd.
(29 Leboh Ampang) POB 685, Kuala Lumpur 01-19.
Tel. 26531/4

Co-operative Union of Malaysia Ltd.

Peti Surat 345, Petaling Jaya.
Tel. 572577

Federation of Housing Co-operatives Ltd.

c/o Railway Co-operative Multi-Purpose Society Ltd., Wisma-Merlin,
Jalan Sultan Ismail, POB 2528, Kuala Lumpur 04-04.
Tel. 423813

Malaysian Co-operative Insurance Society Ltd.
(36 Jalan Ampang) POB 817, Kuala Lumpur 01-16.
Tel. 87915/6 Cables MCIS

JAPAN

Norinchukin Bank

(Central Co-operative Bank for Agriculture and Forestry)
8-3 1-chome, Otemachi, Chiyoda-ku, Tokyo.
Tel. 03 279 0111 Cables CCBFAF Telex J-23918

Zenkoku Nogyokyodokumiai Chuokai

(Central Union of Agricultural Co-operatives)
8-3 1-chome Otemachi, Chiyoda-ku, Tokyo
Tel. 270 0041 Cables CHUOKAI

Hokkaido Federation of Co-operative Fishery Associations

West 7, North 3, Chuoku, Sapporo.
Tel. 231-2161 Cables DOGYOREN

Ie-No-Hikari Association

No. 11, Funagawara-cho, Ichigaya, Shinjuku-ku, Tokyo.
Tel. 260-3151 Cables TENOHKARI
Telex 2322367 IENOHI J

Nippon Seikatsu Kyodokumiai Rengokai

(Japanese Consumers' Co-operative Union)
1-13 4-chome Sendagaya, Shibuya-ku, Tokyo.
Tel. (404) 3231 Cables CONSUMUNION

National Federation of Agricultural Co-operative

Associations (ZEN-NOH)

8-3 1-chome, Ohtemachi, Chiyoda-ku, Tokyo.
Tel. 03 (279) 0211 Cables ZENNOHREN
Telex ZENNO 222-3686

National Federation of Fisheries Co-operative Associations

(Zengyoren)

Co-op Building (7th floor), 1-1-12 Uchikanda, Chiyoda-ku,
Tokyo 101.
Tel. 2949611 Cables NAFDEFISH
Telex ZENGYO J TOKYO 222-6234

National Federation of Forest Owners' Co-operative

Associations

Co-operative Building (8th floor), 1-1-12 Uchikanda, Chiyoda-ku,
Tokyo 101.

National Mutual Insurance Federation of Agricultural

Co-operatives (ZENKYOREN)

7-9 Hirakawa-cho 2-chome, Chiyoda-ku, Tokyo 102.
Tel. (265) 3111

National Union of Co-operatives (ANGKASA)

103 Jalan Templer, Petaling Jaya, Selangor.
Tel. 771258

National Land Finance Co-operative Society Ltd.

2 Jalan Sultan Suleiman, Peti Surat 2133, Kuala Lumpur 01-02.
Tel.

MAURITIUS

Mauritius Co-operative Union

Co-operative House, Dumas Street, Port Louis.
Tel. 2-2922

MEXICO

Confederación Mexicana de Cajas Populares

Apartado Postal 42-005, Mexico 4, DF.
Tel. 546 57 23

MOROCCO

Union Nationale des Coopératives agricoles laitières

Rue Patrice Lumumba, B.P. 569, Rabat-Chellah.

NETHERLANDS

Dutch Federation of Workers' Productive Co-operative

Societies (ABC)

Nieuwe Gracht 5, Utrecht.
Tel. 331 331

NIGERIA

Co-operative Federation of Nigeria Ltd.

c/o Co-operative Bank Ltd., Co-operative Buildings,
New Court Road, PMB 5101, Ibadan.
Cables NICOOPFD

NORWAY

Landbruksamvirkets Felleskontor

POB 3723, Gamlebyen, Oslo.

Norges Kooperative Landsforening (NKL)

(Revierstrødet 2) POB 451 Sentrum, Oslo 1.
Tel. 20 62 90 Cables KOOPENGROS Telex 19 450 HQ

NORWAY (cont.)

Norske Boligbyggelags Landsforbund (NEBL)
Tromsheimsvéie 84-86, Oslo 5. Tel. 35 75 20

Samvirkebanken A/S
(Kirkegt.5) Postboks 289 Sentrum, Oslo 1.
Tel. 42-71-80 Cables SAMVIRKEBANKEN Telex 16604

Samvirke Forsikring
(Henrik Ibsensgt.9) Postboks 778 Sentrum, Oslo 1.
Tel. 20-80-30 Telex 19430 COOPAN

PAKISTAN

Mercantile Co-operative Finance Corporation Ltd.
197-A The Mall, Rawalpindi. Tel. 3754.

Punjab Co-operative Union
11 Masson Road, P O Box 905, Lahore 1

PERU

Cooperativa de Crédito Central del Perú Ltda.
Antonio Miro Quesada 247, Of. 407, Apartado 4429, Lima.
Tel. 27-3752

Cooperativa de Seguros del Perú Ltda.
Máximo Abril 552, Apartado 4360, Lima 11. Tel. 46769

PHILIPPINES

Central Co-operative Exchange Inc.
Rms. 113-115 Arle Building, Aurora Boulevard Ext., Corner J. Ruiz
St., San Juan, Rizal.
Cables CENCOPEX

National Association of Training Centres for Cooperatives
(NATCCO)
Pleasant Homes Subdivision, Punta Princesa, POB 950
6401 Cebu City.
Tel. 7-16-15

ROMANIA

CENTROCOOP (Central Union of Consumer Co-operatives)
Str. Brezoianu 31, 70711 Bucharest.

Tel. 13-87-31 Cables CENTROCOOP Telex 11591

UCECOM (Central Union of Handicraft Co-operatives)
Calea Plevnei 46, Sectorul 7, Bucharest.
Tel. 13-16-48

UNCAP (National Union of Agricultural Producers' Co-operatives)
By.N Balcescu 17-19, Bucharest.

SIERRA LEONE

National Co-operative Congress
Department of Co-operatives, Ministerial Building, Freetown.

SINGAPORE

Singapore National Co-operative Union Ltd.
(3-J/K Clifford House) POB 366, Singapore 1.

SOMALIA

Union of Somali Co-operatives Movement
POB 1272, Somali Street, Mogadishu.
Cables UDHIS

SPAIN

Unión Nacional de Cooperativas de Consumo de Espana
General Ortaa 70, 2º dcha., Madrid-6.
Tel. 262 17 23

SRI LANKA

National Co-operative Council of Sri Lanka
(Co-operative House, 455 Galle Road) POB 1669, Colombo 3.
Tel. 85496 Cables NACOSIL

Sri Lanka Fisheries Co-operative Federation Ltd.
127 Grandpass Road, Colombo 14.
Tel. 25057 Cables CO-OFFISH

SWAZILAND

Central Co-operative Union
POB 551, Manzini

Sugar Co-operative Development Institute of the Philippines

Rm. 211-213 Cuenca Gonzaga Bldg., San Juan St., Bacolod City 6001.
Tel. 20666

POLAND

Central Agricultural Union of Peasant Self-Aid Cooperatives,
Kopernika 30, 00-328 Warsaw.

Tel. 26-36-69 Cables CENTROLNA

Central Union of Building and Housing Co-operatives

Ul. Marchlewskiego 13, 00-828 Warsaw.
Tel. 20-90-29

Central Union of Work Co-operatives

Surawia 47, 00-680 Warsaw.

Tel. 28-51-86 Cables CZESP

"Spolem"—Union of Consumer Co-operatives

Gzozyny 13, 02-548 Warsaw.

Tel. 45-32-41 Cables SETESES

Supreme Co-operative Council

Ul. Jasná 1, 00-013 Warsaw.

Tel. 26-72-21 Cables ENERES

PORTUGAL

Instituto "Antonio Sergio" do Sector Cooperativo (INSCOOP)

Rua D. Carlos de Mascaranhas No. 46, Lisbon 1.

Federação Nacional das Cooperativas de Consumo

(FENACOOOP)

Rua da Guine 8 R/c Dto., 1100 Lisbon.

Tel. 84-69-69

PUERTO RICO

Cooperativa Consumidores Unidos de Puerto Rico (UNI-COOP)

GPO Box "CC", San Juan 00936.

Co-operative League of Puerto Rico

458 Fernando Calder, Apartado 707, GPO San Juan 00936.

Tel. 764-2727

SWEDEN

Folksam Insurance Group

(Folksam Building, Bohusgatan 14) POB 20500,

S-104 60 Stockholm 20

Tel. 743-60-00 Cables FOLKSAM Telex 190.84 FOLKSAM S

HSB:s Riksförbund ek för

POB 8310, S-100 21 Stockholm 18.

Tel. 785 30 00 Cables HAESSEBE Telex 11.724 HSB COOP

Kooperativa förbundet

POB 15200, S-104 65 Stockholm 15.

Tel. 743 10 00 Cables KOOPERATIVA Telex 19490

Kooperativa Konsumentgillesförbundet

Box 15200, S-104 65 Stockholm 15.

Tel. 44-90-60

Lantbrukarnas Riksförbund (Federation of Swedish Farmers).

(Klara O Kyrkogata 12) Fack, S-105 33 Stockholm 33.

Tel. 14-16-00 Cables LANTFORBUNDET Telex 11098 Lantek S

Oljekonsumenternas förbund (OK Union)

S-113 87 Stockholm.

Tel. 736-60-00 Cables OLJEKONSUMENTER Telex 17610

Svenska Riksbyggen

(Hagagatan 2) POB 19014, S-104 32 Stockholm 19

Tel. 34-05-20 Cables RIKSBYGGEN

SWITZERLAND

Genossenschaftliche Zentralbank AG

Aeschenplatz 3, CH 4002 Basel.

Tel. (061) 23-84-00

Coop Lebensversicherungsgenossenschaft Basel

Aeschenvorstadt 67, CH 4002 Basel.

Cables COOPELBE

Coop Schweiz

(Thiersteinallee 12) POB 2550, CH 4002 Basel.

Tel. (061) 20-61-11 Cables COOPSUISE Telex 62 133

Verband Schweizerischer Produktivgenossenschaften

c/o GBH, Sihlpostfach, 8021 Zürich.

Tel. 01/242 7133

TANZANIA

Union of Co-operative Societies Ltd.
POB 2567, Dar es Salaam.
Cables WASHIRIKA

THAILAND

Co-operative League of Thailand
4 Pichai Road, Dusit, Bangkok.
Tel. 811414

TURKEY

Köy-Koop (Central Organisation of Village Development and Other Agricultural Co-operatives Unions)
Gazi Mustafa Kemal Bulvari 97, Maltepe, Ankara.
Tel. 30 22 40 Cables KOYKOOP

Türk Kooperatifçilik Kurumu (Turkish Co-operative Association)
Mithatpasa Caddesi 38A, Yenisehir, Ankara.
Tel. 18 82 44

Yol-Koop (Union of Consumers' Co-operatives of the Road Construction and Building Workers of Turkey)
Selanik Cad.23, Kat.4-5, Yenisehir, Ankara.
Tel. 17 30 94 Cables YOL-KOOP

UGANDA

Uganda Co-operative Alliance
POB 2215, Kampala.
Tel. 56984/6 Cables ALLIANCECOOP

UNITED KINGDOM

Co-operative Bank Ltd.
(1 Balloon St.) POB 101, Manchester M60 4EP
Tel. (061) 834 8687 Telex 884 533/4

Co-operative Insurance Society Ltd.
Miller Street, Manchester M60 0AL.
Tel. (061) 832 8686 Cables COLLECTIVE
Telex 66 86 21 CIG G

Co-operative Union Ltd.
Holyoake House, Hanover Street, Manchester M60 0AS
Tel. (061) 832 4300 Cables CONGRESS

UNITED KINGDOM (cont.)

Co-operative Wholesale Society Ltd.
(New Century House, Corporation Street) POB 53, Manchester M60 4ES.
Tel. (061) 834 1212 Cables WHOLESAL

Plunkett Foundation for Co-operative Studies
31 St. Giles, Oxford OX1 3LF.
Tel. (0865) 53960

URUGUAY

Centro Cooperativista Uruguayo
Dante 2252, Montevideo.
Tel. 41-25-41 Cables CENCOOPUR

Federación Uruguaya de Cooperativas de Ahorro y Crédito
(18 de Julio 1485, piso 7) CP 1667 Correo Central, Montevideo.
Tel. 41 44 17 Cables FUCAC

U.S.A.

Co-operative League of the U.S.A.
1828 L Street, NW, Washington, DC 20036.
Tel. (202) 872-0550 Cables CLUSA

U.S.S.R.

Central Union of Consumer Societies—CENTROSOYUS
B. Tcherkassky per 15, 103626 Moscow.
Tel. 221 7253 Cables CENTROSOYUS MOSCOW K-3
Telex 7127

YEMEN ARAB REPUBLIC

Confederation of Yemen Development Associations
POB 2198, Sana'a.

YUGOSLAVIA

Glavni Zadruzni Savez FNRI
Bul. Revolucije 70/III, 11000 Belgrade.
Tel. 454-842 Cables ZASAJ

ZAMBIA

Zambia Co-operative Federation Ltd.
POB 33579, Lusaka.
Cables ZAMCOOP