

JCA 01295

ICA Library



ICA 01295

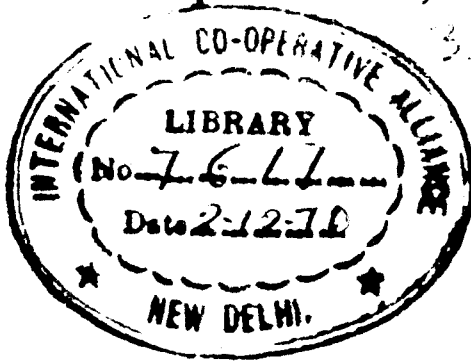
International Cooperative Alliance

11, Upper Grosvenor Street, London W1X 9PA

Twenty-fourth Congress

Hamburg

1st to 4th September, 1969



3341(100) (500)
ICA

Agenda and Reports

**Printed in the Federal Republic of Germany by
GEG-Druckerei, Hamburg**

Table of Contents

Committees of the ICA:	Page
The Executive	5
The Central Committee	5
Past Congresses	7
Congress Reception Committee	8
Congress Office	9
Order of Proceedings of the Congress	10
Standing Orders of the Congress	11
Report of the Central Committee on the Work of the International Cooperative Alliance, 1966—1969	
1. Introduction	16
2. Membership	17
3. Committees of the ICA	18
4. The Auxiliary Committees	19
5. Working Parties and Other Groups	19
6. Organisation of the Secretariat	21
7. Finances	21
8. Publications	22
9. Research and Statistics	25
10. Education	26
11. Technical Assistance and the Development Fund	27
12. Resolutions of the Vienna Congress	32
13. ICA and the Regions	
Regional Office and Education Centre for South-East Asia	33
ICA Office for East and Central Africa	37
Contacts with OCA in Latin America	38
14. Women Cooperators	41
15. Youth	43
16. Library	43
17. Consumer Conference	44
18. International Cooperative Day	44
19. The ICA and the United Nations	45
20. The ICA and Other International Non-Governmental Organisations	55

21. Obituary	62
22. Reports of Auxiliary Committees	
Agriculture	64
Banking	67
Housing	68
Insurance	71
Retail Distribution	74
Wholesale	75
Workers Productive and Artisanal	77
23. Reports of International Member Organisations	
International Cooperative Banking Company Ltd.	83
International Cooperative Petroleum Assosiation	84
24. Proposals and Amendments to Rules	
24.1 Proposals of Central Committee	85
24.2 Proposals of Member Organisations	90
24.3 Amendments to Rules	95
Contemporary Cooperative Democracy. Three papers presented by:	
ICA Secretariat	101
A. P. Klimov (Centrosoyus, USSR)	120
R. Kérinec (Fédération Nationale des Coopératives de Consommation, France) and N. Thedin (Kooperativa Förbundet, Sweden)	145
List of Affiliated Organisations	172
Subscriptions Received for the years 1966, 1967, and 1968	176
Statement of Funds	appendix
Balance Sheet as at 31st December 1968	appendix
Auditor's Report	appendix
Income and Expenditure Account for the three years 1966, 1967 and 1968 ..	appendix

International Cooperative Alliance

Founded 1895

President: M. Bonow

Vice-Presidents: A. P. Klimov, R. Southern

Members of the Executive:

Riazzudin Ahmed, Ch.-H. Barbier, M. Bonow, M. Degond, B. Doss, T. Janczyk,
A. P. Klimov, A. Korb, P. Lambert, B. Melvin, C. Schumacher, P. Søiland, R. Southern,
Lord Taylor of Gryfe, J. F. van Netten

Director: S. N. Saxena

Members of the Central Committee:

Algeria	P. Padovani
Argentina	C. Chiaraviglio
Austria	A. Korp, L. Strobl, A. Vukovich
Belgium	C. Chaput, J. Eerdeken, J. Lambert, P. Lambert, R. Ramaekers, J. Vandersmissier
Brazil	G. T. Inoue
Bulgaria	S. Sulemezov
Canada	A. F. Laidlaw, B. Melvin, M. J. Légère
Ceylon	E. Wijesuriya
Chile	L. G. Ghawi
Cyprus	R. N. Clerides, M. Eshref
Czechoslovakia	M. Capek, V. Novak, J. Podlipny, P. Poruben, L. Smrcka, P. Tonhauser, F. Vychodil
Denmark	E. Groes, L. P. Jensen, K. Møller, C. Pedersen, K. Nielsen,
Eire	W. Carroll, P. Kelly
Finland	J. Jalava, P. Kuoppala, K. Peitsalo, E. Salovaara, L. Hietanen, V. Loppi, M. Mustonen, E. Särkkä
France	F. Burette, M. Degond, G. Heitz, R. Kérinec, A. Antoni, M. Catelas, A. Cramois, A. Morand
Federal Republic of Germany	W. Ambrosius, O. Paulig, W. Flüle, W. Peter, C. Schumacher, C. Wiederkehr, W. Rittner, W. Hesselbach
Ghana	F. Mark-Addo
Greece	
Hungary	F. Molnár, L. Rév
Iceland	E. Einarsson
India	B. Perkash, V. N. Puri
Iran	J. Sassani
Israel	A. Shtacher, A. Yadlin
Italy	G. Banchieri, W. Briganti, I. Curti, S. Miana, L. Vigone, L. Malfettani, A. Mayr, A. Rossini
Japan	Y. Mori, S. Katayanagi, S. Nakabayashi
Malaysia	A. Hourmain
Netherlands	J. F. van Netten, G. J. Nijhof
Nigeria	O. O. Oruwari, E. T. Latunde
Norway	R. Haugen, P. Søiland
Pakistan	R. Ahmed, P. A. Nazir, M. A. Avais

Poland	Z. Engel, T. Janczyk, J. Sobieszczanski, Mrs. Z. Staros, W. Kasperski, F. Lós, B. Trampczynski
Roumania	S. Bughici
Singapore	P. Appavoo
Sweden	M. Bonow, J. Sallborg, G. Etzler, H. Hjalmarson, N. Thedin, S. Apelqvist, G. Blomqvist, S. Kypengren, H. Hakansson
Switzerland	Ch.-H. Barbier, A. Vuilleumier, W. Gnaedinger, R. Kohler A. Meyer, M. Boson, E. Debrunner, H. Kung
Tanzania	J. B. Mmari
United Kingdom	E. P. Bell, C. Greenwood, Lord Jacques, R. Southern, Lord Taylor of Gryfe, T. Weir, H. W. Whitehead
U.S.A.	H. A. Cowden, B. Doss, S. Dreyer, R. Morrow, F. F. Rondeau, A. J. Smaby, J. Voorhis, L. E. Woodcock
U.S.S.R.	M. M. Denisov, N. K. Djavahidze, A. Krashenninikov, I. A. Krumin, A. P. Klimov, F. D. Kolesnik, V. K. Jakovenko, S. Tursunov
Yugoslavia	M. Ivanovic

(International)

A. R. Carlsson, International Cooperative Petroleum Association
L. Lundin, Nordisk Andelsförbund
H. U. Mathias, International Cooperative Bank Company Limited
R. A. Vicens, Organization of the Cooperatives of America

Past Congresses

London	1895	Stockholm	1927
Paris	1896	Vienna	1930
Delft	1897	London	1934
Paris	1900	Paris	1937
Manchester	1902	Zurich	1946
Budapest	1904	Prague	1948
Cremona	1907	Copenhagen	1951
Hamburg	1910	Paris	1954
Glasgow	1913	Stockholm	1957
Basle	1921	Lausanne	1960
Ghent	1924	Bournemouth	1963
		Vienna	1966

The Congress in Hamburg

takes place under the auspices of
the following Co-operative Organisations
of the Federal Republic of Germany:

Bund deutscher Konsumentenvereine e. V.

Großeinkaufs-Gesellschaft Deutscher Konsumentenvereine mbH

Revisionsverband deutscher Konsumentenvereine e. V.

Konsumentenverein „Produktion“ e. V.

Gesamtverband Gemeinnütziger Wohnungsunternehmen

Bank für Gemeinwirtschaft AG

Volksfürsorge Lebensversicherung AG

whom the Alliance and its members thank for the arrangements
made for their reception and entertainment.

Congress Reception Committee

Presidency:

President Oswald Paulig

Representation of the International Cooperative Alliance:

S. K. Saxena, Director

Representatives of the cooperative organisations of the Federal Republic of Germany:

Bund deutscher Konsumgenossenschaften GmbH

Carl Lederkehr

Großeinkaufs-Gesellschaft Deutscher Konsumgenossenschaften mbH

Walter Flügge

Revisionsverband deutscher Konsumgenossenschaften e. V.

Günter Oldewurtel

Konsumgenossenschaft „Produktion“ eGmbH

Karl Dowidat

Gesamtverband gemeinnütziger Wohnungsunternehmen

Wolfgang Ambrosius

Bank für Gemeinwirtschaft AG

Walter Hesselbach

Volksfürsorge Lebensversicherung AG

Walter Rittner

Congress Office

The Congress Office, situated at the Rathaus (Townhall), will be open for the exchange of Delegates' Credentials; the issue of Visitors' Tickets; and general information to delegates as follows: —

Saturday, 30th August	{	09.00 to 12.00 14.00 to 17.00
Sunday, 31th August	{	10.00 to 12.00 14.00 to 17.00
Monday, 1st September	{	08.00 to 12.30 14.00 to 17.00
Tuesday, 2nd September	{	08.30 to 12.30 14.00 to 17.00
Wednesday, 3rd September	{	08.30 to 12.30 14.00 to 17.00
Thursday, 4th September		08.30 to 12.30

Delegates should present their credentials personally at the Congress Office as soon as possible after arrival at Hamburg and as far as possible before the Opening Day of Congress.

Order of Proceedings

Congress will commence at 09.00 hours each day and adjourn at 12.00 for lunch. The afternoon session will commence at 14.00 hours and adjourn at 17.00 hours.

MONDAY, 1ST SEPTEMBER

Opening of the Congress

Welcome on behalf of the Authorities of the Federal Republic of Germany and Hamburg

Welcome on behalf of the Cooperative Movements of the Federal Republic of Germany

Inaugural Address of the President of the I.C.A. — Dr. Mauritz Bonow

Reception of Fraternal Delegates and Guests

Greetings from International Organisations

Appointment of Congress Committee

Appointment of Tellers

Discussion on the Report of the Central Committee on the Work of the I.C.A., 1966/1969

TUESDAY, 2ND SEPTEMBER

Discussion on the Report of the Central Committee (concluded)

Reply to the Discussion

Motion of the Central Committee on Technical Assistance and Development Fund

Reports of the Auxiliary Committees of the I.C.A.

International Declaration of Consumer Rights

Motion of the Central Committee on Peace

Amendments to the Rules and Standing Orders of the I.C.A.

WEDNESDAY, 3RD SEPTEMBER

Reports on CONTEMPORARY COOPERATIVE DEMOCRACY introduced by Mr. A. P. Klimov and Mr. R. Kérinec

Discussion on the Reports

Motion of the Central Committee on CONTEMPORARY COOPERATIVE DEMOCRACY

Election of the Central Committee

THURSDAY, 4TH SEPTEMBER

Proposals of Affiliated Organisations

I.C.A. Jubilee Triennial Prize — Decision of the International Jury on the Seventh Award

Report of the Congress Committee

Vote of Thanks

Date and Place of the Twenty-Fifth Congress

Standing Orders

Governing the Procedure of Congress

The Congress Sessions

1. Provision shall be made for the proceedings of the Congress to extend over four full days of two Sessions each.
2. No Auxiliary Conference shall take place during the Sittings of the Congress, and all social functions, excursions, or visits during the periods allocated for the Sessions of the Congress, or which would in any hinder the work of the Congress, shall be strictly eliminated.
3. The President of the ICA is responsible for conducting the business of the Congress, assisted by the members of the Congress Committee, in so far as they are called upon by the President to do so.
4. A time-table shall be prepared for the discussion of each subject which shall be strictly adhered to, subject only to such modifications as the Congress Committee may find necessary for the admission of urgent motions under Article 25.

Official Languages

5. The business of the Congress shall be carried on in such of the Official Languages — English, French, German, and Russian — as the Central Committee shall decide. Any delegate who is unable to express himself in either of the official languages of the ICA may be accompanied by an interpreter, approved by the ICA, who shall interpret from the native language of the delegate into one of the official languages; interpretations into the other languages in use at the Congress shall be made by the official interpreters.

The names of personal interpreters must be forwarded to the Director of the ICA at least two weeks before the date of the Congress. Whenever possible the personal interpreter shall be included in the number of the official representatives of the Organisation concerned.

6. No delegate, except the President in the chair, shall be permitted to deliver his speech in more than one language.
7. All printed matter relating to the Congress shall be issued in the official languages in use at the Congress. Each delegate shall be entitled to one set of documents in the official language of his or her choice.

Order of Debate

8. Delegates desiring to speak on any subject must hand in their names in writing. As a rule they will be called upon in the order in which their names are received, but in the discussion of definite motions the President may call upon supporters or opponents of the motion to speak alternately.
9. Each delegate who rises to speak must address the President and direct his speech to the motion or question under discussion or to a question of order.
10. Each speaker shall be allowed five minutes, except the mover of a motion or amendment or the mover of a paper, and no delegate shall be allowed to speak more than once on any one subject except the mover of a motion or amendment or of a paper.

11. The mover of a motion or an amendment shall be allowed ten minutes for his speech and five minutes in which to reply to the discussion before the motion or amendment is put to the vote. Such reply must be strictly limited to points raised in the discussion.

12. Any speaker may be accorded an additional five minutes by the decision of the Congress, the question being put without discussion.

13. The mover of a paper shall not be subject to a fixed time limit in presenting his paper but, if the time-table demands, a time may be fixed by the President. The mover shall have fifteen minutes in which to reply to the discussion on his paper.

14. When more than one motion or amendment is submitted for discussion on any item of the Agenda (except motions of procedure and formal matters) they shall be referred to the Congress Committee, which shall endeavour to prepare an agreed text.

Any amendment proposed in the course of the discussion shall be referred to the Congress Committee which shall decide whether the amendment shall go before Congress, and, if so, at what stage in the proceedings. If the amendment is accepted by the Congress Committee it shall be distributed to the delegates before it is discussed.

15. The mover of any motion or amendment shall have the right to attend the meeting of the Congress Committee to support his motion.

16. When any motion or amendment has not been approved by the Congress Committee the mover shall have the right to speak for five minutes when the recommendation of the Committee is presented.

17. The discussion on any question may be closed by a motion "that the question be now put". Such motion must be moved formally and may only be moved by a delegate who has not spoken on the question under discussion. If the motion for the closure is seconded, the President shall put it to the vote. If the motion is accepted the mover of the original motion or amendment shall have the right to reply before the vote is taken. If the motion for the closure is rejected the mover of the closure motion shall have no further right to speak on the question under discussion.

18. Fraternal Delegates and Guests may, with the consent of the Congress Committee, address the Congress on any subject under discussion but may not vote.

Voting

19. All motions shall be decided by a show of hands unless ten of the delegates demand a count. In cases of doubt, also, a count shall be taken. The vote on any question may be decided by a ballot on the demand of one-fifth of the delegates present.

20. Organisations which are entitled to more than one vote may entrust their votes to a single delegate, provided, however, that no one delegate shall use more than ten votes.

21. The President shall have only one vote. In the case of an equality of votes being cast on any question the President shall declare the proposition "Not carried".
22. Voting Cards shall be provided for use in all cases in which a demand for a count is made under Standing Order No. 19.
23. The voting shall be certified by the Director under the supervision of the Congress Committee.
24. Such number of tellers as may be required shall be appointed by the Congress at its first sitting.
25. Personal explanations are only admissible at the end of a debate and after the voting has taken place.

Emergency Appointments

26. Any delegate whose appointment has not been previously notified shall only be admitted by handing in to the Congress Committee satisfactory evidence of his or her appointment.

Report of the Central Committee
on the Work of the
International Co-operative Alliance
1966-1969

Report of the Central Committee on the Work of the International Co-operative Alliance 1966 - 1969

1. Introduction

1.1 Since the last Congress of the International Co-operative Alliance in Vienna, a full programme of work was carried out. This covered not only the regular activities of the Alliance with expansion and some modifications, but some additional ones were undertaken. Appropriate action was taken to follow up the Resolutions adopted by the Vienna Congress and a short account is given of such action later on in the Report. Briefly, the Resolution on Cooperative Principles, Technical Assistance and the Structure of Cooperatives were brought to the attention of the Affiliated Organisations and the other Resolutions adopted were forwarded to the United Nations for their attention.

1.2 The Central Committee, at its Meetings of 1967 and 1968, dealt, inter alia, with two major themes, namely, "Cooperatives and Monopolies in Contemporary Economic Systems" and the Structure of the ICA, respectively. It may be recalled that the subject "Cooperatives and Monopolies in Contemporary Economic Systems" was not discussed at the Congress on the understanding that this would form the theme of discussions at one of the Central Committee Meetings. A background paper was prepared and the subject was introduced at the Committee by Professor Paul Lambert.

1.3 The Central Committee, at its Meeting in Glasgow in 1968, considered the Memorandum on the Structure of the ICA which was prepared by the outgoing Director. Some aspects of the discussion were then referred by the Central Committee for further consideration of the Executive Committee at its Meeting in London in January 1969. The findings of the Executive Committee were then reported to the Central Committee at its Meeting in Oslo in April 1969.

1.4 In addition to the above, some of the major highlights of the preceding three years could be summarised as under.

1.5 A Consumer Conference was held in Vienna on "European Cooperatives in the Service of Consumers" in which a large number of consumer specialists participated. Some details are given later on in the Report. In the field of publications, the Review of International Cooperation has been appearing steadily in Spanish and has become an effective mouthpiece of the International Cooperative Movement, particularly in Latin American countries. The work in the field of agricultural cooperation continued to expand and the setting up of the Liaison Committee in which the FAO, IFAP and ICA are participating, with the possibility of ILO joining in, has provided a new platform for collaboration in the field of technical assistance. The ICA, for the first time, organised a Travel Conference in May 1968 in London and its results appear to be very promising in terms of activating cooperative interests in the business of travel and tourism.

1.6 The Central Committee, at its Meeting in Glasgow in September 1968, approved the setting up of the ICA Office for East and Central Africa and this Office began to operate on a modest scale with effect from 1st October, 1968. Substantial financial support towards the costs of the Office was provided by the Foundation "Without Boundaries" and its educational programmes are sustained by contributions from the Swedish International Development Association. A Cooperative Council is being set up and will have the task of devising the work programme of the ICA Office in Africa. In South-East Asia, the fact-finding mission on cooperative trade was completed by Mr. W. Eisenberg and the report, issued in three volumes, has led to a substantial amount of follow-up work in the field of international inter-cooperative trade. The Regional Office was able to acquire a modern building of its own with contributions from the Development Fund of the ICA, the Central Union of Agricultural Cooperatives, Japan, the Swedish Foundation "Without Boundaries" and the SIDA.

1.7 In connection with the inauguration of the new building, the President and the former Director visited New Delhi, having visited earlier three East African countries and Pakistan. Along with the Regional Officer, they then visited Thailand and Japan and the President concluded his trip by visiting Australia where he had the opportunity of speaking about the ICA and its work in an effort to involve increasingly the Australian Cooperative Movement in the work of the ICA.

1.8 It was found necessary to form a small company, ICA Domus Limited, in order to own land and buildings outside the United Kingdom.

1.9 In its work for the development of cooperatives in Latin America, the Alliance had agreed to support the Integration Institute which is being set up by the Organization of the Cooperatives of America.

1.10 As will be seen from the Report later on, collaboration with the United Nations has been deepened and extensive support is provided for the activities of the United Nations all the world over by the ICA through its officers and permanent representatives. The recent adoption of Resolution 2459 (XXIII) on "The Role of the Cooperative Movement in Economic and Social Development" by the United Nations General Assembly had strongly underlined the role of cooperation in social and economic development. This is likely to generate additional pressures on the Alliance for increased support to the United Nations for the realisation of the objectives of the Resolution.

2. Membership

2.1 Membership continues to increase and the geographical spread of the Alliance is wider each year.

New member organisations admitted since the 23rd Congress in Vienna are:

Europe

National Federation of Producers Co-operatives, Hungary (OKISZ)
Central Union of Artisanal Co-operatives, Roumania (UCECOM)

Asia

Bank Zerubavel, Israel
Central Organisation for Rural Co-operative of Iran, Iran
Provincial Fishermen's Co-operative Society Limited, East Pakistan
Turkish Co-operative Association, Turkey

Africa

Alliance of Ghana Co-operatives, Ghana
Mid-Western Nigeria Co-operative Federation Limited, Nigeria

Americas

Asociación Argentina de Cooperativas y Mutualidades de Seguros, Argentina
Organization of the Cooperatives of America, Puerto Rico (West Indies)
Uniao Nacional das Associações de Cooperativas, Brazil (UNASCO)
Inter-American Finance and Co-operative Development Society, U.S.A (SIDEFCOOP)
Caisse Populaire Dominique Savio, Haiti (West Indies)
Cooperativa de Seguros del Peru Ltda. (170), Peru
Cooperativa de Seguros Inca Ltda. (181), Peru
Cooperativa Sodimac Ltda., Chile
Federation of Credit Co-operatives, Argentina

Oceania

Federation of Native Associations Ltd., Papua, New Guinea

2.3 The following table shows the composition of membership in 1967 (the latest year for which estimated figures are available) compared with 1964, according to types of societies. Data was supplied by 143 affiliated organisations covering co-operatives in 60 countries.

Type of Society	Countries		Societies (thousands)		Members (thousands)	
	1964	1967	1964	1967	1964	1967
Agricultural	36	40	120.3	154.0	23,542.8	38,497.8
Consumers	41	42	53.3	56.5	107,298.3	113,410.5
Credit	28	30	301.4	269.2	66,634.1	69,358.6
Fishery	15	14	10.0	8.7	1,080.7	1,481.2
Housing	25	25	23.6	31.9	4,637.3	5,531.8
Workers Productive and Artisanal	21	18	63.2	52.4	4,875.8	3,950.6
Miscellaneous	14	10	3.4	5.2	5,908.3	6,286.2

2.4 In 1967 information was obtained from 59 insurance societies and 38 banking organisations operating in 20 countries.

2.5 A more detailed study of membership figures is published in the annual statistical report.

3. Committees of the ICA

3.1 The basis of representation on the Central Committee has remained unchanged and the maximum representation of one country or union of countries continues to be eight members and the entitlement to additional representatives is still related to each complete £ 400 of subscription. On this basis, the Central Committee now comprises 144 members representing affiliated organisations in 41 countries.

3.2 The Central Committee met in Prague in 1967, in Glasgow in 1968 and in Oslo in 1969. It will also hold its statutory meeting in Hamburg during Congress.

3.3 The Executive Committee elected in Vienna in 1966 met immediately following its election and has subsequently met in 1967 in London, Ottawa, Prague; in 1968 in London, Warsaw, Glasgow; in 1969 in London, Oslo, Hamburg.

3.4 Sub-Committees appointed by the Executive Committee dealt with technical assistance and financial matters respectively.

4. The Auxiliary Committees

(the actual reports to be reproduced in the Appendix)

4.1 Reports of the Auxiliary Committees are given as appendices to this Report and contain information about the highly useful work done by them since the Congress in Vienna. Established under Article 4 of the Rules of the Alliance, these Committees are specialised platforms for different sectors of the Cooperative Movement and help the Alliance in achieving its objects. Present Auxiliary Committees and dates of inception are as follows:

International Cooperative Insurance Committee: 1921
International Cooperative Banking Committee: 1922
International Committee of Workers' Cooperative Productive
and Artisanal Societies: 1947
Agricultural Committee: 1951
Housing Committee: 1952
Cooperative Wholesale Committee: 1956
Committee on Retail Distribution: 1958

4.2 There is, in addition, a Fisheries Sub-Committee formed in 1966 and a Sub-Committee for Agricultural Cooperation for South-East Asia formed in 1967, which is serviced from the Regional Office in New Delhi.

4.3 In the discussion on the Structure of the ICA, considerable attention was given to matters relating to Auxiliary Committees particularly their relations with the Secretariat, the presence of their representatives at the ICA Congresses and inter-auxiliary relationships. On the whole, the discussion revealed that the present form as it had evolved over the years was a satisfactory one, that closer association with the Secretariat should be considered when expressly desired by the Auxiliaries, that although no systematic channel existed for contacts between Auxiliaries, these came about mainly as a result of specific situations.

4.4 At the time of writing the Report, a Joint Committee had been considering the best ways of amalgamating the Cooperative Wholesale Committee and the Committee on Retail Distribution.

5. Working Parties and Other Groups

5.1 The Consumer Working Party met six times between the 23rd ICA Congress in 1966 and February 1969. At its meeting in London in May 1967, it decided to prepare a brochure on consumer affairs for submission to the ICA Executive in January 1969.

5.2 The November 1967 meeting of the Consumer Working Party in Hamburg was followed by a review of the way in which the needs of the consumer are being met by the Cooperative Movement in the Federal Republic of Germany.

5.3 At its 1968 meetings the Consumer Working Party prepared proposals for its own future activities which would mean that it would meet less frequently — perhaps once or twice a year — and would appoint two specialised sub-committees to work on national consumer policies and on relations with international consumer organisations. These proposals were submitted to the ICA Executive in January 1969 who decided that the matter should be put up to them again at their April meeting.

5.4 Between September 1966 and September 1968, Mr. Th. Viergever, Mr. R. Oger, Dr. C. J. Bock, Mr. F. Lambert, Mr. F. Custot and Mr. F. Naess resigned from the Consumer Working Party; and Mr. G. G. Groenewegen, Mrs. J. Soyez, Mr. J. Semler-Collery, Dr. W. Gebauer and Mr. R. B. Torkildsen were appointed members. In January 1969, Mr. P. Derrick was appointed Secretary to replace Mrs. L. Stettner.

5.5 The CWP has continued to advise and assist in the organization of the Consumer Conference. At its January meeting it asked the ICA Secretariat to prepare an International Declaration of Consumer Rights for discussion at Congress.

5.6 At its eighth meeting in Stockholm in November 1966 the Research Officers' Group discussed cooperative retailing with papers from France on the "Structure of the Network of Shops", from the Federal Republic of Germany on "Cooperatives and their Competitors" and from Sweden on "Cars, Shops and Buying Habits" and on "The Flow of Capital to and from Members".

5.7 At the meeting the following September in Manchester, Mr. Fred Lambert described some computer work undertaken in the CWS in connection with regional warehouse planning; and Mr. J. T. Meeson described the computer bureaux services of the CWS. At another session, Mr. J. Busse spoke of electronic data processing in the Federal Republic of Germany and a paper from Mr. J. Semler-Collery discussed the prospects for the use of computers by Cooperatives in France. Interesting papers were also given on the use of computers by Cooperatives in Sweden.

5.8 In September 1968 the theme of the meeting at Rome was "Planning the Shop Network" and papers were presented from the United Kingdom, Sweden, Norway, Finland, France and Italy. Mr. T. Szelazek of Poland was to have presented a paper but was unable to be present because of visa difficulties. It was agreed that the theme at the meeting of Research Officers at Helsinki in August, 1969, should be "Research Techniques for Analysing the Cooperative Image".

5.9 The Working Party of Cooperative Librarians and Documentation Officers, formed in 1956, includes 53 members in 23 countries; it meets biennially, and in the interim its recommendations and decisions are implemented by a working committee. Since the last Congress the Working Party has promoted the exchange of accessions lists; issued a bi-monthly review entitled "Libradoc" which now has a circulation of 150 copies, not only within the Working Party, but also to other libraries connected with cooperative organisations and educational establishments (particularly in developing countries). A bibliography of cooperative literature is distributed with each issue of "Libradoc". The Working Party has also collected information for an International Cooperative Bibliography; discussed the creation of International Cooperative Reference Centre; a sub-committee has been working on a draft vocabulary of cooperative terms. Since the completion of this draft the whole matter has been dealt with within the Secretariat of the ICA. Contact has been made with the Freier Ausschuss Deutscher Genossenschafts-Verbände for discussions on the possible publication of a joint edition, amalgamating its Cooperative Glossary and the ICA's draft vocabulary.

5.10 The Working Party has been increasingly concerned with technical assistance to, and the promotion of, libraries in developing countries. Mr. C. Kamp, Chairman of the Working Party and Librarian of CO-OP Nederland, went to Tanzania in 1967, at the request of the Cooperative College, Moshi, to advise on the provision and the development of library facilities at the Cooperative College. CO-OP Nederland assisted in this visit. Mr. Kamp issues a "Documentation Bulletin" for cooperative organisations in South-East Asia. This quarterly contains abstracts of important articles and is circularised to cooperative organisations and institutions in Asia; copies are also circularised to the members of the Working Party.

5.11 Since the decision at the time of the Bournemouth Congress, the Working Party has been assisting the International Jury, by recommending books on the Cooperative Movement to be considered by the Jury for the Award of the Jubilee Triennial Prize.

5.12 The ICA Secretariat has, as in previous years, provided secretarial and translating services for the Working Party. The ICA Librarian was elected Joint Secretary to the Working Party at its meeting in 1966.

6. Organisation of Secretariat

6.1 Dr. S. K. Saxena took over from Mr. W. G. Alexander as Director with effect from 1st October, 1968, after having under-studied the out-going Director for a period of about two months. The out-going Director continued to provide assistance to the new Director and gave freely of his time and advice.

6.2 Mr. J. Gallacher relinquished his post as Secretary for Administration and Mr. R. P. B. Davies took over that position with effect from 12th February, 1968. Mr. Gallacher also continued to make his advice available to the new Secretary for Administration. Mr. Davies is also Joint Secretary of the Housing Committee.

6.3 Dr. L. Sieber was appointed Secretary for Education and Technical Assistance with effect from 1st August, 1968, but in fact started employment on 3rd September, 1968.

6.4 Dr. J. H. Ollman continues to be the Publications Editor and is supported by two Publications Assistants.

6.5 Mrs. L. Stettner is the Secretary for Research, Statistics and Documentation and is Secretary of the Research Officers Group. She is assisted by Mr. P. Derrick who has recently taken over as Secretary of the Consumer Working Party.

6.6 Mrs. G. E. Stanford has been re-designated as Administrative Assistant with wider administrative functions and continues to be in charge of ICA statistics.

6.7 The Librarian, Miss A. Lamming, is the Joint Secretary of the Working Party of Cooperative Librarians and Documentation Officers.

6.8 The Agricultural Secretary, Mr. B. Zlataric, is Secretary of the ICA Agricultural Committee and the Fisheries Sub-Committee.

6.9 The Secretary for Women Cooperators, Mrs. M. J. Russell, is Secretary to the ICA Women Cooperators' Advisory Council. She also advises the Director on matters concerning Youth.

6.10 Mr. L. E. Woodcock represents the ICA at the United Nations in New York and Dr. M. Boson is our United Nations representative in Geneva. Mrs. R. Kaur is the United Nations Assistant at the ICA Headquarters and is responsible for all UN documents in addition to assisting the Librarian.

6.11 Mr. P. E. Weeraman took over as Regional Officer from Dr. S. K. Saxena with effect from 6th August, 1968. The Regional Office now includes two Ceylonese, one Japanese and one Swedish national.

6.12 Mr. Arne Holmberg is the ICA Officer for East and Central Africa at Moshi, Tanzania.

7. Finances

7.1 The full details of the ICA Income and Expenditure for the years 1966/1968 are given as an appendix to this Report. The totals of Income and Expenditure for these three years are as follows:

	Income	Expenditure
1966	108,440	91,999
1967	109,448	100,811
1968	119,085	116,503

7.2 It is evident that income is not keeping pace with expenditure although every effort is made each year by the Secretariat to keep expenditure to a minimum. At the 23rd Congress in Vienna, it was reported that the Executive had considered the possibility of devising an alternative basis of subscription which would be related to

turnover in order to try to give some protection to the Alliance against the effects of continued inflation on a fixed income. It was reported that the Executive had decided against pursuing the matter. Congress was warned that it may be necessary to reconsider this question in the future.

7.3 In addition to salary increases each year, administrative costs rise annually because of increases in postal and telephone charges, printing, etc. With the increased volume of work it is inevitable that there will be an increased postal bill, increased travel, etc. The Central Committee authorised extensions of the work of the ICA and this has entailed additional expenditure. At its Meeting in January, 1969, the Executive considered the finances of the ICA in detail and saw no alternative but an increase in subscriptions. At its Meeting in April, 1969, the Central Committee agreed to an increase of 10% in 1970 and a further 10% in 1971.

7.4 The Secretariat is at present engaged on a survey of the resources and expenditure of the ICA covering the next five years and the Central Committee will, in due course, consider this report.

7.5 The Alliance is again indebted to the Swedish Co operative Movement for its contribution to the common expenditure of the Regional Office and Education Centre for South-East Asia during the period under review, and for its secondment of Mr. Arne Holmberg to be ICA Officer for East and Central Africa from 1st October, 1968 with consequent financial commitments.

8. Publications

General

8.1 The struggle to keep publishing solvent against ever-rising costs is a chapter on its own in the history of cooperative publishing everywhere and the Alliance with its multi-lingual publications is no exception. Within the strict budgetary limitations, an adequate service of news and information has been provided to cooperators through various journals and occasional publications. Our object continues to be to ensure that cooperation, more particularly in its international aspects, is made known and understood by all. While much remains to be done, people using our information services have continued to increase, and greater use has been made of our press services, reports and articles.

Review of International Cooperation

8.2 Sixty-two years of unbroken publication of the "Review of International Cooperation" at a time when at every juncture we see the demise of well-loved periodicals around us is, for the International Cooperative Movement, a time for thanks-giving and also reflection. Over the years and to our own day, the Review continues to provide an exposition of the diverse facets of the cooperative movement. The Review is now appearing in four major world languages and its primary function is obviously to be the mouthpiece of the International Cooperative Movement; but it serves also to depict the development of the cooperative idea throughout the world. The objectives are wide and the audience varied. To a new reader we always must explain in simple terms what may elsewhere be taken for granted.

8.3 The situation reported to Congress in 1966, namely, the reduced readership due to amalgamations resulting from structural changes of the Movement, has not yet eased; it is still true that the subscription to the Review seems to be the first casualty on an official's change of position; on the other hand, new subscriptions have been received reflecting the expansion of the ICA membership since Vienna.

8.4 The rise in the price of the Review in 1968 by 5s. 0d. per annum has been a wise decision and has helped to maintain the earlier balance between revenue and expenditure. However, recently the printers of the Review have been constrained to

ask for a rise of 25 % in the printing costs and this may force us to revise the rate of subscription.

8.5 Again, attention is drawn to the availability of advertising space in the Review for national movements. This has proved successful for some advertisers in the past and the Review could certainly be a good media for accelerating international co-operative trade.

8.6 In Vienna we reported that an estimate had been obtained for publishing a Spanish edition of the Review in South America and we report now the publication of the "Revista de la Cooperación Internacional", which began with No. 1, 1968. The beginning has been promising and 500 subscribers were enrolled by the end of 1968 and it is expected to increase the number to 1,000 early in 1969. Thanks to the generous donation from the Austrian Cooperative Movement, it was possible to help financially in the publication of this international cooperative voice in Latin America.

8.7 We draw attention to the need for increased subscription orders to keep this important ICA impact in a healthy financial position.

Consumer Affairs Bulletin

8.8 From its inception in 1962, the Consumer Affairs Bulletin has steadily advanced in its object to arouse interest in consumer questions and has provided an ever-increasing volume of material on consumer information and protection. Naturally, the Bulletin concentrates on matters of primary interest to consumers as members of cooperative societies, but it is also often read and consulted by people outside the Movement who are interested in consumer, monopoly and other questions affecting the consumer generally.

8.9 The increase in price reported to the 23rd Congress has in no way reduced subscriptions and both editions — English and French — have widened their subscribers. Issuing the Bulletin monthly has been generally appreciated.

Cooperative News Service

8.10 This mimeographed monthly publication continues as a useful medium for reporting factual news and information and has been expanding its circulation. Its contents are naturally primarily for editorial offices of the cooperative movements throughout the world, but it is also widely read in government departments and by many others interested in cooperative activities. Its actual news content could further be improved if the Affiliates, and other organisations, could let the ICA have notice of events of importance in their movements well in advance of their printed magazines. Increased collaboration has been achieved between our CNS and the ILO's "Cooperative Information".

Agricultural Cooperative Bulletin

8.11 The Bulletin continues to provide highly useful news and comments on matters of agricultural cooperation and the addition of a summary of contents in French has enhanced its value.

Film Bulletin

8.12 A new edition of the Film Bulletin was compiled in 1968 and published at 5s. 0d. in English and is available from the ICA Headquarters.

Congress Reports

8.13 "Congress in Brief" covering the proceedings of the Vienna Congress appeared in English, French and German as the No. 1, Vol. 60 (January 1967) issue of the Review of International Cooperation and its early availability was greatly appreciated.

8.14 "Verbatim Report of the 23rd ICA Congress" was published in 1967 and is available (English only) from the ICA at £ 4 0s. 0d.

International Cooperation

8.15 This, as successor to *International Cooperation Vol. V, 1949—1957*, in the form of a two-volume loose-leaf edition, published in English, was launched in September 1963. *International Cooperation* includes accounts of the cooperative movements of all countries in which we have Affiliates, as well as some others, and supra-national cooperative organisations. The intention of the ICA is to cover all aspects of cooperative activity — consumer, agricultural, productive and artisanal, housing, credit, thrift, banking and insurance as well as educational activities — between 1959 and 1965/66.

8.16 Subscription to *International Cooperation* is £ 5 5s. 0d. for which the reader will receive two binders with reports of countries so far completed, already punched for alphabetical insertion into the binders. Over a three-year period the subscriber will receive accounts of all countries' cooperative movements, as well as revisions which may be interchanged in the loose-leaf binding system. It must be emphasised that the success of this publication must depend very largely on the readiness of our Affiliates to supply us with the relevant information.

The Role of Cooperation in Social and Economic Development

8.17 The book, being the proceedings of the Regional Conference, Tokyo, Japan, 10th—26th April, 1964, was published at the end of 1966 and has proved a most valuable tool for those studying the broad rôle of cooperation in social and economic development. Publication of this important book was made possible through the generosity of Norges Kooperative Landsforening, Norway.

Cooperation in the European Market Economies

8.18 Designed as an introductory book for students from developing countries studying the Movements in Europe, this publication was produced under the editorship of Mr. W. P. Watkins, by contributors such as R. Hewlett, L. Smith, E. Mondini, W. Ruf, Professor R. St. Alary, the Fisheries Division of the FAO and Deutscher Genossenschaftsverband. Different sectors of cooperative activity were presented with special reference to economic and social background of consumer, agricultural, workers' productive and artisanal societies, people's banks, fishery, housing and education, as well as the relationship of State and Cooperation. Costs of publication have been shared between IFAP and ICA and the surplus, if any, would be divided equally between the two organisations.

Trading of Cooperatives — South-East Asia (Eisenberg Report)

8.19 This important report of the fact-finding survey on the possibilities of increased cooperative trade across national boundaries in South-East Asia is now available and its publication has aroused great interest in this activity. Sales of the report have been very encouraging in spite of the comparatively high cost of £ 3 3s. 0d.

Report of the ICA Commission on Cooperative Principles

8.20 The final report of the Principles Commission's work in English, French and German, with the Congress Resolution on the report and a foreword by the then Director of the ICA, has been printed and copies, at a cost of 10s. 0d., are available from the ICA. The report has been selling steadily.

Cooperatives and Monopolies in Contemporary Economic Systems

8.21 A Resolution at the 23rd Congress on the question of Monopolies was withdrawn on the understanding that the subject matter would be discussed by the ICA Central Committee. The present publication contains the special paper presented to the Central Committee at its Meeting in Prague in 1967, as well as Professor Lambert's

speech of Introduction and the text of the Resolution approved by the Central Committee. The publication also includes extracts from speeches made by Members of Central Committee. The cost is 10s. 0d. and is available in English and German only, the French edition having been sold out.

Press Committee

8.22 The ICA Press Committee met in Paris in April 1968, at the invitation of the Fédération Nationale des Coopératives de Consommation, and agreed on the theme: "How can the Cooperative Press become an Effective Mass Medium for Cooperators and what Principles should guide it in deciding its Choice of Information and the Extent of its Exclusiveness in Cooperation", for the International Conference of the Cooperative Press to be held in Hamburg on 28th September, 1969. Mr. R. Kérinec of the FNCC, France, agreed to be the Chairman of the Conference.

75th Anniversary of the ICA, 1895—1970

Publications to commemorate this event

8.23 **Book by Mr. Watkins "The ICA 1895—1970"**. After the Meeting of the Central Committee in Glasgow, the ICA signed an agreement with Mr. Watkins to have the manuscript ready towards the end of 1969, for printing and publishing in July 1970. The book will be published in English (2,500 copies), French (1,000 copies) and German (1,000 copies), with the hope of an edition in Spanish to be offered to Intercoop Editora Cooperativa Limitada, Buenos Aires, printers of the "Revista de la Cooperación Internacional".

8.24 The contents of the book was discussed by Mr. Watkins with the former and present ICA Directors and the ICA Editor and agreement was reached that the book will be as comprehensive as possible. The intent on of the ICA is to publish the first edition by inviting subscriptions for numbered copies of the book. The book should sell at £ 2 10s. 0d., cost of production for all three languages amounting to approximately £ 7,000.

8.25 **Brochure**. This brochure, to be published in the languages of the ICA, and containing approximately 5,000 words and a remittance form to the ICA Development Fund, is likely to be ready early January 1970 and will be issued free to all Affiliates and those interested in cooperation throughout the world.

8.26 **An Article** of about 2,500 words with about eight photographs would appear in the "Review of International Cooperation" on the history of the ICA. This article will be available for translation into any language desired by Affiliates, who would, on request, be supplied with the photographs accompanying the article for use in their own papers some time during 1970, the Anniversary year. No fee will be charged for the use of the article and photographs, but users would be requested to make a plea for contributions to the ICA Development Fund at the end of the article.

9. Research and Statistics

9.1 The Research Section of the ICA continued to help to coordinate the research of national movements by compiling joint research returns from the group of Research Officers; and the Secretary for Research and Statistics is also Secretary of the Research Officers' Group. The Research Section produces the monthly "Consumer Affairs Bulletin" and contributes articles to the "Review of International Cooperation", including a six monthly review of structural changes taking place in cooperative movements in various countries.

9.2 The Section has been concerned with the planning and organisation of the Consumer Conference in Vienna and with the preparation of material for Congress and for the Central and Executive Committees; and also with material for "International Cooperation". It prepared a directory of cooperative travel organisations and

helped to organise the ICA Cooperative Travel Conference in May 1968. In 1967, it prepared a report on "Cooperatives and Monopolies in Contemporary Economic Systems" and during late 1968 and early 1969 it was working on a report for the ILO on "The Role of Cooperatives in the Industrialisation of Developing Countries".

9.3 Since the last Congress, there have been some changes in the presentation of statistics of Affiliated Organisations prepared by the ICA. Fuller information has been provided on cooperative trade and on cooperative employees; and it is hoped to make further changes in consultation with certain Cooperative Auxiliary Committees of the ICA to ensure that the figures from all countries are reasonably comparable.

9.4 The completeness of the ICA statistics necessarily depends upon the regularity with which Affiliated Organisations respond to the questionnaires. It is hoped to work more closely with the ILO to ensure that there are no discrepancies between the ICA statistics and those published by the ILO.

10. Education

10.1 The main regular events in the field of Education, organised by the ICA itself, were the annual international schools, since 1967 called seminars.

10.2 The 35th ICA School was held in Rouen, France, in 1966. The theme was: "Democracy and Efficient Management in the Cooperative Movement". There were 51 participants from 17 countries.

10.3 The 36th ICA School was held in Jablonna, Poland, in 1967. The theme was: "The Collaboration of Cooperative Organisations, Locally, Regionally, Nationally and Internationally". There were 57 participants from 16 countries.

10.4 The 37th ICA Seminar was held at Søhus, Denmark, in 1968. The theme was: "Problems and Achievements Arising from Recent Structural Changes in Cooperatives". There were 53 participants from 17 countries.

10.5 The 38th ICA Seminar is to be held immediately after the ICA Congress, at Suchdol (near Prague), Czechoslovakia. The Seminar will consider the position of the Member in a Cooperative Society.

10.6 These Seminars have been very successful in bringing together representatives of cooperatives of different kinds, mainly from European countries. In recent years the policy of the ICA has been to bring down the age limit of participants to 45 years, giving priority to participants from among cooperative staff earmarked for promotion. However, Member Organisations have not always respected this requirement in selecting their representatives, as a result of which there have usually been considerable differences between the experience, knowledge and educational level of the participants. The ICA cannot be very optimistic about improvements in this respect, unless Member Organisations take the selection criteria set by the ICA strictly into account, because the ICA itself has practically no influence on the selection.

10.7 The problems discussed at the Seminars have been of interest mainly for cooperative movements of European market economy countries, whose representatives have always accounted for an overwhelming majority of the participants, among whom, furthermore, representatives of consumer cooperatives have predominated. In view of this fact, the Central Committee has agreed with the Director's suggestion that in future these Seminars should be regarded mainly as regional events with significance mainly for European countries, and has authorised the Director to consider, whenever appropriate, the possibility of organising similar Seminars in other regions where the ICA has Affiliated Organisations.

10.8 The Central Committee also shares the opinion expressed at the International Conference on Technical Assistance to Cooperatives, held in Denmark in November 1968, to the effect that the themes chosen for International Seminars should be more specialised than in the past.

10.9 Another event of major importance was the Conference on Education organised in New Delhi in February 1968, in collaboration with UNESCO and the National Co-operative Union of India. Some details of the Conference appear later on in the Report.

10.10 Apart from organising educational events of its own, the ICA made encouraging progress in the field of coordinating wide-scale educational activities of its Affiliated Organisations, mainly through its annual publication of the Calendar of Technical Assistance, one part of which has been reserved exclusively for cooperative seminars and training courses for students from the developing countries.

10.11 Progress was also made in the sphere of sponsoring study tours of cooperative education leaders, within the framework of the activities of UNESCO. The ICA succeeded in obtaining grants from UNESCO for such study tours, thus enabling several groups of cooperative education leaders to visit the cooperative movements of other countries.

10.12 In the field of education, the ICA intensified its collaboration with UNESCO. ICA observers attended all Meetings of UNESCO concerning matters of interest to cooperatives, including the 15th General Conference held in Paris in October and November 1968. Furthermore, a representative of the ICA was elected Member of the UNESCO Standing Committee for Non-Governmental Organisations.

11. Technical Assistance and Development Fund

This part of the Report is divided into the following two sections.

Section 1 deals with technical assistance and, after drawing attention to some considerations which affect ICA's approach to technical assistance, goes on to indicate the broad lines of the work in this field by the Alliance.

Section 2 gives a background of the Development Fund and takes a look into the future in terms of its objectives, size and activities.

Section 1: Technical Assistance

11.1 The policy of the ICA in the field of Technical Assistance to Cooperatives in the developing countries has been determined by the specific role and position of the ICA, the main aspects of which are the following three:

a. As an organisation of Cooperatives, the ICA continues to pursue the aim of promoting the establishment and development of cooperatives of all kinds, being convinced that cooperatives represent one of the most suitable and efficient forms of organisation to raise the material and cultural standards of living of wide sections of the population in general and in the developing countries in particular.

b. As a world wide organisation, the ICA is aware of the possibilities arising from this fact, i.e., helping to coordinate projects with its Affiliated Organisations, besides collaborating with other international organisations.

c. As a voluntary non-governmental organisation, the ICA has had to confine its projects in scope to the limited funds available through voluntary contributions of its Affiliated Organisations.

11.2 Therefore, the policy of the ICA has not been, and cannot be, to substitute in any way the efforts made by the governments of either recipient or donor countries and by international organisations, whether governmental or non-governmental.

Rather, the aim of the ICA has been to supplement such assistance in the specific way which characterises the cooperative movement, i.e., by concentrating on those aspects which would release the powerful forces of self-help and ultimately render external technical assistance self-liquidating. For this reason, the main focus of attention of the ICA has been on education in the broader sense of the word, i.e., the sense which recognises that the creation of an efficient and economic cooperative institution is the best educational laboratory which the members of a cooperative society could wish for.

11.3 The attempts of the ICA to achieve rationalisation in the programmes of technical assistance by compiling relevant information, coordinating with other international organisations, initiating significant research and surveys, as well as holding Conferences and Seminars on various topical problems, may be illustrated by the following examples:

- a. The ICA has issued annually, since 1966, a Calendar of Technical Assistance with the aim of obtaining necessary information on educational facilities and cooperative projects and making it available to interested organisations.
- b. The ICA has kept in constant touch with the cooperative programmes of other international organisations, lending them support within the means and competence of the ICA.
- c. The Liaison Committee has already been referred to in the Introduction of this Report. There are indications that several specific projects dealing with international financing of cooperative enterprises, cooperative trade in Africa, preparation of a Cooperative Vocabulary, etc., are likely to emerge out of the deliberations of the Liaison Committee.
- d. Significant organisational models, such as that of a multi-purpose cooperative society, are being studied in Ceylon with a view to obtaining clarity as to their relevance at the primary level.
- e. Supporting assistance is being provided out of the ICA Development Fund for the creation of an Integration Institute for Latin America to initiate structural reforms in the cooperative movements.
- f. The ICA representatives took part in the Second International Conference on Technical Assistance to Developing Countries in the Cooperative Field, held at Holte, Denmark, 10th to 13th November, 1968.

Section 2: Development Fund

Purpose

11.4 The Rules of the ICA make it clear that one of the main aims and overall purposes of the ICA is to substitute for the profit-making régime a cooperative system organised in the interests of the whole community and based upon mutual self-help.

11.5 To many millions of people, however, the cooperative idea is still unknown, strange or new. Many who have heard of it do not realise what it can offer as a practical alternative to the profit system. This is a great gap that the ICA must fill. To do so, however, the ICA needs not only a programme and goodwill, but also the means.

11.6 The need for help is felt most strongly in the economically under-developed parts of the world, accounting for more than half the population of the earth. This fact of course, is realised not only by the ICA, but also, in particular, by the United Nations and its Specialised Agencies, as well as by many national governments and international organisations of various types. The role of the ICA, therefore, is not to substitute the efforts made by all these organisations and institutions, but to contribute in the specific manner for which it has the prerequisites.

11.7 Being a world-wide organisation of cooperatives, it could make a most important contribution towards the general uplift of the poorer parts of the world by making wide sections of the population realise that cooperation offers a method through which they can do a great deal by helping themselves. In this way it would be possible to make use of the great potential strength of the "hidden reserves" waiting to be awakened in the form of arousing initiative and purposeful efforts on the part of millions of people whose greatest impediment has been so far that they do not know what to do for the betterment of their living conditions.

11.8 Being an international organisation, the ICA is in a favourable position to help significantly in coordinating various projects of technical assistance to cooperatives in the developing countries, as well as collaborating with other international organisations. Some efforts made in this directions have been mentioned in Section 1.

Nature and Extent of Utilisation of the Fund

11.9 The history of the establishment of the Development Fund goes back to the 19th ICA Congress in Paris in 1954, where considerable attention was paid to the need for technical assistance to cooperatives in the developing countries and the following motion was passed:

"This Congress resolves to establish an international fund under the auspices of the International Cooperative Alliance, to foster, encourage and develop Cooperative activities and enterprises in under-developed countries."

11.10 For most of the following fifteen years, the Development Fund was used partly for supporting small educational projects, but mainly for outright grants for various items donated to cooperative organisations in the developing countries, for example printing presses, audio-visual means of communication, etc.

11.11 The decisions to donate items of the above-mentioned nature have always been motivated by the realisation that, in view of the limited funds available to the ICA, technical assistance expenditures could only be worthwhile if they had a multiplier effect in recipient countries.

11.12 By the time of the 20th ICA Congress held in Stockholm in 1957, the amount of the Fund reached nearly £ 46,000 and payments out of it had been made for a mobile film unit to Ghana, for a printing press to Eastern Nigeria, for the Jamaica Project and for the financing of an ICA Mission to South-East Asian countries.

11.13 During the three years that followed, contributions of less than £ 2,000 only were received, while payments totalled nearly £ 20,000.

11.14 The generosity of contributors continued to decline even further between 1960 and 1963, during which period the Fund only got contributions totalling less than £ 600.

11.15 By the time of the 23rd ICA Congress, held in Vienna in 1966, the total contributions since 1963 totalled approximately £ 24,000, but a considerable proportion of these contributions represented 10 per cent of the funds raised by the following cooperative organisations: Konsumverband, Vienna; Co-operative Union of Canada, Ottawa; Verband schweiz. Konsumvereine, Basle; Cooperative League of U.S.A., Chicago; Norges Kooperative Landsforening, Oslo; British Societies.

11.16 From 1966 to December 1968, ordinary contributions to the Development Fund totalled £ 39,626. These came from Australia, Austria, Canada, Netherlands, Norway, Japan, Sweden, Switzerland, United Kingdom, U.S.A. In addition, there were special contributions of £ 17,447 from the Federal Republic of Germany for the Bhor Dairy Project in India; from the International Co-operative Women's Guild (on disbandment) of £ 2,265; From the IFAP of £ 803 towards the publications cost of a text book "Co-operatives in Market Economy Countries of Western Europe"; from Canada,

United Kingdom and U.S.A., a total of £ 413 towards the English translation costs of the book awarded the Jubilee Triennial Prize in 1966 "Co-operation in the Developing Countries" by A. Ghanic Chaussy and translated by A. S. Addison. The total income during this three-year period was £ 60,554. The total sum in the Development Fund at 31st December, 1968, was £ 72,300.

11.17 The total expenditure in this three-year period was £ 37,324. Of this amount, £ 3,373 was given as grants towards the costs of publications; £ 1,150 was given towards accommodation costs of co-operative personnel visiting Europe, mainly during their stay in the United Kingdom. Apart from the £ 17,447 given at the direction of the Co-operative Movement of the Federal Republic of Germany from its deposits with the ICA, the biggest single remaining item was £ 4,239 for financing the Eisenberg Mission to South-East Asia. Grants were given for a Land Rover and furniture for the Co-operative College in Tanzania; an printing press in Kenya; projectors and text books in Botswana. Half the cost of the ICA Regional Seminar on International Co-operative Trade in Tokyo was met out of the Fund (£ 2,166). Assistance was given to two FAO studies on Karachi Fisheries and Processing of Agricultural Produce. The advisory mission to Tanzania of Mr. Kamp of CO-OP NEDERLAND on cooperative library facilities was aided by £ 551. Grants were given to supplement UNESCO bursaries awarded to co-operators and the costs of the study tour to Europe of the Officer for Technical Assistance and Trade in the South-East Asian Office was met from the Fund (£ 1,750). Firm commitments in the near future, already approved, are as follows:

- a) OCA/KF/ICA Integration Institute for Latin America £ 2,000 (p.a. for 3 years)
- b) Study on Guarantee Funds to Promote International Financing of Co-operative Enterprise £ 3,000
- c) 2nd Consultation of Experts on Agricultural Marketing in Kenya £ 1,000

Taking these commitments into account and the income received up to March 1969, the total effective amount in the Fund is £ 64,500.

11.18 It clearly follows from the above statement that resources available to the ICA in the Development Fund have had to be confined to a very modest scale, thus considerably limiting the possibilities of the ICA in its efforts to provide efficient technical assistance in all fields of activity for which it has unique and unparalleled prerequisites.

Changing Strategy

11.19 Since the Vienna Congress, a deliberate change in the strategy of utilisation of the Development Fund has been brought about. Although small projects have continued to be supported, it has been realised that concentration on sizable, meaningful projects would heighten the impact of technical assistance to developing countries. This approach has given an advantage to the Alliance in successfully inviting collaboration from other organisations. Three examples may be cited to illustrate this approach. When the ICA decided to survey the situation of cooperative trade in South-East Asia and expressed its readiness to back up the project financially, it was most encouraging to see that substantial assistance was forthcoming from the English CWS. A similar example was ICA's preparedness to back a Spanish Edition of the Review of International Cooperation and the very generous support which followed from the Austrian Cooperative Movement. More recently, when the Executive Committee earmarked a sum of £ 3,000 for the study on Guarantee Funds to Promote International Financing of Cooperative Enterprise as an earnest of its intentions, the International Cooperative Bank in Basle came forward with magnificent promise of support. It is likely that the FAO and the ILO might also extend support to the study.

11.20 The purpose of the change in strategy is then two-fold; first, to deepen the impact by concentrating on carefully selected sizable projects without, of course, sacrificing smaller ones especially those that have a multiplier potential, and, secondly, by providing the initiative backed by the promise of covering the costs to an extent larger than hitherto, to evoke support from other organisations. It is worth noting that this approach often meant that the ICA actually spent less than what it had originally accepted to spend on a particular project.

A Look into the Future

11.21 The ICA is on the threshold of 1970, when it will be celebrating the 75th Anniversary of its foundation. A great deal has changed in the world since then, but the aims of the ICA have remained practically identical. While one part of the world is undergoing a scientific and technical revolution, the greater part of the world still lives on the brink of starvation and in primitive conditions. Many of the problems faced by the less fortunate part of mankind could very well be solved or facilitated through cooperation. This fact was realised by the General Conference of the ILO, held in 1966, as a result of which a significant document (No. 127) was adopted, recommending to governments of the developing countries to encourage cooperative development. Moreover, the role of cooperation was emphasised by the General Assembly of the United Nations in its Resolution No. 2459 (XXIII) unanimously adopted in November 1968, asking the International Co-operative Alliance by name to help in realising the objectives of the Resolution.

11.22 Consequently, the need for efficient cooperative action in the field of technical assistance to the developing countries would continue to grow in importance. And ICA, in that context, holds a pivotal position. However, in the present activities and plans for the future, the hands of the ICA are tied by an absolute insufficiency of adequate funds and this insufficiency is exemplified in the following situations:

- a) Wherever any projects are to be launched jointly with other international organisations, it is expected that the ICA will provide not only the know-how, but also part of the finances needed. The limited possibilities created in this respect by shortage of finance are obvious.
- b) As will be recollected, particularly in connection with the 75th Anniversary of the ICA, one of the main roles to be played by the ICA is educational, in the broadest sense of the word. It would, therefore, appear quite logical that the ICA should be able to do more than hold occasional seminars and conferences and give advice here and there; it should be able to produce educational aids on its own (text books, audio-visual aids, etc.).
- c) While individual national organisations affiliated to the ICA have very good schools, colleges and research institutes and are doing excellent work in providing training for cooperators from developing countries, there is considerable scope for the ICA to perform a coordinating action.
- d) The ICA Regional Office and Education Centre for South-East Asia and the ICA Office for East and Central Africa in Moshi, Tanzania, depend almost to the extent of 80 per cent on the support of one national organisation affiliated to the ICA, the Kooperativa Förbundet, Sweden. The voluntary contributions from Swedish co-operators now amount to more than £ 200,000 p. a. There are other areas in developing countries where ICA initiative is urgently required.
- e) More resources would also be needed for helping the creation of economic projects in developing countries, which would serve several purposes: besides helping the local people in the material respect, they would also prove most valuable educationally. Examples can be found in the various planned projects of helping to establish fish canneries, fruit processing factories and other kinds of enterprises in various developing countries.

f) In frequent instances it would also be highly desirable for the ICA to give material assistance to cooperative organisations in the developing countries, either in the form of equipment or even, sometimes, in the form of grants. The latter has recently become increasingly appropriate because cooperative organisations in the developing countries are frequently in a position to launch cooperative projects without outside advice, for they already have all the necessary know-how, but are simply hindered by lack of funds in foreign exchange.

11.23 The above list is not meant to suggest that the ICA should become a major financing organisation; the purpose, rather, is to ensure that, if necessary, the Alliance should be able to provide that marginal critical element in assistance which could make the difference between success and failure of a project. We are now in the paradoxical situation where the moral prestige of the ICA in the world is increasing and its practical possibilities are limited to merely a fraction of what it could contribute to the present day world due to the inadequacy of the Development Fund.

11.24 The future activities, programme and significance of the ICA, therefore, depend to a great extent on the decision of this Congress about providing adequate resources to the ICA Development Fund. The Central Committee urges the Congress to realise the responsibility for this decision for it may be said without exaggeration that, while preparing to celebrate the 75th Anniversary of its existence, the ICA is simultaneously standing at the cross-roads decisive for the role which it will be enabled to play in the international field in responding to some of the most urgent needs of mankind.

12. Resolutions of the Vienna Congress

12.1 Resolutions of the Vienna Congress were concerned with: Cooperative Principles, technical assistance and questions of structure. At its Meeting in London in 1967, the Executive Committee asked that copies of the Resolutions approved by Congress should be sent to Member Organisations for information and action, if necessary. This was done and copies of other resolutions relating to cooperative housing, international trade, peace and Vietnam had been sent to the Secretary-General of the United Nations. They were acknowledged and it was indicated that they were being brought to the notice of the appropriate organs of the United Nations.

12.2 Member Organisations gave publicity to the Resolutions adopted by the Congress and the Executive Committee considered the Resolution on Cooperative Principles and authorised its publication together with the original Report of the Commission on Cooperative Principles as well as an introductory statement. The document is available in three languages.

12.3 The follow-up action on the Resolutions of the Vienna Congress was reported to the Central Committee at its Meeting in 1967.

12.4 The subject matter of the Resolutions continues to engage the attention of the Secretariat. The Resolution on Cooperative Principles has led to the acceptance by the Central Committee of certain changes in the Rules of the Alliance. Matters concerning technical assistance have continued to occupy a prominent place in the work of the ICA and a rather extended discussion of the Development Fund is presented elsewhere in the Report. The discussion on the theme "Contemporary Cooperative Democracy" at the present Congress is a logical outcome of the discussions on structural changes at the Vienna Congress.

13. ICA and the Regions

Regional Office and Education Centre for South-East Asia, New Delhi

13.1 The Regional Office started in 1960 for South-East Asia and covers the Movements of the following countries: Australia, Ceylon, India, Iran, Japan, the Republic of Korea, Malaysia, Pakistan, Papua and New Guinea, the Philippines, Singapore and Thailand.

13.2 The functions of the Regional Office continued to be those reported to the Congress in Vienna. The Swedish Cooperative Movement continued to contribute the major part of the finances — about four-fifths of the funds required, the balance being made up by the Alliance. There is a growing awareness among the movements of the Region of the need to contribute increasingly towards financing the activities of the Regional Office and Education Centre.

13.3 The Advisory Council continued to guide the Regional Office and Education Centre and also to function as the Board of Advisers of the Institute for the Development of Agricultural Cooperation in Asia of the Japanese Agricultural Cooperative Movement. Professor D. G. Karve, who was Chairman of the Advisory Council died in December 1967, having rendered distinguished services to the Regional Office. Mr. B. Venkatappiah, Member for Agriculture in the Planning Commission of India, was nominated Chairman in July 1968. Within the period under report, the Advisory Council held four meetings — at Manila, Tokyo, Kuala Lumpur, and Teheran, in October 1966, November 1967, November 1968, and March 1969, respectively.

13.4 The Regional Office and Education Centre moved into their own new buildings on 16th February, 1968. They were inaugurated by the President of the Alliance, Dr. Mauritz Bonow, in the presence of a large gathering including the Minister for Food, Agriculture, Community Development and Cooperation of the Government of India. The buildings cost nearly 3 million Rupees, and in addition to contribution from the ICA's Development Fund, valuable assistance was received from the Central Union of Agricultural Cooperatives, Japan, the Swedish Foundation "Without Boundaries" and the SIDA. The Government of India has extended valuable facilities to non-Indian Officers working with the Regional Office and to the Office itself for import of equipment that is not indigenously available.

13.5 A significant development of this period was the setting up of a South-East Asian Sub-Committee of the ICA Auxiliary Committee for Agricultural Cooperation in January 1967. The Sub-Committee for South-East Asia held three meetings within this period in Tokyo, Kuala Lumpur, and New Delhi, in November 1967, November 1968, and February 1969, respectively. The Regional Office provided the necessary secretarial assistance.

13.6 Dr. S. K. Saxena, on his appointment as Director of the Alliance, was succeeded as Regional Officer in August 1968 by Mr. P. E. Weeraman, former Commissioner for Cooperative Development, Ceylon.

13.7 Mr. Alf Carlsson, who was Director of the Education Centre from 1966, left in June 1968 to resume duties as Director of the Swedish Cooperative Centre and his place has been filled by the appointment of Mr. J. M. Rana, until then Co-Director of the Education Centre.

13.8 The Regional Office and Education Centre was reorganised in January 1967 by the addition of separate sections for Technical Assistance including Trade and for Administration, with a Joint Director in immediate charge of each of the new sections.

13.9 During this period there has been a greater involvement of the Movements of the Region in the work of the Regional Office and Education Centre as will be seen from the detailed accounts given below. Greater appreciation of the work done by the

Alliance may be inferred from the willingness of the Movements of the Region to bear the local costs of seminars, conferences, etc., to a greater degree than in the earlier period.

13.10 A comprehensive programme of seminars and conferences was followed during this period. Twenty-one short-term education programmes, with 675 participants, were conducted during the period.

Matters worthy of special mention are given below.

International Conference on Cooperative Education

13.11 An International Conference on Cooperative Education was held in New Delhi in February 1968. It was directed by Mr. W. G. Alexander, the then Director of the Alliance, and it had the full-time participation of the President of the Alliance. The participants were received by the President of the Republic of India. There were nearly 50 delegates and observers from 15 countries both within and outside the Region. The Conference brought together specialists in cooperative education from International Cooperative Training Centres and top-ranking leaders of the Movements in the Region. Its purpose was to make better known the programmes for cooperative education and training provided by advanced cooperative movements, to bring about greater understanding of the requirements of the movements in the Region in respect of cooperative training, to arrange for the proper communication of such information, and to assist in the adaptation of programmes of training centres outside the Region to suit the students from the Region.

13.12 The Conference considered the desirability of the establishment of a cooperative international training institute at the apex level for the training of teachers on a more permanent basis and suggested that the Regional Office and Education Centre should coordinate the training needs of the Movements in the South-East Asian Region and help the member movements in developing study circle techniques, disseminating techniques of writing text-books and using relatively inexpensive visual aids, formulating syllabi and evaluating international training programmes.

Regional Conferences

13.13 Two Experts' Conferences were held within this period. Their themes were (a) "Cooperative Marketing" and (b) "Cooperative Member Education". These experts' conferences proved to be valuable consultative forums as well as educational programmes for the top leadership of the Movements in the Region. The reports of these conferences formed valuable study material for national seminars designed to follow-up the recommendations made therein.

13.14 A Conference on "International Cooperative Trade" was held in Tokyo in June 1968 in pursuance of the recommendations made by the Regional Conference of Cooperative Ministers and Officers held in Tokyo in April 1964, referred to in the last report, and the recommendations of the Third Asian Agricultural Cooperative Conference held in New Delhi in January 1967. The Conference made a number of recommendations for the strengthening of the role of the ICA as a clearing house for trade promotion activities and suggested that the Agricultural Sub-Committee for the Region should deal with problems of international cooperative trade as well.

Regional Seminars

13.15 Seven regional seminars were held within this period on the following subjects: (i) "Organisation and Functioning of Cooperative Unions", (ii) "Consumer Cooperation in a Competitive Setting", (iii) "How to Establish a Cooperative Processing Plant", (iv) "Cooperatives in Agriculture: An Integrated Approach", (v) "Cooperative Training", (vi) "Retail Management in Consumer Cooperative Movement" and (vii) "Follow-up of ICA Fellowship Programme".

National Seminars

13.16 The Regional Office and Education Centre assisted the Member Organisations in organising nine national seminars as a follow-up to the previous Regional Seminars.

Fellowship Programme

13.17 Six fellowships were awarded within this period to participants from Ceylon, India, Iran, Japan and Korea. The subjects of their study were "Member Education" (1966—67) and "Supervised Agricultural Credit" (1967—68). A follow-up Seminar was held in March 1968 to evaluate the fellowship programme and to provide an opportunity for the exchange of ideas and experiences between the former ICA Fellows.

Teachers' Exchange Programme

13.18 On the recommendations of the Advisory Council in 1968, a programme for the exchange of teachers was followed. Three teachers of cooperative training centres visited other training centres/Cooperative organisations within the Region on lecture-cum-study assignments.

Research

13.19 The Regional Office and Education Centre and the Afro-Asian Rural Reconstruction Organisation jointly sponsored a study on "Multi-purpose Cooperatives in Ceylon". Professor Jacen T. Hsieh of the Nanyang University of Singapore undertook this work and his report is awaited.

13.20 A study of personnel management in selected Cooperative Super Bazaars of India is being carried out by a Joint Director of the Office.

Publications

13.21 In addition to the reports of conferences and seminars mentioned above, the following books were issued within this period by the Regional Office.

- i. "Agricultural Cooperative Credit in South-East Asia"
- ii. "Education and Voluntary Movements"
- iii. "Cooperative Trade Directory"
- iv. "Economics of Consumer Cooperatives" — 2nd Edition
- v. "Manual for Study Circle Leaders" — revised edition
- vi. "Farming Guidance in the Cooperative Movement in Japan".

Publicity

13.22 The Regional Office participated in several cooperative exhibitions and continued to publish the "Information Bulletin", now made a quarterly.

Technical Assistance from the ICA

13.23 There was a considerable increase in the activities of the Office in the field of technical assistance since the last Congress. With the establishment of a separate section, Technical Assistance including Trade, the Cooperative Movements in the South-East Asian Region have not been slow to avail themselves of these services. There were several requests in this field to the Office and action is under way to meet most of them.

Consultative Services

13.24 Increased consultative services were made available to cooperative organisations in the Region. Thus, the National Cooperative Consumers' Federation of India and the Government of India were assisted with a view to improving the working of consumer cooperatives in India. Also, with the generous help CO-OP Nederland, the services of Mr. C. Kamp were obtained and made available to cooperative libraries in Ceylon, India and Pakistan.

Gifts of Books and Equipment

13.25 109 books worth about £ 80 were gifted to the East Pakistan Cooperative Union in Dacca and 104 books on Cooperation valued at £75 were given to the Karachi Cooperative Union. Books and literature published by the Office were also supplied to the Philippines Cooperative Credit Union League (PHILCUL) and the Gerakan Koperasi Indonesia (GERKOPIN). Efforts are being made to obtain books written in English on Cooperation and library equipment for the library of the Agricultural Cooperative College of the National Agricultural Cooperative Federation of the Republic of Korea.

13.26 The Technical Assistance Sub-Committee recently made a gift of audio-visual equipment worth £ 588 4s. 9d. to the Cooperative Federation of Ceylon for its educational activities.

Obtaining Assistance for Developing Movements

13.27 As a result of the Resolution of the 22nd Congress at Bournemouth in 1963, the office has been dealing with several projects.

13.28 These projects are for the establishment of a multi-commodity fruit and vegetable processing unit by the National Agricultural Cooperative Marketing Federation of India; a consolidated fruit processing plant by the National Agricultural Cooperative Federation of the Republic of Korea; a cattle feed plant by the Koyna Cooperative Milk Producers in the State of Maharashtra, India; a fruit processing plant and a fish canning plant by the Cooperative Consumers' Union of Ceylon and a fertilizer mixing and granulating plant by the Central Cooperative Exchange of the Philippines.

13.29 Final arrangements are under way in regard to the Bhor Cooperative Dairy Project which is to be established with the assistance of the Federal Republic of German Consumers' Coop Congress. The building operations are due to commence in March whilst the machinery required is now on order. The project should be completed by the end of 1969.

13.30 The Regional Office was able to obtain a gift of a 16 mm project from the HISTADRUT of Israel for the Philippine Cooperative Credit Union League and books on Cooperation from the Central Union of Agricultural Cooperatives of Japan for the Agricultural Cooperative College of the Republic of Korea.

13.31 The visit of an Expert to complete a feasibility study of a Fish Canning Project in Ceylon is to be financially assisted from the ICA Development Fund and the Caisse Centrale de Crédit Coopératif, Paris. The local costs for the visit of the Expert would be borne by the Ceylonese Cooperative organisation.

Promotion of International Cooperative Trade

13.32 The promotion of economic relations among cooperative organisations was pursued on the lines recommended by the Tokyo Ministers' Conference. As envisaged in the last report, Mr. Walter Eisenberg, worked with the Regional Office for one year. The report of his survey as well as the Trade Directory and other documents published by the Regional Office appear to have created an awareness of the potentialities of international cooperative trade among cooperative trading institutions of the Region.

13.33 The Regional Office has continued to function as a clearing-house for marketing information and guidance to cooperatives. It also assisted the National Cooperative Union of India in the organisation of the Third Asian Agricultural Cooperative Conference, the main theme of which was international cooperative trade. The issue of a trade information bulletin is also under consideration.

Collaboration with International Organisations

13.34 The Regional Office continued to collaborate with UN Agencies in several fields such as participation in the ECAFE Annual Sessions and Committee on Trade, the FAO and the ILO Regional Conferences, and the 2nd UNCTAD. The Director of the Education Centre gave a lecture at the ILO Inter-Regional Seminars held in Denmark in 1968. Collaboration has also been maintained with other non-governmental international organisations.

Library

13.35 The Library of the Regional Office and Education Centre has steadily grown in size. At present it has over 7,000 books and 3,000 booklets. The Library publishes a half-yearly supplement to its Annotated Bibliography of literature produced in English and the national languages by the Cooperative Movements of the South-East Asian Region. The Office also issues a quarterly annotated bulletin of articles on Cooperation and allied subjects, along with a classified list of additions to the Library. Through the support of CO-OP Nederland, Mr. Kamp was able to visit and advise cooperative libraries in Pakistan, India and Ceylon. The quarterly documentation bulletin compiled by the Chairman of the ICA Working Group of Cooperative Librarians and Documentation Officers is reproduced and circulated in the Region. There are additional services made available to Cooperators, e. g., preparation of bibliographies on specialised subjects.

Contacts with Member Organisations

13.36 The present Regional Officer undertook a six-weeks' tour of the Region, covering Japan, the Republic of Korea, Malaysia, the Philippines, Singapore and Thailand, in November-December 1968. He made valuable contacts with the leaders of the respective movements and also had the opportunity of studying the local situations and of discussing outstanding problems with some of the governments concerned.

ICA Office for East and Central Africa, Moshi, Tanzania

Location of the Office

13.37 Consequent on the decision of the Central Committee at its Meeting in Glasgow in September 1968, the ICA Office for East and Central Africa started to function on 1st October, 1968 in a room at the Cooperative College, Moshi, Tanzania, but office rooms have since been acquired at the Kilimanjaro Native Cooperative Union, as a donation from the Cooperative Union of Tanganyika.

13.38 The present staff consists of the Regional Officer, Mr. Arne Holmberg, a shorthand-typist and a Messenger/Driver. An Assistant Director will be employed in the near future.

13.39 The Swedish Cooperative Foundation "Without Boundaries" has donated three houses in Moshi, to be used by the senior staff of the ICA Office.

Activities

13.40 At the time of writing the Report, most of the educational activities were in the planning stage. During 1969, a meeting of the committees of the ICA Member Organisations in Kenya, Tanzania and Uganda is foreseen and such a meeting is likely to be held at least once every third year.

13.41 There will be a Cooperative Council which will supervise the work of the Office. The Council is scheduled to meet at least three times a year. At the time of writing, the first Meeting is to be held on 25th February, 1969. The Council will also consider expansion of the office activities to cooperative organisations outside Kenya, Tanzania and Uganda.

Seminars and Working Parties

13.42 Several Seminars are being planned for 1969. There are likely to be two or three Seminars organised for teachers of Cooperative Colleges; one Seminar on marketing problems and, possibly, one on inter-cooperative trade. A Seminar on cooperative policy on Savings, Thrift and Credit is also being considered.

Visits of the Regional Officer

13.43 The Regional Officer has undertaken several visits to the three countries over the past months. He has endeavoured to participate in all committee meetings of the member organisations and has attended the Annual General Meeting of the Kenya National Federation of Cooperatives. A series of discussions have taken place on the future work of the office with representatives of the Cooperative Movements and the Governments.

13.44 At the end of last year, the Regional Officer visited, as part of his holidays, Sweden and took the opportunity of having business discussions in Sweden, United Kingdom and Italy. Contacts were established in Rome with the FAO and the IFAP.

Representation

13.45 The Regional Officer represented the ICA at a Conference in Nairobi in September 1968, when the Africa Cooperative Savings and Credit Association (ACOSCA) was formed and later participated in talks about the formation and future development of ACOSCA. The Regional Officer was invited to the Annual Meeting of the Tanzania Savings and Credit Societies League in October, to the Conference of the Nordic Kenya Cooperative Project in October and to the inauguration of the Training Shop at the Cooperative College, Moshi, also in October.

13.46 The Regional Officer is a member of the Board of Governors of the Cooperative Education Centre, Moshi.

Information and Public Relations

13.47 Several articles and interviews have appeared in newspapers and there has been a special education programme on the ICA over Radio Tanzania. "Voice of Kenya" has broadcast an interview with the Regional Officer. Lectures have been held at the Cooperative College and other Institutions. It is planned to organise lecture tours with the Secretaries-General of the Apex Organisations in their respective countries.

13.48 The issue of a Cooperative News Bulletin for East Africa is being considered.

13.49 The possibilities of joint arrangements for International Cooperative Day on 5th July, 1969, are being looked into.

Contacts with OCA in Latin America

OCA Goals

13.50 Since its second assembly at Viña del Mar, Chile, in 1967, where stock was taken of the work done up to that time and plans for the future were analysed and re-orientated, the OCA programme has been concentrated on the following areas of action:

- a) Developing a clearer image of the institutions' aims and purposes among its members and acquaintances.
- b) Increasing membership, thus providing the financial resources for the organisation.
- c) Stimulating more local participation in OCA's work through advisory councils in each country.

- d) Strengthening SIDEFCOOP as the institutional arm to research, organise and assist financing programmes for cooperative societies.
- e) Improving existing cooperative training centres.
- f) Enacting new or improve cooperative laws.
- g) Promoting the establishment of upper level cooperative organisations (federations and confederations).
- h) Fostering cooperative trade at national and international levels.
- i) Rendering technical assistance to cooperative projects of national impact.
- j) Developing awareness of the need of incorporating cooperative development as a component of national economic and social programmes.

13.51 To implement this programme OCA uses an operational structure with headquarters in San Juan, Puerto Rico, and regional offices serving all of Latin America. These offices are located in Costa Rica, Colombia, Brazil, Chile and Argentina. In September 1968, a national office was opened in Panama.

Major Accomplishments (1967—1968)

Membership

13.52 Membership was increased from 122 in December 1966 to 256 in December 1968, a growth of 134 new affiliated organisations for the period. Of the 256 affiliated organisations by December 1968, 58 were second or third level cooperative institutions (unions, federations and confederations). Nine of the eleven third grade cooperative associations in America (national confederations) are members of the OCA.

Advisory councils

13.53 These are groups, representing OCA members in a given country, organised to help the regional agents in planning and conducting work plans in each area. Up to December 1968, advisory councils have been organised in Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Bolivia, Peru, Venezuela, Dominican Republic, U.S.A., Panama and Puerto Rico. Where the number of OCA members was not large enough to organise an advisory council, national promotion committees were established. These operate in Honduras, Guatemala and El Salvador.

13.54 OCA provided economic support to these committees on a sharing basis, local cooperatives providing an amount equal (or higher) to OCA's contribution.

Cooperative Financing Institutions

13.55 Through SIDEFCOOP, a sister organisation, OCA had assisted in the setting up of cooperative financing institutions prior to 1967 in Ecuador, Argentina, Chile and Peru. In 1968, assistance was given to the incorporation of an institution in Colombia and to feasibility studies conducted in Venezuela, Central America and Panama.

Cooperative Education

13.56 A preliminary survey was conducted in 1967 aimed at identifying and locating cooperative training institutions in America. In 1968, a more complete study was started to evaluate teaching programmes and their effects in the 38 institutions identified through the 1967 survey.

13.57 Over 130,000 copies of promotional and educational material were produced during 1967—68, among these: 60,000 copies of "Cooperative America" (the organisation's newsletter edited in Spanish, English and, up to July, also in Portuguese); 50,000 copies of a basic series on cooperative education; an OCA yearbook and two training manuals.

13.58 Twenty scholarship were granted to an equal number of Latin American leaders and/or students to receive second country training.

13.59 More than 6,000 people participated in local cooperative training activities sponsored, whole or in part, by OCA regional field offices.

Cooperative Laws

13.60 Through the years 1967 and 1968, the following countries were assisted in improving their cooperative legislation or in enacting new laws: Chile, Colombia, Ecuador, Peru, Venezuela, Costa Rica, Dominican Republic and Brazil. With the collaboration of the University of Los Andes in Venezuela, OCA has started action to hold an Inter-American Conference on cooperative law late in 1969.

Cooperative Integration

13.61 OCA assistance was instrumental in helping the establishment of second and third level cooperative associations in Argentina, Chile, Ecuador, Colombia, Brazil, El Salvador, Costa Rica and Panama.

13.62 Towards the end of 1968, the OCA "Latin American Technical Institute for Cooperative Integration" was organised with assistance from Kooperativa Förbundet, the International Cooperative Alliance and the Fund for International Cooperative Development of the U.S.A. The Institute started operations in February 1969, and is aimed at assisting cooperatives within a given area or region in consolidating their activities to obtain maximum output from their human, technical and economic resources. The initial task of the Institute will be the organisation of pilot projects in different countries of Latin America, thus getting practical experiences that will be used in expanded operations.

13.63 Prior to the establishment of the Institute, OCA has been conducting an intensive campaign through seminars, lectures and group discussions motivating cooperative leaders in Latin America towards the need of integration.

Cooperative Trade Interchange

13.64 This task, because of its specialised nature, has been looked at by OCA with special care. Cautious approach has been followed aimed at avoiding costly errors. First step was the creation early in 1966 of a special committee to analyse the situation and advise the OCA board of directors on the matter. This committee has been collecting some information on the problems of trade among cooperatives at international levels. It suggested in 1967 that a survey be conducted to determine potentialities and ways for starting or increasing this trade. OCA has presented official requests to the Inter-American Development Bank and to the Agency for International Development for Technical Assistance to carry out the survey.

13.65 On the practical side, some actions were initiated in 1968 among cooperatives in Argentina, Chile, Venezuela and Puerto Rico towards setting up trade relations.

Technical Assistance

13.66 To get maximum results in this activity, OCA concentrates its technical services on programmes and projects of regional or national impact rather than to individual cooperative societies. The following are major projects in this category sponsored by OCA:

- a) A survey and subsequent development plan of action about agricultural cooperatives in Costa Rica.
- b) Preparation of a centralised accounting and auditing service for cooperatives in Brazil.
- c) Planning the organisation of an integrated consumer cooperative chain in Colombia.

- d) Promoting insurance and health cooperatives in Peru, Colombia and Bolivia.
- e) Assisting, organising and directing school cooperative work shops in Argentina.
- f) Reorganisational plan to strengthen consumer cooperatives in the Dominican Republic.
- g) Assist in the administration of a cooperative revolving fund in Chile.

National Cooperative Programmes

13.67 Very few Latin American countries have cooperative development incorporated as part of their national socio-economic programmes. OCA is trying to create interest and awareness among the government sectors about the role of cooperatives as a development tool. One result of this effort was the Latin American Cooperative Conference held November 1968, in Buenos Aires, where the role of cooperatives and government were discussed and resolutions were approved asking the public sector for less rhetoric and more action on cooperative support. OCA also attended an international meeting sponsored by the ILO in Geneva where a similar agenda was covered.

13.68 Preliminary steps towards designing national cooperative development programmes have been taken in Colombia, Chile, Panama, Costa Rica and Puerto Rico. The creation of a programming team, established by the Cooperative League of the U.S.A. and to be used under close coordination with OCA fieldmen and advisory councils to survey and plan cooperative programmes, at national levels, for Latin American countries requesting this assistance, is a major thrust towards this goal.

13.69 In 1967, OCA gathered cooperative statistics from 23 Latin American countries and up-dated data collected in 1962. At the same time, it pointed out growth patterns and useful comparisons between different cooperative sectors. One direct outcome of OCA's influence in this field is the improvement of data gathering procedures and standardisation of classification criteria.

International Relations

13.70 Besides the working relations maintained by OCA with the international agencies sponsoring cooperative development in Latin America, like AID, CUNA International, the Foundation for Cooperative Housing, the National Rural Electric Cooperative Association, the Association for International Cooperative Development and others, OCA has also kept institutional relations with ICA to which it is affiliated since 1967 and serves as an adviser in matters concerning cooperative development in Latin America. Relations are also maintained with Kooperativa Förbundet of Sweden, Obra Sindical Cooperación (the Spanish agency for cooperative development) the Raiffeisen International Union, the International Labour Office, the Food and Agriculture Organisation of the United Nations, the Organization of American States, and others.

14. Women Cooperators

14.1 Since the ICA 23rd Congress, four new members have joined the Women Cooperators' Advisory Council (WCAC). There are now 22 members representing: Austria, Belgium, Bulgaria, Canada, Czechoslovakia, Denmark, Finland, Federal Republic of Germany, Hungary, India, Israel, Italy, the Netherlands, Norway, Pakistan, Poland, Sweden, Switzerland, United Kingdom, U.S.A., U.S.S.R., Yugoslavia. It is normal to have an attendance of 18 or 19 members.

14.2 The Chairman is Mrs. S. Rääkkönen (Finland) and the Vice Chairman Mrs. M. Lonsdale (U.K.).

14.3 In 1968 the Central Committee agreed to invite an observer from the WCAC to its future meetings. The Council appointed its Chairman and she attended her first meeting in Glasgow in 1968.

14.4 A Women Cooperators' Conference was held prior to the ICA Congress and Council meetings have been held annually.

14.5 A small working party of women interested in agriculture was set up in 1967. This was as a result of a meeting on this subject held in Rome on June 17th and 18th 1966 with the kind assistance of Lega. Information has been collected and circulated by the Working Party and increasing collaboration has been achieved with the ICA Agricultural Committee.

14.6 The Council continues to maintain its interest in consumer affairs and reports have been received from many countries of the activities of women cooperators in promoting and supporting programmes of consumer education and protection. A questionnaire answered by 16 countries showed there was still much scope for involving women members in consumer programmes.

14.7 A bi-monthly newsletter has been circulated to Council members and their deputies. In some cases, requests are made for sufficient copies to supply all members of a national women's committee. It serves as a regular link between the Council and the Secretary and distributes items of news and comment not covered by ICA publications.

14.8 An enquiry among some women living in housing cooperatives in seven countries, i.e., Austria, Canada, the Netherlands, Poland, Sweden, Switzerland, and the U.S.A. produced sufficient data to warrant a paper. The document was received by the I.C.A. Housing Committee at its meeting in Rome and this led to a useful exchange of views between the two bodies with proposals for subsequent action.

14.9 Much work was put into the preparation of a seminar to be held in Warsaw in February 1969 and generous efforts were made by the Polish Cooperators. Unfortunately, the response was not adequate and the event had to be postponed. The seminar would have dealt with "Policy and Management in Cooperatives" and would have provided a training ground for women and shown the way to further possibilities.

14.10 Approaches have been made to some of the UN Specialised Agencies for closer collaboration. The ICA has been represented by observers at seminars arranged by the UN Status of Women Commission on the "Political and Civic Education of Women" in the Philippines, Finland and Ghana.

14.11 A number of women were included in UNESCO travel grant schemes. Where necessary, expenses were supplemented by grants from the ICA Technical Assistance Fund and various national funds.

14.12 The Secretary for Women Cooperators was invited by UNESCO to join its newly constructed International Advisory Committee for Out-of-School Education, which dealt with the impact of the concept of life-long integrated education and adult education, youth activities and literacy programmes.

14.13 Contacts have been maintained with other organisations through membership of the Liaison Committee of Women's International Non-Governmental Organisations. The ICA was represented by an American woman cooperator at the Triennial Conference of the Associated Countrywomen of the World which took place in Michigan, U.S.A., in August 1968.

14.14 The Chairman took part in a seminar arranged by the Swedish Cooperative Women's Guild in Musoma, Tanzania, in June 1968. The theme of the seminar was "Steps towards a Better Future" and was attended by women in leading positions in the social welfare ministries and organisations in Tanzania, Kenya and Uganda. There

were also Swedish Women Cooperators in attendance. It is gratifying to note the direct help given to developing countries by women cooperators in several member countries.

14.15 During the last three years, the Secretary has been received at annual conferences in Canada, Federal Republic of Germany, Hungary, the Netherlands, Poland, Switzerland and the U.S.A. She used the occasions to extend her knowledge of the cooperative movements concerned.

14.16 Continued contact has been maintained with the South-East Asia Regional Office where matters appertaining to women are dealt with by the Woman Assistant. A useful booklet has been produced in the Regional Office entitled "Balanced Diet".

15. Youth

15.1 Arising out of a Meeting held in Vienna in 1966 with a few members interested in problems of Youth in the Cooperative Movement, an undertaking was given to arrange a programme for the exchange of views. Later an international conference was contemplated by the Belgian Movement and the ICA appreciated the initiative taken. Unfortunately, the conference did not materialise. At the time of producing this report, a Youth Conference, to be held in London, is being prepared for May 1969. The progress and problems of encouraging Youth in the various aspects of Cooperative activity will be examined.

15.2 In the meantime, conversations have taken place with representatives of some member countries. The general reaction appears to be that although an international Cooperative Youth Organisation is not required, opportunities to meet at that level from time to time for exchange of views would be highly desirable.

15.3 Friendly contacts have been maintained with other international youth organisations, particularly the World Assembly of Youth. The ICA was represented by Dr. S. K. Saxena and Mr. S. Futagami at the 6th General Assembly of WAY held in Tokyo in August 1966. Lecturers have also been supplied by the ICA for WAY Seminars in Bangalore, India, and Eire.

15.4 Dr. F. Cortesi (Italy) attended a Regional Seminar in Rome organised as part of the FAO's Young World Food and Development Project and Mr. W. Hlushko (Canada) followed by attending the final World Conference in Toronto in September 1967. Both delegates supplied reports.

15.5 The International Falcon Movement, a youth movement, which has strong connections with cooperative movements in some of our member countries, has expressed a desire to work with the ICA and proposals have been submitted for consideration.

16. Library

16.1 The work of the Library has been reorganised since the Vienna Congress, so that the Library now includes a periodicals and international documentation service. The scope of Library activities has been widened and the Librarian has an Assistant with additional part-time support from the Assistant on United Nations matters. The Library now assists the staff of the ICA with comprehensive service of translation and abstracting of material in periodicals appearing in various languages including Spanish and Russian. These facilities have been much used by the editors of the monthly publications of the ICA. A register of important articles in periodicals has also been started, so that a wider range of information can now be made available on many cooperative subjects, as the Library staff now has records, not only of the books available, but also articles which give the more up-to-date information.

17. Consumer Conference

17.1 The fourth ICA Consumer Conference was held in Vienna on 24th and 25th October, 1968, and was attended by more than 80 Cooperators from fourteen countries: Austria, Belgium, Czechoslovakia, Denmark, Finland, France, the Federal Republic of Germany, Italy, the Netherlands, Norway, Poland, Sweden, Switzerland, and United Kingdom.

17.2 The theme of the Conference was "European Cooperatives in the Service of Consumers" with an emphasis on the need for European Cooperatives to work more closely together both in production and in the internationalisation of standards and measures for the protection of consumers.

17.3 Topics covered included Consumer Movements — Strengths and Weaknesses; Cooperation at the Retail Level; Cooperation at the Wholesale Level; Euro-Co-op; Aims and Activities; Better Buying through Consumer Information; Technical Collaboration in the Interest of Consumers; and Consumer Influence in an Integrated Europe. On the final day, Mr. J. M. Wood, Chairman of the Consumer Working Party, summarised the work of the Conference.

17.4 Kommerzialrat Franz Schmidt, Director of Konsumverband, Austria, acted as Chairman on the first day of the Conference and Dr. Robert Kohler, Director of VSK, Switzerland, was Chairman on the second day. A well attended press conference was held on the day before the Conference and hospitality was arranged by the host organisation and Austrian Authorities.

18. International Cooperative Day

18.1 Under the leadership of the Alliance and especially through the International Cooperative Day Declaration and the special article despatched with it, cooperative movements are encouraged to form a link with their fellow cooperators around the globe. The celebrations of the International Cooperative Day in the various movements are generally centred around the act of reading the Declaration and to hear their own leaders putting their situation into the context of the special cooperative article accompanying the Declaration. Added each year to these two items is a short statistical summary to indicate the global dimensions of the cooperative movement.

18.2 The text of the Declaration for the 45th International Cooperative Day on 1st July, 1967, was, as usual, circulated to all Member Organisations in good time for translation and publication in their own papers. The Declaration and the accompanying article urged the forces of Peace in the world to act together consistently and energetically so that Peace would be secured, underlined the moral forces stemming from the millions of cooperators throughout the world supporting peaceful policies, and drew attention to the widening gap in the economic and social progress of the developing as compared to the industrialised countries. The text of the article, entitled "Without Boundaries", stressed the importance of the ICA President's New Year Message for 1967, pointed to the expansion of the World Cooperative Movement to the benefit of the masses of its members and referred to the International Tourist Year of the United Nations, celebrated in 1967, for the possibilities it held for the cooperative movement in terms of economics and human relations.

18.3 The International Cooperative Day 1968, held on 6th July, once more urged all forces of Peace throughout the world to strive for disarmament under an effective system of international control and especially asked cooperators to further all activities aiming at greater recognition and full enjoyment of the fundamental freedom and equality of all individuals and to campaign for human rights everywhere. In the accompanying article, "Cooperation — A Technique for Survival and a Code of Behaviour", Human Rights were stressed.

18.4 In 1969, we welcomed warmly the order issued by the President of the U.S.A. to halt the bombing of North Vietnam in order to facilitate intensive peace talks with Hanoi, affirmed our belief that cooperation in the industrialised, as much as in the developing countries, can obtain economic and social improvements by which humanity can live in peace and harmony and rejoiced in the 50th Anniversary of the ILO and hailed as a landmark the adoption of the Resolution 2459 (XXIII) by the United Nations General Assembly on "The Role of the Cooperative Movement in Economic and Social Development". The accompanying article was set against the background of the world economic trends, which demanded even more united action to cope with the problems affecting mankind. The ICA expressed its appreciation of the work of the UN Specialised Agencies (the ILO and the FAO) which play an important role in promoting cooperative development in the third world. In the field of technical assistance, especially in the agricultural sector of the newly-developing countries, the ICA Message emphasised some of the recent achievements of ICA policies, and our new Office for East and Central Africa was highlighted.

18.5 In many countries, International Cooperative Day celebrations continue to be covered widely on radio and television. However, climatic conditions have not allowed the celebrations to be held on the same day in different countries.

19. The ICA and the United Nations

19.1 The relations of the ICA with the United Nations and its Specialised Agencies have grown closer over the years. An effective and broad representation at minimum costs has been ensured at UN Meetings and considerable consultation has taken place for strengthening coordination and some joint activities have been undertaken with the UN Specialised Agencies.

19.2 The recent adoption of the United Nations General Assembly Resolution 2459 (XXIII) on "The Role of the Cooperative Movement in Economic and Social Development" emphasises the importance of the Cooperative Movement and asks, amongst others, the International Cooperative Alliance by name to render increased assistance in the realisation of the objectives of the Resolution. This Resolution is of great significance and, with the creation of the FAO/ICA/IFAP Liaison Committee (ILO's approval is awaited at the time writing) might well constitute a new chapter in the history of relations of the ICA with the United Nations.

19.3 Mr. L. E. Woodcock and Dr. M. Boson have regularly represented the ICA and maintained contact with the UN Headquarters in New York and Geneva. The Regional Officer for South-East Asia has been in touch with the ECAFE and other regional offices of Specialised Agencies and it is hoped that with the creation of the ICA Office for East and Central Africa, similar coordination would be ensured with the UN Agencies working in the field of cooperation particularly in East Africa.

Economic and Social Council

19.4 The ICA has been represented at almost all the sessions of the Council. Mr. Woodcock attended the various meetings of the ECOSOC Committee on Non-Governmental Organisations held in 1967 and 1968, which were held for revising the criteria governing the admission of Non-Governmental Organisations to Consultative Status. Two questionnaires were completed and sent to the UN Secretariat by the ICA, and the ICA request to speak before the Committee was withdrawn only when found that the ICA could satisfy all or any of the conditions being proposed for the highest category of consultative status.

UN Social Commission

19.5 17th Session, New York, April 1966, observer: Mr. L. E. Woodcock.
18th Session, New York, March 1967, observer: Mr. L. E. Woodcock.

19.6 The Commission recommended that a 16-member Working Party should complete, in 1968, a draft declaration on Social Development, and further recommended the establishment of pilot programmes to improve living conditions and proposed a study of the possibility of proclaiming an International Housing Year.

United Nations International Year for Human Rights 1968

19.7 The ICA representative in New York was a member of the International Committee of NGOs for the International Human Rights Year in New York, whereas Dr. M. Boson kept in close touch with the Conference on the Role of NGOs for International Year for Human Rights in Geneva.

19.8 The ICA was not specially represented at the International Conference on Human Rights in Teheran from 22nd April to 13th May, 1968, but had subscribed to a general declaration with other NGOs in support of the United Nations action for Human Rights. A resolution was passed in support of Human Rights Year by the Central Committee.

19.9 Seminars organised by the Division of Human Rights have been regularly attended by the ICA:

Seminar on Measures Required for the Advance of Women,
Manila, 1966, observer: Miss Aurelia Macaso.

Seminar on Civic and Political Education of Women,
Helsinki, August 1967, observer: Mrs. Sirkka Rääkkönen.

Seminar on Elimination of all Forms of Racial Discrimination,
New Delhi, August/September 1968, observer: Mr. J. M. Rana.

Seminar on Civic and Political Education of Women,
Accra, November 1968, observers: Mr. E. F. K. Atiemo and Miss Irene Priddy.

The last mentioned Seminar recommended that African Governments should set up national commissions on the status of women, composed of leading men and women in public life, to develop plans for improving the position of women in their countries. Other recommendations to Governments of Africa included a review of education for women and girls to prepare them for social, economic and civic responsibilities, and provision of adequate facilities in the community for women to continue their education.

19.10 10th General Conference of NGOs in Consultative Status with the United Nations Economic and Social Council, Geneva, July 1966, observer: Dr. M. Boson.

Items 6 and 7 of the Conference concerning a critical evaluation of the Status of NGOs with the UN and the ILO and some ideas about improving consultative arrangements, were of special interest to the ICA.

19.11 Extraordinary Meeting of Non-Governmental Organisations in Consultative Status with ECOSOC, Geneva, August 1966, observer: Dr. M. Boson.

19.12 United Nations Regional Meeting, London, November 1968, observers: Administrative and Education Secretaries.

19.13 UN International Conference of Ministers Responsible for Social Welfare, New York, September 1968, observer: Mr. L. E. Woodcock.

19.14 UN Committee on Housing, Building and Planning

The various sessions of this Committee held in New York have been attended on behalf of the ICA by Mr. Dwight Townsend. At the first meeting of this Committee, the urgency of providing middle- and low-income housing in developing countries was stressed and the need for an international housing bank was emphasised. A series of periodic meetings between the Centre for Housing, Building and Planning and the International Bank for Reconstruction and Development (IBRD) took place.

19.15 Other international meetings dealing primarily with financial questions in which the Centre staff had participated included the 10th Congress of the International Union of Building Societies and Savings Associations and the Annual Meeting of the International Co-operative Housing Committee, both of which were held in London during the inter-sessional period. The latter meeting appeared in the Provisional Agenda Item 5 (a) of the 4th Session of the Committee on Housing, Building and Planning in Geneva in September 1966. Under the same item in Document E/C.6/52/ADD.1, paragraph 10 reads as follows:

"It may be of interest to the Committee that a resolution was adopted by the International Co-operative Housing Committee supporting the United Nations programme in this field and requesting the United Nations to expand its activities by the establishment of a specialised agency for housing."

19.16 In June 1965, the United Nations Centre for Housing, Building and Planning was established within the Bureau of Social Affairs, which was an important step forward in the development of an integrated and comprehensive programme.

19.17 The 4th Session of the Committee was held in Geneva in September 1966. Representatives from 21 countries, members of the UN Committee on Housing, Building and Planning were present. Representatives of Regional Economic Commissions and Specialised Agencies of UN as well as of non-governmental organisations, participated. The ICA was represented by Mr. A. Johnsson.

19.18 Study Group on the Social Aspects of Urban Cooperatives, Jablonna, Warsaw, May 1967, observer: Mr. R. P. B. Davies.

The meeting was jointly organised by the UN office, Division of Social Affairs, and the Supreme Co-operative Council, Poland, in which 40 representatives from 20 countries participated. Detailed analysis was given of the Urban Cooperative Movement in Poland, its organisation and inter-relationships.

Economic Commission for Europe

19.19 21st Session, Geneva, April 1966, observer: Dr. M. Boson.

19.20 22nd Session, Geneva, April 1967, observer: Dr. M. Boson.

Among the resolutions adopted at the 22nd Session, one called for a study of the long-term economic trends in the ECE region. Another resolution related to tourism and invited the member countries to exert all possible efforts for the success of the International Tourist Year.

19.21 ECE Committee for Housing, Building and Planning

27th Session, Geneva, May 1966, observer: Dr. W. Ruf

28th Session, Geneva, May 1967, observer: Dr. W. Ruf

29th Session, Geneva, May 1968, observer: Mr. A. Johnsson

Meeting of Rapporteurs, February 1967, observer: Dr. W. Ruf

2nd Seminar on the Building Industry, Paris, April/May 1967,
observers: Messrs. L. Robert, H. Feicht, F. Gorio and G. Leo

Project 4 — Non-Profit Housing Associations, Geneva,
observer: Mr. W. Ambrosius

Economic Commission for Latin America

19.22 12th Session, Caracas, Venezuela, May 1967, observer: Mr. Jaime Daly Guevara.

Among the items on the agenda were: the position of the Latin American economy; planning problems in Latin America; Latin American Trade policy and the problems of relatively less developed countries.

Economic Commission for Asia and the Far East

19.23 22nd Session, New Delhi, March/April 1966, observers: Dr. S. K. Saxena and Mr. J. M. Rana. The ICA representatives spoke on the development of trade; social aspects of development; development of agriculture and technical assistance, special fund and other activities in the ECAFE region.

19.24 23rd Session, Tokyo, Japan, April 1967, observer: Dr. S. K. Saxena

This Session coincided with the 20th Anniversary of ECAFE. The main theme of the deliberations was the strengthening of cooperation among Asian countries to speed up economic and social development within the ECAFE region. Among the main results of the session were the Tokyo Declaration calling for developed and developing ECAFE member countries to work together for Asian economic and social development.

ECAFE Committee on Trade

19.25 10th Session, Bangkok, Thailand, February 1967, observer: Mr. M. V. Madane. Some of the recommendations were as follows: — the Asian Development Bank should be represented at future meetings of the Committee and the Bank should help foster regional and sub-regional cooperation and harmonisation of development in the ECAFE region.

International Labour Organisation

19.26 50th Session of the International Labour Conference, Geneva, June 1966, observer: The Director.

A recommendation was adopted along the lines prepared in 1965 with two important and several minor changes and two new resolutions. One Resolution invited member States to provide information about cooperatives in their countries to the ILO and to encourage international cooperative banking with a view to increasing international financial aid for cooperative development. The second Resolution invited international bodies concerned to collaborate amongst themselves and with member States for promotion of cooperatives in developing countries. The Recommendation was carried with a few abstentions and no votes against.

19.27 51st Session of the International Labour Conference, Geneva, June 1967, observer: Dr. M. Boson who made three interventions.

19.28 52nd Session of the International Labour Conference, Geneva, June 1968, observer: Dr. M. Boson.

19.29 Dr. M. Boson attended the ILO Governing Body Sessions of 1966, 1967 and 1968.

19.30 There was an increasing collaboration between the ICA Regional Office in South-East Asia and the ILO Regional Adviser on Cooperative Management in organising national courses on cooperative management.

19.31 Conference of American States Members of the ILO, Ottawa, September 1966, observer: Mr. Jim Macdonald.

According to the observer's report, the Director General of ILO in his report to the Conference, made several favourable references to Cooperatives and useful observations as to their role in Latin American development. With the exception of five, all American member States were represented at the Conference. Also participating were four official international regional organisations and twelve non-governmental international organisations.

19.32 Our observer recommended that the ICA should arrange to be represented at future ILO Conferences by the two official observers to which it is entitled. These should be from the country or region in which the Conference was being held with a

view to provide opportunities to have national cooperative movements recognised as factors of importance in national planning; to have the cooperative technique employed as one of the solutions to various social problems; to provide evidence to all present that the cooperative movement shared their concern in devising measures to remedy social problems. The other advantage would be the strengthening of links between the ILO and the ICA, both nationally and internationally.

19.33 Inter-Regional Technical Meeting on Cooperatives and Trade Unions, Denmark, September 1967, participants: Mr. R. P. B. Davies who delivered a lecture on "Common Interests and Relations between Trade Unions and Cooperatives" and Dr. S. K. Saxena who lectured on "Aims and Principles of Cooperatives and their Practical Applications in Developing Countries".

19.34 ILO Preparatory Meeting of the Regional Conference on International Voluntary Services for its Proposed Seminar in Strasbourg in 1968, Geneva, October 1967, observer: Dr. M. Boson.

Its theme was "Cooperation in Economic Development" and was attended by 40 participants. Dr. Boson acquainted the participants with the activities of the ICA.

19.35 Inter-Regional Follow-Up Meeting on Cooperation, Bangkok, January 1967, observer: Dr. S. K. Saxena.

He gave a lecture on "Recent Trends and Developments in the Cooperative Movement in Asia".

19.36 6th Asian Regional Conference of the ILO, Tokyo, September 1968, observer: Mr. Shiguru Fukuda.

19.37 Meeting of Experts on Cooperation, Geneva, October/November 1968, representative: The Director.

The Meeting, attended by 18 experts from Africa, Asia, Europe, North and Latin America, the Near and Middle East, and by representatives from FAO, ICA, IFAP, International Federation of Plantation Workers and the International Social Security Association, had the following items for discussion: —

- (i) Main types of non-conventional cooperative institutions; their role in economic and social development programmes;
- (ii) The Recommendation of the ILO (no. 127) concerning the role of Cooperatives in the Economic and Social Development of Developing Countries adopted by the International Labour Conference at its 50th Session (Geneva 1966); preliminary evaluation of the influence of this instrument on the development of cooperation;
- (iii) The programme of research and publications of the ILO in the field of cooperation;
- (iv) Cooperative Enterprise Development Centres in Developing Countries; and Trade Unions and Cooperatives.

Non-conventional cooperative institutions were classified under three categories: —

Traditional forms of mutual help and assistance.

Mutual benefit associations (mutualité).

Modern forms of non-conventional cooperation.

19.38 The participants recognised the necessity of obtaining information on the methods and means of establishing and encouraging mutual benefit societies in developing countries and suggested that the ILO with the ISSA and the ICA should undertake investigations on the progress achieved by mutual benefit societies and to give the results the widest publicity. The ILO, in collaboration with FAO, ICA, and IFAP should prepare monographs relating to what were called modern forms of non-conventional cooperation (development corporations, marketing boards, farmers' associations, etc.).

19.39 Although there were some encouraging indications that governments had followed the ILO Recommendation number 127 (Ecuador, Norway, Spain), it was too early to make an evaluation of the ILO Recommendation; further assistance was sought from the FAO, ICA and IFAP for the propagation of the Recommendation. The importance of the ICA Calendar of Technical Assistance for Cooperatives was underlined and emphasis was laid on the need for building closer collaboration between cooperative movements in developing and advanced countries in the field of inter-cooperative trade. The meeting was acquainted with the work done by the ICA in this field.

19.40 The members emphasised the importance of the Joint Liaison Committee in Rome.

19.41 The range of activities in the field of research by the ILO was noted and mention was made of the Study on the Role of Cooperatives in the Industrialisation of Developing Countries which had been sub-contracted by the ILO to the ICA Practical manuals were important, for instance, in the field of cooperative housing.

19.42 Collaboration between the ICA "Co-operative News Service" and the ILO "Co-operative Information" was emphasised to avoid overlapping and for ensuring more comprehensive coverage.

19.43 Reference was made to the Cooperative Enterprise Development Centres and assistance was sought from international non-governmental organisations. The common areas, as also those of conflict, between cooperatives and trade unions were spelled out and it was suggested that further research should be undertaken in order to locate possible ways and means of practical collaboration between the two movements. Reference was made to the ICA Experts' Conference on Trade Unions and Cooperatives held in New Delhi in 1965.

Food and Agriculture Organisation Council

19.44 All the Sessions of Council — 47th to 51st held in Rome were attended by Dr. L. Malfettani and Dr. F. Cortesi.

19.45 Among the conclusions of the 47th Session, one was, that developing countries should increase their local food production by taking advantage of international assistance. A major item in the budget proposals of the 48th Session was the continuation of expansion of work begun on the preparation of an Indicative World Plan for agricultural development. The urgent need for more fertilisers, pesticides and tractors for farmers in countries experiencing food shortage was stressed.

19.46 FAO — Government of India Regional Seminar on Co-operative Farming, New Delhi, May 1966, observers: Dr. S. K. Saxena and Dr. P. R. Baichwal. The latter also acted as the Rapporteur to the Seminar.

19.47 FAO — World Land Reform Conference, Rome, June/July 1966, observers: Dr. L. Malfettani and the Agricultural Secretary.

19.48 The Conference was convened by the United Nations and FAO with the cooperation of the ILO and was attended by 300 officials, experts and consultants from 77 countries. Stress was laid on agrarian reform in its broadest sense. A resolution was adopted calling for further studies of land reform problems on a regional basis and it was recommended that the United Nations and FAO should continue to provide assistance to countries in carrying out land reform. The Conference stressed that peasants and workers should be encouraged to form cooperatives, trade unions and farmers' associations. The Conference emphasised the importance of supplying peasants with adequate credit, technical assistance and education.

19.49 8th Regional Conference for Asia and the Far East, Seoul, Korea, September 1966, observer: Mr. Myong Soon Shin.

19.50 World Food Programme, Inter-Governmental Committee. All sessions from 9th to 13th, held in Rome were attended by Dr. L. Malfettani and Dr. F. Cortesi in 1966, 1967 and 1968 respectively.

19.51 At the 9th Session held in April 1966, a joint statement prepared by the Secretariats of the ICA, ICFTU and IFAP was sent to the Secretary-General of the United Nations, the Director General of FAO, the President of IBRD, the President of the Inter-American Development Bank, the Managing Director of the IMF, the President of the European Common Market, the General Secretary of the OECD and the Chairman of the OECD Development Assistance Committee. Acknowledgements and replies received were published in the Agricultural Co-operative Bulletin of the ICA.

19.52 Young World Food and Development Project, Regional Preparatory Seminar for Europe, Rome, April 1967, observer: Dr. L. Malfettani.

The Seminar was characterised by a desire for more frequent and close collaboration and integrated activities between governmental and non-governmental organisations and between non-governmental organisations themselves.

19.53 FAO — Freedom from Hunger Campaign, 7th Meeting of representatives in the European Region, Paris, May 1966, observer: Mr. E. H. Thomas.

The main topics of discussion were: ways in which European donor countries could increase their contribution to the Campaign and the intensification of the support of the World Youth Movement in the Campaign.

19.54 8th Session of the Advisory Committee of Non-Governmental Organisations Participating in the Freedom from Hunger Campaign, Rome, May 1967, observers: Dr. L. Malfettani and the Agricultural Secretary.

Discussions included a programme to publicise the Indicative World Plan for Agriculture and to increase the involvement of the young people.

19.55 3rd Freedom from Hunger Campaign Conference, Rome, October 1967, observer: Dr. L. Malfettani.

19.56 Young World Food and Development Conference, Toronto, September 1967, observer: Mr. W. Hlushko.

This Conference was actively organised by the FAO and supported by Massey Ferguson Limited, as the latter's contribution to the Freedom from Hunger Campaign. Over 300 delegates from more than 90 countries participated. About 30 international organisations were also represented.

19.57 There was a crucial concern for the need to involve youth in the planning, execution, and follow-up of all programmes concerned with food and development. For cooperatives, at the local, provincial, national and international levels, the conference implied the necessity for a serious and immediate consideration of specific action programmes and resources (financial and human); and structures which would put philosophy into practice more extensively than hitherto.

19.58 FAO Conference

14th Session, Rome, November 1967, observers: Dr. L. Malfettani and the Agricultural Secretary.

The work of the cooperatives, credit and rural sociology branch of the Rural Institutions and Service Division was reviewed at the meetings of the Technical Committees before the Conference, and the delegates of various countries gave warm support to the joint FAO/ICA/IFAP suggestion to promote financing of agricultural cooperatives with particular regard to developing countries. Similar representations were also made at the NGO Committee and presented in their report to the Conference.

19.59 FAO-European Commission on Agriculture

15th Session, Rome, May 1967, observer: Dr. L. Malfettani.

16th Session, Rome, October 1968, observer: Dr. L. Malfettani.

19.60 FAO/ILO/IFAP Ad Hoc Consultation of Experts on Problems of Agricultural Cooperatives and other Agricultural Associations, Niger, December 1967, observer: The Agricultural Secretary.

Experts from seven African countries, FAO, ILO and IFAP participated in this meeting as well as observers of the ICA, ECA and the United States Farmers' Union as well as representatives of the German Technical Assistance in charge of projects in that area.

19.61 The purpose of these consultations was to draw on the experience of national leaders in identifying the nature and scope of practical problems which impede the implementation of progress for the development of cooperative and other agricultural associations, with a view to prescribing courses of action which would assist governments coping with such practical problems and difficulties. Emphasis was placed on broadening the Economic Basis of Cooperatives on Education and Training, General Education, Finance of Agricultural Cooperatives, Price Policy and Inter-Cooperative Trade. Another such Consultation will be held in 1969 in Eastern Africa, possibly in Nairobi. The ICA has agreed, in principle, to be a co-sponsor of the Second Consultation.

19.62 Joint FAO/WHO Food Standards Programme — Codex Alimentarius Commission, 5th Session, Rome, February 1968, observer: Dr. F. Cortesi.

19.63 FAO Ad Hoc Working Party of Selected Administrators of Agricultural Training Programmes, Rome, May 1968, observer: Dr. L. Malfettani.

19.64 FAO/ILO/ICA/IFAP Liaison Committee, Rome, October 1968, representatives: The Agricultural Secretary, The President, The Director, Dr. L. Malfettani and Mr. P. Lacour.

19.65 A Liaison Committee, consisting of FAO, ICA and IFAP, with ILO likely to join in, has been formed for the promotion of cooperatives in developing countries. The task of this Committee is to arrange for increased cooperation among the UN Agencies and donor countries for cooperative projects in developing countries. There has been a lack of coordination between the allocation of finance and technical assistance in the form of know-how in projects of assistance. Further, being of smaller size, cooperative projects have been neglected by powerful financial agencies. The main task of this joint effort is to cover gaps in cooperative technical assistance and avoid overlapping. The priority programme has already been agreed upon and this comprises the selection of a few small countries for technical assistance, a pamphlet for donor countries in which they would be informed about the work of this Liaison Committee. Furthermore, the study on cooperative trade in Africa will be promoted within the scope of this Liaison Committee.

19.66 As the International Co-operative Bank Company Limited has shown interest in financing some projects in developing countries, the question of its contribution to the preparation of some projects being in a pre-investment, feasibility or appraisal phase was discussed with the representative of the Bank.

19.67 A text was agreed and has been submitted to all participants as a memorandum of understanding and the priority programme was decided on. This memorandum of understanding has now been received from the Director General of the FAO and acceptance has been given on behalf of the ICA.

19.68 The President and Director of the ICA, together with the General Secretary of IFAP, had a meeting with Dr. A. Boerma, the FAO Director General. They discussed problems concerning the work of the Liaison Committee, the contribution of both organisations in preparing the World Food Congress and the World Conference on Agricultural Education.

19.69 9th FAO Regional Conference for Asia and the Far East, Bangkok, November 1968, observers: The Regional Officer and Mr. Thep. Saiyananda.

19.70 10th FAO Regional Conference for Latin America, Kingston, Jamaica, December 1968, observer: Mr. J. A. Kirlew.

UNESCO

19.71 10th Conference of International Non-Governmental Organisations in Consultative Relations (Categories A and B) with UNESCO, Paris, June 1966, observer: Mr. R. P. B. Davies.

The Standing Committee of NGOs for the period 1966—1968 was elected. The ICA did not stand for election, but representatives of several organisations indicated that they would support the ICA if it wished to stand. As a result of discussions at this meeting, the NGOs sponsored a seminar in East Africa for literacy work. It was aided by UNESCO and took place in December 1966.

19.72 General Conference, 14th Session, Paris, October/November 1966, observers: Mr. Ch.-H. Barbier and Mr. R. P. B. Davies. Mr. Barbier was also a member of the delegation of the Swiss Government.

19.73 Although cooperative organisations in developing countries were not playing a major part in the Literacy Campaign, it was possible for many of them to bring some pressure to bear when literacy programmes were under discussion. Mr. Barbier and the Secretary for Education, Mr. Davies, stressed the need with UNESCO officials to ensure that in teaching of "functional literacy" a cooperative content was included in the programme. This was done in UNESCO's experimental projects in Tanzania and in Mali.

19.74 Literacy Training Seminar for Non-Governmental Organisations, Tanzania, December 1966, observers: Mrs. K. Turnbull on behalf of all the NGOs.

19.75 Selection Committee for Group Study Tours for Workers' Education Leaders 1967/1968, Paris, June 1967, Mr. R. P. B. Davies.

Applications from Workers' Organisations for grants for group study tours for workers' education leaders were considered. This scheme replaced the former scheme which was for group tours for European workers and the new scheme is a global one for education leaders. 118 applications from 53 member states of UNESCO were received, of which 19 were from the member organisations of ICA from 14 countries. Out of these 12 grants were made to the ICA affiliates.

10th NGO Conference

19.76 1st Meeting of the Standing Committee elected by the 10th NGO Conference of Organisations in Category "A" and "B" Consultative Status with UNESCO, Paris, October 1966, observer: Mr. R. P. B. Davies.

Many NGOs suggested that the ICA should stand for election at the Conference to be held in 1968. It was agreed by UNESCO that the Chairman of the NGOs Conference would be invited to address the plenary Anniversary (20th Anniversary of UNESCO) Meeting on behalf of the NGOs. Three working parties were set up by the Committee on literacy, human rights and the role of culture in leisure.

19.77 Meeting of the Standing Committee elected by the Non-Governmental Organisations with Category "A" and "B" Consultative Status with UNESCO, Paris, February 1967, observers: Mr. R. P. B. Davies, Mrs. M. J. Russell.

The participation of women in the leadership of international non-governmental organisations catering for both men and women was discussed.

19.78 Meeting of NGOs with Headquarters in London, April 1967, observers: Mr. R. P. B. Davies and Mrs. M. J. Russell.

19.79 UNESCO Meeting of the NGO (UNESCO) Standing Committee (with Category "A" and "B" Consultative Status with UNESCO), Paris, November 1967, observer: Mr. R. P. B. Davies.

19.80 UNESCO Grant

UNESCO had agreed to give a grant of \$ 3,500 to the ICA's International Conference on Cooperative Education held in New Delhi in February 1968. This aid was given under UNESCO's resolution 1.43 in the approved programme and budget for 1967/1968 dealing with aid to Non-Governmental Organisations. UNESCO does not normally aid Conferences sponsored by Non-Governmental Organisations; but it was felt that this particular Conference was of great educational importance.

19.81 NGO (UNESCO) Standing Committee elected by the 10th Conference of International Non-Governmental Organisations in Consultative Relations (Category "A" and "B" with UNESCO), Paris, March 1968, observer: Mrs. M. J. Russell.

19.82 11th Conference of NGOs in Consultative Relations (Category "A" and "B" with UNESCO), Paris, July 1968, observer: Mrs. M. J. Russell.

The ICA was elected to the NGO (UNESCO) Standing Committee to serve until the 12th Conference.

19.83 UNESCO — International Advisory Committee for the Advancement of Out-of-School Education, Paris, March 1968, observer: Mrs. M. J. Russell, who attended as a member of the Committee.

This Committee is a combination of former committees dealing with Adult Education, Literacy and Youth Activities. Under the new arrangements, these three subjects will be dealt with by Sub-Committees reporting to the main Committee.

19.84 Conference on Education and Scientific and Technical Training in Relation to Development in Africa, Nairobi, Kenya, July 1968, observer: Mr. J. J. Musundi.

19.85 Conference of NGOs with Consultative Status "A" and "B" with UNESCO and UN ECOSOC, Paris, September 1968, Mrs. M. J. Russell.

Among the topics discussed was the election of the Bureau of the Standing Committee and the financial grant to the expenses of the NGO Human Rights Conference held in Paris.

19.86 2nd Session of the International Consultative Liaison Committee for Literacy, Paris, September 1968, observer: Mr. A. Faucher.

19.87 NGO Conference on Human Rights, Paris, September 1968, observer: Mr. Ch.-H. Barbier.

The International NGO Conference on Human Rights in which 275 representatives from 118 countries participated, was sponsored by the permanent conference of non-governmental organisations enjoying Consultative Status with the United Nations Economic and Social Council.

19.88 Mr. Barbier took an active part in the discussions and pointed out the contribution made by the cooperative movement to Human Rights.

19.89 The Conference was held to commemorate the 20th Anniversary of the Universal Declaration of Human Rights.

19.90 General Conference, 15th Session, Paris, November 1968, observers: Mr. Ch.-H. Barbier, Mr. R. P. B. Davies, Dr. L. Sieber.

Mr. Barbier's opinion was that to be properly represented, the Alliance should have, in addition to its permanent representative who would be there throughout the entire Conference, three representatives for each of the three commissions. The permanent representative should also be accompanied, during the first and the last weeks, by one colleague, for it is during these periods that contact with other delegations is most fruitful. Besides, efforts should be made to identify cooperators among delegations of governments who could then support and encourage cooperatives during the discussions.

19.91 UNESCO — Standing Committee and Working Parties, Paris, December 1968, Dr. L. Sieber.

~~The Working Party on Education for Peace and the Working Party on Youth in Society held their meetings.~~

19.92 UNESCO — Standing Committee of NGOs — Meeting of Ad Hoc Working Party on Procedure, London, February 1969, representatives: Mr. R. P. B. Davies and Dr. L. Sieber.

The ICA was the convenor of the meeting as a member of the Standing Committee of NGOs to consider the procedure and standing orders for the next NGO Conference of UNESCO to be held in October 1969.

UNCTAD

19.93 Trade and Development Board, 4th and 5th Sessions, Geneva, September 1966 and August/September 1967 respectively, observer: Dr. M. Boson.

19.94 Meetings of the 2nd Session of the Committee on Commodities, Geneva, October 1966 and January 1967, observer: Dr. M. Boson.

19.95 United Nations Conference on Trade and Development, 2nd Session, New Delhi, February/March 1968, observers: Dr. S. K. Saxena and Mr. M. V. Madane.

A total of 110 states and 41 international organisations were represented, and there were about 1,600 participants.

19.96 The Organisation of American States and the Inter-American Development Bank — Conference on Workers' Banks, Washington, representative: Mr. H.-U. Mathias.

A short statement was sent by the Director of the ICA for circulation at the Conference for the information of all participants.

20. The ICA and Other International Non-Governmental Organisations

20.1 World Assembly of Youth, 6th General Assembly, Tokyo, Japan, August 1966, observers: Dr. S. K. Saxena and Mr. Shiro Futagami.

The main theme was "Youth and the Development Challenge".

20.2 International Federation of Agricultural Producers, 15th General Conference, also the 20th Anniversary of the IFAP, London, May 1966, representatives: The Agricultural Secretary and Dr. L. Malfettani.

Two Resolutions were passed, one on international food and farm policy and another one on the World Food Programme.

3321(100)(063)

ICA



7617

2-12-76

20.3 Three important items discussed by the Standing Committee on Agricultural Cooperation were:

- (i) The use of individual contracts between agricultural cooperatives and their members.
- (ii) The investment problem in agricultural cooperatives.
- (iii) The role to be played by national unions of agricultural cooperatives in the developing countries in the formulation of governmental policies affecting agriculture.

The IFAP General Secretary commented particularly at the Conference on the excellent liaison with the ICA.

20.4 **International Office of Consumer Unions, Biennial World Conference, Nathanya, Israel, June 1966, observer: Mrs. Turid Ström, member of the ICA Consumer Working Party.**

The theme of the Conference was "The Consumer Revolution". Discussions related to "Problems of Comparative Testing"; "Education and Information"; "Consumer Legislation"; "Government and Consumer"; "Advertising and Labelling".

20.5 **International Standards Organisation, 7th Plenary Assembly of ISO/TC 73 — "Marks indicating Conformity with Standards", Paris, March 1966, observer: Mr. F. Custot.**

A short paper on the work of the ICA and the Consumer Working Party was presented.

20.6 **International Chamber of Commerce, Meeting of the Commission on Distribution, Paris, June 1966, observer: Mr. Ch.-H. Barbier.**

20.7 **XXIst Congress of the ICC, Montreal, observer: Dr. A. Laidlaw.**

20.8 **Meeting of the Distribution Committee, Paris, October 1967, observer: Mr. Ch.-H. Barbier.**

20.9 **Meetings of the Commission on Distribution, Paris, September 1968, observer: Mr. Ch.-H. Barbier.**

The report prepared by Mrs. E. Sanna on Marketing was excellent and dealt with the most up-to-date problems of cooperative societies and deserves to be considered by all cooperative organisations.

A closer collaboration between the Commission on Distribution and its Advisory Committee was decided upon.

The main theme of the next ICC Congress to be held in Istanbul in June 1969 was decided to be: "The Freedom of Choice of the Consumer".

20.10 **French-Speaking Colloquium — "The Cooperative Principles, Yesterday, Today and Tomorrow", Liège, March 1966, observer: The Director.**

This was organised by the Institut des Etudes Coopératives and the Centre International de Recherche et d'Information sur l'Economie Collective (CIRIEC).

20.11 **International Bureau of Education, 29th Session of the International Conference on Public Education, Geneva, July 1966, observer: Dr. M. Boson.**

20.12 **International Assembly of Women — Liaison Bureau, International Seminar on the Participation of Women in Public Life, Rome, October 1966.**

A paper prepared by the Secretary for Women Cooperators was sent to the Seminar.

20.13 **CUNA International Inc. — International Conference on Cooperative Thrift and Credit, Kingston, Jamaica, October 1966, representatives: The President and the Director of the ICA.**

The Conference was relevant for Credit Unions and Thrift and Credit Cooperatives. The ICA Banking Committee and the International Co-operative Bank were also represented.

The Conference unanimously requested the CUNA International Inc. and the ICA to arrange a suitable forum at the international level for continuing consideration of cooperative thrift and credit matters, and to arrange for future conferences of this type.

20.14 Meeting of the European Community of Consumer Cooperatives, Paris, April 1967, observer: The Secretary for Research and Statistics.

20.15 World Assembly Meeting of the International Secretariat for Voluntary Service, New Delhi, March/April 1967, observer: Dr. S. K. Saxena.

20.16 Conference of the Council of the Agricultural Cooperative Association Limited, London, May 1967, observer: The Director.

ICFTU

20.17 First World Conference on Education in the Trade Union Movement, Montreal, August 1967, observer: Mr. J. Macdonald.

20.18 ICFTU, Meeting of the Working Party on Cooperatives and Vocational Training, Brussels, November 1967, observer: Mr. R. P. B. Davies.

The purpose of the meeting was to discuss the Feasibility Study on Trade Union Aid to Indonesia, prepared after a two-month mission to Indonesia.

The possibility of National and Regional Seminars was discussed, also of Specialist Seminars for Cooperative Personnel. A programme co-ordinator was to be appointed to oversee this project.

20.19 IFAP Standing Committee on Agricultural Cooperation, 10th Session, Rome, November 1967, observer: Secretary for Agriculture.

The Joint FAO/ICA/IFAP Programme to promote financing of agricultural cooperatives with particular regard to developing countries was discussed, and received good support.

20.20 Supported by FAO and ILO, IFAP organised an Ad Hoc FAO/ILO/IFAP Consultation of Experts on problems of agricultural cooperatives and other agricultural associations at Niger in December 1967, which has been mentioned earlier.

20.21 Session of the Standing Committee on Agricultural Cooperation in Connection with the 16th General Conference of IFAP, Tunis, Tunisia, April 1968, observer: Secretary for Agriculture.

The Session was attended by delegates from 14 countries. Present as observers were Mr. G. St. Siegens, FAO, Mr. S. Anania, FAO, Dr. L. Malfettani, and the Secretary for Agriculture of the ICA.

20.22 The report of the Secretariat placed particular emphasis on closer collaboration between IFAP and other international organisations such as FAO, ICA and the ILO. The Committee had, following its deliberations in Rome in November, 1967, concentrated its studies on structural problems of agricultural cooperatives, and staff and member training in cooperative management.

20.23 It was decided that a second Consultation of Experts on the Problems of Agricultural Cooperatives be held in East Africa in 1969 and that IFAP should again be one of the sponsoring organisations.

20.24 Sixth Far-East Agricultural Credit and Cooperative Workshop, Bangkok, March 1968, observer: The Regional Officer. It was held under the auspices of the Government of Thailand.

20.25 International Confederation of Agricultural Credit (CICA), fourth World Congress, Zürich, May 1967, observer: Secretary for Agriculture.

About 500 delegates from 48 countries participated. International Organisations represented were FAO, CEA, ILO, IBRD and the ICA, the representatives of which delivered a short report on the international aspects of agricultural cooperative finance.

20.26 Study Meeting of the International Confederation of Agricultural Credit, Beirut, April 1968, observer: Mr. R. N. Clerides.

20.27 Japan-Thailand Joint Committee on the Promotion of Cooperative Trade between Thailand and Japan, Third Session, Bangkok, March 1967, observer: Mr. M. V. Madane.

The leader of the Thai delegation, Mr. Somrith, in his opening statement made a reference to two important developments: a) that a national cooperative marketing federation was likely to be established. It was likely that the present COPRODUCT (Bangkok Farm Product Marketing Society) may be asked to take over the role of the National Marketing Federation; b) that the Cooperative League of Thailand was also being organised and was expected to come into existence some time in 1967.

20.28 International Federation of Workers' Travel Associations — General Assembly
This Triennial Congress of the IFWTA was held at Tel-Aviv, Israel in November 1966. Mr. M. A. Gilboa of Hevrat Ovdim represented the ICA.

20.29 Fifth African Conference on the Mobilisation of Local Savings

Mr. W. Kapinga represented the ICA at this Conference held in Dar-es-Salaam in January 1967. The Ministry of Commerce and Cooperatives of the United Republic of Tanzania was the host to the Conference, with CUNA International as one of the co-sponsors

20.30 The Third Asian Agricultural Cooperative Conference, organised by the National Cooperative Union of India, New Delhi, June 1967.

The ICA was represented by the Regional Officer and the Secretary for Agriculture. Representatives from 21 countries attended, viz. Western Australia, Ceylon, Czechoslovakia, Hungary, India, Indonesia, Japan, Korea, Sweden, the U.A.R., the U.K., the U.S.S.R., and the U.S.A. were represented by cooperative organisations.

Afghanistan, Cambodia, Iran, Lebanon, Nepal, Singapore, Syria, and Thailand were represented by Government Departments. There were observers from ILO, FAO, ICA, IFAP, AARRO and ECAFE.

20.31 The Conference was the successor to the previous Agricultural Conference in Tokyo. The ICA Regional Office helped with the preparations. The theme was the improvement of trade among developing countries in Asia, especially cooperative trade in agricultural products. A summary of Mr. Eisenberg's report was an important background document at the Conference.

Dr. L. Malfettani was present as Chairman of the Agricultural Committee and his speech made a very good impact on the Conference.

20.32 Organization of the Cooperatives of America — Second Assembly.

This took place in Vina del Mar, Chile in April 1967. The Director represented the ICA. The nineteen founder members had increased to the number of ninety active members and 33 collaborating members and these were well represented at the Assembly.

20.33 The main business of the Assembly was concentrated in two commissions, one for integration and the other for doctrine and education. The second Commission approved the report of the ICA Cooperative Principles Commission after considerable debate and outlined some plans for helping national education programmes. A special feature of the Congress was the lively interest and concern of the members in

achieving integration of the Cooperatives as rapidly as possible. About ten Integration Planning Committees had been set up in member countries of the OCA each of which either had, or intended to have, its own Pilot Integration Project. Mr. J. W. Ames, from Kooperativa Förbundet, Sweden, was playing a leading part in establishing these Committees and Projects. What the OCA wanted was to establish a small Integration Institute to supervise and care for all these Committees and Projects.

The ICA could play a vital role in planning, establishing and financing of such an Integration Institute.

20.34 International Organisation of Consumers Unions (IOCU), Conference.

This was held in Bronxville, New York in June/July 1968. It was attended by Mrs. N. Hawkins as the ICA observer.

20.35 CIRCUM - Meeting of the Planning Team and Scientific Committee

This was held in Geneva in October 1967. It was attended by the Secretary for Agriculture as representative of the ICA.

The sponsors of this meeting were the ILO and the UN Training and Research Institute. Eighteen representatives from ten countries, and observers from FAO, ILO and the UN Institute participated in the meeting.

20.36 The problems discussed were: The adaptation of methods of cooperative agriculture to the traditional patterns of rural communities; the role of group action, especially cooperation, in the integration of industrial, agricultural and non-agricultural employment sources in rural areas; and major research projects related to cooperative rural communities conducted by different international agencies. A report was given on the work of CIRCUM and suggestions were made for two international symposia, "The role of cooperative organisations in the industrialisation of rural areas and the development of rural regional centres" and "Democratic management and economic efficiency in cooperative rural communities".

20.37 CIRCUM is trying to sub-contract with FAO, ILO and the ICA some studies in the field of rural development. Concerning the ICA, it has been decided that contacts will normally be kept through the Secretary of the Agricultural Committee, and that there will be a reciprocal attendance at meetings by both organisations whenever the agenda is of mutual interest.

20.38 AARRO — General Conference of AARRO

The Third Session of this Conference was held in Seoul, Korea in April 1968 and was attended by Mr. R. Erixon and Mr. Chong Chul Cha as ICA observers.

20.39 Raiffeisen World Congress

This Congress took place in Frankfurt in June 1968. Dr. C. Schumacher attended as ICA representative.

20.40 The Organisation of the World Raiffeisen Day was attended in large numbers from many countries of the world. The initial steps were taken to launch the International Raiffeisen Union and, although it has been stated at various times that it is not intended to establish a large Organisation, it would seem necessary to arrange some discussions at which more can be learned about their plans and future prospects, with a view to achieving maximum unity in the World Cooperative Movement and avoiding overlapping.

20.41 First General Meeting of the British Section of the International Centre for Research and Information on Public and Cooperative Economy (CIRIEC)

This took place in London in April 1967 and was attended by the Secretary for Education on behalf of the ICA.

20.42 International Congress of Public and Cooperative Economy (CIRIEC), Liège, Belgium, October, 1968, representative: The Director.

In his statement, the Director referred to:

The Report of the Commission on Cooperative Principles;

the work of the ICA Regional Office and Education Centre in S. E. Asia in the field of technical assistance, education and inter-cooperative trade;

the establishment of close contacts between the ICA and the cooperative movements in Latin America, which had been further reinforced by the issue of a Spanish version of the "Review of International Cooperation";

the setting up of an ICA Office in Africa (with Swedish assistance) with a view to give more sustained attention to the problems of the cooperative movements there;

the close and fruitful relations existing between the ICA and the United Nations and its Specialised Agencies and reflected in the Consultative Status enjoyed by the ICA with the United Nations which gave us the possibilities of collaboration and influencing the course of the UN Agencies in their programmes of cooperative development.

20.43 Consultative Assembly of the Council of Europe, 3rd Seminar on International Voluntary Service, Strasbourg, November 1968, observers: Mr. M. Démond and Mrs. L. Stettner.

This Seminar was organised by the Regional Conference on International Voluntary Service at the invitation of the Consultative Assembly of the Council of Europe. The theme of the Conference was: Cooperation in Economic and Social Development, the Responsibility of Trade Unions, Cooperatives, Voluntary Agencies and Industrial and Commercial Enterprise in Developing Countries.

20.44 Mr. André Philip, President of the Development Centre of OECD, acted as Chairman and the Introductory address was delivered by Mr. A. E. Oram, Parliamentary Secretary to the British Ministry of Overseas Development. The Seminar was divided into nine working groups which submitted their final reports to plenary sessions. The themes of the working groups were:

The Social Conditions of Industrialisation.

Industrial Agriculture and Rural Community Development.

Industrial and Professional (Vocational) Training Overseas and in other countries.

Support to new Industries in Overseas Countries.

Industry in the Countryside.

The Selection and Psychological and Social Preparation of European Personnel.

The Promotion of Cooperatives.

Action in Industrialised Countries.

Appropriate Information on Low Cost Tools and Equipment.

20.45 Participants included representatives of trade unions, cooperatives, private enterprise, voluntary agencies, and other governmental and non-governmental organisations in both developed and developing countries as well as such international bodies as FAO, OECD and ILO.

20.46 The European Confederation of Agriculture (CEA) Congress, Salzburg, September 1968, observer: Secretary for Agriculture.

On the occasion of its 20th Anniversary, the CEA held its Congress in which 1,500 delegates from sixteen countries participated. Its main theme was the working out of a manifesto for a policy for the protection of the independent family farm, an international price policy and the organisation of markets. There were requests for a model agricultural structure, a zonal and regional policy giving more attention to the mountain areas, a wider technical and higher education to the farming youth, increased help to the developing countries and the strengthening of relations between agricultural organisations, governments and international organisations both at the national and international levels.

20.47 One of the Commissions of the Congress, that is the Commission on Cooperation, Insurance and Agricultural Credit, dealt with cooperation in the field of production, price policy, education of leaders of agricultural cooperatives, structural changes in cooperatives and the role of youth in the Austrian Agricultural Cooperative Movement. Reports were made by the working groups for cooperative agricultural credit; cooperative legislation; livestock and meat. The Commission passed a resolution calling for agricultural organisations to be treated in a similar manner as other enterprises with different legal forms; to be allowed to participate on an equal basis with other organisations in the establishment of associations and marketing organisations; to receive adequate funds for the training of cooperative staff; to press for funds made available by Governments or other public bodies for price support policies to be distributed through cooperatives.

20.48 African Association of Savings and Credit Societies, Nairobi, Kenya, September 1968, observer: Mr. Arne Holmberg.

The Conference was organised by CUNA International and the Catholic Relief Services, and the Kenya National Federation of Cooperatives acted as hosts. Three sub-committees were elected, one of which was to work on a five-year plan for Savings and Credit Societies in Africa.

20.49 The "Africa Cooperative Savings and Credit Association" was formed. The term "Africa" and not "African" was used to stress the open membership and to avoid the interpretation that these cooperatives were intended only for the African people.

20.50 The Conference insisted upon "Cooperative" being part of the title to show that this was a cooperative organisation and an organisation for cooperatives in order to avoid any formal difficulties with any government in future.

20.51 Mr. Holmberg pointed out that the increasing contacts of the ICA with cooperatives in young countries showed ICA's great interest in Savings and Credit.

20.52 Twelfth Triennial Conference of the Associated Country Women of the World, Lansing, Michigan, September 1968, observer: Mrs. Litta Robertson.

20.53 World Assembly of Youth, Regional Seminar on Youth and Rural Development, An Grianan, Termonfecken, Eire, October 1968.

Mr. Malachy Prunty represented the ICA and delivered a lecture on "Youth and Cooperatives" which was well received by the delegates and was considered to be a valuable contribution to the Seminar.

20.54 International Conference on Cooperative Technical Assistance to Developing Countries in the Cooperative Field, Holte, Denmark, November 1968, representatives: The Director and the Secretary for Education and Technical Assistance.

This Conference, which was the second of its kind, was organised jointly by the Danish Government and the Danish Board for Technical Cooperation with Developing Countries. Participants included both cooperative and government representatives from Canada, Denmark, Finland, France, Federal Republic of Germany, Israel, Norway,

Poland, Sweden, Switzerland, United Kingdom and the U.S.A.; the International Organisations represented were the ICA, FAO, ILO and OECD. Lecturers from India, Kenya and Costa Rica represented the three developing regions of the world.

20.55 The Conference was chaired by Dr. K. Philipp and was welcomed, on behalf of Danish Cooperative Organisations, by Mr. Clemens Pederson. In the opening remarks, references were made to the importance of technical assistance to developing countries in the field of training and education, the ILO Recommendation number 127, the lack of resources on the part of cooperative organisations, and hence their concentration in providing advice, know-how, personnel etc. to developing countries and the extreme importance of good collaboration between Government Authorities and Cooperative Organisations.

20.56 Statements were made by representatives of international organisations and the ICA statement referred to the Calendar of Technical Assistance issued annually since 1966, the establishment of the FAO/IFAP/ICA Liaison Committee, with ILO likely to join, which was to concern itself with a number of projects (International Financing of Cooperative Enterprises, Cooperative Trade in Africa, preparation of a Cooperative Vocabulary); the Trade Survey in S. E. Asia and the follow-up work in providing contacts to Cooperative Organisations; the supporting assistance extended from the ICA Development Fund for the creation of an integration Institute for Latin America for initiating structural reforms; the extensive educational programmes of the office in S. E. Asia, particularly the Conference on Cooperative Education held in 1968; and the ICA Office for East and Central Africa, which was strongly supported by the Swedish Movement.

20.57 Under the title "Cooperative Technical Assistance Seen From the Recipient Countries", the following points were emphasised: co-ordination of activities on the basis of early information; arranging higher level training seminars in donor countries; proper selection of participants; systematic planning of technical assistance projects to ensure that they are inserted at the right place in the most efficient manner; importance of proper selection of experts; recent trend towards technical assistance in specialised fields and the great need for research.

20.58 **First Inter-American Conference on Cooperatives**, Buenos Aires, Argentina, November 1968, observer: Mr. Francisco Luis Jimenez of the OCA.

20.59 **Pan-American Union, Tenth Inter-American Travel Congress**, Quito, Ecuador, December 1968, observer: Dr. Fernando Pareja Gonzalez.

21. Obituary

Congress will pay tribute to the memory of cooperators everywhere who have died in the past years, remembering especially some who have given outstanding services to the cause of cooperation, nationally and internationally, and in honouring these names, we honour all cooperators everywhere who have passed away.

Carl Albert Anderson Member of ICA Central Committee; instrumental in the formation of the ICA Committee on Retail Distribution and its Chairman for many years; Chairman for many years of the Board of Directors of the Scandinavian Cooperative Wholesale Society; President of Kooperativa Förbundet.

Sir Jack Bailey Former National Secretary, United Kingdom Co-operative Party 1942—1962. Undertook mission to Ghana for ICA in 1960.

Dr. Ernst Bodien One of cooperative housing's greatest exponents; active member of the ICA Housing Committee and awarded the Victor-Aimé-Huber medal and the Service Cross of the Federal Republic of Germany for his work in the Co-operative Movement.

- Arnold Bonner** Educationalist; lecturer at the British Cooperative College; member of the ICA Commission on Cooperative Principles.
- Dr. Marcel Brot** President, Union of Cooperators of Lorraine; National Federation of Consumer Cooperatives in France; for twenty years a Member of the ICA Executive Committee and ICA President from 1955—1960.
- Maurice Colombain** Former head of ILO Cooperative Department; member of French Central Office for School Cooperatives; President of French National Committee of Consumers' Cooperatives; Director of Institute of Cooperative Studies, Paris.
- Hans Dietiker** Director of the Swiss Cooperative College, Muttenz, of the VSK, Switzerland.
- István Dobi** Forestry and Agricultural worker, life-long cooperator. 1955—1965 President of the Hungarian Farmers Cooperative Council. 1968 President of the National Cooperative Council.
- Jacob Efters** Chairman of Israel Cooperative Wholesale Society and Member of ICA Central Committee since 1946.
- Harald Eldin** Principal of the Swedish Cooperative College at Vår Gård for 35 years.
- Eduard Hartmann** Leader of Austrian Agricultural Cooperative Movement; Generalanwalt of the Austrian Raiffeisen Organisation 1961—1966.
- Dr. Reinhold Henzler** Member of ICA Commission on Cooperative Principles.
- Ernst Herzog** Past President of the Administration of VSK; member of the Swiss Parliament and Member of the ICA Central Committee.
- Jan Injlot** General Director of the Central Agricultural Union of "Peasant Self-Aid" Cooperatives, Poland, Member of ICA Central Committee since 1966.
- Albin Johansson** Initiator of the International Cooperative Petroleum Association and Nordisk Andelsförbund. Motivating force behind the Swedish Cooperative Movement; President of Kooperativa Förbundet; longest serving Member of ICA Central Committee (1919—1963); Member of ICA Executive 1927—1946; ICA Vice-President during 1946.
- Professor D. G. Karve** Chairman of the Advisory Council of the ICA Regional Office and Education Centre for South-East Asia and Chairman of the ICA Commission on Cooperative Principles.
- Jalmari Laakso** Former Director General of KK, Finland; Member of ICA Central Committee from 1951—1962; awarded Rochdale Medal for Cooperative Services (1950); member of the ICA Housing Committee.
- Joseph Lemaire** La Prévoyance Sociale, Belgium; formed the ICA Insurance Committee and its Secretary from 1922—1946.
- Murray D. Lincoln** Founder of Nationwide Insurance Inc., U.S.A.; past President of Cooperative League of the U.S.A.; Member of ICA Central Committee until 1957; at its first post-war Meeting in January 1946, was elected to the ICA Executive Committee; ICA Vice-President 1946—1948.
- Uuno Takki** Former General Manager of Osuustukkukauppa, Finland; Member of ICA Central Committee 1952—1966.
- Phillip M. Thomas** Chief Executive Officer of the Cooperative Wholesale Society, United Kingdom.
- Edward Topham** Cooperative journalist; former Editor of the Cooperative Union of the United Kingdom.
- Alois Zábajka** Former President of the Central Cooperative Council, Czechoslovakia, and member of ICA Central Committee.

22. Reports of Auxillary Committees

The Work of the International Committee on Agricultural Cooperation of the ICA since the ICA Congress in Vienna, September 1966

22.1 General

The general programme of the Agricultural Committee was outlined in the report to the Vienna Congress, and was based on the decisions of the Belgrade meeting in September 1964. The tasks of the Agricultural Committee between the two Congresses (1966 to 1969) emerged from the decisions of the Vienna Congress and the deliberations of the 7th Agricultural Conference held in Vienna immediately before the Congress. These were: membership; promotion of cooperative processing; follow up of the FAO/ICA study on Agricultural Credit through Cooperatives and other Institutions; trade of agricultural cooperatives; promotion of work of the Fisheries Sub-Committee; establishment of the Sub-Committee for Agricultural Cooperation in South-East Asia; close cooperation with United Nations Agencies, especially FAO and ILO; coordination of work with IFAP and other non-governmental organisations dealing in the field of agricultural cooperatives.

Since the Vienna Congress, the Agricultural Committee and Agricultural Executive have had the following meetings: Agricultural Committee held its 16th Meeting in Prague on the 11th September, 1967, and its 17th Meeting in Glasgow on the 1st and 2nd September, 1968. The Agricultural Executive held its 18th Meeting in Rome on the 19th March, 1967, and its 19th Meeting in Malmö on the 13th May, 1968.

The membership of the Agricultural Committee continued to increase, and by the end of 1968, 37 organisations from 27 countries participated in the work of the Committee, and the number of delegates was 44.

	1963	1966	1968/69
Countries	12	18	27
Organisations	12	24	37

Following up the deliberations of the Vienna Congress, the Agricultural Committee discussed at its meetings in Prague and Glasgow the cooperative principles in relation to agricultural cooperatives. The papers and background material which served as the basis for discussion were distributed to the Members of the Central Committee of the ICA.

22.2 Cooperative Processing of Agricultural Produce

The 7th Agricultural Conference in Vienna made recommendations concerning the contribution of cooperative marketing and processing of agricultural produce to agricultural development. The Resolution called upon cooperative movements both in developed and developing countries, national governments, inter-governmental and non-governmental organisations and international financial agencies to increase their activities and coordinate their efforts with the purpose of strengthening cooperative marketing and processing in developing countries. These recommendations were followed up by Dr. L. Malfettani, the Chairman of the Agricultural Committee, who made a statement at the 13th FAO Conference urging the delegates to give support to the cooperative efforts in this field. The Agricultural Secretary attended a seminar in Bangalore, India, organised by the ICA Regional Office on "How to Set up a Co-operative Processing Plant". He is also assisting the FAO in editing the study on cooperative processing of agricultural produce, which will consist of a set of case studies from European countries and countries of South-East Asia. The Executive Committee of the ICA, through its Technical Assistance Sub-Committee, allocated £1,200 to support the work on this study.

22.3 Finance of Cooperatives at the International Level

At the Meeting of the Agricultural Committee in Prague, the IFAP Meeting in Rome and the 14th FAO Conference in Rome (November 1967), a programme for the promotion of cooperatives in developing countries was discussed. An agreement was reached between the FAO, ICA and IFAP (ILO is yet to give its formal acceptance) to form a Liaison Committee with a Secretariat temporarily located in Rome. The Liaison Committee has the general task of covering the gaps in finance and technical assistance for cooperatives and to avoid overlapping. A joint study, to be initiated and largely executed by the ICA, has been agreed upon under the title "Study on Guarantee Funds to Promote International Financing of Cooperative Enterprise". As an intention of its earnest, the ICA Executive Committee has earmarked £3,000; the ILO and FAO are likely to give support as well as the IFAP. Assistance has already been assured by the International Cooperative Bank in Basle.

The Agricultural Secretary of the ICA attended the 4th World Conference on Agricultural Credit, held in Zürich in 1967, and made a statement on behalf of the Agricultural Committee supporting the idea of finding ways and means for improving the financing of agricultural cooperatives at the international level.

22.4 Cooperative Trade

The Agricultural Secretary contributed to the 3rd Asian Agricultural Cooperative Conference, New Delhi, January 1967, of which the main theme was cooperative trade. The ICA Agricultural Sub-Committee for South-East Asia was commissioned to follow up the deliberations of this Conference. Another Conference on South-East Asian trade problems was held in Tokyo in June 1968, attended by the Agricultural Secretary, and it was devoted mainly to the problems of the organisation of cooperative trade in this region.

As the follow-up of the Palermo Conference on Cooperative Trade in Fruit and Vegetables, a Meeting of Experts in Pre-Packaging and the Cold Chain System of Fruit and Vegetables was held in Malmö (Sweden), May 1968. 40 delegates from 12 countries attended the meeting. Its purpose was to survey the latest developments in pre-packaging and the cold chain system and to study how cooperative consumer and producer societies could improve these methods and thus help in increasing the consumption of fruit and vegetables. Reports were given on progress made in these fields in Sweden, Poland and other countries. Participants had an opportunity of seeing what Sweden was doing in the way of research, storage and refrigeration to supply consumers with good quality fruit and vegetables. Great support to this meeting was given by Kooperativa Förbundet, Sweden, and it was also backed by the Sveriges Lantbruksförbund.

22.5 Conference on Cooperative Trade in Animal Feedingstuffs

This Conference will be organised in September 1969 in Paris, during three days between the 8th and 10th September.

Commodities discussed will be animal feedingstuffs, especially Maize, Soya Beans, Soft Red Winter Wheat, Alfalfa Pellets, Concentrates, Fish Meal and Milo.

The main theme of the Conference is the Promotion of International Cooperative Trade in Animal Feedingstuffs. The Agenda covers the following: The present stage of cooperative trade in animal feedingstuffs; increasing the farmers' income by improving feeding methods; the feed manufacturers' needs and problems in Western Europe; technological problems of the animal feedingstuffs industry in Poland; position and trade in animal feedingstuffs in Japan; inter-relationship between stage of production of animal feedingstuffs and economic development of various countries.

Invitations with all details about lectures, speakers, etc., will be distributed to the Members of the ICA, and others who may be interested in attending this Conference.

22.6 Agricultural Sub-Committee for South-East Asia

The Sub-Committee was organised in order to give the opportunity to the countries in South-East Asia to discuss and deal with problems of their region. The ICA Sub-Committee on Agricultural Cooperation in South-East Asia held its first meeting in Tokyo on the 6th and 7th November, 1967. Mr. H. Yanagida of the Central Union of Agricultural Cooperatives, Japan, was elected Chairman. Mr. S. Futagami, of the ICA Regional Office, was appointed Secretary of the Sub-Committee. The following countries were represented at this meeting: Australia, Ceylon, India, Japan, Korea, Pakistan and the Philippines. Later Iran and Malaysia joined the Sub-Committee.

The main elements of an operative programme of this Sub-Committee are: exchange of information on various agricultural cooperative movements in the area; a case study of a cooperative organisation which should be used either for the Joint FAO/ICA study on cooperative processing of agricultural produce or the FAO World Education Conference in Agriculture; further seminars are planned in collaboration with the Education Centre on farm guidance activities of agricultural cooperatives and a seminar for managers of food grain marketing cooperatives; follow-up of the Agricultural Cooperative Trade Conference in Tokyo, June 1968, and the review of the recent development of technical assistance in the field of agricultural cooperatives with the aim of establishing priorities.

22.7 Fisheries Sub-Committee

This Sub-Committee was organised in order to help fishermen's cooperatives to discuss and deal with their problems at the international level. It was convenient to have it within the scope of the Agricultural Committee because of the liaison which the latter has maintained with FAO where the Fisheries Department is very active. The main tasks of the Fisheries Sub-Committee at this stage are: production of a manual for cooperative marketing and supply for fishermen jointly with FAO's Fisheries Department; on the basis of the manual, to hold seminars to be organised jointly by the FAO and the Fisheries Sub-Committee in South-East Asia, Latin America and Africa; provision of assistance to fishermen's cooperative projects in developing countries; in order to study problems of management of fishermen's cooperatives, a questionnaire was sent out to establish the position and requirements of fishermen's cooperatives in the world and a list of fishermen's cooperatives in various countries was published.

In order to induce the strong Japanese fishermen's cooperatives to become more active within the scope of this Sub-Committee and to create a nucleus of a South-East Asian Sub-Committee for fishermen, the Chairman and Secretary of the Committee visited Japan and neighbouring countries.

22.8 Relations with United Nations Agencies

Within the United Nations Agencies, the Agricultural Committee has its main contacts with the FAO. These contacts are growing from Resolutions into steady work with a planned programme. Examples of this are: the FAO/ILO/ICA/IFAP Liaison Committee, the joint study on finance of cooperatives at the international level and the study on cooperative processing of agricultural produce. The Chairman and Secretary of the Agricultural Committee attended the 13th and 14th FAO Conferences, and the Land Reform Conference. There have been meetings between Dr. Sen and Dr. Boerma, Director-Generals of the FAO and the ICA President and Director, and IFAP General Secretary, in order to enhance cooperation between the FAO and non-governmental organisations dealing in the field of cooperatives and agriculture. Future cooperation will develop very much within the Liaison Committee and in the preparations for the World Food Congress and the World Conference on Agricultural Education.

22.9 Non-Governmental Organisations

Closest cooperation has been maintained with the IFAP in order to avoid overlapping and to advise jointly, wherever desirable, the United Nations Agencies. One such activity was the statement on a World Food Programme adopted by the ICA, ICFTU and IFAP. The Liaison Committee has already been mentioned. The Agricultural Secretary of the ICA attends the IFAP meetings, and the IFAP Secretary of the Standing Committee on Agricultural Cooperation attends the meetings of the ICA Agricultural Committee.

A meeting of African cooperative farm leaders was organised by FAO, ILO and IFAP in Niger in 1967, which was attended also by the Agricultural Secretary of the ICA. A Second Consultation will be held in Nairobi, Kenya, and the ICA has accepted, in principle, to be a co-sponsor. It is very likely that IFAP and ICA will contribute jointly to the FAO World Conference on Agricultural Education. The ICA will support the IFAP in a study on cooperative trade in Africa, and they will jointly sponsor with FAO and ILO a seminar for cooperative farm leaders in Eastern Africa.

Chairman:
Dr. L. Malfettani

Secretary:
B. Zlataric

22.10 The Banking Committee of the International Alliance

The last Full Meeting of the Banking Committee took place on the 31st August, 1966, in connection with the ICA Congress in Vienna. The Executive of the ICA Banking Committee met on the 13th September, 1967, in Prague and on the 4th September, 1968, in Glasgow.

Future Meetings of the ICA Banking Committee are planned as follows:

Executive Committee: 24th March, 1969, Tel-Aviv; 27th August, 1969, Hamburg

Full Committee: 27th August, 1969, Hamburg

22.11 Upon the joint initiative of the Banking Committee and the International Co-operative Banking Company Ltd. (INGEBA), a Banking Conference was held in Glasgow on the 3rd September, 1968, and attended by 40 delegates from 32 Banks and Cooperative Organisations. A number of basic questions were discussed with the aim:

- to achieve a better collaboration in the various fields of activity in the future;
- to find an appropriate system for the distribution of dividend;
- to establish an information centre within the Secretariat of the ICA Banking Committee;
- to elaborate a uniform system for the statistics of Cooperative Banks;
- to create facilities regarding credits for Cooperative Organisations;
- to promote contacts with the appropriate International and Supranational Organisations; and
- to prepare the issue of COOP BONDS in 1970.

22.12 During the period under review, the Executive Committee of the ICA Banking Committee has introduced a change in the Standing Orders which is significant in as much as the ICA Banking Committee from now on will hold a Full Meeting once a year. Until now, there used to be one Full Meeting every three years in connection with the ICA Congress; but this has proved to be insufficient in the face of the growing responsibilities of the Committee. The meetings of the Executive Committee of the ICA Banking Committee will continue to be held between Full Committee Meetings and more often if necessary. When Mr. R. C. Yelland resigned from his post as Secretary of the ICA Banking Committee in August 1967, he was succeeded by

Mr. H.-U. Mathias which means that the Secretariat of the ICA Banking Committee is now at the International Cooperative Banking Company Ltd., Basle. In view of the great number of identical activities and common objectives, this solution has proved to be very usefull from all points of view. Membership of the ICA Banking Committee is open to all Cooperative Banks and Central/Cooperative Credit Organisations, directly or indirectly affiliated to the ICA. There are no membership fees, and costs are met by the INGEBA.

22.13 In a joint effort with the INGEBA, the ICA Banking Committee is trying to promote relations among all Cooperative Banks and Organisations, to participate in the setting-up of new Cooperative Banks, to deepen existing connections with International and Supranational Organisations and to make new contacts. All Cooperative Organisations and Banks are called upon to participate *actively* in the work of the ICA Banking Committee, to make available all information and documentation material on a continuous basis and to support the Committee in all its projects.

22.14 During 1969, the ICA Banking Committee will undertake the necessary preparations and, within the limits of its possibilities, make a special effort to initiate a world-wide issue of COOP BONDS in order to raise long-term capital needed by the various Cooperative Organisations for their investments.

Chairman:
W. Hesselbach

Secretary:
H.-U. Mathias

22.15 Report of the International Cooperative Housing Committee, 1966—1969

22.16 Preamble

In the period under review, the provision of housing and related facilities, the planning of our cities and the environment, have all over the world become an increasing concern of the authorities, the inhabitants and the consumers. In spite of ambitious efforts in the industrialised countries, there is still the need for housing and a human milieu has not been satisfied for large groups of the population. The shortage of housing in the developing countries is becoming an ever increasing problem comparable with that of malnutrition. To remedy the housing situation calls for enormous efforts from the nations and peoples of the world. Thus, the UN through its organs active in the field of housing is devoting increasing attention to improving housing conditions, particularly for low-income earners. It is encouraging to note that the UN bodies in many cases recommend the application of cooperative methods in the realisation of housing programmes.

The housing cooperatives in the industrialised countries, in spite of having to overcome difficulties with financing, increasing costs and charges have, in general, been able to keep their share of the market. In several countries, specially of Eastern Europe, the co-operatives have been given new and big tasks in the fulfilment of the respective national housing programmes. The above facts constitute the background of the considerably increased activities of the Committee in the last three years.

22.17 The Governing Bodies

The Rules of the Committee provide for an Executive of seven. At Vienna (1966), Mr. Sven Kypengren of HSB, Sweden, was re-elected Chairman. Also re-elected were Mr. Léon Robert of the H. L. M. Cooperatives, France, and Dr. Walter Ruf of VSK, Switzerland, and Messrs. Wallace J. Campbell and Dwight D. Townsend have, alternately, represented the Cooperative League of the USA. Following the death in

1967 of the Vice-Chairman, Dr. Ernst Bodien, this post has been vacant. In his place as a member of the Executive was appointed Mr. Wolfgang Ambrosius, also his successor in the German Organisation. The vacancy caused by the retirement of Mr. J. H. Simpson of the Cooperative Permanent Building Society, UK, in 1967 was filled by his successor, Mr. L. E. H. Williams. Mr. Ake Johnsson of HSB, acting Special Secretary of the Committee, has withdrawn from the Executive and the vacancy was filled by Mr. Verner Jørgensen of the Danish Federation of non-profit making Housing Organisations. Messrs. A. Johnsson (HSB) and R. P. B. Davies, Secretary for Administration (ICA) have been acting Joint Secretaries and attend ex officio the Executive.

Within the Committee regular correspondents have been nominated from each Member Organisation. At Full Committee meetings most Member Organisations have been represented by one or two delegates and in some cases observers have participated by invitation.

22.18 Membership

The number of regularly participating members is 24 as compared with 22 at the last Congress. Three new members have been admitted, namely: Cooperative Planning Ltd. of UK, Société Nationale des Cités Coopératives of France, and Udruzenje Stambenih Zadruga Jugoslavije of Yugoslavia. The Fench Organisation BATICOOP has withdrawn but is represented by the Confédération des Coopératives de Construction et d'Habitation.

Considering the difficulties in arranging for a regular participation at meetings from Housing Cooperatives in non-European countries, relations with these are only maintained by correspondence. This is the case with the Housing Cooperatives of Malaysia, Chile, and several other countries. There are hopes in the future for additional members from European as well as non-European countries.

22.19 Meetings of the Committee and Themes

A Triennial Housing Conference was held in Vienna in conjunction with the last Congress. The Conference was attended by 78 delegates from 24 countries. It considered three main subjects introduced by special Papers, namely: "Cooperative Housing in Meeting New Demands", "Methods for Housing in Developing Countries", and "Collaboration between Housing Cooperatives and United Nations Organisation".

The Executive of the Committee has met twice a year, and a Full Committee Meeting has been held once a year. Thus, the Executive has met in Paris, Jerusalem, Cologne, and Rome, and the Full Committee Meetings have been convened in Jerusalem in 1967 and Rome in 1968. All meetings have been well attended and the latter followed by studies of housing developments in the respective countries. The Special Secretary has visited Member Organisations on several occasions.

At the meetings, apart from routine matters, the collaboration with the UN and its organs has regularly been considered, as well as problems of technical assistance. Specialist matters have provided great interest after introductory reports prepared by the participants. At Full Committee Meetings, Papers have been presented and discussed on issues such as "Monetary Problems and Social Policy affecting Cooperative Housing", and "Mobilisation of Finance for Cooperative Housing from Cooperative and other non-profit Sources". The question of the Structure and Standing of the Committee and the work of the Special Secretariat has been considered in the light of the discussion held in the Central Committee. The possibilities of a review of the Rules of the Housing Committee have also been considered.

22.20 Collaboration with UN and its Organs and Technical Assistance

The Committee has regularly collaborated with different organs of the United Nations acting in the field of housing. Thus, the ICA Committee has been represented at the Annual Meetings of the ECE Housing Committee. It has further participated at several Seminars arranged by this Committee and is at present involved in the study of "Non-profit making Housing Organisations". In the preparation of this report the Housing Cooperatives are represented by two rapporteurs.

Close relations have been upheld with the UN Centre for Housing, Building and Planning. Thus, the Committee has been represented at its General Meeting and at meetings of special groups. The Committee supports the plans to facilitate international financing of housing in developing countries through an International Housing Finance Corporation, the establishment of which is under consideration within the United Nations.

Through the intermedium of the Committee, the German Member, "Gesamtverband", has prepared a report on Cooperative Housing and sent a lecturer to the Seminar on "Technical and Social Problems of Urbanisation", held in Addis Ababa in January 1969, convened by the Economic Commission for Africa. Several Members have reported in the Committee on their respective engagements in assistance work. Of special interest in this field is the ambitious work carried out in Latin America by the Foundation for Cooperative Housing of the USA.

Plans for the future as far as Technical Assistance is concerned have also been reviewed in the Committee. They include the holding of Cooperative Housing Seminars, special projects and participation in the United Nations Programmes.

22.21 Collaboration with other Organisations

The Committee has entered on a collaboration with the International Committee of Workers' Co-operative Productive and Artisanal Societies. Thus, representatives of this Committee participated in the last Full Committee Meeting on Housing. Plans for the future include exchange of participation in Seminars arranged by the two Committees and assistance in the arrangement of study tours. Joint representation has been arranged by the two Committees at Seminars convened by the ECE.

At the request of the Women Co-operators' Advisory Council, the Committee has considered a report on "The Views of Women living in Housing Cooperatives". A collaboration with the Council is planned for the future.

Ten of the Member Organisations of the Committee have formed the International Cooperative Housing Development Association, the aim of which is to be an organ to render services primarily to the United Nations in supplying guidance or co-operative methods in housing in technical assistance work. The Association has also on contract prepared a study on "Financing Cooperative and non-profit Housing Developments" which appears as a UN document. The Association is considering to apply for membership with the ICA, thus being incorporated in the work of the Committee. The activities of the Association are regularly reported to the Committee.

22.22 Finance and Publicity

As during the previous Congress period, regularly participating members have made a basic annual voluntary contribution to the Special Secretariat, located at the Member Organisation HSB, which has provided facilities for it. A number of Member Organisations have made generous additional contributions to meet the costs of the Secretariat.

The publication "Co-Op Housing Bulletin" has irregularly appeared, and difficulties are faced in its continued publication, a matter which is under review to be remedied. The Committee has encouraged publications on Co-operative Housing by international organs and national groups.

22.23 Triennial Conference in Hamburg

A two-day Housing Conference will be convened in conjunction with the ICA Congress in Hamburg. The main themes of the Conference will be:

- (1) "Immobilienfond" (real estate) as one Form of Financing Co-operative Housing
- (2) Aspects of Co-operative Democracy in Housing Co-operatives
- (3) Assistance in the Promotion of Co-operative Housing in the Developing Countries. A Study of the Foundation for Co-operative Housing
- (4) Collaboration with the United Nations and its Agencies in the Field of Housing

22.24 Final Words

The Members of the Committee are aware of the serious housing conditions prevailing in most countries, and specially those in the stage of development. They realise the necessity in solving the housing problems for the broad masses and the need for mobilisation of all forces, those of governments, local authorities, the building industry and the peoples themselves. The utilisation of cooperative methods is therefore self-evident, as they serve the genuine interests of the consumers of housing and thus act in the interest of a society governed by democratic principles. It is hoped that resources will be made available for the cooperatives and within the cooperatives to develop the ideas of cooperation in the field of providing proper housing for the peoples. An international collaboration in achieving these aims is more than ever felt to be needed.

Chairman:
S. Kypengren

Joint Secretaries:
A. Johnsson
R. P. B. Davies

Report of the Cooperative Insurance Committee

22.25 Since the last Conference in Vienna, only three years ago, the world has probably seen greater technological developments than in any previous decade. Today we are privileged to live in exciting times where the miracles of heart and other transplants are overshadowed by the more spectacular achievements in lunar and other space probes.

But let us not forget that even in these days insurance plays a not insignificant part, since without the protection of insurance, industry and commerce would not have made the rapid and remarkable progress which we have all witnessed, particularly in recent years.

In the management of our respective companies, whether large or small, we must nowadays be ever ready to adapt ourselves to the use of modern developments and techniques which will increase our efficiency and reduce administrative costs for the benefit of our policyholders. In recent years, many of us have installed computers in our offices, with the consequent headaches, until we have adapted our systems to this new aid. For those who have not yet reached the computer age, we can assure you that the end amply justifies the means.

22.26 Allnations Inc.

Following the approval by the Conference in Vienna of the establishment of Allnations the Executive passed the necessary consequential Resolutions and Allnations Inc. is now a corporate body.

The Loan Guaranty Fund, created at the Bournemouth Conference in 1963, has been transferred to Allnations and contributions will continue, as before agreed, until the Fund reaches the sum of £20,000 as originally envisaged.

The Executive of the Insurance Committee is now also the Board of Directors of Allnations. The members of the Insurance Committee are the shareholders of the Company. A report will be presented to the Conference.

22.27 Retirement of the Chairman

At the Meeting of the Executive in October, 1967, Mr. Robert Dinnage tendered his resignation consequent upon his retirement from the CIS of the United Kingdom.

In view of Mr. Dinnage's long service as Chairman of the Insurance Committee, the following Resolution was passed unanimously by the Executive:

"WHEREAS, Robert DINNAGE is retiring as Chairman of the Insurance Committee after twenty years of faithful service; and

WHEREAS, Robert DINNAGE in his capacity as Chairman has so effectively directed the efforts of the Committee in its joint investigation, exchange of information and establishment of international cooperative insurance relations; and

WHEREAS, Robert DINNAGE has so competently served as ambassador of cooperation, presenting at home and abroad the advantages and opportunities of cooperative economic democracy as opposed to State monopoly and capitalistic profit motive; and

WHEREAS, we shall greatly miss the inspired leadership, wise counsel and firm but always kindly restraint of Chairman Robert DINNAGE;

NOW, BE IT THEREFORE RESOLVED, that the members of the Insurance Committee of the International Co-operative Alliance do hereby express their gratitude and deep appreciation to Robert DINNAGE, and BE IT THEREFORE RESOLVED, that this resolution be placed in the Minutes of this meeting and reproduced as a citation for and be presented to the retiring Chairman, Robert DINNAGE."

22.28 Election of new Officers

Mr. Bowman Doss of Nationwide, U.S.A., was elected Chairman.

Mr. N. A. Kularajah of M.C.I.S., Malaysia, was elected Vice-Chairman.

Mr. H. Lemaire proposed that the duties of Secretary and Treasurer should be separated; Mr. H. Seeley of CIS, United Kingdom, who had been co-opted on to the Executive following Mr. R. Dinnage's retirement, was elected Secretary; and Mr. W. Maurer of Co-op Leben, Switzerland, was elected Treasurer subject to the consequential amendment of the Rules being submitted to the Conference in 1969, and his appointment being approved retrospectively. A new Rule will be proposed at the Conference.

22.29 Communication of Information

This matter has occupied the attention of the Executive on a number of occasions in the last three years and in February, 1968, it was decided that a summary of the main

points discussed and decisions taken at the Executive Meetings should be sent to the members of the Insurance Committee to keep them informed of what was being done. Twelve months later, it was agreed to publish a Bulletin, quarterly if sufficient information became available, on matters of interest to members, including general and non-confidential information relating to Meetings of the Executive, the International Cooperative Reinsurance Bureau (ICRB), the International Insurance Development Bureau (IDB) and Allnations.

The success of any regular Bulletin is dependent upon the receipt of items for inclusion in it. We therefore appeal to all members to appoint a Senior Official in their organisation who will be responsible for supplying the Secretary with information for publication in the Bulletin. The future of the Bulletin will depend on the response of the members.

22.30 Memorandum on the Structure of the ICA

The Director of the ICA was commissioned in 1967 by the ICA Executive to make a study of the organisation of the ICA including the Auxiliary Committees, of which the Insurance Committee is one. The Memorandum which he produced was carefully studied by the Executive and the ICA informed that the Insurance Committee would support an examination of the structure of the ICA, its relationship with the Auxiliary Committees and its desire for a better exchange of information with them. It is, nevertheless, considered that the Insurance Committee should maintain its autonomy as the present arrangement has worked well for many years.

22.31 International Cooperative Reinsurance Bureau

Under the Chairmanship of Mr. R. Lemaire, who will submit a report to the Conference on the Bureau's activities in the past three years, the Bureau has continued its good work and made very satisfactory progress at a time when the reinsurance market has been extremely competitive.

22.32 Insurance Development Bureau

This Bureau, under Mr. K. Back's able Chairmanship, has been extremely active in the last three years as will be seen when Mr. Back presents his report to the Conference.

The Conference will be invited to approve the Executive's recommendation that the Bureau be reappointed for a further three years.

22.33 Affiliated Societies

Since the last Conference, two new members, from Korea and Argentina, have been admitted to membership, whilst one of our American members has resigned, so that there are now 57 affiliated members from 25 countries in five continents.

22.34 Premium Income

It is extremely satisfactory to see from the premium income returns submitted each year by the members to the Secretary that all are expanding their business despite the increased competition from the State-owned and capitalistic companies.

Chairman: B. D o s s
(retired April 1969)

Secretary:
H. S e e l e y

22.35 ICA Committee on Retail Distribution (CRD)

22.36 Member Organisations

Konsumverband (Austria), Central Cooperative Union (Bulgaria), Ustredni Rada Druzstev (Czechoslovakia), Faellesforeningen for Danmarks Brugsforeninger (Denmark), Suomen Osuuskauppojen Keskuskunta (Finland), Kulutusosuuskuntien Keskusliitto (Finland), Fédération Nationale des Coopératives de Consommation (France), Bund deutscher Konsumgenossenschaften (Federal Republic of Germany), The Co-operative Union, Ltd. (United Kingdom), CO-OP Nederland (Holland), Samband íslenskra samvinnufélaga (Iceland), Co-operative Union (Israel), Lega Nazionale delle Cooperative e Mutue (Italy), Norges Kooperative Landsforening (Norway), Central Agricultural Union of "Peasant Self-Aid" Cooperatives (Poland), Kooperativa Förbundet (Sweden), Verband schweizerischer Konsumvereine (Switzerland). Israel, Italy and Poland have been members since 1966; Iceland since 1968.

Meetings of the full Committee were held in Vienna on 2nd September, 1966, in Prague on 13th September, 1967, and in Glasgow on 4th September, 1968.

22.37 Management Sub-Committee

The following changes have taken place during the period under review:

Mr. R. Gjers (Sweden) was replaced by Mr. E. O. Hultman (Sweden); Mr. E. Horlacher (Switzerland) by Mr. O. Schmutz (Switzerland); Mr. R. Schoneweg (Fed. Republic of Germany) by Mr. H. Anders (Fed. Republic of Germany).

The Management Sub-Committee now consists of the following members:

Mr. K. Nielsen, Denmark (Chairman); Mr. C. C. Hilditch, United Kingdom (Vice Chairman); Mr. Ch. Veverka, France; Mr. J. F. van Netten, Holland; Mr. H. Anders, Federal Republic of Germany; Mr. E. O. Hultman, Sweden; Mr. O. Schmutz, Switzerland.

The Management Sub-Committee met in Vienna, 2nd September, 1966; in Berne, 7th May, 1967; in Prague, 13th September, 1967; in The Hague, 13th May, 1968, and in Glasgow, 4th September, 1968.

22.38 The Secretariat

The Secretariat is headed by Dr. G. Lindblad and is located in Stockholm (address: Kungsgatan 56/II, S-111 22 Stockholm, Sweden).

22.39 News Service

The news service continued to deal with items and surveys of current interest and was circulated about once a month. A total of 50 CRD-Documents have appeared.

22.40 Group Activities

(a) **The Working Party on Food** consisting of 11 members held 5 meetings during the period under review.

Topics dealt with were: Time studies in food shops, pre-packaging of meat, price- and date-marking, coop food shops in rural areas, shop planning, shop structure, order policy, night stocking, discount stores, etc.

(b) **The Working Party and Erfa (Erfahrungsaustausch) Group on Non-Food** consisting of some 12—14 members held 5 meetings dealing with the following subjects: Shopping centres, stock assortment, time-studies in department stores, location of a department store (town planning and economic research in connection with the establishment of a dept. store), discounting in Western Europe, staff recruitment and training, five-day week, assortment policy, the COOP Non-Food Centre at Wangen (Switzerland), pre-selling of non-foods, cost problems, sales campaigns, store cleaning.

22.41 INTERCOOP

Under this name two large international conferences were arranged, one in Berne from 8th to 11th May, 1967, dealing with non-food questions, and another in The Hague from 12th to 17th May, 1968, dealing with food retailing. Over 100 participants attended each conference, and 13 countries were represented at the 1967 conference and 16 countries at the 1968 conference.

22.42 Joint Meeting with CWC: "Meat goes self-service"

CWC and CRD arranged jointly a meeting on meat in self-service which was held in Copenhagen from 23rd to 25th April, 1968, and was attended by 46 participants.

The general secretary, Dr. Lindblad, participated on several occasions as lecturer in the meetings of other committees and institutions.

22.43 Future Activity — Merger of CRD and CWC

Merger of CRD and CWC

Owing to the general trend towards an integration of wholesaling and retailing and also to the fact that CWC and CRD mainly have the same members, a merger of the two committees was proposed at the Members' Meeting in Glasgow, the 4th September, 1968. This proposal was unanimously approved. A Committee consisting of 4 members — Mr. Nielsen and Mr. Hilditch from CRD and Mr. Frügge and Mr. Groes from CWC — was appointed to study the questions involved in a merger.

22.44 The activity of the Secretariat and the Working Parties will be carried on in accordance with the guiding principles laid down in the rules of the CRD.

22.45 The INTERCOOP 69 Conference was held in Stockholm in association with KF. The main topic was Integration of Wholesaling and Retailing with the DOMUS chain as a case study.

Chairman:
K. Nielsen

Secretary:
Dr. G. Lindblad

22.46 Cooperative Wholesale Committee's Activities — 1966—1969

In the period under review, the work of the CWC proceeded in accordance with the working programme which was adopted by the Members' Meeting in Belgrade in October, 1964, and supplemented by the Helsinki-Resolution of September, 1965, fixing in greater details the guide-lines for the commercial collaboration between the CWC-members.

By the Helsinki-Resolution it was decided that all buying agencies abroad belonging to individual members or groups of members should be utilised in common by all members.

Furthermore the Resolution stipulated that a closer collaboration regarding the supply of goods for the members should be established, preliminary for the following commodity groups: Coffee, Tea, Canned Fruit and Vegetables, Canned Fish and non-food goods.

For the implementation of this decision expert groups were established for the commodities in question. Regarding the Non-Food Sector, a special organisation was established, headed by a Non-Food Committee comprising the top managers of the non-food departments and consisting of a number of Expert Groups for the commodities which were to be the subject of collaboration. Some of these were decided already by the Helsinki-Resolution, and it was left to the Non-Food Committee to point out further ranges for joint action.

During the period under review, commercial collaboration has developed satisfactorily along these lines.

At an early stage it appeared that within the Food Sector no advantages of any significance could be achieved by pooling of orders and consequently efforts were concentrated upon the joint utilisation of the buying offices dealing with commodities specified in the Helsinki-Resolution.

22.47 Regarding Coffee, the non-Scandinavian CWC-members channelled to a big extent their purchases of Brazilian coffee through the NAF-office in Santos. In 1968, the additional purchases in question amounted to US\$ 1 million.

22.48 The expert group for Tea unanimously chose the Cooperative Tea Society, London (formerly "The English and Scottish Joint CWC"), as their main supplier for blended teas and — to a certain extent — also for original teas. Furthermore, they decided to introduce on the European market a common tea package with a typical English tea, produced by the CTS and carrying the circle symbol and the brand-name "Tea Circle 99" or "Tea 99" (where the use of the word "Circle" is not allowed).

22.49 Regarding Canned Fruit, the purchases from the main supplying regions, California and Australia, were channelled through the cooperative buying depots in these regions, i. e., the NAF-office in San Francisco and the CWS buying agency in Sydney, respectively. Also dried fruit and some other commodities were channelled through the NAF-office in California. Additional purchases by the non-British and non-Scandinavian organisations via the cooperative agencies in California and Australia in 1968 amounted to about US\$ 1.5 million. The expert group recommended the introduction of a common cooperative brand for canned fruit imported from the two regions in question and chose the name RAINBOW. Also a common label under this brand was procured, and the application of this label was started in some countries in 1968.

22.50 In the Canned Fish field the channelling of purchases via cooperative agencies proved to be impracticable, and therefore the endeavours of the expert group in question concentrated upon the mutual exchange of canned fish from factories belonging to some of the members. A valuable mutual trade has now developed in this field.

22.51 In the Non-Food Sector it was quite clear from the very beginning that joint buying operations would be the most important task. All the expert groups — comprising now the ranges camping/sport articles, ladies' and children's wear, men's and boys' wear, toys, garden implements and tools, clocks and optics, and linen goods — worked very intensively to map out the common interests, fix the assortment for joint buying and undertake the common purchases in the most effective way. In 1968 the volume of the joint purchases amounted to US\$ 16.8 million, an increase of 89% compared with 1967 and about three times the figure for 1966. The largest figures were obtained within the groups for camping and sport articles and for textiles. The groups which were established in 1968 — garden implements and tools, clocks and optics, linen goods — showed rather modest initial figures: however, the prospect is very promising in these fields, too.

According to the Belgrade programme, the CWC should also foster, further and develop the exchange of experiences and information among the member organisations on structural, organisational, commercial and other relevant matters.

The activities in question are performed partly through the above mentioned expert groups for commercial collaboration, partly through other working groups and parties and last but not least, through conferences on special subjects as well as by means of newsletters and special information material which is submitted from the Secretariat.

Permanent working parties for exchange of experiences are established for some industrial lines as flour mills, chocolate factories and soap and detergent factories, and all of these parties assemble several times during the three-year-period.

22.52 Furthermore, the Committee arranged the fourth International Cooperative Conference on **Regional Warehousing (1967)** and the first International Cooperative top Management Conference on **Problems of Investment Planning and Financing Methods**.

22.53 Finally, the first International Conference on **Wholesale and Retail Distribution of Meat and Meat Products in the Era of Self-Service ("Meat Goes Self-Service")** took place in 1968; this Conference was arranged jointly by the CWC and the ICA Committee on Retail Distribution (CRD).

22.54 Members

In the period under review, the membership was enlarged by the admission of two cooperative wholesale organisations, i. e., COOP-Italia and Bien-Etre, Belgium: the number of members now totals 18.

Copenhagen remained the headquarters of the Committee.

Chairman:

E. Groes

Secretary:

N. Hoff

22.55 Conference of the Committee of the Workers' Productive and Artisanal Cooperative Societies

22.56 Meetings

During the past three years, the committee has met as follows:

- 29th August, 1966, at Vienna;
- 13rd September, 1967, at Prague;
- 1st September, 1968, at Glasgow.

22.57 New Members

The Hungarian Federation of Cooperatives joined the ICA in 1968 and has signified its wish to take part in the work of our committee. As regards our sector, the Federation has 1,107 cooperatives with a total membership of 225,000 shareholders.

The cooperatives are of the following types:

- 665 artisanal cooperatives (men)
- 113 artisanal cooperatives (women)
- 225 building cooperatives
- 74 service cooperatives.

Discussions are now taking place which, we hope, will result in an agreement to admit the Federation of Labour Cooperatives of Argentina; this has 236 cooperatives with a total membership of 20,000 shareholders. These are to be found in a great many sectors of activity, for example: transportation, electrotechnical industries, engineering, printing, textiles, glassware, education and the professions.

We hope that other national organisations having workers' productive societies will send delegates to the meetings of our committee.

22.58 Composition of Committee

Following notification by the "Cooperative Productive Federation" of the United Kingdom, and the "Österreichischer Genossenschaftsverband" of Austria of their ceasing to be members of the ICA, and taking into account the new membership of the Hungarian organisation, our committee now totals 22 national organisations from the following countries: Ceylon, Denmark, France (3), Hungary, India, Israel, Italy (3), Malaysia, Mexico, Nigeria (2), Netherlands, Pakistan, Poland, Sweden, Switzerland, Czechoslovakia and Yugoslavia.

22.59 Statistics

The statistical researches undertaken by the Secretariat of our committee, on the bases of the decision taken in 1962 at Scheveningen, are still being actively pursued. It will be recalled that some of the results were given during the course of the committee meeting which took place at Vienna on the 29th of August, 1966.

As soon as the large-scale statistical survey on the Cooperative Movement, undertaken by the ILO, has been completed, and when, in consequence, it will be possible to collaborate with the ILO for the purposes of checking the figures and other statistical data, our Secretariat will bring the 1966 results up to date and proceed to the issuing of the Final Report.

22.60 Monographs

The monograph on cooperatives in the service sector will be published in the same manner as those previously undertaken, very probably during 1969.

The synthesis of the various monographs has not yet been completed since we have not been able to hold the necessary meeting with the representatives of the ILO. We hope to be in a position to publish this document during 1969.

22.61 Comparative law studies

Mr. Antoni, the President, has completed the studies undertaken on comparative law and presented the results at the Prague meeting on 13th September, 1967.

This work was split into two parts. The first sets down a certain grouping of ideas which, together with the general principles of cooperation, must be present at the inception of any workers' productive cooperative society and, where this is necessary, at any transformation of existing movements into such societies.

The second part contains a comparative table showing actual laws in force in seven countries (Italy, France, Britain, Denmark, Mexico, Poland and Czechoslovakia); the table was compiled from documents submitted to the committee's Secretariat, and would normally be completed by data from still more countries, i. e., India and Israel, in particular.

The basic principles and the table taken together make up the practical basis of a work which merits further and deeper study.

22.62 Seminars for leaders of industrial cooperatives

It will be recalled that, in 1966, the first international seminar for leaders of workers' productive and artisanal cooperative societies was held at Chamarande. This was held in the form of an open meeting with the widest range of discussions possible and was governed in a similar way by the programme of the international schools of the ICA which, at the request of our President, participated on an official basis in the organisation of the seminar.

This first seminar was organised by the French Confederation which paid all the costs involved, and one of its members, La Construction Moderne Francaise, acted as hosts. The seminar was run by Mr. William P. Watkins, former Director of the ICA, and cooperators participated from France, Britain, Netherlands, Israel, Italy, Poland and Czechoslovakia. The theme of the seminar was "Workers' productive societies and the basic principles of cooperation".

The second international seminar of the same type was scheduled for the last two weeks of May 1968 in Czechoslovakia, in accordance with the decisions taken at Prague on 13th September, 1967. It was to have been held at Tatraska Lomnica on the subject of "Position and role of Workers' productive cooperatives and artisanal cooperatives in an advanced industrial society".

For a variety of reasons, this seminar was put off until November 1968, and once more delayed until spring 1969. The programme lists three main reports which will be prepared and presented by the Czech organisation, and two supplementary reports for each of the three main reports. The supplementary reports will be presented by delegates of the other organisations taking part in the seminar.

22.63 Seminars for technicians of building cooperatives

We have also arranged for technical information courses. For the moment, one only has been organised, and this on the theme of: "Bearing structures in reinforced concrete and steel — comparison of both systems from technical, functional and economic points of view — principal characteristics of both types of structures especially from the point of view of volume, weight and size in relation to area and volume available."

This seminar, which will have a very wide international basis, will be held at Genoa, Italy, in March 1969.

There are plans for a second international seminar of a technical nature with the theme: "Mediterranean architecture — New techniques and new materials." This seminar will take place in spring 1969. The President and Secretary both hope that these initiatives so vital to our era will enjoy the success they deserve so as to serve as a basis for others to become interested in new categories of industrial cooperatives.

22.64 Interchange of technicians and of experience

The Secretariat has missed no opportunity to recommend, and to facilitate in so far as it could, exchanges of visits by technicians and of ideas and experience between the committee's member-organisations.

This has only proved possible in a limited number of cases and at the price of great difficulties. It may well be that developments in the technical and economic climates will force us to adopt this quick and practical type of liaison between undertakings which belong to the same movement and have the same objectives, but it will be necessary for them to discern new economic objectives more clearly than has been the case until now.

22.65 Visits to various technical establishments

In pursuance of the principles enunciated above, the committee, at its meeting on the 1st of September, 1968, at Glasgow, decided to arrange for a series of visits by technicians of the building industry and other sectors, to show them a number of achievements by workers' productive societies in various countries and of special interest to them.

Travel costs involved in these visits would be paid for by the participants themselves, but the costs of the stay during the visit would be met by the inviting organisation; the latter would also arrange for interpreters in the language required for the convenience of the visitors.

The committee considered that it would be useful to ask the help of the Housing Committee to ensure that reports on the experiences of various organisations and comparisons between them should be more complete and productive.

22.66 UN Committee for Housing, Building and Planning

The Committee for Housing, Building and Planning of the Economic Commission for Europe of the United Nations organised its second seminar for building industries from 24th April to 4th May 1967 in France. The seminar was devoted to discussions on future building plans and the possibilities offered by pre-fabricated materials.

On request from the ICA, one of its two representatives was appointed by our committee. This was Professor Frederic Gorio of the University of Rome, Director of the Italian Organisation's Centre for Building Studies.

The President of the committee provided all member-organisations on 8th February 1966 with photocopies and extracts from the letter of invitation containing points for the agenda and requested them to let the Secretariat have their observations and remarks on the points for the agenda.

Professor Gorio drew up his notes on the basis of the various communications received from the organisations mentioned. They subsequently received a copy of the main paper read by Professor Gorio entitled: "General principles concerning pre-fabricated units produced on an industrial scale".

22.67 Relations with Housing Committee

On 27th April 1967, there was a meeting at the headquarters of the French organisation in Paris in which the President and Secretary of our committee, as well as the President and Secretary of the Housing Committee took part. There was an examination of various points of common interest, which took place in a spirit of complete cordiality and terminated in a satisfactory manner.

In consequence, the Secretaries of the two committees signed, on 11th July 1967 at Rome, a joint declaration which defined the forms and methods of future collaboration between the two committees and stimulated renewal of the relations which had led to such useful meetings and exchanges of viewpoints.

The common working programme drawn up by the two Secretariats dealt with joint studies of technical and administrative problems through seminars and other types of meetings; business agreements dealing with purchasing of materials or making use of patents; exchanges of technical information which might be useful to the two committees' member-organisations; coordination as regards participation in the work of the UN Housing Committee and other international organisations, in agreement with the ICA; and coordination of assistance schemes to developing countries.

The common declaration was approved by our committee at its meeting in September 1967 at Prague, and by the Housing Committee at its meeting in October 1967 in Israel.

In accordance with this spirit of collaboration, the Secretary of our committee informed the Secretary of the Housing Committee of the programmes of the courses for technical leaders and of the project for visits to our technical establishments. The Secretary of the Housing Committee has assured him of the high degree of interest which the members of his committee have displayed in this type of collaboration.

At the meeting of the Housing Committee on the 20th and 21st of November 1968 at Rome, the Secretary of our committee gave a brief survey of the structure and activities of the Committee for Workers' Productive and Artisanal Cooperative Societies, as well as the forms and methods of any future collaboration between the two committees.

22.68 Workers' Productive Societies and developing nations

It was the expressed desire of the committee at its meeting in 1960 to do everything possible to help new cooperative movements then being formed in the developing countries, and this has been followed up by the committee's leading members. The possibility of acting in more practical ways was offered to us during the year 1968 and we have reason to believe that such action will bring forth concrete results.

22.69 Publications

During the past three years, the committee has published a report on the first international seminar for leaders of workers' productive and artisanal societies in both English and French. This is a comprehensive document, covering all the basic papers discussed, as well as the conclusions drawn in the discussion groups, day by day, plus the closing speech of the Director of the seminar.

Another interesting publication is that dealing with a study of comparative law drawn up by the President, Mr. Antoni, entitled: "Regulations governing workers' productive societies in certain countries." This publication is only available, at the moment, in French, but plans are in hand for an English translation.

Both these publications were produced solely by the French Confederation of Workers' Productive Societies.

However, we have not been able to embark for the moment on our project for an Information Bulletin. The ICA had suggested that the news items which would have been printed in our publication should appear in the News Service of the ICA itself, but on this point also, the lack of response on the part of member-organisations has not allowed us to gather together a sufficient number of items to make the effort worth while.

22.70 Participation of Workers' cooperatives in Consumer cooperative undertakings

On the agenda of our meeting at Prague in September 1967, we passed a resolution presented by the Dutch organisation on the possibilities of participation by Workers' cooperatives in the productive undertakings of the Consumer cooperative movement.

In accordance with the decisions taken, the Secretariat drew up a questionnaire which was sent to all member-organisations together with a letter requesting their answers on the views and actual facts prevailing in the various countries.

We did not have a sufficient amount of data to reach a conclusion at our meeting in September 1968, but we hope to do so at the Hamburg meeting in 1969.

22.71 Structure of ICA and role of Auxiliary Committees

Subsequent to the ICA memorandum sent out in June 1968 by the ICA to all member-organisations, the President of our committee has deemed it useful to pursue enquiries with member-organisations as to their ideas on the role and the position of the auxiliary committees.

The meeting in September 1968 at Glasgow did not fully exhaust this subject and as a result the committee has ensured that this question will be brought up at the 1969 Hamburg meeting and has asked the Secretariat to do everything possible to ensure that a survey, as complete as can be arranged, be available to set out the member-organisations' points of view.

In connection with this point, the committee has also examined the possibility of making certain amendments to its own Statutes and asked the President to prepare a draft to this effect.

22.72 Research on development of industrial cooperation

The ILO and the new United Nations Industrial Development Organisation (UNIDO) are at this time particularly interested in the problems arising in our own branch of cooperation. The ICA has been entrusted with research work on the role of cooperatives in the industrialisation of developing countries; and this study is being undertaken with assistance from our committee.

22.73 Cooperative solidarity

Severe floods took place in Italy in November 1966, especially in Venetia and Tuscany. The majority of member-organisations sent funds to the ICA to help Italian cooperatives. The French General Confederation of Workers' Productive Societies sent approximately half the funds collected direct to the Secretariat of our committee in Italy, leaving it to it to allocate the moneys to those cooperatives most affected.

During the night of 16th November, 1966, a fire destroyed the buildings which housed the ILO cooperative department. Our committee, following its Prague meeting, invited all member-organisations to contribute to the reconstitution of the archives concerned with cooperation. Our Secretariat supplied the ILO with copies of all documents of which it had its own copies in its own files.

22.74 Conclusions

Not all the problems concerning Workers' Productive Societies have been dealt with, and some of them have not been raised, but the present state of the world's economy is creating new problems for our cooperative movement.

This is true not only in the developing countries, but also, and perhaps most crucially, in the industrially advanced countries where new ideas, new systems and new difficulties impose new states of mind and the adoption of new methods, to which, it must be stressed, the cooperative movement is adapting itself with praiseworthy flexibility.

Yet again, it is obvious that there is strength in unity and our committee of workers' productive and artisanal cooperative societies, having on several occasions analysed current problems in depth, stresses that closer collaboration in both social and technical matters will provide us with the weapons with which to come to grips with, and resolve, all the problems of tomorrow.

Chairman:
A. Antoni

Secretary:
E. Mondini

23. Reports of International Member Organisations

International Co-operative Banking Company Ltd., Basle (INGEBA)

23.1 At the time of the 23rd ICA Congress in Vienna, INGEBA was still in a state of development; but the figures published at the end of 1966, pointed to good future prospects. With a capital of 10 million Swiss Francs, total assets amounted to about 1.5 million Swiss Francs. In 1967, there was another allocation made to reserves and a dividend of 5 %.

23.2 At the end of 1967, INGEBA was able to report that its establishment had been completed. Total assets then amounted to 276.1 million, and there was a net surplus of 1.5 million Swiss Francs. In 1967, there was another allocation made to reserves and a dividend of 5 %. The following special events of 1967 are worth mentioning:

In January 1967, the Swiss Banking Commission awarded to INGEBA the status of a "Bank";

in April 1967, capital was increased to 10 million Swiss Francs;

in September 1967, the Secretariat of the ICA Banking Committee was established at INGEBA;

the number of shareholders increased to 32 cooperative organisations and Banks from 16 countries.

23.3 During 1968, new shareholders were admitted, among them the International Co-operative Alliance, which can be regarded as a symbol of the good relationship between the ICA and INGEBA.

Results of that year were again very satisfactory. Total assets increased to 367.9 million, and the net surplus amounted to over 2.1 million Swiss Francs. Free reserves were increased to 2 million and the dividend raised by 1 % to 6 %. The relationship between credits and deposits show that INGEBA is transacting business with its own funds to an increasing extent. At the end of 1966, INGEBA shareholders accounted for 15.45 % of credits and 86.45 % of deposits. At the end of 1968, the respective figures were 18.32 % and 64.38 %, and other economic sectors participated in the credits granted to the amount of 77.56 % (at the end of 1966, the figure was 75.86 %). The increase in total assets in 1968 will necessitate a further increase in capital by 10 million Swiss Francs, and a decision will have to be taken in view of this fact at the Gener 1 Meeting in Tel-Aviv on the 24th March, 1969.

The number of shareholders will increase considerably yet again, as a number of well-known firms have made known their interest in participating in INGEBA's activities. The discussion taking place at present will soon be completed. The admission of new shareholders to INGEBA will not just look good, but make it possible for the Bank to expand its activities and make new business contacts.

23.4 In 1969, a number of initiatives which have already been taken, will have their effect so that a further favourable development of INGEBA can be expected in spite of existing economic difficulties and monetary unrest.

23.5 INGEBA is trying to create the proper conditions for the establishment of a Central Institution which is greatly needed, as the necessary collaboration of all co-operative organisations and Banks at the international level and with supranational organisations can be achieved only through joint efforts.

President:

C. Wiederkehr

Vice-Chairman:

W. Hesselbach

H.-U. Mathias

W. Bleile

Board of Directors

23.6 Report of the International Cooperative Petroleum Association

23.7 Since the last ICA Congress in Vienna, the ICPA has continued to grow in volume, in membership and in services rendered. The volume for the fiscal year 1967 was \$7,961,000 which was a record volume for any fiscal year. Also since that time, the subscribed capital stock of the Association has been increased from \$766,600 to \$1,385,000. Similarly, the balance sheet figure of assets and liabilities has been increased from \$3,340,000 to \$3,532,000. The fixed assets of the blending plant in Holland have now been increased to \$1,119,000. Volume was somewhat reduced during the fiscal year 1968, because of international political difficulties which were reflected in disruption of normal shipping and trade, but the fiscal year 1969 is showing a substantial increase over the prior year.

23.8 OK, Denmark, Pakistan Cooperative Petroleum Association, and SCUPA S.A. of Belgium have all come into the membership of ICPA since the last Congress. In addition, the ICPA has grown in a number of areas in the variety and type of service it renders, such as the lubricating oil blending plant which is presently being built in Ceylon for ICPA's member there, the Ceylon Petroleum Corporation. This plant, when completed, will have a throughput of approximately 20,000 tons per year, and it is estimated that the savings resulting to the CPC from this plant will enable them to pay for its entire cost in a two-year period. Work is also progressing in other areas for similar projects of this same type, and it is anticipated that in the future the ICPA will be doing more and more of this type of service activity for its membership.

23.9 At the end of the ICA Congress in 1966 in Vienna, Howard A. Cowden of the United States, who was one of the founders of the ICPA, retired as President, and Arne Carlsson of Sweden was elected as the new President. Since that time he has been annually re-elected to this post, and Ralph Booker of the United States has been elected Vice-President of the ICPA. Other Directors include:

K. Alvapillai	—	Ceylon
Herman Kramer	—	Holland
René G. Orsini	—	France
André Vuilleumier	—	Switzerland

23.10 ICPA's own oil blending plant at Dordrecht, Holland has continued to grow, and substantial additions have been made to it to provide for this increase in throughput, and to provide additional facilities for a wider range of products. Negotiations are now under way for "custom packaging" for other companies, and it is expected that this type of business can be expanded in the future. This will give greater volume to the plant, and result in increased economic advantages to the members.

Work is also continuing among the ICPA and some of its members in crude oil, in order to provide a broader basis for the various petroleum activities carried out by the cooperative members. Many of ICPA's members individually are also engaged in crude oil work, including Sweden, Egypt, and a number of the member-cooperatives in the United States.

23.11 The organisation is continuing to work in developing countries towards more cooperative distribution of petroleum in these areas, and is also continuing to emphasise training of personnel of members from different countries. This is provided through technical and cooperative information supplied to the membership, through seminars and group conferences, and through training of individual employees at installations of the different members.

Emphasis has also been placed on the use, wherever possible, of a common trade-mark or emblem. More and more of the ICPA members are adopting the trade-mark OK, which originated in Sweden, as their symbol of identification.

23.12 Many of the cooperatives who are affiliated with ICPA have expanded their services in the areas they served during the past three years. This has been accomplished by merging of some of their operations into more efficient producing and distributing units, and by expanding their services through additional outlets, and through additional products that can be supplied to their local societies.

23.13 Since the Vienna meeting, the ICPA has commemorated its twenty-first anniversary, and continues as the only international cooperative trading body. Last year, the ICPA was admitted as an individual member of the ICA, and no longer, therefore, is listed as an Auxiliary Committee, but as a regular member. Throughout its twenty-one years of cooperative and business activity, the ICPA has striven to bring about cooperation among cooperatives, and this continues to be its goal. Primarily, of course, this joint cooperation is direct towards the supply of petroleum products, and the development of petroleum production and distribution among cooperatives. Through the medium of the ICPA, however, many other projects and activities can be developed and will be developed in the years ahead.

President:
A. Carlsson

Secretary:
W. McCann

24. PROPOSALS AND AMENDMENTS TO RULES

24.1 Proposals of Central Committee

A. INTERNATIONAL DECLARATION OF CONSUMER RIGHTS

(Prepared in consultation with the Consumer Working Party)

I. The International Cooperative Alliance declares that consumers have a right to:

1. A reasonable standard of nutrition, clothing and housing.
2. Adequate standards of safety and a healthy environment free from pollution.
3. Access to unadulterated merchandise at fair prices and with reasonable variety and choice.
4. Access to relevant information on goods and services and to education on consumer topics.
5. Influence in economic life and democratic participation in its control.

II. Consumer Policy

1. The call for pure and unadulterated food by the Rochdale Pioneers, reflected in their own practice, was made because of the widespread adulteration of merchandise at that time. Even today this call is, in many parts of the world, as topical as when it was first formulated. It therefore still holds a prominent position among the aims of all consumer cooperative movements.

2. This basic principle has nowadays come to imply considerably more. The previously rather narrow concept of consumption has widened to embrace all that affects the health and welfare of mankind. Clean air, clean and wholesome water, and in general a world fit for mankind, have come to stand out as ever more urgent requirements. These claims are no longer only applicable within consumer cooperative movements but are basic precepts for all cooperative organisations, and for other consumer organisations.

3. The cooperative movement has constantly endeavoured to equip itself with effective means for redressing grievances. Being engaged in production and in distribution it has had the opportunity of improving the living standards of all and of making necessities available to low income groups.

4. The cooperative movement has acquired a significant influence on important sectors of economic and community life and it also has considerable influence on public opinion.

5. One of the basic principles of the movement is that the members themselves should have influence over its activities. The consumer member's self-evident right to voice his views is thus of fundamental importance in all consumer cooperative organisations. To make use of this authority and to exercise this influence the consumer needs knowledge; and education and information thus play an important part in cooperative activity.

III. National Cooperative Movements should promote consumer interests in the following Ways:

1. The continued development of cooperative production and distribution with special attention to consumer needs and in order to promote national economic and social development.

2. Campaigning for legislation in the field of consumer protection and for consumer representation on all public bodies involved in decisions both directly and indirectly affecting the consumer.

3. The further development of assortment policies to meet consumer needs with the expert advice and technical assistance of specialised laboratories, so as to make available to the consumer a wide range of products with easily comparable prices and ensure them full freedom of choice.

4. Taking and campaigning for effective action to control monopolies, ensure effective competition and fair prices; to try to ensure that the fruits of technological progress are passed on to the consumer.

5. The provision of educational opportunities for the consumer in the field of nutrition, domestic economy and general economics.

6. The preparation and dissemination of useful information either independently or in collaboration with public and other consumer organisations and the promotion of informative labelling and truthful advertising.

7. Taking the initiative in collaboration with other organisations involved in consumer affairs to coordinate the promotion of consumer rights, in an effort to achieve joint action to promote consumer interests in all spheres of community life.

IV. In the international field the world cooperative movement should take steps to:

1. Heighten and develop collaboration between cooperative organisations in all parts of the world; promote and assist newly emerging cooperative movements, especially in developing countries, and generally promote economic and social development.

2. Assist in implementing special programmes designed to improve human conditions in collaboration with ECOSOC, the UN specialised agencies, the UN regional commissions and international non-governmental organisations having similar aims, and generally to promote the objectives of the Resolution on Cooperatives adopted by the UN General Assembly in 1968.

3. Support UN activities for the improvement of the human environment.

4. Advocate the abolition of monopolies and other restrictive business practices obstructing economic development and international trade and in general promote freer world trade while recognising the special problems of developing countries.

5. Advocate an international coordination of laws and regulations affecting consumers through organisations such as the International Organisation for Standardisation and the International Electro-Technical Commission.

6. Advocate a coordinated international system of consumer information through collaboration with bodies such as the International Organisation of Consumer Unions, the International Labelling Centre, the International Organisation for Standardisation and the International Electro-Technical Commission: and the joint committee formed by the last two, the International Standards Steering Committee for Consumer Affairs (ISCA).

Amendment: Proposed by Lega Nazionale delle Cooperative e Mutue, Italy.

In the second paragraph of (part IV), between the words "human conditions" and "in collaboration", insert the words "and especially in fighting effectively against hunger".

B. CONTEMPORARY COOPERATIVE DEMOCRACY

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE, having studied and discussed the reports on contemporary cooperative democracy as it is applied in countries of various political, economic and social systems, noting that different systems have an impact on the structure of the cooperative movement and, therefore, also indirectly on cooperative democracy;

HAVING regard to the rapid and far-reaching structural changes which the cooperative movement has had to undertake in order to increase its economic efficiency in its fight against monopolies and in its efforts to improve the quality of its service to meet the new needs of its members;

RECOGNISING that the structural changes generally involve a development towards larger and fewer economic units within the movement and a transfer of authority from primary societies to apex organisations;

CONSIDERING that democracy, a basic principle of cooperation, must be retained and even strengthened within the new structures, and can be, in spite of difficulties in the application of democracy in the world today and of dangers with which it is threatened, such as the tendency towards bureaucracy and technocracy in large enterprises, and towards the concentration of economic power in the hands of international trusts and cartels;

RECOMMENDS the Affiliated members of the International Cooperative Alliance:

TO ADAPT whenever necessary the democratic system to the new economic structures in such a way as to provide members of the societies with the maximum opportunities for the active participation of those members;

TO INTRODUCE or develop for that purpose a system of representative democracy in cooperative primary societies whenever those cover a wide geographical area of activity and/or have a large number of members;

TO DEVELOP democratic structures in order to allow members of cooperative societies, through their elected representatives, to direct and control the policy of the movement, to engage in a permanent and fruitful exchange of views between cooperative societies and central organs in a cooperative spirit and to facilitate the division of tasks between the different structural levels in order to ensure maximum efficiency in the activities of the movement as a whole;

TO USE modern methods of mass consultation to stimulate and encourage members of cooperative societies to express their opinion and give their views on the activity and policies of their society and in this way to engage them to participate to a greater extent in the direction of cooperative enterprises;

TO MEET the increased need for membership enlightenment by utilising modern audio-visual techniques in membership meetings and by investing adequate resources in the development of a widespread cooperative press;

TO DEVELOP systems of training for members of elected committees so as to give them opportunities of acquiring the necessary knowledge for making policy decisions and performing control over large economic undertakings in the interest of their members;

TO STRESS the cooperative training of managers and technicians employed by the cooperative movement and to underline in this connection the social and cultural aims of a movement based on the principles of solidarity;

TO UNDERTAKE through the International Cooperative Alliance or by direct contacts, and exchange of experiences between the various forms of cooperation and between the cooperative movements of different countries with a view to improving the day-to-day functioning of democracy in cooperatives and to develop contacts with mass organisations which pursue the same objectives in the same spirit in order that the cooperative idea should have a bigger impact;

TO TAKE ADVANTAGE of all means at the disposal of cooperatives in order to exert cooperative influence on social and economic legislation and to obtain representation of cooperative organisations on governmental agencies which deal with the formulation and implementation of economic and social policy.

THE CONGRESS AFFIRMS solemnly that political democracy is indispensable to the development of cooperation and that reciprocally the free development of cooperative ideas and activities is indispensable to economic democracy without which political democracy remains incomplete.

Amendment: Proposed by Lega Nazionale delle Cooperative e Mutue, Italy.

After the fourth paragraph beginning "Considering that democracy, ..." and before the fifth paragraph beginning "Recommends the Affiliated members ..." insert additional paragraph as follows: "UNDERLINES also the real importance of cooperative methods in satisfying the increasing demand for democratic participation from workers, producers, consumers, and in particular, from youth, in the management of economic and social activities;"

Amendment: Proposed by Lega Nazionale delle Cooperative e Mutue, Italy.

In the penultimate paragraph beginning "To take advantage of ...", between the words "social and economic legislation" and "and to obtain" insert the words "as well as public planning".

C. PEACE

THE 24TH CONGRESS OF THE ICA, representing 230 million Cooperators through the Affiliated Organisations,

RECALLS its resolutions adopted at previous Congresses;

CONFIRMS its belief that the most urgent problem in the world is the establishment of peace, for without it human survival is threatened, and the process of economic development and social progress are obstructed;

REAFFIRMS its will to promote harmony between all races and peoples, to which end Cooperation has a special contribution to make;

ACKNOWLEDGES the work done by the United Nations in this field;

CALLS on governments to desist from such unilateral actions which are likely to endanger peace, and instead to support and strengthen the UN in its efforts to reduce tension; and

ASKS its Member Organisations to do all they can to influence their national governments to support the settlement of international disputes by negotiation and all measures for disarmament so that conditions may prevail which will enable all people to work peaceably for a higher standard of living and for the elimination of hunger and economic insecurity.

Amendment: Proposed by Lega Nazionale delle Cooperative e Mutue, Italy.

In the fourth paragraph beginning "Reaffirms its will ..." between the words "races and peoples," and "to which end" insert the words "as well as to safeguard the rights of peoples to their self-determination".

D. TECHNICAL ASSISTANCE AND THE ICA DEVELOPMENT FUND **THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE**

APPRECIATES highly the excellent work done by several affiliated national cooperative movements in giving generous technical assistance to the developing countries on a bilateral basis but simultaneously;

FINDS it necessary for greater coordination to be achieved internationally with the aim of providing wider scope for multi-lateral action;

WELCOMES Resolution 2459 (XXIII) on the Role of the Cooperative Movement in Economic and Social Development, passed by the General Assembly of the United Nations in December 1968, as well as the recommendation on the Role of Cooperatives, addressed to the governments of developing countries by the General Conference of the International Labour Organisation in 1966, as most significant documents recognising the merits, importance and possibilities of the Cooperative Movement;

ACCEPTS the moral, social, economic and educational responsibility of the ICA for contributing towards the solution of the urgent problems of the developing countries by means of more efficient promotion of Cooperation;

AGREES with the conclusions of the Central Committee Report on the Development Fund, to the effect that, whilst objectively the ICA has favourable prerequisites for more active participation in the world-wide efforts for improving the living conditions in the developing countries, one of the main obstacles preventing the ICA from effectively pursuing such an aim is lack of finance and, therefore,

RESOLVES to urge all its affiliated Organisations to increase substantially their contributions to the Development Fund, in raising the finance for which they should start a wide-scale campaign in their respective countries in commemorating the ICA's forthcoming 75th Anniversary, and in this connection commends among others the practice whereby member Organisations donate 10% of the sum raised for their own technical assistance programmes, and thus express most appropriately their feelings of international cooperative solidarity, by contributing to collections for the ICA Development Fund as generously as possible, and

INSTRUCTS the Director of the Alliance to examine and report to the Central Committee on the possibility of prescribing a minimum rate or rates at which the various categories of membership of affiliated organisations should contribute to the Development Fund and authorises the Central Committee to take appropriate action on the report.

Amendment: Proposed by Lega Nazionale delle Cooperative e Mutue, Italy.

After the fourth paragraph beginning "Accepts the moral ..." and before the fifth paragraph beginning "Agrees with the conclusions ..." add new paragraph as follows: "REQUESTS the Alliance to urge various Specialised UN Agencies to initiate joint programmes, with a view to promoting cooperation in all spheres of activity relevant to developing countries;"

24.2 Proposals of Member Organisations

I. Subject: ICA Office in West Africa

Proposer: Cooperative Union of Western Nigeria Ltd.

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

ASKS the Central Committee to consider the possibility of setting up a Branch Office in West Africa with its headquarters in Nigeria.

Amendment: Proposed by Lega Nazionale delle Cooperative e Mutue, Italy.

Delete the words "in Nigeria" and substitute "where it is found to be most suitable".

II. Subject: Inter-Cooperative Trade

Proposer: Cooperative League of the U.S.A.

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

RECOGNISES the need for greater trade between cooperatives in keeping with the principles of cooperation among cooperatives;

ACKNOWLEDGES the value of the detailed study already completed for South-East Asia; and

REQUESTS the ICA, in collaboration with member cooperatives, to develop a general report on the trade taking place between cooperatives in the various countries and between countries. The report should show products or services handled, annual volume, how import or export regulations are handled, problems related to trade and, if possible, opportunities for further trade and the benefits to cooperative participants from such trade. Experiences of the International Cooperative Petroleum Association could be used as an example. Such data to be collected by a special ICA Committee formed for this purpose with the results of the survey to be discussed in regional seminars in Europe, Africa, Asia and the Americas.

III. Subject: Inter-Cooperative Trade in Developing Countries

Proposer: National Cooperative Union of India

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

NOTES with satisfaction that the subject of mutual collaboration between developing and developed countries was considered at length at the second and third Asian Agricultural Cooperative Congress held at Tokyo and New Delhi respectively in 1964 and 1967;

RECALLS that specific resolutions were passed in this respect; and

REQUESTS the Alliance to consider those resolutions and take the necessary follow-up action to facilitate international trading between developed and developing countries to their mutual benefit.

IV. Subject: Technical Assistance to Developing Countries

Proposer: Cooperative League of the U.S.A.

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

RESOLVES to endorse the recent action of the Alliance to create a joint programme of technical assistance to developing countries with FAO, IFAP and ILO;

CALLS on the developing countries to make use of this joint programme;

CALLS on the more developed countries to cooperate actively with requests for assistance; and

REQUESTS the FAO and ILO and other concerned United Nations Organisations to contract with cooperative organisations in the more developed countries in order to provide certain types of assistance to cooperatives in developing countries.

**V. Subject: Consumer and Agricultural Processing industries
in Developing Countries**

Proposer: National Cooperative Union of India

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

APPRECIATES the steps taken in pursuance of the resolution on the subject adopted by the 22nd Congress held in Bournemouth in October 1963 and the follow-up action taken by the ICA and certain cooperative movements;

EMPHASISES the need for more active collaboration between the developed and developing countries in this direction; and

URGES the Central Committee of the ICA to receive the annual reports from member organisations and to review the progress in this regard.

VI. Subject: Agricultural Production Cooperatives

Proposer: Central Cooperative Union, Bulgaria

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

CONSIDERS that examination of the imperative question of the need to unite peasants in agricultural production cooperatives, and the part to be played by the Alliance in this matter, is pressing.

In this connection, the Congress

ENTRUSTS to the Central Committee of the Alliance the working out of measures concerned with the broadening of activity by the Agricultural Committee in giving comprehensive help to existing agricultural production cooperatives and in the establishment of new cooperatives in individual countries;

ASKS that plans be worked out outlining means for carrying out such assistance to national cooperative unions;

REQUESTS that particular attention be drawn in these plans to methods of giving help to agricultural production cooperatives in the developing countries;

URGES all types of cooperative organisations and members of the ICA to give every possible form of assistance and support to agricultural production cooperatives;

CONSIDERS it imperative to draw attention to those close economic ties which agricultural production cooperatives should establish with other types of cooperatives;

CONSIDERS that one of the most important future tasks of the members of the International Cooperative Alliance should be in connection with the effort to persuade the governments of their respective countries to introduce legislation for comprehensive help in the development of agricultural production cooperatives in providing technical assistance, and in granting to the cooperatives and their members privileges in tax relief, in leaseholds and in other similar matters;

POINTS OUT that the question of the development of economic connections between agricultural production cooperatives in all countries of the world, the interchange of experience between them, of information, literature, technical documentation, etc., is of very great importance. The Alliance and the Agricultural Committee should organise the publication of propaganda literature concerning the successes achieved by existing agricultural production cooperatives;

ORGANISES the exchange of specialists between individual countries interested in problems of agricultural cooperation.

VII. Subject: Training of Personnel in Developing Countries

Proposer: National Cooperative Union of India

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

NOTES that the success of the cooperative movements in developing countries depends largely upon the availability of trained personnel for key positions;

RECORDS its high appreciation of the work done by governments, international organisations and advanced cooperative movements for training such personnel;

TAKES NOTE of the recommendations made by the International Conference on Cooperative Education held by the Alliance in February 1968 in New Delhi, and in view of the need to coordinate and make the training programmes more relevant to the needs of the developing movements;

RESOLVES to appoint a Standing Committee on cooperative training and management development to ensure a planned and coordinated training programme by the cooperative movements of developed countries and the International Cooperative Training Centres and with a view to rationalising available facilities for the maximum benefit of the cooperative movements in the developing countries; and

REQUESTS the Alliance to make an assessment of the requirements of the movements of developing countries in respect of training and education and to take the necessary follow-up action including the designing of special courses to suit the special needs of a country or group of countries having identical situations.

VIII. Subject: Cooperative Housing

**Proposer: Gesamtverband gemeinnütziger Wohnungsunternehmen,
Federal Republic of Germany**

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

NOTES that the provision of housing for the broad masses is still an outstanding problem;

RECOGNISES that there is a need for a healthy residential environment for the population including good social and recreational amenities and all related facilities;

NOTES that in the solution of these very important problems for the families and individuals, cooperative methods have proved themselves to be of the greatest significance, and that in most countries cooperative housing is playing an ever-increasing role;

ASKS governments in industrialised as well as in developing countries to pay more interest to cooperatives in solving their housing problems;

CONSIDERS that it is of the greatest importance that the United Nations should be given more resources to assist its members, particularly in the developing countries, in solving the problems of housing and a satisfactory social milieu by means of cooperative methods; and

DECLARES its willingness to support any action taken by international and national bodies for the application of cooperative methods in the field of housing in the light of the resolution taken by the 23rd General Assembly of the United Nations (2459/XXIII).

IX. Subject: Action on the United Nations Resolution 2459/XXIII

**Proposer: Central Agricultural Union of "Peasant Self-Aid"
Cooperatives, Poland**

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

HIGHLY APPRECIATES the efforts made by the United Nations and its specialised agencies aiming at the promotion of the socio-economic development of the developing countries;

WELCOMES the Resolution of the 23rd Session of the United Nations General Assembly on The Role of the Cooperative Movement in the Economic and Social Development;

RECOGNISES that the UN Resolution 2459/XXIII confirms the important role of the cooperative movement in the development of different countries, and especially in the realisation of the programme of the development of various fields of production — agricultural, artisanal and industrial — in the field of trade, services, medical care and education, as well as in the realisation of economic and social reforms, and especially land reform;

DRAWS attention to the fact that the cooperative form of ownership gives special possibilities to activate social initiative and to mobilise human and financial resources under social control for their effective use for the benefit of social progress and economic development;

DECLARES the willingness and readiness of the Alliance for the further development of the cooperation with the United Nations, its specialised agencies and other national and international organisations in the fields of common interest;

REQUESTS the Central and Executive Committees of the Alliance to make case studies of cooperative organisations, which are developing their activities in various geographical regions and in different socio-economic systems, to find how the cooperative movement can accelerate the socio-economic development of countries;

REQUESTS the Director of the Alliance to forward the results of these studies in the form of a report to the Secretary-General of the United Nations, its specialised agencies and also to the governments of states where the ICA member organisations are developing their activities;

CALLS upon the Central and Executive Committees of the Alliance to elaborate long-term programmes of training, taking into consideration the most essential needs of cooperative organisations, especially in developing countries;

RECOMMENDS that the Central and Executive Committees of the Alliance elaborate a programme of work with agricultural cooperatives with a special emphasis on the role of agricultural cooperatives in the increase of agricultural production and in the fight against hunger;

URGES the Central and Executive Committees and member Organisations of the Alliance to campaign actively against capitalistic monopolies and especially for full implementation of the resolution of the Central Committee, adopted in Prague, concerning the struggle against monopolies;

APPEALS to the United Nations and its specialised agencies to ascribe greater part of the funds at their disposal to cooperative organisations for the realisation of their projects of technical assistance and pre-investments in developing countries, taking advantage of the consultative assistance of the Alliance; and

REQUESTS the United Nations to appeal to its Members to direct part of their technical assistance to States Members of the United Nations through cooperative organisations.

X. Subject: Cooperative Legislation

Proposer: National Cooperative Union of India

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE
WELCOMES the helpful attitude of the governments in the developing countries towards the cooperative movement as well as their keenness to associate their cooperative movements with the schemes of national development;

FEELS that there is scope for the cooperative laws in the developing countries to conform progressively to the principles of cooperation as recently adopted by the Alliance; and

REQUESTS the Alliance to undertake a study of the various legislative enactments, rules, and bye-laws regulating the cooperative movement in the developing countries and to suggest improvements therein with a view to making them more conducive to the proper and healthy development of the cooperative movement and its leadership.

Amendment: Proposed by Lega Nazionale delle Cooperative e Mutue, Italy.

Amend the title to read "Cooperative Legislation in Developing Countries".

XI. Subject: Women in the Cooperative Movement

Proposer: Federation of the Hungarian Cooperative Societies.

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE

NOTES that the activity of women in every branch of cooperation particularly in the field of production and consumption is considerable. According to their proportion in membership, women assert a right to play an increasing role in the management and control of cooperatives. This is borne out by the growth of interest shown towards the activity of the Women Cooperators' Advisory Council of the ICA; and

CHARGES the Central Committee to discuss the subject of *The Situation and Role of Women in the Cooperative Movement* at one of its next meetings.

XII. Subject: Amendments to the Rules

**Proposer: Central Agricultural Union of "Peasant Self-Aid"
Cooperatives, Poland**

(Proposed changes in existing rules are in italics)

THE 24TH CONGRESS OF THE INTERNATIONAL COOPERATIVE ALLIANCE
TAKES into consideration the universal and democratic nature of the International Cooperative Alliance;

HAS in mind the need to sanction the full representation of all associated organisations in the Rules of the ICA;

INTRODUCES the following amendments to the Rules of the ICA:

Article 2. Constituent Members: After the words "which have as their aim the promotion of cooperation", the following words are added: "*irrespective of political economic and social systems of the countries in which they develop their activities*".

Article 32. Executive: In paragraph 1, after the words "members elected by the Central Committee from amongst its members immediately after each Congress", the following words are added: "*on the basis of equal representation of member organisations, acting in different socio-economic systems and in various geographical regions*".

Article 33. Duties of the Executive: (d) will read as follows: "*To be responsible for the appointment of the ICA staff, taking into consideration the representation of the cooperative organisations acting in different socio-economic systems and in various geographical regions, as well as for the removal and the remuneration of the ICA staff*".

XIII. Subject: Amendments to the Rules

Proposer: Ustredni Rada Druzstev, Czechoslovakia
(Proposed changes in existing rules are in italics)

Article 32. Executive: The Executive shall consist of the President, two Vice-Presidents and thirteen other members elected by the Central Committee from amongst its members immediately after each Congress.

"In the election of the Executive, members shall be assured an adequate representation of organisations from various groups of countries in the world with regard to the membership and importance of the respective cooperative movements. The principles of the election safeguarding the realisation of this provision shall be determined by the Central Committee."

The Organisations of one country, or union of countries, shall not have more than two representatives on the Executive, excluding the President of the ICA.

Any member of the Executive who is prevented from attending a meeting shall have the right to appoint a substitute, who shall be a member of the Central Committee. Such appointments shall be notified to the Director.

XIV. Subject: Amendments to Rules

Proposer: Coop Schweiz, Switzerland

Article 3: Objects: Delete paragraph (g) and substitute the following:

(g) To work for the establishment of lasting peace and security through economic and economic-political measures.

24.3 Amendments to Rules

The 23rd Congress of the International Cooperative Alliance authorised the Central Committee and its Executive to make such recommendations for changes in the Rules and Standing Orders of the ICA as were considered necessary, arising out of the decisions of the Congress on the Report of the ICA Commission on Cooperative Principles. The following amendments to the Rules and Standing Orders of the ICA are therefore submitted to Congress for approval and are recommended by the Central Committee.

Rules of the International Cooperative Alliance (Proposed changes in existing rules are in italics)

Article 1. Name

Delete the second paragraph.

New text reads as follows:

"The International Cooperative Alliance, in continuance of the work of the Rochdale Pioneers, and in accordance with Cooperative Principles, seeks, in complete independence and by its own methods, to substitute for the profit-making régime a cooperative system organised in the interests of the whole community and based upon mutual self-help."

Article 3. Objects

Consequent on the adoption of the phrase "Cooperative Principles" in Article 1, Article 3 (a) will now read as follows:

"To be the universal representative of Cooperative Organisations of all types which, in practice, observe the Cooperative Principles."

Add the words "through cooperative efforts" in 3 (g).

New text reads:

"To work for the establishment of lasting peace and security through cooperative efforts."

Article 8. Eligibility

Delete the following:

"Voluntary Membership;

Democratic Control assured by the election of the administrative organs of the Association by the members freely and on the basis of equality;

The Distribution of the Surplus to the members, in proportion to their participation in the social transactions or in the social services of the Association;

Limited Interest on Capital."

New text reads as follows:

"Associations of persons or Cooperative Organisations which observe the Aims of the ICA and the Policy laid down by its Congress shall be eligible for membership of the ICA.

Any Association of persons, or of Societies, irrespective of its legal constitution, shall be recognised as a Cooperative Society provided that it has for its object the economic and social betterment of its members by means of the exploitation of an enterprise based upon mutual aid, and that it conforms to the Cooperative Principles as established by the Rochdale Pioneers and as reformulated by the 23rd Congress of the ICA:

(i) Membership of a cooperative society shall be voluntary and available without artificial restriction or any social, political, racial or religious discrimination to all persons who can make use of its services and are willing to accept the responsibilities of membership.

(ii) Cooperative societies are democratic organisations. Their affairs shall be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies shall enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration shall be conducted on a democratic basis in a suitable form.

(iii) Share capital shall only receive a strictly limited rate of interest, if any.

(iv) The economic results, arising out of the operations of a society belong to the members of that society and shall be distributed in such manner as would avoid one member gaining at the expense of others.

This may be done by decision of the members as follows:

By provision for development of the business of the cooperative;

by provision of common services; or

by distribution among the members in proportion to their transactions with the society.

(v) All cooperative societies shall make provision for the education of their members, officers and employees, and of the general public, in the principles and techniques of Cooperation, both economic and democratic.

(vi) All cooperative organisations, in order to best serve the interests of their members and their communities shall actively cooperate in every practical way with other cooperatives at local, national and international levels.

Subject to compliance with these conditions, the types of Association eligible for membership shall include the following:

(a) National Unions or Federations of Cooperative Societies of the types mentioned in (f), (g), (h), (i), (j).

(b) National Federations of Cooperative Unions.

(c) Regional Unions of Cooperative Societies.

- (d) Consumers' or Agricultural Cooperative Wholesale Societies.
- (e) Cooperative Banks and Cooperative Insurance Societies.
- (f) Consumers' Cooperative Societies.
- (g) Cooperative Societies of Industrial Producers or Artisanal Cooperatives.
- (h) Agricultural or Fishery Cooperative Societies.
- (i) Cooperative Credit Societies.
- (j) Housing and Building Societies.
- (k) Supra-National or International Cooperative Organisations.
- (l) Other Associations of persons or Associations which have as their aim the Promotion of Cooperation."

Article 13. Obligations of Members

Delete paragraph (a).

New text reads as follows:

"(a) To observe the aims and policy of the ICA and to conform in its activity to the Cooperative Principles as defined in Article 8."

Article 23. Representation at Congress

Delete the word "vote" on the last line of (a).

Delete the word "vote" on the third line of (b) (in both cases).

Delete the word "vote" on the second line of (c).

New text reads as follows:

"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) National Organisations admitted under clauses (a), (b), (c), (d) and (e) and supra-national or international cooperative organisations admitted under clause (k) of Article 8 on the basis of Individual Membership (Article 18 II), shall be entitled to one delegate.

(b) National Organisations admitted under clauses (a) and (b) of Article 8 on the basis of Collective Membership (Article 18 III), shall be entitled to one delegate in respect of membership, and an additional delegate for each complete £135 of subscriptions.

(c) Organisations admitted under clauses (f), (g), (h), (i), (j) and (l) of Article 8 shall be grouped nationally and each national group shall be accorded one *delegate* for each complete £135 of their global subscription.

Each delegate shall have been for at least 12 months previous to appointment a member of the affiliated Society or Union making the nomination, or of a constituent member of such Union.

Unless the Central Committee shall decide otherwise a fee of £5 shall be paid for each delegate, and shall be sent to the Secretariat with the nomination form."

Article 24. Voting at Congress

Delete the word "They" on the second line.

New text reads as follows:

"Organisations shall be entitled to one vote for each delegate appointed under Article 23. Organisations shall have the right to entrust all their votes to one or more delegates, provided that no delegates shall hold more than ten votes."

Article 25. Motions

Delete the last two paragraphs.

New text reads as follows:

"(a) All Motions and Resolutions of affiliated Organisations to be included in the Provisional Agenda issued under Article 20 shall be sent in writing to the Executive at least six months before the date of the Congress.

(b) Emergency Resolutions which any affiliated Organisation may desire to submit to the Congress must be handed in to the Director by noon on the first day of Congress and shall be considered by the Congress Committee, who will report on them to the Congress as first business on the second day. No proposal will be accepted which could have been submitted under Article 25 (a).

The text of all Emergency Resolutions as agreed by the Congress Committee and accepted for submission to Congress, shall be distributed to delegates at the end of the second day.

Amendments may exceptionally be moved at Congress subject to the procedure laid down in the Standing Orders governing the Procedure of Congress.

Consideration of Emergency Resolutions will take place at a time recommended to Congress by the Congress Committee."

Article 29. Duties of the Central Committee

New text reads as follows:

"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 approve decisions of the Executive regarding the admission of Associates.**
- (d) To appoint the Director of the ICA and to fix his remuneration.**
- (e) To appoint the Auditor.**
- (f) To confirm the budget of the ICA drawn up by the Executive.**
- (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 confirm agreements which impose permanent obligations upon the ICA.**
- (i) To deal with appeals and with the exclusion of members.**
- (j) To appoint the Trustees and if thought expedient to do so to remove the Trustees or any of them from time to time and to appoint new Trustees in the places of any Trustees who shall die, resign, or be removed as aforesaid.**
- (k) To make or authorise on behalf of the ICA all purchases, leases, sales, exchanges, mortgages, and other matters referred to in Article 38 (b) hereof.**
- (l) To decide on matters not provided for in the Rules."**

Standing Orders Governing the Procedure of Congress

The Congress Sessions

Delete the words "urgent motions" on the last line of Number 4.

New text reads as follows:

"4. A time-table shall be prepared for the discussion of each subject which shall be strictly adhered to, subject only to such modifications as the Congress Committee may find necessary for the admission of emergency resolutions under Article 25 (b)."

Order of Debate

Delete the words "or an amendment" on the first line of Number 11.

New text reads as follows:

"11. The mover of a motion shall be allowed ten minutes for his speech and five minutes in which to reply to the discussion before the motion or amendment is put to the vote. Such reply must be strictly limited to points raised in the discussion. *The mover of an amendment shall be allowed ten minutes for his speech, but has no right of reply unless the amendment is carried and becomes the substantive motion.*"

Delete the whole of the second paragraph of Number 14.

New text reads as follows:

"14. When more than one motion or amendment is submitted for discussion on any item of the Agenda (except motions of procedure and formal matters) they shall be referred to the Congress Committee, which shall endeavour to prepare an agreed text. *Exceptionally, an amendment proposed in the course of the discussion may, at the discretion of the President and with the approval of Congress, be considered by Congress. If an amendment is so accepted by Congress for consideration the President has discretion to deal with it immediately or to refer it to the Congress Committee.*"

New text of Number 15 reads as follows:

15. In the preparation of any agreed text under Standing Order 14 above, the mover of any motion or amendment shall have the right to attend the meeting of the Congress Committee to support his motion or amendment."

Delete the entire paragraph Number 16.

Re-number Paragraphs 17 and 18 to 16 and 17.

Voting

Re-number Paragraphs 19 to 25 as 18 to 24.

Delete the whole former paragraph 19.

New text of new Paragraph 18 reads as follows:

"18. All motions and amendments shall be decided by a show of delegates' attendance cards, unless a card vote is required to be taken by the Congress Committee, or on the written request of five member Organisations or on the demand of 50 delegates."

Delete "voting" on the first line and "count" on the second line of former Paragraph 22.

New text of new paragraph 21 reads as follows:

"21. Cards shall be provided for use in all cases in which a demand for a card vote is made under Standing Order Number 18."

Emergency Appointments

Re-number Paragraph 26 as 25.

Add new Paragraph 26 to read as follows:

"Suspension of Standing Orders

26. No motion to suspend a Standing Order shall be accepted unless notice in writing has been given to the Director by not less than 20 delegates stating the reason for the motion. The motion to suspend Standing Orders shall be put to the vote after it has been moved and formally seconded, and not more than one speech made in opposition. A card vote must be taken on the motion to suspend Standing Orders and approved by a three-fourths majority. If defeated, no second motion can be permitted for the same purpose."

**CONTEMPORARY
COOPERATIVE DEMOCRACY**

Three Papers presented by:

I.

ICA Secretariat

II.

A. P. Klimov

Centrosoyus, U. S. S. R.

III.

R. Kérinec

**Fédération Nationale des Coopératives de Consommation,
France**

and

N. Thedin

Kooperativa Förbundet, Sweden

I. ICA Secretariat Paper

1. **The Problem**
2. **Representational Reforms**
 - A. Direct versus Indirect Representation
 - B. Supervisory Councils
 - C. Division of Responsibility between Boards and Management
 - D. Membership and Voting
3. **Member Involvement**
 - A. The Concept of Accountability
 - B. Communication and Information
 - C. Member Education
 - D. Member Control at Local Level
 - E. Worker Participation
4. **The Role of Governments**
5. **Summary**

1. The Problem

1.1 Cooperatives everywhere have always found it difficult to retain the full vigour of their democratic base. In recent years, however, sweeping changes in cooperative structure — fully documented and discussed at the last Congress — have greatly increased the proportions of this problem.

1.2 The structural changes in question are all designed to enhance the productive or trading efficiency of cooperatives to enable them to stand up to the increasingly severe challenge of their competitors in the modern economy.

1.3 These changes in cooperative structure involve: concentration of resources; larger, more integrated operational units; standardisation; centralisation of services and management; and conformity to universally binding development plans. The purpose is to increase efficiency through economies of scale, pooling of bargaining power, more effective use of scarce managerial skills, reduction of overhead costs for warehousing, transport, purchasing, accounting, research, sales promotion, training, etc., and making it easier to attract capital to the movement.

1.4 But this process of centralisation also implies a transfer of authority from primary societies to apex organisations. Increasingly decision-making is entrusted to an experienced and professional managerial elite at the centre of the movement.

1.5 This means that in many cases societies surrender part of their authority in connection with such basic issues as assortment, financing, personnel, information, pricing and services. This loss of sovereignty is none the less real for the fact that it is usually given up voluntarily in the interest of greater efficiency for the movement. Obligations once assumed are binding, and responsibility is permanently delegated to the centre.

1.6 The major effect, in the context of democracy, is to widen the gap between members and management; to remove decision-making from the local base which had long been considered the foundation of democratic control. This emasculation of democracy can and does manifest itself in diverse ways: in member apathy, low attendance at meetings, weakening of traditional cooperative loyalty, inability to attract young people, difficulties in recruiting staff, loss of the sense of belonging and of exerting influence, encroaching bureaucracy and rigidity — and even sometimes in a blurring of the end purpose of cooperation, namely to serve the interests of the members.

1.7 Many of our member organisations have been worried by these developments and have been considering ways of countering them. Some of them, in response to a circular inquiry sent out in October 1968, have reported to the ICA Secretariat on their current efforts or proposals in this respect. In the following pages an attempt will be made to summarise the information collected from this and other sources. (Where such detailed documentary evidence is used in this report, it is indented for purpose of identification.)

1.8 These proposals all add up to devolution of responsibility, or what the Report of the ICA Principles Commission has termed "judicious balancing of centralisation by decentralisation". They can, however, be classified into two distinct categories.

1.9 The first category includes measures designed to adjust the framework of the cooperative structure in such a way as to provide machinery for more effective representation of the views of individual members of local societies.

1.10 The second category relates to ways of infusing the democratic spirit into cooperative enterprise by stimulating members actively to participate in the affairs of their society. This is the approach through member involvement. The idea is to make management more accountable to their local constituents, thereby enhancing ultimate member control.

1.11 It should be noted that both types of measures are intended to reconcile democratic control with maximum operational efficiency. No suggestions have been considered — or, for that matter, offered for consideration — which would solve the dilemma by opting for lesser efficiency. It is generally recognised that the case of democracy would not be advanced by serving the interests of members less well. Indeed the justification for democratic control rests on the proposition that it is the members who know best what their interests are.

2. Representational Reforms

2.1 Direct versus Indirect Representation

2.2 In virtually all cooperative societies the highest authority is the General Assembly which meets once or twice a year. It is ordinarily the General Assembly which approves or rejects the proposals of the Board and thereby determines the society's programme of action and decides on basic financial policies, disposal of surplus and administration of property. The general membership, either through the general assembly or in other ways, appoints or elects the board of management (and sometimes a Supervisory Council) and representatives to secondary cooperative organisations.

2.3 Formerly, when societies were smaller in size, the General Assembly was a gathering of individual members each with one vote. But as societies grow larger under the influence of the structural changes described above, the General Assembly of individual members becomes unwieldy and inefficient. Members are reluctant to

travel long distances to attend meetings; it is difficult to find meeting halls large enough to accommodate them; personal knowledge of officers, candidates and issues diminishes; participants lose their sense of identification; and discussion in such large gatherings tends to become formal and lose spontaneity and authenticity.

2.4 As a counter to this development, more and more societies have been substituting indirect for direct representation. The general meeting is replaced by a representative body legally invested with the powers of the general meeting and exercising its functions. Instead of one general meeting, the members are convened to a number of branch or district meetings, the agenda of which covers the whole field of the society's operations in addition to branch or district affairs.

2.5 Although the general principle and the motivation of the district or sectional meeting are the same everywhere, there are a number of variations in practice from country to country. e. g.:

2.6 In some cases the purpose of the district meeting is to elect representatives to a delegate General Assembly of the society, usually in proportion to the number of members in the district; additionally such meetings may adopt recommendations to be brought to the delegate General Assembly by its representatives. Sometimes the district meetings constitute a General Assembly held in sections, that is, a number of meetings, perhaps simultaneous, with the same agenda and the same reports with speakers from the society level, and votes from all these meetings are aggregated.

2.7 Sometimes a definite limit is set to the size of a district, for example, no more than 250 members in Centrosoyus, U.S.S.R. In CO-OP Nederland, if a society numbers over 200, members may elect a members' council of at least 20 to function in place of the general meeting.

2.8 In many movements district meetings elect district committees; and these may, as sometimes happens in the United Kingdom, appoint some of the members of the central Board of Directors of the society. Amalgamations in the United Kingdom are resulting in the formation of more of these district committees. In many countries district meetings elect representatives to the general meeting of the society as a whole. In the United Kingdom it is still more usual for large societies to hold annual meetings sectionally in different localities so that all members can attend.

2.9 District committees are usually of an advisory character but often have local responsibilities which may include examination of applications for membership, convening district meetings and elections, supervising the operations of societies in the district, preparing recommendations to the Board of the society and implementing its decisions in the district, providing educational services, evaluating the tasks and performance of employees and making decisions on cooperative property in the district.

2.10 In some movements, for example Spolem, Poland, there is a network of sectional meetings and committees running right through the movement from the local level to the society level and including member committees at shop or enterprise level, district committees, sectional councils and the general assembly of members or of representatives.

2.11 Supervisory Councils

2.12 Another device for extending the influence — albeit indirect via representation — of individual members over the policies of cooperative societies is the Supervisory Council which has gained in popularity in recent years.

2.13 The Supervisory Council is elected by the General Assembly, e. g. Workers' Productive Societies in Czechoslovakia and CO-OP, Nederland, or by the delegate General Assembly as in KF, Sweden, and FNCC, France; or by district meetings, e. g. NKL, Norway.

2.14 In a sense the Supervisory Council acts as an arm of the General Assembly operative between the annual meetings. Its main purpose is to watch over the activities of the Board of Directors to ensure that it does not exceed the statutory authority delegated to it by the members.

2.15 Sometimes, as in KK, Finland, and in the Federal Republic of Germany, it is the Supervisory Council which actually appoints the Board and gives it instructions.

2.16 Those movements which have introduced Supervisory Council at society level usually have comparable bodies at the apex level to control the Board of Directors of the national movement, e. g. KK, Finland, the Central Agricultural Union and Spolem in Poland, Austrian Raiffeisen, NKL and CO-OP Nederland.

2.17 In Sweden, however, the supervisory bodies (administrative councils) have now been made Boards of Directors at both society and national levels. The principal reason for this is the great future importance of coordination. The present Board has been transformed into a coordinating body, the management committee, with the general manager as chairman. He will be the only member of the management committee on the Board. Thus the elected representatives of members are given the full responsibility to the leaders of the cooperative organisation.

2.18 **Division of Responsibility between Laymen and Professional Managers**

2.19 As societies grow larger and their operations become more complex and technical, there is a general tendency for functions and responsibilities to be transferred from the General Assembly to the society management.

2.20 But "management" is not an unambiguous term. Before describing this trend it is important to take note of certain difficulties of nomenclature. Quite apart from the obvious problems connected with translation of descriptive names, confusion arises from the fact that the same term or label may be used quite differently as between countries or even within a country. "Board of Directors" may indicate an elected committee of laymen, or a professional body of managers, or either, or both. "Management" or "Management Committee" may also be used in any or all of these senses. And to compound the confusion, "management board" is used to describe precisely the same organs.

2.21 Clearly, a constructive discussion of the relationship between lay members and professional managers requires the use of unambiguous terms which have the same meaning throughout all movements. Hence it is necessary, though somewhat cumbersome, to employ in this context two carefully defined, artificially constructed labels. The first is "elected committee" to designate a group of lay people elected as representatives of their fellow members. The second is "the management", that is, people with managerial qualifications who are appointed to their posts. For purposes of analysis this distinction will be maintained wherever possible. Nevertheless it should be recognised that in practice in some societies the two kinds of body are merged into one; the following paragraphs should be read with this possibility in mind.

2.22 "Elected Committees" are ordinarily chosen by the general assemblies of societies and are accountable to them. In the larger societies of some movements, e. g. KF, Sweden, FNCC, France, CO-OP Nederland, Spolem, Poland, and Centrocop, Roumania, their work is supplemented by smaller executive committees which carry on business in the intervals between meetings.

2.23 The members of these committees are laymen rather than professionally trained managers. In some cases they serve on a full-time basis, e. g. CAU, Poland; but more often they are only part-time, and are paid only a nominal sum as in larger Dutch societies and in the UK, or not at all as in small Dutch societies and Austrian Raiffeisen. In Centrosoyus, U.S.S.R., only the chairman, deputy chairman and purchasing officer members of such committees are on a paid basis.

2.24 In connection with the problem of democracy the crucial issue is the division of responsibilities and authority as between "Elected Committees" and "the management". There are cases in which there is only an "Elected Committee" which carries all of the management responsibilities, e. g. Ghana. In Spolem there are such committees at both society and sectional level. Usually, however, "the management" is distinct from the "Elected Committee", is appointed by it, is accountable to it, and is on a full-time paid basis with professional qualifications required.

2.25 The general principle that has evolved as to the respective jurisdictions of the "Elected Committee" and of "the management" is that former is responsible for major policy decisions (planning, public relations, member relations, relations with secondary organisations, and long-term commitments of facilities, finances or manpower) and the latter for day-to-day operational decisions (personnel, processing, production, purchasing storage, marketing, retailing and employee relations).

2.26 The exact demarcation and definitions of respective tasks vary from movement to movement, and there is certainly a secular trend towards shifting of responsibility to full-time professional management. However, the key requirement for democratic control is two-fold: a) that the respective responsibilities of the "Elected Committee" and "the management" should be clearly differentiated, defined and understood by all concerned; and b) that "the management" should be fully accountable to the "Elected Committee" as the representatives of the membership.

2.27 At the same time it is important in the interest of efficiency that "the management" should not be hampered in daily work by too much interference from the "Elected Committee". In the words of Mr. A. Korp, Austria:

"It is a clumsy misuse of democracy to interfere in the work (of managers). Non-professional advice should not be forced upon them . . . Democracy should consist in a policy where the guidelines of policy are first of all set down by elected bodies, but where the actual decisions are left to the professional management." (Structural Changes in Co-operatives, Verbatim Report of Discussion at ICA Central Committee, Helsinki, 1965.)

2.28 Moreover, managers will operate effectively — and will stay with the movement — only if they are provided with a certain degree of security and a career structure that offers reasonable prospects for promotion. In many companies professional managers are considered so valuable that they are given a "service contract" which provides greater security but binds them to the company for a specified number of years. This does not mean, however, that they are any the less responsible to elected directors or that their powers are extended to matters of policy.

2.29 Above all, cooperatives are awakening to the need for more and better management training. Structural changes are making ever greater demands upon managerial talent. As operative units grow larger and relations between local societies and apex organisations grow tighter, and as competition with private retailers becomes more fierce, the scope and impact of managerial decisions broaden correspondingly. Long-term budgeting, investment financing, mechanisation and automation of operations and expanding capital requirements call for new abilities and more

professionalism in management. At the same time, tight labour markets and higher managerial salaries in private retailing make it more difficult to recruit and retain competent managers.

2.30 More and more cooperative movements are acknowledging the necessity of entrusting the managerial function to full-time professional people and are relegating the function of lay managerial bodies representative of members to a more purely supervisory role. For the same reasons, increasing stress is being put on effective specialised training for managerial positions; recruitment from professional ranks even when this means employing managers from outside the movement and devices for stimulating exchange and diffusion of managerial experience and know-how, e.g. through systematic transfer of managers throughout the movement (which presupposes standardisation of pay, pensions and other benefits), greater use of "inter-firm" comparisons of performance ratios, conferences of managers, seminars, etc., as well as management contracts which make available to weaker societies the managerial talent of stronger cooperatives.

2.31 It is clearly impossible in a short review to cover the infinite variety of management training programmes in various cooperative movements. Nevertheless the following examples are illustrative of recent developments in this field:

In the Federal Republic of Germany, it is planned to supplement the existing programme for top-level and middle-level management with special training in decision-taking. Promotion prospects are to be improved and retirement from the Executive will be facilitated. Plans also include new training facilities for all employees and staff from the shop assistant to the Managing Director and the Chairman of the Board.

In Centrocoup, Roumania, there are 18 professional schools offering courses of four years and of two years for training accountants, merchandising experts and employees for the commercial sector and the public catering sector. There are also theoretical courses for apprentices who have qualified at the place of work in the sector of service.

The College of the Co-operative Union, U.K., offers comprehensive management development courses for recruits from university graduates and cooperative employees with degrees or professional or technical qualifications. Candidates are attached to a series of departments, and this practical experience is supplemented by study for professional qualifications.

KF, Sweden, is concentrating Var Gard's management training activities in courses for more advanced employees. Short, intensive, practical training is offered in Vi-skolan evening classes.

KK, Finland, recently decided to transform the present Cooperative College to an institute with greater possibilities for development. There will be available courses at central and local level, instruction by correspondence, training courses for different branches, and cooperative and economic research.

In Centrosoyuz, U.S.S.R., there are 5 institutes, 119 technical schools, 124 co-operative schools with a one-year course, 2,000 enterprise schools with courses from six months to one year at the site of stores, dining rooms, restaurants, bakeries and warehouses, and two- to three-month extension courses for management training.

In India, NCUI offers a training programme via a network of training institutions including a national institute of cooperative management, 13 intermediary training colleges and 67 junior training centres.

For FNCC, France, l'Ecole Technique Coopérative provides three kinds of managerial training: general technical courses, correspondence courses and courses on self-service and modern sales techniques. Its work is decentralised on a regional basis.

In LEGA, Italy, board members participate two to three times a year in week-end schools; and courses are available to active members.

2.32 Too often the provision of such facilities is conceived primarily in technical terms. It is important that technical courses for managers should be set within a curriculum which includes education in the fundamentals of cooperation. The division of functions which we have drawn between elected committees and "the management" is necessary for efficiency, but unless managers understand what Cooperation is about, "efficiency" will be pointless. This does not mean that the technical training should be only the less down to earth and practical. But it does mean that a cooperative manager must understand the objectives of the Movement.

2.33 Membership and Voting

2.34 In the context of cooperative democracy the rule of "open membership" is sometimes interpreted to mean that cooperatives are obliged to enroll all persons who may apply to join them. But the ICA Principles Commission emphatically denies that this was ever the meaning of open membership.

"One fundamental consideration, which corresponds fairly closely to the facts and normal practice of cooperative societies of all types, is that those who can make appropriate use of a cooperative society's services should and do become its members and, conversely, that the membership of a cooperative consists of persons with needs which its services can and do supply. . . .

It may also be stated as a general proposition that persons or associations who desire to join, or to form, a cooperative for dealing in produce or labour other than their own or of their own members, cannot be said to act in pursuance of the basic cooperative principle — that of association among persons, considered as human beings with equal status, for mutual service."

2.35 Examples of such justifiable exclusion are provided by the recommendations of the official governmental committee on cooperatives in India which proposed in 1964 that vested interests should be excluded from membership, and that:

Agricultural/Credit/Service Societies should not admit money-lenders; agricultural marketing societies should admit only farmers, not traders in agricultural commodities except possibly as associate or nominal members without vote or participation in management or profits; labour cooperatives should not admit contractors and other non-labourers should be admitted only up to 5 per cent of total membership and a maximum of five in a society; transport cooperatives should not admit those with their own transport business, but only workers, traders and mechanics; consumer societies should not admit traders in consumer commodities; and industrial societies should be confined to workers and artisans.

2.36 The principle of one member, one vote at the level of primary societies is almost universal. The ICA Principles Commission stated unequivocally that "the status of all . . . members should be equal and all should have equal opportunities of

participating in decisions and expressing views on policy. There is no way of ensuring this save by giving each member one vote and one only . . . Accordingly there should be no exceptions to the rule of one member, one vote in primary cooperative societies, that is, in associations of individual persons."

2.37 Nevertheless, it occasionally happens that even this principle is called into question.

For example, on 26th September 1967, a governmental enactment created in France a new form of cooperative society, called commercial cooperative society. Article 4 of this enactment departs from the principle "one man, one vote" by its provision for a balancing of votes according to the importance of the work or the quality of the service of members to the cooperative. Some French cooperatives, e. g. the Confederation of Agricultural Cooperatives, declared their opposition to this act.

2.38 The situation concerning one member, one vote is different, however, with respect to secondary or tertiary organisations whose members are cooperative societies rather than individuals. The Report of the ICA Principles Commission points out that:

The members of secondary organisations have equal rights. This equality gives them the proper basis for democratic management. It is therefore quite consistent to apply the rule of one member, one vote to secondary organisations, as well as primary societies. That, in fact, is what is done in a number of secondary organisations, including some of national dimensions. It would appear to work satisfactorily in organisations where there is no great disparity in size between their affiliated societies.

Another method, which unquestionably pays proper respect to the human factor, is to base voting power upon the individual membership of societies. This is characteristic of the consumers' cooperative movements in which the national and regional unions may comprise village societies with a few hundred, as well as urban or district societies with scores or even hundreds of thousands of members. A variant of this system is found where voting power may be based on capital contributions which are themselves based on membership.

On the other hand a tendency is observable in some producers' cooperative movements to take account of the different degrees of interest displayed by the affiliated societies in their common organisation, as indicated for example, by their volume of purchases from it or of produce marketed through it. There are, of course, a number of consumers' wholesale federations whose member societies vote in elections and appoint representatives to general assemblies and congresses in proportion to their purchases. It does not appear, however, that these departures from the strict rule of equality of persons have yet led anywhere to a distribution of voting power radically different from that which would have been made on a membership basis, and, from a practical angle and in the light of experience, they may represent a necessary or desirable concession for the sake of unity, equity or efficiency or any combination of these. This case may be illustrated with special force by marketing or processing societies, operating without a binding rule that obliges their affiliates to deliver all their produce to them which feel obliged to draw a distinction in favour of those which make constant, compared with those which only make intermittent, use of their services.

3. Member Involvement

3.1 The Concept of Accountability

3.2 The various measures discussed in the previous section are all related to organisational democracy in cooperatives. They concern the representational framework or the machinery for member participation.

3.3 It is generally acknowledged, however, that the viability of contemporary cooperative democracy depends much more upon the will to participate than on the machinery for doing so. Unless members are involved, that is, unless they really care about their society and the way it is run, they will not bother to take advantage of the democratic opportunities available to them.

3.4 The problem of widespread member apathy is in part a consequence of the structural changes in cooperatives which have resulted in larger administrative units and removed the point of decision-making to centres remote from members both geographically and in terms of comprehension. Even more, however, it is part and parcel of the modern milieu with its bewildering variety of competing claims on the attention and energy of individuals. Hence the only hope of really involving members is through an appeal to their most vital interests.

3.5 The kind of interest which a member has in his society differs with the type of cooperative, and so, apparently, does the intensity of his interest. In a workers' productive society members, most of whom are workers, are vitally concerned with the performance of the cooperative because their jobs and their incomes (salary plus bonus) are directly dependent upon its success. Significantly in most countries member participation is greater in workers' productive societies than in other types.

3.6 In agricultural processing and marketing societies, too, there is a high degree of member involvement in that incomes are directly influenced by the effectiveness of the cooperative, and here too member participation is relatively keen, at least in developed countries.

3.7 It is primarily in consumers' cooperatives that the problem of member apathy has caused growing concern. Presumably this is because the success or failure of a cooperative store does not appear to have as decisive an effect on the member's purchasing power as it did in less affluent days; the "appeal to the purse" is less compelling. Modern cooperators are less motivated than their parents were by loyalty or ideology, and their tie to the cooperative store is primarily in terms of the quality, price, assortment and presentation of the merchandise and services offered. Moreover the competitors of cooperative retailers are extremely persuasive in their appeal; hence members' protests concerning cooperative performance are more likely to be by way of "voting with their feet" and taking their business elsewhere, rather than by bringing pressure to bear on the management of the cooperative.

3.8 But this does not imply that the case for member involvement is hopeless. Clearly members do have a potentially substantial stake in the success of their cooperative shop; in most cases it was their hope for better goods and services at lower prices that led them to become members in the first place.

3.9 Thus the fundamental point is that it must be made possible for individual members to exert influence upon the activities of their society and their store at the local level where their interests are directly affected. Equally they should be made aware of this potential influence. Members can easily be given machinery for representation. They can be educated and informed and communicated with and entertained. But they will never be involved unless they are given a real stake in the enterprise.

3.10 Thus the major stress of a programme for democratic participation in co-operatives must be upon accountability to members. In the words of the Principles Report:

"A cooperative therefore will not in the long run work well and prosper without agreed and efficient methods of consulting the members as a body and enabling them to express their wishes . . . It follows . . . that the administrators and managers are accountable to the members for their stewardship, report regularly in a business-like manner on their activities and submit the results to the members' judgement. If the members are not satisfied, they have the authority and the power to criticise, to object, and in extreme cases, to dismiss and replace their officers and officials."

3.11 In short the members must be in a position to participate in the making of major decisions, and to control and limit the "technicians" of the movement, i. e., the professional managers.

"... the cooperative sub-structure must not be demoted to a purely subordinate level, but must remain the fertile soil from which initiative and renewal will spring . . . This means that primary cooperatives must have enough independence and freedom of decision to enable them, within the framework of a wider policy, to find their own solution to local problems . . . the cooperative system will only prosper if members and officials are granted rights and duties at local and regional level which will enable them to make a responsible contribution to the work of the movement as a whole". (Andreas Korp, cited in Review of International Cooperation, Number 5, 1967, page 218.)

3.12 To say this is not to deny the structural impulse towards increased efficiency. There is no doubt of the need for coordination, better servicing by secondary organisations and greater centralisation in decision-taking. And there is no doubt that this implies a considerable loss of autonomy by primary societies. But this process must be safeguarded by redoubled efforts to preserve and strengthen ultimate accountability to members in terms of:

enabling them to participate in the decisions to centralise, as well as the continuing process of planning from the bottom up. "... those who have delegated their powers must be to the fullest extent associated with the preparation of the decisions to be taken. This is even more vital when power is centralised than when it is not, for decisions are taken by the Movement as a whole and they will have a virtually compulsory character" (Roger Kérinec, Review of International Cooperation, Number 1, 1969, pages 22—23.);

expanding and improving the two-way flow of information and recommendations between individual members, primary societies, secondary organisations and the apex;

devising instruments by which members can supervise the activities of "Elected Committees" and of "management" with respect to their conformity to statutory authority and decisions taken; and

educating members for an understanding of the major issues involved in the economic as well as the political and social activities of the society and the movement. "We must seek to effect a merger between the trading and the educational/political wings of the Movement at the individual society level." (Edgar Evans, Cooperative News, January, 1969.)

3.13 In short the objective is to combine centralised management of cooperatives for efficiency with decentralised policy-making and member involvement. And they are compatible. Efficiency and democracy in terms of member involvement are mutually reciprocal; each contributes to the other.

3.14 Efficient management makes both a direct and an indirect contribution to democratic participation. Directly, because modern, attractive premises and good value for money attract customers. Indirectly, because larger, more successful enterprises can better afford the educational, informational, social and recreational services which enable members to become effectively involved.

3.15 And the other side of the coins is that "efficiency" in the cooperative context can only be defined in terms of serving member interests. The ICA Principles Commission stated in its report that "the primary and dominant purpose of a cooperative society is to promote the interests of its membership." And it added, "What the members' interests are in a given situation only they can finally determine".

3.16 Communication and Information

3.17 To an important extent cooperative democracy depends upon communication between members and management.

3.18 Members must be kept fully informed on the fundamental issues and problems arising, and on the decisions being taken. Only in this way can they ascertain whether their instructions are being followed and their interests taken into account.

3.19 Equally management and officials at every level must keep closely in touch with the views of individual members; and machinery must be available for the forwarding of recommendations from the "grass roots" upward. This is the only guarantee that "efficiency" will be correctly interpreted in terms of member interests.

"Collaboration between cooperatives and central organisations cannot be fruitful unless there is the fullest information available and, in this connection (i. e. structural reforms in FNCC, France) it would be apposite to say here that the role of information will expand, since each society will no longer be called upon to make decisions affecting its regional interests, but decisions affecting the problems of the Movement as a whole. Any possible errors will have serious consequences and each society will have to be in full possession of all the facts when important decisions have to be taken." (Kérinec, op. cit.)

3.20 A major aspect of effective communication is coordination to facilitate exchange of knowledge and experience throughout the movement vertically and horizontally. A fruitful way to ensure such coordination is to utilise the principle of "overlapping", that is, of drawing on officials from one level of the movement for coordinating bodies at other levels:

KF, Sweden, has recently created a new National Council. This will consist of general managers of local societies only, elected by the Board of Directors of KF. The National Council will act as a consultative body in the treatment of more important problems of coordination and development. It also has the right to nominate five additional members of KF's Board who shall be general managers of local cooperative societies. (The other members of the Board consist of 25 nominated by the "regions" and who must be employees, and two "national candidates" nominated by the Election Committee). Also when necessary, the Board of Directors will appoint central consultative sub-committees, to which the KF representatives will be nominated by the appropriate member of the management committee, and the society representatives by the National Council. Employees with direct experience of and contact with the sphere of activities in question should, in principle, be included in these sub-committees.

In Switzerland, the management committee of VSK, whose function is to prepare the background for and shape opinions on decisions to be taken by the entire movement, operates through a network of five expert committees and numerous

sub-committees to study specific issues relating to food and beverages, consumer goods, sales promotion, press and advertising and business administration. These committees include managers of regional warehouses and of large societies.

In FNCC, France, and in LEGA, Italy, the main departments of central organisations rely on work carried out by specialist technical committees which provide for leaders of cooperative societies to take part in the work of the central organisation.

In LEGA, management of the warehouses of the wholesale organisation COOP-Italia is vested in committees comprising representatives of the local societies served by them. Moreover each year COOP-Italia arranges a seminar at which the managers of the more important societies can discuss and take decisions on major policy issues.

3.21 In most movements communications are being strengthened between members and officials at the local, district and regional level:

KF, Sweden, recommends that there should be a coordinating information council in each local society as well as at the apex.

In Austria, consumer societies have organisation leaders responsible for relations with member committees and individual members.

In FNCC, France, there are sectional committees to inform and consult with active members, to organise propaganda, and to provide a nexus between members and officials.

In the Japanese agricultural cooperatives there is a remarkable system of telecommunication at shop level for periodic dialogues between members and chief officials.

3.22 But it is in the Eastern European countries that contacts and communications between members and officials at every level — shop and enterprise, village, district and society — have been most fully developed. These are described in further detail in paragraphs 3.32 to 3.35 below.

3.23 Finally it should be noted that the demands for planning, research and development are increasing and in these, too, the trend everywhere is in the direction of closer contacts between local societies and the central bodies.

3.24 In the last analysis, however, the contribution of communication to effective member participation depends upon the quality of the information that is communicated and the way in which it is presented. Annual reports and balance sheets will have the effect of involving members only if they are intelligible to them. The cooperative press will stimulate discussion and increase member awareness only if it evokes the interest of the reader.

One of the best examples of effective cooperative journalism is the Japanese paper IE-NO-HIKARI which has a subscription running into millions.

3.25 The problem of effective and intelligible presentation of information is a complex and technical matter which cannot be covered in this context. Still it is worth noting one interesting experiment which has recently had considerable impact within the French Workers' Productive Federation, SCOP, and is now being studied in wider circles of the French cooperative movement.

The Bilan Coopératif or Cooperative Balance Sheet introduced by SCOP is an attempt to present to members and to management in simple and intelligible form, a social balance sheet comparable to the annual financial account. The

elements covered in the Bilan Coopératif include demographic data on members, social capital, promotion policy, training, the organisation of information, social action, and application of participation agreements. The information is collected periodically from individual societies and collated into an annual balance sheet for the Federation. The particular data chosen for presentation by SCOP are relevant mainly to workers' productive societies, but the general idea and the form of presentation could easily be adapted to the requirements of other types of cooperative.

3.26 Member Education

3.27 The concept of member education is as broad as Cooperation itself.

"For the purposes of Cooperation, ... education needs to be defined in a very broad sense which includes academic education of more than one kind but much besides. It includes both what people learn and how they learn it. Every phase of experience, which adds to people's knowledge, develops their faculties and skill, widens their outlook, trains them to work harmoniously and effectively with their fellows and inspires them to fulfil their responsibilities as men or women and citizens, can have educational significance for Cooperation. Less and less in the contemporary world can education be limited to what is learnt in schools and colleges at special periods of people's lives. The cooperative concept is of education as a life-long process." (Report of the ICA Principles Commission.)

3.28 Any cooperative activity which evokes the active interest of members is *ipso facto* a method of "educating" members. This is as true of social activities — a Guild tea or a fashion show at the cooperative store or a competition staged by the Cooperative Press — as it is of formal courses organised by the Education Committee. The educational effectiveness of an activity is a direct function of its appeal to the basic preoccupations of cooperators.

3.29 This means that the methods of member education are legion and that each society must find that combination of approaches which is best adapted to the economic, intellectual and social level of its members.

3.30 But regardless of the specific composition of the educational programme of a society, certain principles are universally applicable.

An effective programme cannot be casual or haphazard; it must be carefully planned and supervised, adequately staffed and equipped, periodically reviewed and revised, and pursued with relentless vigour.

Formal study projects of any kind — courses, seminars, study circles, discussion groups, lectures, exhibitions and demonstrations — should be focussed on the economic aspects of cooperative affairs which directly affect the interests of members; for example, assortment, purchasing, pricing and dividend policies, quality control, shop planning, amalgamations and investment policies.

Those educational methods which involve "auto-activity" or actual participation of the students in the teaching process e. g. simulation of actual production or commercial situations — are likely to be the most effective in terms of democracy.

Effective channels of information and communication must be provided between all levels in the movement.

Full financial support and technical guidance and services (publications, audio-visual aids, etc.) must be made available by central organisations.

3.31 Although a comprehensive catalogue of the educational devices being employed by all of the member organisations of the ICA is clearly out of the question, it is worth citing a few examples:

FDB Denmark has recently re-organised its programme for member education and is now putting particular emphasis on contacts with women and with schools and young people, "welcome meetings" for new board members, special women's meetings and teenage meetings, weekend schools, study tours, "wine evenings" and consumer information in the shop. The Educational Council of FDB and the educational committees of the seven central departments incorporate the "overlapping principle" mentioned earlier in that they consist primarily of local education secretaries.

Centrosoyus, U.S.S.R., provides one- to three-day seminars for members of local control committees.

For the purpose of professional training for elected officials CENTROCOOP, Roumania, allocates funds for specialised courses of one to six months: the officials are released from their jobs for this purpose.

Italian cooperatives have a system of consultative committees of housewives, members and customers attached to the shops for the purpose of discussing the activities of the society relative to family needs.

Spolem, Poland, is expanding its programme of "modern housewife centres" designed to provide consumer services, courses and advice to rural families with stress on managing family budgets, rational nourishment for the family, economic and cultural development of the area, study of local folklore, culture and art, and preparation for retirement.

Student cooperatives in schools are popular in a number of countries.

Finally, a large number of movements are devoting increasing attention to consumer information and protection activities as a means of educating and involving members. These programmes include consumer advice centres (Austria); "consumer corners" in the shops with information on comparative goods test results, buying advice, price information, recipes, etc. (Sweden and the United States); Consumer Assemblies or Verbraucher-Tage in the Federal Republic of Germany; test kitchens and cooperative laboratories (United Kingdom, Switzerland, Germany, France, Austria, Finland, Sweden, Norway and Denmark); and special consumer information for young married couples (Sweden). A growing number of movements are adding consumer information and protection to the curricula of their formal education courses, eliciting the interest of womens' guilds in consumer problems, and organising lobbying activities by members in the cause of seeking improved legislation for consumer protection and information.

3.32 Member Control at the Local Level

3.33 Member education, formal and informal; an adequate two-way flow of relevant information between members, elected officials and professional management; fruitful social and recreational contacts between members and officials at all levels — all these are required if cooperative management is to be made responsive to member interests. But an even more essential ingredient of management accountability is the provision of mechanisms which make it possible for individual members effectively to influence the economic policies of cooperatives. This implies channels through which they can make their views and wishes known at higher levels, can participate in the actual making of decisions which once arrived at become obligatory, and can supervise and control the implementation of these decisions by the responsible officials.

3.34 A system of member committees at local level exists in a number of Western European countries:

The system was pioneered in the "Produktion" society of Hamburg in the early years of this century. Dr. Heinrich Everling, who became secretary of the "Produktion" society in 1908 and was later a director of GEG, was the moving spirit behind the formation of these members' committees in Germany before the first World War. Member committees were organised on a shop basis by the "Produktion" society and later by other societies and served as a liaison between the members and the management. They served to clear up misunderstandings at local level and to win new members for their society. Members of the Committees also visited cooperators in their homes. In spite of the doubts of some managers, the member committees proved their value in helping to make democracy effective in larger societies.

KK has a system of shop committees as a point of contact between cooperators as businessmen and cooperators as members; these are supported by a shop committee counsellor in KK headquarters and by correspondence courses and study circles. Recently it was proposed to fuse the present Women's Guilds and the shop committees into E-Guilds, which would be entrusted with the same tasks as now handled by the latter. The aim is to have women and men work together in developing member relations activities and consumer education.

Local shop committees or members' councils are also to be found in SOK, Finland, in KF, Sweden, and in Austrian consumers' societies.

3.35 However, it is in the East European socialist economies that these have been most fully and effectively developed via a comprehensive network of member committees and member meetings at shop, village, district and society levels.

In Poland, Spolem and CAU operate a system of district meetings and member committees. The purpose of the meetings is to evaluate managerial performance by name, elect representatives to sectional assemblies, elect member committees for shops and service establishments and to consider proposals from the sections.

Member committees at the shop level are elected by the customers of the store, or the workshop or the catering establishment, and are composed of five to ten persons. These committees have been given almost complete autonomy over certain aspects of trade. For example, they may decide that certain goods which do not conform to accepted quality standards should either be withdrawn or sold at lower prices. Also they may authorise small expenditures for repair of shop equipment, or mediate in disputes between cooperative staff and customers. They are in close contact with cooperative officials and exercise an influence on such matters as supplies for stores and restaurants, shop hours, management and equipment of shops, and quality and working conditions in Spolem factories.

Current efforts to reinforce the committees in the face of cooperative concentration have centred particularly on their potentialities for protecting the interests of consumers by improving services to them and stimulating exchange of information between cooperatives, consumers and professional administrators. They are increasingly concerning themselves with quality and assortment of goods, adaptation of shop hours to the needs of housewives, better information in the shops and better working conditions for staff. They are also playing an important role in the cultural and economic development of small towns where they have organised recreational facilities for women and children, courses on nutrition and dressmaking, clubs, conferences and dramatic and artistic groups. They have also persuaded cooperative officials to install

facilities for cheap hairdressing, maternity schools and crèches, laundries and sewing establishments, etc. They have even participated in the building of roads, social centres and parks.

There are similar comprehensive systems of member meetings and committees at shop, village, district and society levels in Hungary, Czechoslovakia, Roumania and the U.S.S.R.

3.36 Workers' Participation

3.37 In any enterprise the wage earner has some responsibility and influence and that influence is usually augmented by trade union activity. This is true of co-operatives as well as private enterprises. In addition, many co-operatives provide special machinery as channels for worker influence over certain management decisions:

In France, there is one staff representative in cooperative societies employing more than 15 employees and one staff committee for those employing more than 50 people. These do not participate in the management of the cooperative but they have access to information on management. The Supervisory Council includes two staff representatives.

In Norway, a liaison council between the staff and the Board of a retail society must be established if there are more than 20 permanent staff; and there is a similar arrangement in NKL, the Norwegian wholesale society.

3.38 However, the issue of workers' participation in control of cooperative societies is akin to, but distinct from, the problem of cooperative democracy in terms of member control.

3.39 In workers' productive societies by far the majority of members are workers, and the two questions are closely intertwined. But in other types of cooperation the question of staff participation in control belongs to the context of industrial democracy — a broader issue which is obviously of keen ideological interest to cooperators but not directly relevant to the present discussion.

3.40 The only way in which the issue impinges more narrowly on cooperative democracy is in relation to authorisation for cooperative employees to serve on Boards of Directors or Supervisory Councils. In some societies, employee members are free to stand for either; in some they are eligible for the latter but not the former; in some they are excluded from both; and in others a limit is put on the number or the proportion of employee representatives. In the interest of democracy it would appear that employee members should be granted the same rights as other members to participate in the control of societies. At the same time it is important that there should be safeguards against abuse by vested interests.

3.41 In workers' productive societies the participation of workers in decision-making extends further than for any other kind of enterprise, cooperative or private. This contributes to efficiency in that members have a keener interest in the performance of the society because their jobs and their incomes are at stake; moreover there is no conflict of interest between the society and the employee, since the latter are the members. Also this high degree of worker participation in control and responsibility for work has an important bearing on standards of quality and protection for consumers.

3.42 In some workers' productive societies as in France cooperative labour groups are formed to assume responsibility for production in a particular department through a kind of internal sub-contracting. Many modern sociologists and industrial psychologists take the view that a devolution of responsibility in this way helps to develop a team spirit and provides added incentive which may increase productivity.

3.43 Democracy in workers' productive societies can be conceived as a continuing dialogue between workers and management as well as the periodic election by the workers of the people who appoint the management.

3.44 At the same time, worker participation makes it even more important to ensure that there is a clear distinction between policy making and professional management; that managers are highly qualified and experienced; and that there is an adequate flow of reliable information between members and management as a basis for sound policy decisions.

4. The Role of Governments

4.1 The issue of cooperative democracy is sometimes linked with cooperative autonomy and freedom from State interference.

4.2 For mixed economies in western countries the problem scarcely arises, since there is very little inclination for governments to interfere in cooperative affairs other than by imposing the obligation for them to conform to the same general laws as other forms of enterprise and to accept the discipline imposed by the State or the planning authorities. In the words of the ICA Principles Commission, "In a fully developed cooperative unit the management must rest in the hands of the members and all decisions be taken by cooperators themselves, with no external interference. Autonomy is therefore a corollary of democracy".

4.3 In countries with state planned economies, the promotion and supervision of cooperatives operates mainly through the national economic plan in which all have an assigned part to play, with central state control in a body such as the Council of Ministers working through Economic Councils and in collaboration with Central and sometimes Regional Cooperative Unions. The central state control is reinforced by the control of finance. Audit, advisory services, supervision, education and the fulfilment in detail of the plan is generally left to the cooperatives themselves. The degree of centralisation varies in different countries. Cooperatives receive the benefits of state aid in various forms, and they borrow from state banks for all purposes for which their own shares and reserves are inadequate. They also invest their net surplus funds in such banks.

4.4 Governments which are firmly committed to a policy of national economic planning do not regard the so-called "free" market as an adequate arbiter of resource disposal. They are convinced that a rational allocation of resources can result only from more or less centrally directed decisions taken in accordance with clearly defined economic and social objectives. Where these objectives include a strong and effective cooperative movement, it is rational to ensure that resources are allocated to this purpose.

4.5 Cooperatives in such countries play a major role in the planning operation:

CAU in Poland reports that the central cooperative unions exercise the rights of ministries when the national plan is being elaborated. They are consulted by the Central Planning Office about possibilities and intentions. The unions work within the general guidelines laid down by the Government, but can also present their own draft plans in excess of these.

A similar process occurs at the level of the district cooperative organisations. The results are then transmitted by unions to societies which either elaborate plans within these guidelines, or present alternative plans outside the guidelines. These are decided by the general assembly of members with respect to general lines of development, while the concrete economic and financial plans are approved by the society's Council.

4.6 Cooperators from the socialist economies insist that they operate under laws which guarantee them a considerable degree of independence and equal terms with other forms of enterprise:

In Hungary, the legislation states that cooperatives may carry on any activity necessary in the interests of members which can be accomplished by their own resources.

In Poland, the cooperative sections, based on towns, are independent units with their own economic and socio-educational plans, wages fund, and freedom to settle accounts with the budgets of the people's councils.

4.7 Moreover recent developments in a number of East European economies in the direction of more decentralised management of productive and trading units have had implications also for cooperatives:

The Hungarians report a significant expansion of cooperative activity under the recent reforms. Cooperatives, they say, now have a considerable degree of autonomy and self-management concerning business, financing, purchasing, marketing and planning, and they can undertake joint economic operations with each other and with non-cooperative enterprise. Moreover there is no longer compulsory affiliation to the central federations; these have become safe-guarding organisations which also provide services at the request of the cooperatives, for example, market information, accounting, publicity, education, etc.

A similar process has been occurring in Czechoslovakia. As described by Josef Podlipny, President of the Union of Consumer Cooperatives in the Czechoslovak Cooperator, I/1867: "Under the new system, the planned development of economy is linked up with the utilisation of the market mechanism, while the position of the customer in relation to that of the supplier is strengthened and the directive form of setting tasks to enterprises from economic centres is gradually being replaced by the utilisation of economic levers of management, such as prices, wages, material incentives, credit, rate of interest, etc. Individual enterprises become more independent economic units, as a result of which the earnings of their employees and the opportunities for a further expansion of the enterprises themselves will depend primarily on the quantity of the commodities produced and performances realised by them.

"The transition to the new economic system, of course, cannot be effected overnight; on the contrary, the new system will come into being as a result of a process lasting for several years. Nevertheless, the fact that this process has already begun in Czechoslovakia has enabled the consumer cooperative movement to work out a conception of its future development which will be marked by an even more important assertion of consumer cooperatives within the framework of the socialist economy, on the basis of the pre-requisites they have as large organisations of consumers. This conception is based on the principle of competition between different sectors in the production and circulation of goods." Or in the words of Pernica: "In a socialist society, the renaissance of cooperation is promoted by the process of a gradual transfer of more and more tasks from public authorities — particularly those of the socialist state — to social organisations of the working people." (Karl Pernica in the Cooperative Movement in Socialist Czechoslovakia, p. 12.)

4.8 In the developing economies a similar "devolution of responsibility" is occurring. In Asia and Africa, there is extensive government support for cooperatives almost regardless of political ideology or the degree of centralised state planning. Indeed the efforts of the government cooperative departments often constitute the mainspring of cooperative development. This is a consequence of the many difficulties in the

way of spontaneous emergence of cooperative enterprises — or any form of enterprise — in these countries.

4.9 It is generally agreed, however, that substantial government intervention in cooperative affairs is justified only so long as temporary factors render it essential; and that such support should be withdrawn as rapidly as circumstances permit, and preferably according to a pre-scheduled time-table. This policy of "de-officialisation" usually takes the form of handing over to secondary cooperative organisations the various duties of promotion, audit, supervision, education, propaganda and financial assistance as soon as they are ready to assume such responsibilities.

"It can scarcely be contested that without the support of generous amounts of government finance, the development of cooperation in the newly-liberated countries will be painfully slow and uncertain. But if governments provide or guarantee large loans or take out large holdings of share capital they will insist on checking the use which is made of public money and on satisfying themselves that proper technical advice is being taken and due financial prudence exercised. Government may therefore ask that its representatives shall sit on boards of management for a time, not with power of veto, but to make sure that the aid provided is being utilised in the way in which it was originally intended. The important consideration is that the government representative shall not continue to sit a day longer than is necessary. The more successful a society is, the more likely are members to conceive the ambition of acquiring independence of government supervision and work to achieve it. "It must be recognised that in cooperatives which are themselves at the beginning of their development, their democratic organs also are very probably under-developed and, likewise, the capacity of their members for carrying out democratic procedures efficiently and for submitting readily to democratic discipline. The important thing is that they shall be continually advancing towards full and effective democracy, as they very well can if they are willing to learn from their experience and discuss their good and bad decisions with their fellow-members, they can make the knowledge of their rights and responsibilities the basis of a sound democratic technique." (Report of the ICA Principles Commission.)

5. Summary

5.1 Contemporary cooperative democracy obviously requires an organisational structure designed to facilitate effective member representation, effective member participation in basic policy decisions and effective member control to ensure that such decisions are faithfully implemented by management.

5.2 At the same time it is clear that democracy cannot be guaranteed through organisational machinery alone. Members will participate in representation, in policy making and in supervision only to the extent that they are really interested in the issues at stake. Member interest and involvement must be actively stimulated; they do not occur automatically. In the contemporary world cooperative democracy requires a dynamic programme for two-way communication with members, informing them, educating them, and enabling them to influence policy at the local level where their most vital interests are directly affected.

5.3 Such measures are necessary regardless of the political setting in which cooperation operates. In the mixed economies of the West, the initiative is usually taken within the movement. In the state planned economies of the East, cooperators have an important and growing role to play in determining the shape of the national plan which constitutes their economic framework; within that framework members exercise control at local and regional levels. In the developing countries there is necessarily a high degree of government intervention in cooperatives, but here too the stress is increasingly on devolution of responsibility.

II. CONTEMPORARY COOPERATIVE DEMOCRACY

(Theory and Practice of Cooperatives in Socialist Countries)

A. P. KLIMOV

Chairman of the Board of
Centrosoyuz of USSR

The problem of cooperative democracy is one of the many problems which came into being in the post-war period (and in many capitalist countries still earlier). It reflects the many changes which have occurred and are occurring in the economic and social life of contemporary society.

The action of objective regulation of the development of human society appears in those processes, in which the cooperative movement, in common with other economic and social mass organisations, is involved. These processes and their consequences have different qualitative content in the conditions of socialism, compared with those in the conditions of capitalism; that is why the socio-economic essence of the problems bred in these different conditions is completely different, as are the methods of their solution.

With regard to the problem of cooperative democracy, this is above all the outcome of great structural changes appearing in "cooperation" as a result of concentration and centralisation in the spheres of material production and distribution, as well as in the technical revolution which raised new questions of organisation and guidance in economic life, of the place and importance of man and technology in the management of the economic processes in its control, in the relationship of the parts played by specialist-managers and non-professional leaders.

It would, however, be wrong to deal with the problem of the cooperative movement merely as a problem of technical and economic character, or purely as a problem of the relationship between the elected bodies and the apparatus of hired specialists; or as one of the mutual relationship of these and others with the members of the cooperatives; or as a question of the representation of members and the exchange of information about the policy and activity of cooperatives, and cooperative associations and enterprises.

This is above all a socio-political problem; it is an inalienable part of the total problem of democracy. The question of the position of cooperative democracy as a whole in these or other social conditions in any country arises because the conditions which are necessary for the existence of "cooperation", the possibility of its development and the implementation of cooperative principles into reality (and this includes the principles of democracy) are determined by the existing social system. Where real democracy is ensured, i.e. democracy of the majority of the members of society, of the workers, they are translated into reality; where the actual, material and legislative legal guarantees for the enjoyment of democratic rights and freedoms are declared in the constitution, in declarations and rulings, there the problem of cooperative democracy does not exist in the same context as in those countries which are determined by capitalistic monopolies.

The setting of this problem for discussion at the congress is timely. Notwithstanding a successful solution of this problem in the cooperative organisations of socialist countries because the specific social and economic conditions of these countries ensure the feasibility of successful action and a further development of democracy, the cooperatives of socialist countries are considering the needs and problems of their foreign colleagues with sympathy and understanding. They are interested in a proper solution of this problem to the advantage of broad masses of cooperative members of all countries.

Members of cooperatives of socialist countries have amassed considerable experience in the development of the principles, methods, and realisation of inter-cooperative democracy, in the perfection of the representation of interests of the cooperative members, their participation (both direct and indirect) in cooperative self-government, in the development of an effective control of economic and socio-mass activity of these cooperatives, of their unions and cooperative enterprises. Those who, since the war, have visited the cooperative organisations of Bulgaria, Hungary, GDR, the Mongolian People's Republic, Poland, Czechoslovakia, the Soviet Union and other socialist countries, have had the opportunity to convince themselves that in the conditions of socialism, the members are seen to be the true proprietors of their cooperatives, and that it is they who determine the economic and other policies of cooperative undertakings.

We feel that some knowledge of this experience of ours would not be uninteresting for cooperatives of other countries. At the same time, first hand acquaintance with the attempt to solve the problem of democracy in the cooperative organisations of capitalist countries will be useful for the cooperatives of socialist countries.

It is generally known that the most important principle of the cooperative movement and its basis lies in the democratic methods of management. Cooperatives are self-governing bodies of workers, the members of which participate with equal rights in management and control.

The socialist public system, and social democracy ensure the true democratic development of the cooperative movement. Cooperative democracy itself is a part of socialist democracy. On equal terms with the trade unions, youth organisations and other bodies of workers, the cooperatives take their place in the system of institutions of socialist democracy, while their role in the public and economic life of the country is continually on the increase.

The creation, consolidation and development of socialist democracy is one of the greatest achievements of socialist revolution. The experience, gained in the process of development of socialist countries, undoubtedly proves that the strength of socialist society is based, above all, on the high standard of the community activity of the workers. Socialist democracy has brought into the management of the State a broad mass of people, and has also opened wide areas for application of the abilities, knowledge and talents of working people. The masters — the organisers of life — in socialist countries, are now those who extract minerals and coal, smelt metals and till the earth, who penetrate the secrets of the atom, explore the depths of the cosmos; in other words, those who create all material and spiritual riches.

Socialist democracy is fundamentally different from bourgeois democracy. They are qualitatively different socio-economic systems. Those assertions, often put forward in bourgeois literature, that socialist democracy is only a "modified", "improved" bourgeois democracy are completely false. It is still more absurd to suppose that the attributes of bourgeois democracy can be automatically transferred into socialist society.

In the old days, Hegel said that truth cannot be abstract. The same thing can be said about democracy. Democracy — in what sense? Democracy — for whom? In whose interest and for what purpose? Which classes and social groups are interested in this particular form of democracy? To evaluate democracy it is necessary to have a concrete historical approach, a class evaluation.

Socialist democracy is democracy for the majority, for the people, for the workers. Democracy in capitalist society is a democracy only for the rich, for a negligible minority.

Socialist democracy is a system based on the political domination of the working class in union with the peasants and other workers, and directed against the op-

pression of peoples and nations, and towards the ending of the exploitation of one man by another. It expresses the interests of all working people; its main objectives are the creation of the new socialist society and the protection of its achievements.

The structure of the socialist State functions successfully, involving millions of working people and their economic and social organisations in the immediate management of public business. That is why the dictatorship of the proletariat is of a higher type, a genuine sovereignty of the people.

With the liquidation of the exploiting classes and the complete victory of socialism begins a process of the development of a system of dictatorship into a system based on the power of the whole people, as the experience of a number of socialist countries has proved. In the conditions of a fully developed socialist democracy, those institutions which directly exercise the sovereignty of the people play an increasingly noticeable part; they become one of the means of the active expression of the will of broad masses of the working people. Therefore, the hypocritical statements by apologists of capitalism that it is possible to achieve real democracy only in the conditions of bourgeois democracy with its multi-party system and its parliamentary opposition, are absurd and meaningless.

Socialism is an economic system in the very nature of which democracy of a new type is implanted, based on the public ownership of the means of production. Democracy in socialist States is expressed not in parliamentary debates, not in the multi-party system (although in some socialist countries it does exist), not in empty talk about freedom of personality and human rights, but in the ensuring of material guarantees of the real freedom of workers, their actual participation in the social, economic and political life of the country and in the management of its production processes.

From the point of view of Marxism-Leninism, the most important of all liberties is the freedom of workers from exploitation. The basis of democracy consists not in political phraseology, not in the struggle of political parties with one another, but in economic reality. The true strength of democracy manifests itself in what it gives to the people in the form of economic and spiritual values. The democratic character of socialism, first and foremost, consists in the fact that along with the transfer of political power, everything produced by society goes only to the people, that it makes of them the real masters of society. In the process of socialist revolution all necessary means for the exercise of their rights are transferred to the workers. This is achieved through the socialisation of the means of production, through the transfer to the workers of the organs of the press, radio, cultural and educational institutions. In other words, all the barriers erected by the exploiters to close the way to democracy are torn down. With the abolition of these barriers goes the need for the existence of political parties to represent the disappearing classes. The existence in many socialist countries of only one unified party of workers signifies the moral political unity of working people, a higher stage of democracy of the people and for the people.

In addition to political rights and freedom, the concept of democracy must also include social rights — the right to work, the right to leisure, to education, to security in old age and security against the consequences of illness and loss of capacity to work. The cultural revolution opened to the broad mass of workers access to the achievements of science, literature and art, to all types of education and creative art. At the same time, socialism also solves the main democratic problems, such as that of equality of all nations and the putting into practice of the equality of woman with man.

The cooperative movement in the countries of socialism is an economic and social mass organisation of working people based on the independent activities of its members. It occupies an important place in the system of the social, political and economic institutions which secure the power of the workers.

The most important aspect, the main direction of socialist statehood in its present stage is the unfolding of democracy in every possible way involving more and more masses of workers in the management of all social affairs. In this connection, the part played in the management of the people's economy and socio-cultural construction by the mass organisations, among them the cooperatives, is constantly increasing.

The development of socialist society is unthinkable without the cooperative form in the spheres of agricultural and artisan production, distribution, provision of supplies and credit, housing activities, services, etc. As is known, the reorganisation of the individual peasant economy on a small scale into a large mechanised socialist production on the basis of cooperation is one of the greatest enterprises of socialist construction. Therefore, the socialist public structure creates all the conditions necessary for the development of cooperatives, giving them both material and moral support.

The economics of the socialist countries are based on ownership by the whole people (State ownership) of all the basic means of production (enterprises of large and medium industry, railways, waterways and air transport, coal and other mines, forests, and, in the USSR and the Mongolian People's Republic, also the soil). It is this that determines the various spheres and branches of cooperative activity. The cooperative form of ownership and economy is successfully developing in trade, food production, services and tourism, agricultural production and the purchasing of raw materials for production, for the needs of the peasants, craftsmen, artisans and their unions, and also for credit and insurance activities.

Thus the cooperative movement is successfully developing in just those areas and branches of the socialist economy which are immediately connected with national consumption, serving the needs of consumers and small producers, where it is especially important to exercise their control.

With regard to the agricultural handicraft-artisan production, the wide development of cooperatives in socialist countries can be explained by the specific position in the socialist economy of producers of goods on a small scale, and by the reorganisation of their economy and property into ownership by the whole people. The socialist system, when expropriating large- and medium-sized property, leaves untouched the property of small- and medium-sized producers, leaving it to them to choose which way the development of their business should take. Thus forwarding the personal interests of the peasants, craftsmen and artisans, and the interests of society as a whole, the cooperative movement offers its services.

Socialist ownership of the basic means and tools of production has widened the potentialities for the development of cooperative ownership; and as cooperative ownership by its nature is socialist, it also broadened the socialist and democratic bases of cooperation. Only in socialist conditions could there be a real possibility of the full implementation of cooperative principles, such as free and voluntary membership, equality of members' rights in management and control, the removal of every kind of privilege and discrimination (whether for political, religious, property or other reason).

A socialist government, using legislation and other means of influence, promotes the development of the cooperative principle and the transformation of cooperatives into truly national people's organisations.

The freedom of union into cooperatives and the development of the independence of cooperative masses on the basis of broad democracy corresponds to the theory as well as the practice of socialist construction.

The rights of citizens to form cooperatives are confirmed in the constitutions and legislative enactments of all socialist countries. The group ownership of cooperative organisations is considered to be a socialist property and is guaranteed by law on equal footing with (State) and people's ownership.

The socialist system, and the socialist State, not only admit and welcome the right of union into cooperatives, but by their policy protect the development of cooperative construction, give financial help and grant tax privileges to cooperatives, and thus create material prerequisites and guarantees for the unhindered implementation by citizens of their right to join themselves into cooperatives and for their successful activity.

For example: Article 9 of the Constitution of the People's Republic of Bulgaria states: "The State renders help and promotes cooperative societies"; and in Article II it is stated: "The State promotes and renders aid to LCAE (Labour Collective Agricultural Economies — which enjoy the same protection under it." Similar statements can be found in the constitutions and programmes of Communist parties in other countries. Article II of the Constitution of the Polish People's Republic reads: "The Polish People's Republic supports the various forms of cooperative movement in towns and in villages and gives them help of every kind to implement the tasks set by cooperatives. Cooperative property enjoys the help and protection of a collective property."

The Constitution of the USSR not only recognises the socialist ownership of cooperatives (Art. 5 and 7), the right of citizens to create cooperative associations "with a view to developing organisational self-activity and political activity of the masses" (Art. 126), but also the right of cooperatives to put forward their candidates at the election of deputies to all soviets of workers' deputies, from local soviets up to the highest organ of State power (Art. 141).

In the programme of the Communist Party of the USSR, which must be considered as containing the fundamental provisions for the entire policy of the Party and the socialist State, the cooperative system is defined as an inalienable part of the soviet socialist society.

The programme of the Communist Party of the USSR determines the increasing role played by public organisations including consumer, housing and other cooperatives, in the development of the democratic principles of State government. In the process of the soviet society to communism this role is "one of the forms of involvement of the masses in Communist growth, Communist education and Communist self-government".

It states, specifically, that the agricultural produce cooperative (kolkhoz) "as a collective form of economy in the character of its organisation, democratic principles, which will develop further" already ensures the management of agricultural production "to the kolkhoz masses themselves, and to the unfolding of their creative initiative". The programme underlines "that the development of socialist statehood will lead to a transformation into public communist self-government in which will be incorporated the soviets, the professionals, the cooperatives and other mass organisations of workers". The bases of the State and Party policies towards cooperatives in the USSR are scrupulously executed implementations of the behests of the creator of the world's first socialist State, V. I. Lenin, that the cooperative system should be based on the socialisation of all fundamental means of production. The above statements from the Constitution and the Party Programme — documents which determine the entire life of socialist countries — indicate clearly the place and role of the cooperative movement in the system of socialist economy and socialist democracy. Tens of thousands of cooperative members in socialist countries — leaders of cooperative organisations and enterprises, officials, cooperative workers and ordinary members — all of them are deputies of the representational bodies of all degrees, from the lowest to the highest. For example, in the GDR the organisation of consumer cooperatives supplies local self-government bodies with about 12,500 of their deputies.

The socialist people's government not only helps cooperatives in the development of their activities, but also assists them to enhance their prestige among the people.

The interest and respect shown by the people are very important factors contributing to the successful development of the cooperative movement and of the internal cooperative democracy; they influence the attitude of members and workers of cooperative enterprises, who cease to be indifferent to the affairs of their cooperatives and instead of being passive even at cooperative meetings, now participate in discussion and in decisions concerning cooperative affairs. The attention shown by the government and leading parties to the problems of the cooperatives increases the interest particularly of youth in the cooperatives, in the "cooperative" professions and in the problems of the international cooperative movement, etc.

The socialist government at the same time helps the many-sided efforts for the development and perfecting of the democratic foundation of cooperatives.

One of the roads to the democratisation of socialist society is the increasing part played by mass public and economic organisations, even to the length of transferring to them some functions of the State. The dialectic of the development of socialist statehood is such that the state now implements the guidance of activities in the most important spheres of life through the non-governmental organisations of workers, such as trade unions, cooperatives, Youth Unions, cultural-educational, scientific and sports and other voluntary organisations of the workers. This means that to the management of social affairs are drawn almost all the active elements in the population of socialist countries.

One of the most active independent mass organisations in these countries is "co-operation". And the Government does everything it can to create the necessary conditions for the cooperative movement to attract the broad masses of its members in every possible way into participation in social and economic life, and for this purpose to use the development of cooperative democracy. It stimulates this movement both morally and materially.

Socialist conditions and the considerable help given by the State to the development of the cooperative movement, have led to the abolition in the People's Republic of Bulgaria of the system requiring initial payments to the agricultural producers' cooperatives; active participation in the cooperative economy has been recognised as the basic qualification for membership.

To take another example, in Hungary in 1967, Parliament passed a new Bill concerning producers' cooperatives. This law proceeded from the assumption of recognition of a complete autonomy of the primary producers' cooperatives and went on to assume the freedom of cooperatives from interference of any kind, stating that not only the organs of State but also the central and regional unions of the cooperatives should have no administrative power, and thus the cooperatives themselves personified the interests of the cooperative movement. Similar legislation and an adequate reflection of it in cooperatives' statutes is the source of, and prerequisite for, the ensuring of true democracy, the self-government of the members of cooperatives.

The relationship between State and cooperatives determines the whole legal system and special cooperative legislation. These laws ensure the coordination of cooperative and general State interests in the sphere of economic as well as social life. The socialist State and its institutions function on the basis of special cooperative and general State legislation, State and sectional supervision of the working of cooperatives, with a view to ensuring their activity in accordance with the interests of the workers, and of the entire society. At the same time, however, they guarantee the complete independence of the cooperative movement and all its branches.

Cooperative members, under socialism, are transformed from being mere passive participants of the processes of production and distribution, from being victims of the elemental forces of trade and of fierce competition, such as they are in capita-

list countries, into active and conscious creators of economic and social life. They become also an important medium for the development and strengthening of the socialist system of economy and socialist democracy.

The right of the cooperative movement to unimpeded development of its economy and its part in democratic management is not only declared in the constitutions and programmes of communist and labour parties of socialist countries, it not only guarantees their legal status, but is also ensured by the actual place of the cooperative societies in the socialist system of economy.

Here are some facts and figures which are self-explanatory:

People's Republic of Bulgaria

There are 3.5 million members of cooperatives, i.e. about 40% of the population. The share of cooperative turnover is 50% of wholesale turnover of the country and 40% of retail turnover...

Poland

There are 10,350 cooperatives (not counting the training cooperatives) incorporating 12.4 million members (in a population of 32.06 million people). The turnover of cooperative trade is just over 50% of total trade. Polish cooperatives are producing 12% of industrial production, and 30% of all consumer goods. Cooperative house building reached 30% (in towns 53%).

Hungary

Over 20% of the national income is produced in cooperatives; the consumer cooperatives alone exercise 30% of the retail trade of the country, and the artisan cooperatives produce 10% of the total production; one-third of the independent population works in cooperative enterprises.

GDR

There are 4 million members of consumer cooperatives or 31.5% of all population over 16. Their share in turnover is 33.9% of the total.

USSR

The consumer societies incorporate over 56 million members and they exercise 30% of the total of retail trade.

The growth of the agricultural producers' cooperatives in these countries has been enormous: in Bulgaria there are 854 cooperatives of this type, with a membership of 3.5 million people. In Hungary 3,033 producers' cooperatives unite 900,000 peasants' families; in Poland there are 32,612 small producers' cooperatives uniting 1.7 million peasant households; in Czechoslovakia there are 6,538 agricultural producers' cooperatives; in the USSR 36,800 producers' cooperatives (kolkhozes) incorporate 33 million people.

The cooperatives of socialist countries play a considerable part in State government, in the working out of national economic plans, in the fixing of prices, the structure of the turnover of goods and in the supply of consumer goods to the population.

As is generally known, in the socialist system, cooperatives exercise their economic activity within the framework of the communal national economic plans which prevent the anarchy of production, the blind and harmful results of the economic laws of market economics, and avoid the development of crisis economics. We can often see in foreign literature and in the sayings of cooperative theoreticians and practical workers the assertions that the planned socialist system nullifies the independence of cooperatives, deprives them of their economic initiative, limits their possibilities to the narrow framework of a plan, and finally does away with cooperative democracy as a form of the expression of the will and hopes of owner-members of cooperatives. This is a complete misrepresentation of the facts.

The plans for the economic activity of cooperative organisations of socialist countries are the result of their own initiative and creative work. They are worked out by calculation of the real possibility of their implementation and of the immediate interest and advantage for cooperatives and their members and, most important of all, they are always discussed and confirmed by democratic methods at the meetings of members. Only after such discussions are they included in the general national plans for the various branches of the economy, in the coordination of which is worked out and guaranteed a proportional and harmonious development of the socialist system of economy.

What does it give to the cooperative organisations? First of all, by means of their plans, which become an integral part of national economic plans, the cooperatives actively influence the economic policy of the State, i.e. they participate in the regulation of the process of socialist reproduction. The central cooperative unions in socialist countries take part together with the other central ministries and institutions, in detailed elaboration of national economic plans; the central departments of the State consult them on every problem which concerns the interests of the cooperative sector. For example, the representatives of the Centrosoyus of the USSR, and the consumer unions in the federated republics, participate in the deliberation of projects for national economic plans in the central bodies of the State, in the Supreme Councils of the USSR and the federated republics, contributing with their proposals and observations, which are directed towards guaranteeing the interests of the consumer cooperatives, and in the use of all reserves of further development of the various branches of their activity. The same thing is happening in other socialist countries.

Secondly, the cooperatives make full use of the possibilities for the vast broadening of their activities, which have been opened to them by the planned system of economy. They can carry out their activities in conditions freed from domination of the weak by the strong, freed from competition and rivalry by the almost unlimited financial and other material help from their socialist government, such a taxation and other similar privileges. The planning of socialist economics is accompanied by a centralised, material guarantee of the reality of such a plan, including those relating to the cooperatives; the State distributes its resources among different branches of the economy in accordance with the problems set out in their plan. Legislation provides for the respective institutions to take into account the demands and needs of the cooperatives when preparing both their long-term and short-term plans for the development of the national economy. Often the cooperative organisations make use of the material help which they receive and which exceeds their own means and potentialities.

Thirdly, the cooperative organisations of socialist countries, when carrying out their plans, maintain direct contract connections with the enterprises of State industry. During the negotiations and the resulting contracts for delivery of goods, cooperative societies and their unions try to use their influence on State industry by their requests for greater volume of production, improvement of quality and a wider assortment of production for goods nationally consumed and also for those used in production.

Cooperative organisations have a network of subdivisions, each of which contributes to the study of market conditions and the demand for the various kinds of goods. After studying the demand, and making an analysis of trade stocks, the cooperative organisations complete their orders and make comprehensive applications for all the goods they require, forwarding these orders to the industrial enterprises. The industrial enterprises, when compiling their plans for the production of consumer goods, base them on consideration of the applications and orders of the trading organisations. Thus the cooperative method actively influences the forma-

tion of the structure of turnover towards a maximum satisfaction of the requirements of their members, and of that part of the population which enjoys the services of its network of organisations.

In their capacity as large producers and purveyors of agricultural produce, the producing, marketing and consumer cooperatives of Bulgaria, Hungary, the GDR, Mongolia, Poland, the USSR, Czechoslovakia and other socialist countries, through the mechanism of planning, through their purchasing contracts, and through their marketing contracts, actively influence the output of agricultural production with the object of getting the maximum satisfaction of consumer needs in food products, and of the needs of raw material for industry.

It is enough to say that, for example, cooperatives in the Central Cooperative Union of Bulgaria are producing 76% of all agricultural produce in the country; in the Mongolian People's Republic 55% of total agricultural produce is that of the cooperatives (about 63% of cattlebreeding); in Poland agricultural producers are selling 75—85% of all their agricultural produce to the towns through the cooperatives, and are purchasing through them 80—90% of industrial goods for mass consumption and for their own needs. In Hungary about 80% of all agricultural produce comes from cooperatives. These figures speak for themselves.

In this way, i.e. by exercising the will of tens of millions of their members, the cooperative organisations of the socialist system have considerable impact on the economic life of their countries, on the planning of production by State industrial enterprises for the production of goods nationally consumed, and for agricultural production; in addition, it should be borne in mind that the cooperatives themselves are considerable producers of agricultural goods and of various types of merchandise in great demand. The cooperatives of socialist countries are interested in performing these functions in the closest collaboration with the State and its economic institutions which give them material and organisational help. It is to their advantage to include their economics in the general system of planned socialist economy, which is a prerequisite for the cooperative movement's function of serving the interests of their members and all workers.

It is vital to note that in the first stages of the establishment and development of socialist economy, it was necessary for the State to fix specified problems and some indices of the plan and to submit them to its cooperatives; this was particularly the case with the agricultural produce cooperatives. Now, these problems and the planning indices are almost completely abolished and the cooperative organisations enjoy a wide degree of independence and initiative for the working out of a programme for their economic activities. The process of the strengthening of the economic independence of cooperatives is noticeable in Bulgaria, Hungary, the GDR, Poland, Mongolia, the USSR, Czechoslovakia and other socialist countries. Now all the activity of cooperatives in socialist countries is based entirely on legal norms, i.e. on present legislation concerning cooperatives, the Articles of their Statutes and the decisions of governing bodies, and also on contractual obligations. The State exercises its influence on the development of the cooperative sector only by using manifold economic checks and balances. Although the organs of State, and particularly the central departments, do exercise general sectional, professional and sanitary control on one or another of the branches of cooperative activity, the cooperative organisations are guided in their activities by the decisions of their elected representative bodies, by the Articles of Statutes and their contractual obligations, within the framework of the current legislation which holds good in each of the socialist countries.

The cooperative organisations of socialist countries are also participating actively in the formation of retail prices for national consumer goods, purchasing prices for agricultural produce and raw materials; this determines their impact on the fixing of prices as a whole in their respective countries. This is why the representatives

of the central cooperative unions (and in the USSR the federated republics as well) regularly take part in the work of the State departments concerned with the fixing of prices. The cooperative organisations, and particularly the marketing and consumer cooperatives, influence prices in other ways: by helping the producer cooperatives and the peasants to market the surplus of their agricultural produce, by establishing the purchase prices with them; selling prices are fixed entirely independently by the Boards of the cooperatives, which put them at a level which will result in the reduction of prices in markets. The consumer cooperatives (for example, in the USSR) also purchase from producer cooperatives the output of their auxiliary trades at prices agreed between them, and sell these goods at prices fixed by the Boards of the cooperatives.

The economic reform now taking place in the socialist countries, the purpose of which is to further the perfecting of the planned organisation of the national economy, the best possible use of the economic methods of socialist national economy and the promotion of the initiative of economic enterprises and their collectives, is opening up possibilities for enlarging the activities of cooperatives on the basis of economic independence and the wide democracy of their membership.

The process of the strengthening of the working independence of cooperatives and their unions which are an integral part of a single system of the socialist national economy, is accompanied by a constant widening of the spheres of independent activity of members, and of the elected bodies of the cooperative management.

Recently it was still fashionable in the West to assert that the cooperative movement as such had ceased to exist under conditions of socialist economics, that it was being transformed into a mere tool in the mechanism of planned economy, and that the socialist system was presumably throwing away all the fundamental characteristics of the cooperative type of economic activity and management, among them cooperative democracy. Today these distortions are often a deliberate slander of the socialist system and cannot now be taken seriously. Anyone who has visited the socialist countries can see with his own eyes all that is happening there in the cooperative movement of those countries and can understand that cooperative democracy can only grow fully and show its strength and value for members of the cooperatives as well as for their real masters, in the conditions of the socialist system and socialist democracy. Anyone who has visited Bulgaria, Hungary, the GDR, Poland, Czechoslovakia, the USSR and other socialist countries in recent years must come to the conclusion that there democracy is not only being implemented in its full meaning, but is also developing more successfully than in capitalistic conditions.

This is now recognised by the representative and fully competent international commissions and leading workers of the ICA and of the national cooperative organisations which have visited the socialist countries, particularly with reference to the decision about the acceptance into the membership of the ICA of the cooperative organisations of Hungary and Poland.

In the post-war years many visits have been paid to socialist countries by delegations of cooperative members of other countries, by leaders of the International Cooperative Alliance and by the specialised agencies of the UN, ILO and FAO, which became acquainted with the activity of all types of cooperative organisations; in these countries, international seminars were held for representatives of cooperative organisations from Asia, Africa and Latin America; annual courses of the international school were held (in Poland). The members of these delegations and seminars showed high appreciation for the development of cooperative principles in socialist conditions and for the high standard of the cooperative democracy.

In all socialist countries the formation by the citizens of cooperatives of all kinds takes place freely and voluntarily with the object of developing and perfecting their respective spheres of activity in the interests of the members of cooperatives and of the entire population.

The cooperative form is constructed on the basis of democratic principles comprising election to the leading and controlling bodies from top to bottom, systematic accountability to be presented by the management to the members, and control by the members of the activities of cooperative enterprises and organisations.

Self-management and economic independence of cooperative societies finds its concrete reflection in that the cooperative members actually take part in managing the business of their cooperatives personally and through their representatives — in the managing boards of all unions including the central one. All members have equal and unlimited rights to elect and be elected to managing and control bodies of the cooperative. Their most important rights guaranteed by the charter and the whole mechanism of cooperative democracy, is their right to take part in adopting any resolution and in the management of the cooperative, in determining policy, aims, means and sphere of its activities, in disposing of cooperative property, in confirming balances and results of the activities and in distributing and using cooperative profits, in determining his mutual relations and ties with other cooperatives, economic and social organisations, the right of determining the competency and composition of representative bodies of management.

These rights are realised by the members firstly at their general meetings, which are the supreme body of management of the local society (cooperative).

The general meeting has all the rights necessary for the final solution of the most important organisational and economic problems of the cooperative and is the body which expresses the aspirations and interests of the masses of members of the consumer society.

The practice of cooperative organisations of the majority of the socialist countries has shown that the most viable, receiving the best financial results, are large cooperatives. The amalgamation of cooperatives, allowing for local conditions, leads to the improvement of the qualitative indices of their economic activity, to the reduction of the level of expenditure on turnover and production, the more rational use of machinery, the establishment of direct contractual connections with industry and other economic partners, organisation of wholesale purchase in bulk, organisation of a centralised marketing and delivery of goods, and reduction of payments to banks for the use of credit, the improvement of variety, reduction of losses, etc. Large cooperatives have at their disposal sufficient amounts of their own circulating capital for such purposes as greater and more effective investments, and can save the necessary funds for this.

These factors explain the process of increasing the size of cooperatives by amalgamation, and the corresponding structural changes which have been taking place in the consumer cooperatives over a period of many years.

For example, in 1941, there were 32,422 primary cooperatives in the USSR; now, as the result of amalgamation, there are only 16,624 (during this period only the number of urban consumer units was increased — by about 300 units). The process of concentration is continuing in most countries. In the GDR it is proposed to amalgamate over the next two years the existing 700 cooperatives to reduce their number to 200. This will result in a reduction of the administrative force by 20,000 people.

Amalgamation of cooperatives in socialist countries will continue only up to the limits beyond which the process would hamper the members in maintaining connections with their cooperative, and which would deprive the members (or their deputies) of the possibility of participating in the activity of the cooperative and in the control of its affairs. Thus, the concentration does not imply any deterioration for member-shareholders in the exercise of their rights in the management of their own cooperatives. The continuous process of perfecting the work done by the self-

governing bodies and of the mass-social supervision, the increase of information and educational work among member-shareholders, all ensure the continual strengthening of the internal cooperative democracy.

The amalgamation of cooperatives (the contemporary primary cooperative often unites members living in several populated settlements) has made the holding of general meetings more difficult. Therefore, in the cooperatives of many of the socialist countries as well as the district general meetings (direct representation), there are meetings of delegates elected by open ballot at the district meetings (indirect representation). The district meeting is a meeting of members of the cooperative who live in the same settlement or in populated areas not too far away from one another, and served by one cooperative. The number of districts united in a cooperative depends on the number of members, the number and size of populated areas served, their distance from each other, and other factors which must be taken into account to ensure the functioning of representative meetings in one district.

The district meetings, held according to the terms laid down by the Statute, make it possible for each member of the cooperative to participate actively in its affairs and to exercise direct influence on its activity. At the district meetings are discussed the reports of the management and of the control supervisory commission and in several countries (the USSR) the reports of shop managers, refectory managers and other cooperative enterprises in the district; instructions to the management about improvements in the work of the cooperative are also discussed. In the consumer cooperatives of the USSR elections of managers of cooperative enterprises are held at these meetings; decisions are taken with regard to freeing them from the exercise of their duties, etc.; decisions with regard to the dismissal of workers are final.

The general meetings (or meetings of delegates) consider the acceptance of Statutes, determine the rules for the election of delegates, and elect by secret ballot the chairman and members of the Board (for a certain period) and the chairman and members of the Supervisory Commission. They also elect delegates to take part in the meetings of the higher cooperative organisation (regional union), approve reports and plans, consider problems concerning the building of economic enterprises, and take decisions about the acquisition and disposal of buildings, equipment, and transport and give their sanction to instructions to the cooperative management.

The legal authority of the general meetings (meetings of representatives) is determined by the Statutes of cooperative organisations. For example, in the consumer cooperatives of the USSR the general meeting is valid when a minimum of $\frac{2}{3}$ of the members (delegates) are present. Attendance of $\frac{3}{4}$ of the members is required for decisions on questions concerning changes or amendments to the Statute, questions about the dismissal of members from the cooperative, election to the Board and the Supervisory Commission, and the distribution of profits or recovery of losses.

Participation in the work of the district committees and in meetings of delegates act as a training ground for the members where they can learn collective methods of managing an economy. The great majority of members take part in the district meetings.

In the People's Republic of Bulgaria, four general meetings are held every year in agricultural produce cooperatives (depending on the seasonal needs and successes of the economy — in February, at the end of April, at the beginning of September and the end of November); while special meetings can be called, for example for fixing the prices of agricultural production. As a rule not more than two to three of the most pressing problems are discussed at general meetings; reports on them are prepared collectively and discussed beforehand by the Boards of cooperatives, the councils of their production subdivisions (about which information will be given below) and by the most active members.

In the cooperative system of the USSR in the first quarter of 1968, there were 237,000 district meetings, meetings of delegates of consumer societies and regional consumer unions; they were attended by 40.7 million people or 70 % of the total number of members of cooperatives. Details of these meetings show the activity of the members of consumer societies. At meetings of the RSFSR 1,000,000 people spoke, 350,000 at meetings of the Ukrainian SSR, in the Uzbek SSR 44,000, in Azerbaijan 11,000. All speakers discussed the current problems in the development of the cooperative movement and its economy, made proposals for the improvement of the activities of cooperatives and their undertakings, criticised the work of the management of individual cooperatives and the managers of trade enterprises and those of food products, where some mistakes had occurred, and suggested ways of avoiding further mistakes.

One of the forms of connection between the members of the cooperative, its elected managing bodies and the apparatus of hired specialists (economists, agronomists, engineers, accountants, experts in the science of commodities, etc.) concerns decisions taken at the meeting, or special mandates. Decisions and mandates are the instruments expressing the proposals and wishes of the members put forward at the meetings and directed towards perfecting the economic and public-mass activities of the cooperative. The decisions and mandates, after being sanctioned by the meeting, are forwarded to the management to be carried out. In many consumer cooperatives of the USSR mandates are displayed in shops and refectories for the information of everyone concerned and so that the representative supervisory bodies can control their implementation.

Proposals and wishes for improvement in the work of cooperatives are regularly published in both the cooperative and general press and are communicated by letter to the leading organisations at all levels. A regular order and time-table is arranged in the consumer cooperative movement of the USSR, as in the whole of Soviet society, for the inspection of claims, letters and complaints and measures are taken to deal with them. This type of work is constantly supervised so that it is carried on with the highest possible efficiency.

The permanent bodies through which a member of any cooperative in the district can take part in its activities and in the control of such activities are: the Board, the supervisory control commissions and other organisations (commissions, committees) of public mass control.

For the management of the business of cooperative society, the general meeting or the meeting of delegates elects by closed (secret) ballot the Board of the cooperative, which remains in office for the period of time fixed by the Statute. The Board is an executive body; in accordance with the terms of the Statute it implements the mandates of the members and the decisions of the general meetings, and is responsible to them for all the work of the cooperative. The composition of the Board varies in the different socialist countries and in the various kinds of cooperatives. On average, the number of members of the Board of consumer, agricultural and other cooperative, in socialist countries consists of 7—9 people; as a rule, they are elected for a period of two years. The Board consists of paid workers (for example, in the USSR these are the chairman, his trade deputy and in the large consumer societies, which are very much concerned with supply, his supply deputy; there are also workers acting as public workers, i.e. unpaid.

In 1968, in the USSR more than 50,000 members of Boards were elected, voluntary activists chosen from the workmen-members, peasants and rural intelligentsia, all of them working solely from public interest.

The members of leading bodies periodically give accounts of their activities to those who elected them. If the elected official does not justify the trust of his electors in him, or if he exceeds the authority given to him, he can be recalled before the end of the period for which he was elected.

The cooperative elected officials work as a corporate body and in accordance with plans worked out by them; they hold regular meetings on certain specified days which are known to all the members. Decisions are taken by majority vote. In Bulgaria, for example, the Boards of agricultural produce cooperatives hold their meetings not less than twice a month, consumer cooperatives once a month; in the consumer cooperatives of the USSR Board meetings take place not less than twice monthly.

Here are some striking examples of the work of elected cooperative organisations in Bulgaria. The Board Council of the agricultural produce cooperative in the village of Lechchevo in the Michailovgrads region, prepares a report on its work and on the activity of the cooperative once every four months and produces it at the general meeting of members. The elected leaders and council of produce subdivisions (districts, brigades) take part in preparing the report which analyses the results of the economic activity, any shortcomings in the work done and the best ways of putting these right. They also consider the problems of the collective of the cooperative as a whole, and those of the specific subdivisions. This common discussion of cooperative business helps to strengthen internal cooperative democracy.

In the cooperative of the village of Kurtovo Konare of the Plovdivak region, the councils of the brigade are held every week for deliberation on the report submitted by the elected Brigade Leaders about the results of the work of the brigade. At these meetings any shortcomings or omissions in the work done are analysed and means of improvement are frequently found; graphs of the work are prepared and a programme for the following week drawn up. The councils of the brigades also discuss questions relating to the improvement of the organisation of work, the introduction of technical advances and new methods, the reduction of material and labour used; and they propose recommendations for incentives to be offered to the best workers.

The Board Council of the consumer cooperative of the village of Buchovo, in the Sophiisky region, holds monthly meetings at which it examines questions of the supply of goods to the trade chain stores, of promotion (gratuities) for the best workers, the cooperative's financial position, results shown by inventories, varieties of goods and personnel problems. Every day from 7.30 a.m. to 9 a.m., the chairman talks to the customer-members of the cooperative, listening to their suggestions and wishes.

In the majority of cooperatives of socialist countries certain hours are fixed for the chairman and other members of the Board to meet the members and cooperative workers for discussions on the various problems of the cooperative, and also of personal problems. All this helps to strengthen the connection between the elected managing organisations and the members and hired personnel.

The elected bodies of public mass control play a very large part in the carrying out of cooperative democracy, and in ensuring the involvement of members in the activity of the cooperative. The members of these commissions (control-revisional, of the shops, refectories and industrial exercise daily control over the work of the cooperatives and their economic enterprises. They help to remove any shortcomings, give useful advice and constantly try to see that the decisions of the meetings and of the mandates of the members for improving the cooperative's entire activity, are carried out.

In Bulgaria, there are now 6,000 elected bodies of public mass control in consumer and agricultural produce cooperatives. These so-called "soviets" of control consist of a few people (3—5) elected by secret ballot at the general meeting. In the GDR 140,000 are elected annually by secret ballot to membership of the shop commissions; a single commission contains not less than 8 members. In Poland, in the four different types of cooperative, there are 55,100 "members' committees" with 271,000 members (not counting "control committees", revisional elected bodies). In the

USSR at the present time 120,000 people are working in control-supervisory commissions of the cooperatives and regional consumer unions; 839,000 people in shop commissions, 80,000 in refectories and 38,000 in industrial commissions. Altogether 1,077,000 people are elected to the supervisory organisations, all of them on a voluntary basis.

One of the new ways to increase the participation of members in the cooperative life are the so-called members "actives" (the most active members) or groups of activists, which are formed at the same time as the shop and refectory committees at the shops, refectories, restaurants and domestic enterprises. For example, in the GDR these groups are formed by the shops' commissions. Each group's council has 2—4 members, and all groups are led by one of the members of the shop commission. The "activist" groups discuss changes in the implementation of accepted proposals and the criticisms of buyers, control the observation of statutory rules and of dietary standards and of trade legislation. At present in the GDR, the "actives" together with the elected social workers amount to 50,000 people. Thus, about 200,000 people in that country, i.e. one-eighteenth of the members of the consumer cooperatives permanently take part in social work and other activity of planning and supervising their cooperatives. In the consumer cooperatives of the USSR, 3 million people take part in the work of the organisations of cooperative self-government and the social mass supervision, i.e. every 20 members exercise their right of leadership and supervision through one of their representatives.

Surely these facts show the high level of development of cooperative democracy? The constant progress of trade, the increase of the size of retail trade enterprises and in particular the development of a chain of universal stores and trade centres belonging to the cooperative unions and serving the members of different cooperatives, means a constant search for new ways of ensuring the immediate influence of members on the activities of these undertakings. The special role of the universal stores as places which attract numerous buyers and show great quantities of goods, as centres of information and of advertising, has resulted in them making their mark on the work of members' "actives"; to protect the interests of members these groups watch the trade organisations to be sure that they perform their functions to the highest standards of trade-political and economic effectiveness.

In the GDR, for instance, in the universal stores there are so-called members "actives" which maintain contact with buyer-members in many primary organisations. They are not considered to be part of the shop commissions, or as commissions attached to them. Their connection with the primary cooperatives is looser and less constant than is that maintained by the shop commissions. The "Cooperative Councils" — which in periods between the meetings of delegates (in accordance with the "Statutes on Universal Stores") constitute the highest authority in consumer societies — confirm the composition of the "actives". The number of members of the "active" must not be less than 10 and should not exceed 25. They include not only ordinary members, but leading trade workers and economists also. This shows that in this instance the essential point is not the formal fact of membership in the commission, but the ability of members with knowledge of business to work out the possibilities for developing the universal stores.

In the process of concentration, in the cooperative movement of socialist countries, new forms of association of economic enterprises are growing up. At the same time it is noticeable that new and adequate forms for the full implementation of cooperative democracy are being sought. In the GDR, for example, very large enterprises are merging which have a network of subsidiary stores and restaurants. In these enterprises "Councils" are being established, consisting of 12—15 members who exercise supervisory functions and make recommendations for future activities. One of the most important objects of these councils is the involvement of members of their shop commissions and "actives" in the organisation of planning, running and

supervision. The Councils, whose elected membership will include the most active and knowledgeable among the members of the cooperatives, will have the authority to request a report from the director of the enterprise, on his activity; they may also ask him to supply them with any documents they require. Councils will be expected to contribute to the solution of the following problems of an economic and socio-political nature:

- a) The development by workers of the enterprise of creative initiative, with the object of a better service for the needs of the population.
- b) The inculcation of modern forms and methods of trade and services, with the aim of facilitating and speeding up purchasing in the stores.
- c) Perfecting of inter-cooperative collaboration on a basis of contracts and implementing the trade servicing of the population.
- d) Protection and increase of public property.
- e) Maintenance by the workers of the enterprise of political and working discipline.
- f) Involvement of the members of the cooperatives and of their organisations (shops' committees and "actives" of members) in the planning, running and supervision of the enterprises.

In the Polish People's Republic auxiliary bodies of cooperative self-government have also been established, such as groups of cattle-breeders in the framework of milk cooperatives, cattle-breeders' sections of the agricultural "circles" (producers' cooperatives), horticulturalists' groups in the market-gardening cooperatives; all with the aim of protecting the interests of certain specific categories of members (in the above instances, the interests of cattle-breeders and of gardeners).

One of the forms of cooperative democracy in the socialist system is the discussion at all levels of the projects of legislation directly and indirectly concerned with the activities of the cooperatives. In the People's Republic of Bulgaria a project of the law concerning cooperative organisations was widely discussed at the conferences of cooperative members at local, regional and national levels. The cooperative members proposed recommendations and additions, and also suggested changes in the details of the project under discussion. In the USSR in 1967, a subject of all-national discussion was the law regulating the principle of the use of the earth, a project of great moment for the interests of agricultural cooperatives.

Other important questions such as those concerning major inter-cooperative enactments, were made the subject of preliminary examination and discussion within the cooperative community. In Bulgaria, hundreds of thousands of cooperative members took part in the discussion of the project of a prototype Statute of Union of agricultural cooperatives, of the Rules of the organisation and payment for work in the cooperatives, as well as in the inter-cooperative enterprises, etc. In the USSR, on the eve of the VIth (1963) and VIIth (1966) conference of the delegates of consumer cooperatives which had accepted certain changes and additions to the prototype Statute, these proposed changes were discussed by the members of the cooperative during the period preceding the conference.

The models of such Statutes are now available in a number of socialist countries, so that each cooperative at its general meetings sanctions its own Statute, taking into account its own peculiar needs and specific problems; such a Statute is not registered either in the highest cooperative unions nor in any government department.

In most of the cooperative organisations of the socialist countries, there are special commissions, soviets or committees of women and young members, who help the elected bodies in their work among women and children, in their attempts to attract

them to the social life of cooperatives. In the consumer cooperatives of the GDR as a result of considerable work done among women their percentage among the members of shops' committees increased to 77% (107.8 thousand); in the cooperative councils women form 52.1% of the members and in the supervisory commissions 34.8%.

In the cooperative organisations of the socialist countries there are various moral and material stimulants in the activities of members, in their participation in cooperative life and in management and supervision.

Along with such forms of encouragement as the State rewards (Orders and medals), honorary badges (for example, in the USSR "otlichnik" — "excellent member of the consumer cooperation"), the entering of names in honour books, on stands of honour, special honorary titles — all these forms of incentive are generally used. In socialist countries part of the profit is distributed in the form of a dividend. In addition, in a number of countries (for example in Czechoslovakia) the most active members are encouraged by future savings.

In the USSR, the members of the cooperatives, the cooperative workers and members of their families enjoy the preferential rights of entry into medium and higher cooperatives colleges, medical treatment and rest in cooperative sanatoria and rest homes, the network of which is enlarging every year, the education of their children in day nurseries and kindergartens, summer holidays for children in pioneer camps, etc.

The socio-mass supervision is an actual form of involvement of members in the management of cooperative economy which develops year by year. An important factor in the effectiveness of such control is the participation of just those members of the cooperative who are direct users of the services rendered by the trade, industrial and other cooperatives, the activities of which they supervise. The members of the commissions of public mass control in socialist countries are genuine representatives of millions of members of the "cooperation". The involvement of members in the form of supervisors gives a genuinely popular character to the cooperative and greatly increases its authority among the people.

An example of direct representation and the connection between the members of the cooperative and the cooperative workers in the socialist countries is the practice of the election and release from work of managers of shops, refectories, bakeries and other enterprises in the consumer and supply-marketing cooperatives, and also that of the managers of subdivisions (brigades, districts) or agricultural produce cooperatives. In the USSR the managers of shops, refectories and other undertakings have been, since 1959, elected by the members at district meetings and released from their work. The members use this right very freely; they choose, by open ballot, the most deserving workers to serve in leading positions in cooperative undertakings. These elected managers are hard working and conscientious in serving buyers; any negligent workers are dismissed from their work.

The inculcation of the principle of election of managers of the economic enterprises and industrial subdivisions of cooperatives takes place in other socialist countries also. In the agricultural produce cooperatives in the People's Republic of Bulgaria they elect so-called "Brigadiers" — managers of industrial districts, managers of farms, etc. Several years ago, these positions were filled by nomination of the Board of the cooperative.

Another important direction of the development of cooperative democracy in Bulgaria is the creation of the collective organisations of management and subdivisions of cooperatives, in the so-called producer districts and in the "brigades". The producers' districts are now managed side by side with the elected manager, by the "Productional Council" which has authority for two years; the brigades are headed by an elected "brigadier" and the Council of the brigade, which is elected for two years. These elected officials and the collective bodies of management report on

their activities not only to the members of the brigade and producers' district, but also to the general meeting of members. The council of the districts and of the brigades consist of elected representatives, sections, team leaders, responsible persons and also the highest producers. The meetings of these Councils take place, as a rule, once a week, when they discuss all the essentials of the life and activities of the cooperative, brigade and district.

In socialist countries the delegates of the members of cooperative societies play a large part in supervising the implementation of the decisions of the cooperative meetings, and of mandates. They follow up, in the period between meetings, the implementation of the decisions and mandates, and organise and supervise the activity of the commissions of social mass control (shops', refectories', industrial, etc.); they deal with problems concerning the further promotion of the membership in the cooperative movement and collect the entrance share payments. In the consumer cooperatives in the USSR, to improve the standard of organisation and the efficiency of the work, the delegates join in groups according to where they were elected; these groups hold their meetings as they are needed, with the object of general discussion of practical questions concerning improvements in the work of shops, refectories, bakeries, supply organisations and industrial undertakings, situated in that particular populated area (district).

The strict maintenance of the principles of cooperative democracy is the basis of the cooperative construction in the socialist countries, in the mutual relationship of the cooperatives and their unions, and also between the unions of different sectors. The fact of joining the union of the cooperative society does not limit the cooperative in its independent activity, nor deprive it of its rights established by the Statutes. Joining the union is voluntary, as is also the right of withdrawal from it. The regional union directs the work of its member-cooperatives in their organisational and economic aspects, gives them assistance for the improvement of trade, supply, industrial and financial working.

The relationship between all groups and sections of the cooperative movement in socialist countries is built on a firm democratic basis, i.e. on the principle of democratic centralism, which represents an inseparable unity of socialist democracy and socialism.

Democratic centralism means the electing of governmental bodies of management and control of all the units from top to bottom and their responsibility towards the members of the cooperatives (their delegates); decisions of the central bodies are binding on the affiliated societies only within the framework of the power ceded to them by their affiliates.

All managerial and controlling bodies of affiliated members, from a district society to the Central Union, are elective and accountable to the members of the cooperatives (their delegates).

So, in the USSR the highest body of the management of a regional union, is the general meeting of the delegate-members. The delegates are elected at the general meeting of members of districts, by secret ballot and for a period of two years; at their meetings they elect the managing Board and control commission of the regional union. The highest organs of the management of the Centrosoyus, and of the federated republics, territories and regional unions, are conferences of delegates and conferences of the consumer cooperatives, delegates to which are called yearly and exercise the functions and rights of the conference in the period between conferences. The conference elects the members of the Board and of the Control Commission, and also the members of the Central Consumer Union, all by secret ballot; the Council of the Consumer Union holds its meetings annually and exercises the functions of the conference in the period between conferences. Central management by the highest cooperative unions is expressed only in determining the general

principles of cooperative development, by the definition of fundamental directives and questions relating to the activities of the cooperative organisations. The mutual economic relations between the various affiliated members are based on agreements.

The development of cooperation in socialist countries is characterised by the tendency of decentralisation of the cooperative government, the increasing independence of the primary cooperatives in their regional unions. The present central cooperative unions represent the cooperatives at a higher level, carry out the essential serving of their needs, and assist the successful development of the cooperatives and the implementation of their wishes.

In Hungary, Parliament recently passed a law concerning agricultural produce cooperatives in accordance with which the activity of the cooperatives is based on a full democracy, and on the deliberations of the Statutes. The unions personify the cooperative movement, the common character of interests of the cooperatives, and assist the development of cooperative democracy.

The strengthening of the economic position of the agricultural cooperatives in Bulgaria, enabled them to create in 1967 the Union of the Agricultural Producers Cooperatives, which has eventually amalgamated with the Union of Consumer Societies into one Central Cooperative Union. In 1967, a Union of Agraria Cooperatives was created in the Mongolian People's Republic.

The principles of cooperative democracy are strictly observed in mutual relations between cooperatives and economic organisations and unions of allied sections.

As is known, one of the effects of the concentration of cooperatives in socialist countries is the increase of the number of cooperatives managed directly by the cooperative unions of all sections, and exercising their activity over a wide radius by inter-cooperative undertakings.

The activity of the cooperatives in the socialist system of economy means a variety of economic connections between cooperatives of different kinds, between cooperatives and unions and between cooperative unions. The cooperatives certainly derive undeniable benefits from inter-cooperative collaboration. However, the specific character of cooperative principle demands a very scrupulous analysis of a factor of such importance as the potentiality of control by members and their delegates, of the activity of these joint and mixed undertakings. It also demands a search for new forms of guarantee for the participation of members of the cooperative in the management of such undertakings. Amalgamation is permissible only so far as it is possible for the members to preserve their control over the activity of these enterprises.

In Bulgaria, inter-cooperative enterprises are being created (in consumer agricultural produce cooperation), which function by virtue of a Statute which is accepted at the general meeting and which protects the rights of the primary cooperatives and the interests of their members.

In the USSR, with the object of increasing the impact of the primary cooperatives, regional unions and economic undertakings, in the work of serving the wholesale organisations, of the unions of the federated republics and territories, the so-called "Soviets of wholesale trade bases" were created; this "Soviet" consists of the representatives of the cooperative organisations served and their enterprises. These "Soviets" control the disposition of stocks, the quality and variety of goods, the organisation of contacts with the suppliers and of deliveries of goods to the shops, give active help in the improvement of the work of the wholesale bases in the interest of the primary cooperatives and their retail undertakings.

The process of concentration, of the increase of size of a unit and of the scale of the economic activity which is now taking place in socialist countries, differs in principle from analogous processes in the cooperative movement in the capitalist countries, and in their socio-economic nature, motives and purposes.

In the cooperatives of the capitalist countries concentration and structural changes reflect the general process of production and capital, and are a result of the laws of market and competition, of the omnipotence of monopolies and are contrary to the principles of the cooperative movement; in socialist countries concentration is a process of self-perfecting, of a raising of the level of the economic and public-mass activity of the cooperatives in conditions characterised by lack of crises, by the absence of menacing and destructive competition, and with the aim of improving the trade and otherwise serving the needs of its members and of the population as a whole. This is a natural process of modernisation and rationalisation of the organisational-technical forms of the cooperative activity in modern conditions accompanied by the perfecting process of cooperative democracy. Among the practitioners and theoreticians of the cooperative movement of the West one can meet those who try to prove, even theoretically, that it is necessary to do away with the „obsolete“ forms and principles of cooperative democracy. These co-operators declare that the technical and scientific revolution and the processes of concentration require a revaluation of values, a decisive abandonment of the “irrational, ideological elements”, i.e. abandonment of democratic principles of cooperation for the sake of increasing the ability of the cooperatives to meet competition and to increase rentability.

However, the healthy forces in the cooperative movement, when putting forward the objective of the economic strengthening of cooperatives, do not forget the need to take measures for the preservation of cooperative democracy. They show great anxiety for the fate of the most important principle of the cooperative movement. The proof of this is the fact that in the programme for discussion by the present congress is the principle of cooperative democracy.

The implementation of the concentration of functions of the democratisation and decentralisation of the management, the intensification of “self-activity” and the expansion of the rights of the cooperatives and their economic enterprises has become feasible in socialist countries as the result of enormous changes during the years of their existence, in the strengthening of the socialist system and socialist democracy.

In the strengthening of the democratic principles and in the broadening of participation by the members of the cooperatives in the management and the control of the organisations and undertakings established by them, very great importance must be attached to the higher level of education, to the improvement of educational work and propaganda among cooperative members. The increase in the standard of education in the country, the uninterrupted increase of the material base for the preparation of personnel necessary for the national economy, has also permitted the cooperative organisations during the years of the Soviet State, to create its own system of cooperative education — higher, medium and other colleges for the preparation of specialists in all branches of activity of the consumer “cooperation”. During the first years of the Soviet State, many of the cooperative organisations of the USSR, suffering from a shortage of personnel, were obliged by circumstances to employ temporary hired specialists (directors, managers) and entrust to them the administrative and executive functions, which could not be exercised by members of elected bodies because they were without the necessary experience and qualifications. As a result of the development of cooperative education the institution of directors (managers) was abolished. For nearly 40 years the leaders (chairmen) of the Soviet consumer cooperatives have been elected in a democratic way, being mainly specialist members of the cooperative movement. This qualified personnel successfully carries out the administrative functions.

As long ago as July 1930, the 2nd conference of the consumer cooperatives of the USSR had put forward as one of the most important tasks that of strengthening the cooperative democracy, the improvement of the composition of the leading elected

bodies on the basis of the intended involvement in their work of the highest possible number of members of cooperatives. However, for the implementation of this task it was necessary to ensure, and to ensure effectively, the election and the accountability of the cooperative bodies of management and control and the increase of their connections with members.

It was necessary to carry out an enormous project, that of educating members of cooperatives. To achieve this, the cooperative organisations began to develop with increasing speed, a network of their own schools and colleges and to increase the number of students. It is a significant point that in the short period of two years (1931—1933) the number of students studying in the higher educational institutions, technical and "professional" schools, increased from 64.1 to 97.4 thousand.

However, the process of democratisation of the management of cooperative economy did not stop there. At the fifth congress of the delegates of the consumer cooperatives of the USSR (1958), with the aim of further developing cooperative democracy, it was decided (and an addition to this effect was entered in the Model Statute of the Cooperative Society), to lay down the principle of the elected status of directors (managers) of shops, restaurants, refectories and other cooperative undertakings.

Now the consumer cooperatives of the USSR undertake the training of personnel to work in all the units and sections of economic activity—in trade, supply, public nutrition, bakeries, production of tinned goods, building, etc. There are now 5 of the highest educational institutions, with 9 affiliated (outside the town), and 20 educational consultative "points", 119 specialist intermediate schools (schools of technology), 134 colleges, 10 schools for instructor-controllers, 14 training centres, two schools of designer-advertisers, and over 2,000 enterprise-schools; there is also considerable training of apprentices.

It is important to mention that the cooperative organisations of the USSR have organised the work of training of specialists of the highest and intermediate degree not at the cooperative societies, but at the unions of the cooperatives. The single cooperatives are not in a position to organise the training of all specialists, at every level of qualification. This can be done only on a larger scale. The Soviet Consumer "Cooperation" has created a Foundation for the preparation of specialists; this Foundation operates for the Unions, and is allocated annually about 100 Million Roubles.

This centralisation has enabled a broad network of highest and intermediate specialist colleges, professional-technical colleges, etc., to be established.

The highest colleges are under the direct control of the "Centrosoyus"; they educate specialists with the highest qualifications and teachers of special subjects for the cooperative schools and colleges. There are two higher educational institutions which concentrate on the education of specialists for the developing countries of Asia, Africa, and Latin America. More than 39,000 students are now studying in the higher educational institutions of the consumer cooperatives. About 5,000 cooperative specialists graduate every year.

The cooperative technical schools which are under the supervision of the republican, territorial and regional consumer unions, educate specialists of the intermediate degree in 19 different specialist subjects; 157,000 students are in these schools. In the last educational year, 46,000 students graduated from these technical intermediate schools. The "Centrosoyus" of the USSR includes a special Structural Sub-division to exercise control over educational-methodical implementation of the programmes of these technical schools. It arranges curricula and also supplies them with plans, books, etc.

In the highest educational institutions and in the "technical schools" of the consumer cooperatives courses are organised for full-time students, for part-time students, and those who are working and taking correspondence courses.

The system of cooperative tuition and education is consistent with the purpose that all graduates should receive not only a good basic education, but also should have a grasp of the specific work and purpose of the consumer "cooperation". To achieve this, all cooperative colleges introduce the study of the theory and history of the cooperative movement, and the study of special subjects (economics, organisation and techniques of trade, finance, credit, accountancy, statistics, and the science of commodities, etc.) connected with the practice of consumer cooperation.

Students and pupils receive a practical training in the best organisations and undertakings of the consumer cooperatives.

The educational institutions give a great deal of attention to the aim of implanting in the students and pupils a love of the profession they have chosen. Many of these institutions have installed bookshops, refectories and care is given in the formation and spreading of students' cooperatives, which helps to educate the students in the spirit of cooperative democracy.

The consumer "cooperation" has adopted a system of "heightening" the qualification of personnel. The "heightening" of the qualifications already held, or the opportunity to do so, takes place at the cooperative educational institutions, organisations and undertakings in the form of training courses, seminars and "technicums". Every year, 500,000 workers of the consumer cooperatives improve their qualifications in this way. The "heightening" of qualifications of leaders, specialists, workers of mass-professions, is organised and promoted with the object of keeping them up to date in their knowledge of the achievements in theory and practice of the management of cooperative economy, modern technique and the latest experience.

Thus, in the various forms of consumer cooperative education in the USSR 850,000 people are involved.

The educational undertakings of the consumer cooperatives accept all citizens of the USSR who have expressed a wish, after completion of their studies, to work in their organisations and enterprises. However, preferential rights are given to members of the cooperatives, their children and the workers in the consumer cooperatives. Education in the cooperative institutions is free and students and pupils have free access, without paying any kind of fees, to laboratories, libraries, sports installations, text-books, visual aids. The institutions also provide free hostels.

Students and pupils who are studying successfully receive allowances; those who combine practical work with their studies, i.e. those who are studying through correspondence courses, have different privileges — they are given an extra fully paid leave of 30—40 days a year in order to use it for attending lectures, carrying out laboratory and practical work and passing tests and examinations. In addition, such students in their final year are allowed to use one day each week for study while still receiving 50% of their pay, and in addition are given another 30 days leave in which to take the State examinations or to present their dissertations for their degree. While attending examination sessions, they receive 50% of their fares to and from the place where the examinations are held. On training courses for improving the qualifications of the cooperative personnel, students keep their normal salary and are given grants in addition.

The continual widening and perfecting of the system of cooperative education, the "heightening" of qualifications of the specialist personnel, the studies and information for ordinary members, are creating conditions in which the Soviet cooperatives will be able to elect into the organisations of cooperative self-government and of public control an ever-increasing number of competent people who have had specialised training. For example, at present 91% of the chairmen of Boards, of republican, territorial and regional Unions of the consumer "cooperation" hold degrees, or diplomas of specialist colleges.

At the same time the knowledge and standard of information of the ordinary members of cooperatives is increasing, enabling them to participate in the affairs of their own cooperatives with greater understanding and to take a more competent part in the control of its activities. In accordance with the Statute of the Co-operative, its members elect for a period of two years at their district meetings the members of commissions of social-mass control (commissions of shops, refectories and industry), and at the meetings of the delegates the members of the revisional-supervisory Commission are elected. All told, in the consumer union of the USSR over 3,000,000 people were elected into these organisations.

Special seminars are also organised for the higher grade of study of the methods of control of activities of cooperative undertakings and of the Boards of cooperatives. In the past year, for example, over 500,000 people were involved in these activities.

Moreover, the Boards of the regional consumer unions and cooperative societies organise for all their members lectures and reports on the subjects of "cooperation". They also make great use of such things as "evenings for questions and answers". The press, television and radio are also widely used for the propaganda of the cooperative movement.

The active participation of the members of cooperative societies in all these undertakings and in the work of district meetings, the thorough grounding they are given in the problems of the consumer cooperatives, and with the results and perspectives of the development of trade and supply on cooperative activity, enables them at their supervisory meetings to discuss the activity of the cooperatives in a business-like way and to give competent mandates to their elective institutions. Thus the constant care shown by the consumer cooperatives' organisations in the USSR in maintaining the high calibre of their personnel, in ensuring adequate training and study for the members of the cooperatives, the cooperative workers and the youth; the systematic increase with this aim in view of the network of educational institutions and of temporary schools, courses, seminars, etc., enables several important problems directly or indirectly influencing the state of cooperative democracy to be decided.

I. The increase of professional standards among the personnel of the elective Boards of management and control, thus ensuring the full knowledge of business needed to guide the cooperative economy, including also the guidance of personnel of hired specialists. The correct solution of this problem excludes the bureaucratisation or technocratisation of the cooperative mechanism and the enhancing of the part played by hired specialists.

II. The increase of the level of specialist knowledge of the members of cooperatives in the spheres of economics, organisation and the techniques of economic activity; the regular information services about their cooperative's state of economy; and all the other educational-cultural activities of the cooperatives which help to broaden the outlook of the members and in turn heightens their activity and that of their delegates at the general meetings, at meetings of delegates, at conferences and at other cooperative forums — all this enables them to participate knowledgeably and competently in solutions of all the problems of cooperative activity and control. A correct decision of this problem excludes the "intellectual removal" of the members from their cooperatives.

III. The wide involvement into the system of "Consumer Cooperation" in their capacity as members and workers of cooperative organisations, of young people, youths and girls graduating from the intermediate level schools (10 classes), or from the general education (8 classes). The solution to this problem must preclude the drop in interest in "cooperation" on the part of young people.

It is very important to note that in the majority of socialist countries even in the schools of general education young people are being made aware, through the study of history, social sciences and the constitution, of the questions relating to the theory and history of "cooperation", and with the practice of cooperative building in their own and other countries. Pupils' cooperatives exist in many general education schools.

That is why the youth of socialist countries take an active part in the cooperative movement, willingly join the movement and plan to work in the cooperatives and their undertakings. It is enough to say that in the cooperative trade of the USSR every third worker is a young man (under 30) and the total number of young members and cooperative workers reaches a figure of 30 million; 15 million members of cooperatives, or 25 % of the total number, are under 25 years of age.

The intensive involvement of young people in cooperative building is the important factor in the strengthening of cooperative democracy. Young people are very receptive, not only to the satisfactory mutual communication and collectivism, but also to the rational approach to business; they have a critical attitude to shortcomings and a quick appreciation of everything new and progressive. Sociological research in the USSR in the last few years has shown that 96 % of all young men and girls interrogated consider the interests and needs of the collective as a first priority in their lives. This is particularly important for those cooperatives which are based on collective (group) ownership, and which exercise their activity on the basis of principles of "collectivism" democracy.

An important method of increasing the activity of cooperative youth in socialist countries is the organisation of various gatherings, conferences and seminars of young cooperators on different problems of economic and mass-organisation work. A well organised club-house, sport and other kinds of cultural-mass activity are important factors in heightening the interest of youth in "cooperation"; in the system of consumer cooperatives of the USSR there are about 5,000 sports cooperatives, tens of thousands of clubs, lecture halls and collectives of artistic activity.

In socialist countries, favourable conditions have been created for the rapid professional success and promotion for young specialists. The continual improvement in the utilisation of young specialists, such as giving them more responsible and important work, has a favourable influence on the whole activity of cooperative organisations and their enterprises. For example, in Soviet consumer cooperatives over the last three years the average of promotion of younger people has increased each year; the number of annual promotions of young people appointed or elected to more responsible work (chairmen of Boards of cooperatives and their unions, directors of large trade undertakings, wholesale bases, industrial units, etc.) passed 7,000.

All this helps in the process of attaching youth to "cooperation". Young people are willingly joining the cooperatives, entering cooperative educational institutions, having chosen cooperative work as their calling.

*

The process of the development of socialist democracy as an integral part of cooperative society is an uninterrupted continual process. It demands the constant perfecting of the whole system of the management of cooperative economy and of the participation of large masses of cooperators; the constant changes in the economic and social life of socialist countries must be taken into account. That is why the efforts of cooperative organisations at all levels are directed towards a search

for more rational forms of direct and indirect participation and representation of the members in leading their cooperatives, their unions, and the unification of cooperative undertakings, towards the perfection of the structure of the cooperative mechanism.

Representing the organisations of the workers themselves, the cooperative organisations of the socialist countries are making clear to the citizens the important part they play in every sphere of the life of society, and showing them the growing potentialities for the use of their creative abilities as builders of socialism and communism. It is just such conditions, ensuring a comprehensive participation of the members of the "cooperation", in the management of the affairs of their own cooperatives, as well as of society as a whole, and of the State, that are creating socialism as the highest form of democratic organisation of society.

III. CONTEMPORARY COOPERATIVE DEMOCRACY

ROGER KERINEC (France) and NILS THEDIN (Sweden)

Foreword

Democracy is the very essence of Cooperation. We may be aware of this but perhaps it should be stressed again when we come to consider the important subject which is going to be discussed between the world's cooperatives.

Dr. Fauquet has formulated this idea with great clarity by affirming that in Cooperation, the source and exercise of power lie with those whose needs gave birth to Cooperation.

This is why, despite successive re-examinations of cooperative principles, that particular one which deals with the necessity of democratic operation in every cooperative has always been re-affirmed, and the last Congress of the Alliance at Vienna in 1966 restated it in these terms:

"Cooperative societies are democratic organisations. Their operations must be under the control of persons elected or appointed in accordance with the procedures adopted by their members and to whom they are responsible. Members of primary societies must have the same voting rights (one member: one vote) and the same right to participate in the decisions affecting their own society. In all other societies, control must be exercised on a democratic basis, in an appropriate form." But a principle only has value to the extent that it is respected, in other words, where it is applied in the everyday life and work of the institutions concerned, in so far as it is accepted and well understood by the men who have to apply it, since democracy is most often imperilled by those who demand it most vocally.

A reminder of this important basic truth seems to us necessary in this introduction, which sets out to define the subject we must study: contemporary cooperative democracy.

If, in fact, the world in which we live today and which has on our various Movements so many varied influences, which we shall try to define more precisely, increases the number of obstacles to the full application of democracy in the cooperatives, it may be as well to recall that it is the cooperators who make up the cooperative and it is in the cooperatives that cooperators are made.

This will illustrate the proper extent of our responsibilities.

And since we are looking at facts, let us also stress that the problem which confronts us presupposes that cooperative societies and cooperative movements alike, have shown and will continue to show, proof of their efficiency. This is a "sine qua non" to ensure that cooperative ideas may retain all their opportunities of spreading throughout the world, and certainly to pursue their progressive and peaceful conquest of the economy.

Cooperatives cannot be judged on their intentions; but they are, and will be, on their achievements.

Because the cooperative movements of today, more than in the past, and to an increasing extent in the future, are obliged to seek for efficiency within their undertakings, the very problem of democratic functioning has arisen.

The challenge they face is concerned with the degree of efficiency of modern management methods as these exist in private undertakings in advance of their adoption by cooperative societies, and equally with the speed of adaptability of their structures to new competitive demands.

The problem is to prove that democracy is no handicap when facing this challenge and indeed, on the contrary, that the invention of new structures of participation is a weapon peculiar to the cooperatives which will help them to expand, since they are better placed than other undertakings in ordinary business.

We must also prove that the necessary preoccupations with questions of profitability do not relegate to the past those warm ideals of democracy, with all its problems, since efficiency is only to be measured in terms of the ideals it serves.

If it could be demonstrated that cooperative institutions could not, in the economic and business fields, be both efficient and democratic, we should be forced to the conclusion that any idea of participation was a failure, for Cooperation does indeed appear to be that "participatory" formula which has nurtured the greatest number of experiments and which enjoys the greatest wealth of experience.

If, however, it could be demonstrated that management can be both efficient and democratic, then Cooperation would be able to look forward to a meteoric future, and its success would spill over into the world far from the confines of our Movement.

We would point out here that by raising this problem, our Movement increases in stature, for cooperatives are democratic organisations and their members enjoy legal rights allowing them the possibility of participating in the operation of their society. It may even be said that the Cooperative Movement possesses a structure founded on participation which has no equal in the world of business, whether in the private or public sector, and also that the problem of democratic operation of cooperative organisations demands the attention of the leaders of the movement rather than that of the rank and file.

The problem then is not one of ensuring that there is a right to participate but rather of creating the desire for it.

We shall therefore set out to study, as objectively as possible, how cooperative democracy functions today and what ought to be done to ensure that it operates still more effectively in the future by delineating problems common to all forms of cooperation in different countries.

But cooperation is not a "private preserve" and must operate subject to the exigencies of its environment, and since our study is concerned with those countries commonly referred to as "Western" we have thought it necessary by way of introduction to provide the outlines of the basic characteristics of these countries and their recent evolutions the better to understand their particular conception of democracy and the problems posed by the application of democracy to cooperative movements in process of development.

INTRODUCTION

The Environment: Countries with Mixed Economies

It required a great deal of time for the so-called Western world, to say nothing of the effort involved, to achieve a certain political "modus vivendi", that particular type of democracy of which it was the modern inventor and which in periods of strife would serve as a common denominator for what was wont to be called "the party of liberty", within whose ranks all the democracies came to be numbered.

For, as both reason and the facts demonstrate, democracy is linked indissolubly to the idea of liberty. Abraham Lincoln's definition is simpler and also more valid: "Government of the people, by the people, for the people." This dictum only comes into its own when we consider what it excludes: the power of any authority which does not spring from the people, since it is the preposition "by" which is the most important.

Democracy would not arouse enthusiasm among peoples without this "basic impulse", which brings into play a feeling for liberty which has roots that are both deep and mysterious.

From this unity of feeling, this historic foundation which saw democracy primarily as a system of government, there sprang a quantity of factors, laws, checks and

balances "a table of values" of which Nietzsche said that it was "inscribed above each people, as to table of victories won over itself".

It was the limitations imposed by constitutions and customs which, throughout the 19th and 20th centuries, at different speeds in different countries, brought about through struggles and conflicts the multiple trend towards democracy in human relations, both in the fields of political, economic and social structures, as well as in its everyday relations at work and in private life.

Yet, if those basic freedoms known as the Rights of Man spring from democracy the development of the context in which they operate today often leaves much to be desired in their application.

Where stands democracy today in Western Europe?

*

While the Western democracies appear to have worked out their democratic heritages in different ways, depending on the twists and turns of their own histories, the conceptions of their philosophers, the acts of their politicians, and geographical necessities, they nevertheless all subscribe to a basic set of elements which we should like to mention, if only briefly.

Firstly, in the political field. Universal suffrage and a number of institutions guaranteed by written or unwritten constitutions are to be found among the first of democratic values.

Universal suffrage won its fight by the most illustrious means: direct and equal. It came into force first in France, then in Britain, Denmark and Sweden, and provided the minimum degree of participation in political life. Democracy then extended to the institutions of government with checks and balances of power, plurality of political parties, primacy of the law.

From political democracy, it spread to other fields. The idea of democracy itself has evolved; it is now looked upon as being synonymous with a regime under which citizens enjoy the right to basic public freedoms.

And it was not by chance that virtually free and honest elections coincided with the existence of public freedoms.

The English Habeas Corpus Act of 1679 which forbade arbitrary arrest and enshrined the independence of the judiciary, brought into effect, long before Voltaire's struggles, a law which is still the envy of many countries, granting such freedoms as have progressively liberated man from State control, granted him freedom of conscience and opinion, freedom of the Press, freedom from restrictions on movement, freedom of association and freedom to question; the legislation of the pluralist democracies is in line with the principles enunciated in 1789.

Equally, religious liberty is universally guaranteed, and its limitations appear, where these exist at all, to be more sociological than political.

Yet all such liberties, even basically, are insufficient to initiate total democracy.

During the liberal era, when politics were the concern of a relatively restricted sector of human activities, democracy could without injury be gathered into the framework of constitutional law. But today things have changed, for as soon as the general future of each individual becomes implicated in the play of political options then other guarantees in the area of social rights become necessary.

With the advent of the right to form trade unions, the right to strike, the right to work, the right to a fair day's pay, the right to leisure, Social Security, democracy, which was purely political in its origins, became the "child of the century".

Such conquests, such freedoms, fully recognised, were transmitted between countries by osmosis, differentiated as between States, but always present in one form or another, standard bearers of a particular civilisation, a particular democratic way of life, delineated by Montesquieu by the description "climate".

But, to be as objective as possible in our attempt at describing Western democracies, we must at once say that this climate must not hide the true conditions in which democracy is applied.

Even in 1938, Paul Valéry, that great French poet, while he may have blackened the future more than was necessary, did see our freedom in these terms:

"Freedom in our age is not, and cannot be, for the majority of people, more than apparent. Never has the most liberal State in all its true nature, more rigidly bound up, defined, confined, examined, fashioned, and recorded the people's lives. More: never has such a general systematisation of life weighed so heavily on man, controlling them by the clock, by the the power of physical means acting on their senses, by haste, by imposed imitations, by the abuses of "mass production"... etc. until they are but products of a particular organisation which tends to make them all as like each other as possible as to their tastes and in their leisure pursuits. We are the slaves of a system whose constraints do but grow, thanks to the means we ourselves create to act more and more widely on the common stuff of life."

These constraints, to which Paul Valéry referred (nowadays we may call them nuisances) are real enough.

The monopoly, or near-monopoly, of TV news by the State, the monopoly, or near-monopoly, of the Press, which is in the hands of capitalists, advertising, one of the most (necessary) evils of our age, which conditions the consumers of this Society which is rightly called "Consumer Society", and what we may call techno-structure, or in other words, this anonymous entity composed of specialists and committees who run the largest companies, whose influence on States' policies is ever-increasing—all these things are dangerously debasing the image which the peoples of the democracies have of the idea of democracy.

If we were to stress what we consider to be the other side of the coin, it would be that these forces, some of which are obvious to us all, but others of which are hidden, subterranean, in their actions, all affect the development of Cooperative Movements, and none of them can be ignored.

Cooperators know that political democracy by itself is not enough and that it must also be applied to economic fields so that the economy shall be the expression of the will of the citizens themselves. This is a new road, still largely unknown, and it carries great scope for future actions of the Cooperative Movements.

Pure democracy will always remain an ideal, but none the less it is, nowadays more than ever before, the best means whereby man as a human entity may come to accept the inevitable disciplines imposed by collective forms of life, because it allows him to take part in all the collective decisions made concerning such disciplines and restraints.

Chapter 1

Present Day conditions under which Cooperative Democracy operates

It is within this framework then that the Cooperative Movements are developing. They are free to do so and enjoy a Statute which recognises their particular characteristics and respects their aims and objects.

These aims and objects are well-known and have been popularised by many writers in every country. Among the apostles of Cooperation, the French economist Charles Gide even went so far as to postulate a true cooperative republic.

Nowadays, even the most optimistic of cooperators has abandoned hope of reaching such a goal, but they believe nevertheless that their doctrine will "impregnate the world with their ideals", to use the expression of the great Belgian cooperator de Brouckère. They hope to see a society of the socialist type in which not only Cooperative Movements will have a major role to play, but which will be inspired by the deeply democratic spirit of Cooperation at every level of its structures.

Cooperators seek to create powerful cooperative sectors and at the same time to influence the authorities by making known their points of view on the great economic and social problems of the day, and by participating in so far as they can in the work of the institutions which direct each country's economy. They strive equally to influence political opinion by showing, through the medium of the most up to date methods available to them, their achievements and the ideals which inspire them.

A century after Rochdale, we can say that Cooperation has had great successes, due to the fact that it filled deeply felt needs among the most impoverished sectors of the people.

Springing from the same branch as the trade unions, the friendly societies, and the workers' parties, cooperation was soon seen as an efficient weapon in the hands of the workers' and peasants' movements. But these different forms of the same movement or, at least, these different movements which all sprang from the same soil, for whom association represented the best means of circumscribing the dangers arising from competition, became differentiated and specialised and continued, each in their own special ways, the struggle which has resulted in an appreciable rise in the standard of living.

It may be that cooperators have not realised quickly enough that the very impact of the ideas they sought to put into practice had changed things and that these changes demanded that new objectives be defined.

This has reached such a point that the survival of cooperation has for its members no longer the same vital importance as in the past. If it were to disappear, many of them would find an answer to their problems along other avenues. Such solutions would, without any doubt, be less advantageous than those provided by the cooperative, but the recent developments seen in the world of capitalist undertakings has enabled them, by adopting modern management methods and by altering their structures quickly, to respond at minimal cost to certain requirements formerly met by the cooperatives, while still being able to show a profit.

This is one of the prime reasons which led the cooperatives themselves to reshape their structures.

There are of course other reasons which we all know: especially the concentration of the adversaries' forces and the rapidity with which the situation changes. We would particularly like to stress the necessity with which the cooperatives are faced when it comes to seeking out new demands which it could satisfy, demands which are badly or imperfectly or uneconomically handled by private enterprise or public bodies, and this would enable the cooperatives to put the accent on their particular system of cooperative enterprise. Democracy only works well when its objectives take account of man's needs and problems.

Condemned to progress rapidly and to innovate in order to remain in existence, the Cooperative Movements of the Western world have adapted themselves to the new conditions of the struggle imposed upon them by undertaking reform of their structures; this was the subject of a remarkable report by Mr. A. Korp at the 1966 Vienna Congress and also a resolution which was voted unanimously; these were reforms whose principal characteristics were summarised in the report issued by the ICA Secretariat after the enquiry it undertook among the different national cooperative movements.

We would direct the reader's attention to this report, but we should like to extract certain passages which summarise the problem which confronts us:

"Concentration of resources, integration of undertakings, standardisation, centralisation of services and generalisation of new methods of management, and planning on Movement levels. The aim is to increase efficiency by economy in management, centralisation of purchasing, better use of talent, reduction in overheads, in costs of transport, purchasing, accounting, research, sales promotion, training, etc. and all this will make it attractive to new supplies of capital."

Such reforms, of course, could not be introduced without consequences to the co-operative structures of the movement, and the ICA document evokes them in these terms:

"Centralisation implies the transfer of power from societies to central organisations. More and more, decisions are made by an elite of officers or technicians in the Movement's central organisations who have wide experience and the necessary qualifications. This will mean that societies delegate their right of decision in matters of range of goods, investments, pricing policies, training of staff and information.

But this loss of sovereignty is more apparent than real, since it is often voluntarily given up to provide a greater degree of efficiency in the Movement..."

The ICA text then goes on to observe that the reforms carried out in the Movement's structures have had consequences on the operation of democracy within it, by "creating a gap between the members and the cooperative's leaders" and are to be blamed for the "apathy of members, the poor participation figures at Assemblies, diminution in traditional cooperative loyalty, of lack of interest in the young, difficulties in recruiting executives and loss of the feeling of participating, increase in bureaucracy and sometimes forgetfulness of the ideals of Cooperation. in this case, service to the members".

We now come to the heart of the problem.

This review, not in the gayest colours, is too well-known for us to dwell on it too long. We should merely like to say that it is not structural reform itself which is the origin of all the various difficulties in the operation of democracy, so well known for many decades.

Our feeling is that faulty operation of democracy is the result of difficulties experienced by cooperative organisation in adapting themselves to a world in rapid evolution and that the reform of their structures was a necessary pre-condition to any improvement in cooperative efficiency which, in its turn, would allow a better operation of democracy within better managed cooperative organisations.

It is customary to repeat that democracy was true and complete in the first co-operatives because they were not hampered by intermediaries. It is true that co-operatives, in the early days, were set up in a hostile environment and this fact strengthened the links which bound their members, all of whom came from a similar and modest circle of life and compelled them to act together in defence of their interests. And it is equally well-known that it is easier to cooperate in poverty and in battle than in affluence and security.

But should we not despair of Cooperation if it were found that it could not develop unless it were against something or against someone?

The necessary setting up of huge societies resulted in it being still more difficult to apply democratic control by their members, who did not know each other and lived in very different geographic, economic and social strata, and it was the militants who continued to live in a common and homogeneous environment who maintained democratic control.

But from that time, cooperative democracy took on certain aspects of self-perpetuation and very often the small minority which ran the cooperative society declined, through fear of deviationism, to delegate its powers and this resulted in a brake on the society's development through a system of permanent control, too great a degree of participation by too small a number of members, without sufficient contact with the mass of members.

There have not been sufficient studies carried out to determine to what extent the leaders of cooperative societies and those of their central organisations were democratically elected, to state with any degree of precision how decisions which governed the future of these societies and the central organisations were taken. These studies are still to be undertaken and we feel sure that they will be most interesting.

And yet, for all that, the Cooperative Movements have remained in essence cooperative; only very rarely was there any deviation. Cooperation has remained faithful to its origins, even though it has not succeeded as well as its pioneers would have liked, to show that people were capable of managing their own affairs by themselves.

One may find many reasons to back up this encouraging conclusion, but it seems to us that it may be explained by the fact that those who created and ran the cooperatives—that small number of disinterested and modest men and women—were passionate believers in the cooperative ideal and the moral values of Cooperation and devoted themselves to the task of ensuring the survival of institutions based on this noble idea. Which, in passing, underlines the vital importance of the cooperative and ideological training of its administrators, and especially the men who lead and will lead in the future, all the new cooperative organisations.

We have therefore sought to stress that the difficulties encountered in the application of democratic ideas in cooperative administration are by no means new. The more recent evolutions which were referred to in the previous Chapter mean that this same problem must now be confronted under new circumstances, and these we shall now analyse.

Structural reform, by centralising power, by necessitating the concentration of cooperative forces and by planning the development of Cooperative Movements has shifted the centre of interest of research into the operation of cooperative democracy and this may well be the most important of the changes we have observed. We feel that today it is especially important to ensure that democracy is respected at central organisation level, and this will explain why we will first of all look at contemporary problems before studying the operation of democracy within the cooperative societies themselves.

There are many arguments in favour of this thesis: the future of cooperation and even the simple defence of the cooperative heritage, may no longer be left to cooperative societies acting in isolation. The idea of independence at society level may be set against a proper understanding of the idea of democracy at Movement level.

Too great a degree of independence, in the application of a policy of autonomy, may be prejudicial to collective success.

The competitors of cooperative undertakings are so powerful and the initiatives they may take are of such scope that they may well bring about the disappearance of cooperative societies, either because they have not the means to defend themselves, or because they have counter-attacked by playing "double or quits", without having the means (neither financial, nor in human terms) to win.

The problems raised by the installation of "hypermarkets" to consumer coopera-

* The French definition of "hypermarket" is a store of over 2,500 sq.m., a supermarket is 400—2,500 sq.m.; a superette is 120—400 sq.m.; less than 120 sq.m. is defined as a self-service store.

tives is one example, since opening shopping centres of this type necessitates more often than not the assistance of national organisations.

The same may be said of the majority of the initiatives which cooperative Movements must take to satisfy the new requirements of their members. The setting up of huge leisure centres, the opening of new factories (which are more and more of an international or inter-cooperative nature) cannot be undertaken but by national organisations.

It is not solely the vital need for information, as expressed by cooperators and cooperatives which demands the setting up of well-equipped and well-organised specialised centres, and these centres can only be conceived on a national scale.

It is often because they are ill-informed of the speed with which things change and the size of the danger which threatens them that cooperative societies sometimes set out along wrong roads, or persist in applying a policy which has no future. To summarise, the vital decisions which affect the destiny of members of all the societies in any one country are more and more being taken at national level and we do not believe that it suffices for cooperative societies to be democratically managed, but that it is even more to the point that the central organisations should be so equally—precisely because there is a concentration of power into the hands of a relatively small number of men.

But can it be assumed that such a concentration of power would be compatible with democratic control?

We believe the answer is Yes, since the dispersion of power is no more synonymous with economic democracy than its concentration is synonymous with the weakening of that particular type of democracy.

The real issue is to establish if there exists participation by the leaders of cooperative societies in the working out and execution of decisions which affect their own future.

It is this question which we now propose to examine by setting out the conditions which are necessary for an efficient cooperative structure to remain democratic.

CHAPTER II

Democracy at Movement Level

First of all, it would be as well to define the meaning of the words we shall use.

Democracy is not anarchy and participation should not be synonymous with confusion. Not everyone may possess power for all time. Cooperative democracy can only be representative democracy.

In any democratic institution, power is delegated by the majority of the members to a restricted group into whose hands it devolves a fraction of the power of which its members are possessed.

But this power is not delegated for all time—it may be taken back—essentially, power is delegated for the fulfilment of this or that task or to attain this or that objective and, lastly, it is not delegated without maintaining control.

It is therefore most important to define clearly who is responsible for what and to ensure that each one does all that he is called upon to do, and only that, and this will allow us to place the man best fitted in the place which befits him.

In the new structures of the Cooperative Movements, it is the Movement itself which is sovereign and which expresses its will through Congress, assemblies in which are democratically represented all cooperative societies, and it is the Congress which will determine the Movement's objectives.

This is the organ which will, among other things, adopt the Movement's development plans: plans which will take into account population shifts, the variation in income levels, the changes in the transport network, data on the competition, etc. and which will determine, for the mass of societies, development objectives in keeping with the Movement's financial and manpower availabilities, in accordance with the degree of urgency of each of the different stages of development.

It will also decide what tasks will be assigned to national organisations, and which are to remain in the hands of the cooperative societies themselves.

a) Fair distribution of tasks

The distribution of the various tasks to be accomplished must be inspired by the real interests of cooperators and the degree of efficient service furnished to the members of cooperative societies. It may thus evolve and may well be different depending on the degree of concentration of the cooperative forces of Movements. But it is important that decisions taken democratically by cooperative societies in Congress shall be applied by them and that they should ensure that, with the help of the central organisations, they dovetail their policy within the general outlines laid down by Congress.

We should like to stress the importance of this distribution of tasks which should both place the initiative for cooperative policy at member level for a society and for societies within the Movement, and also to allow for the definition of a common policy, which should be respected by all.

It is this reconciliation of democracy and efficiency within the framework of a federal type of structure which illustrates the originality of our Movement.

That is the principle. It is to be found most often in a structure of the type we will now describe, but others may be conceived, better adapted to the special and changing conditions of particular Movements.

Congress is therefore sovereign, but it is not necessary for the Congress to meet annually for it to fulfil its role. It would be useful if, in this case, it were to elect a body which was largely representative of the Movement as a whole to ensure that the resolutions voted by Congress are carried out by the Councils of the central organisations.

Whatever may be the various shades or gradations conceivable for the various Movements in different countries, it should be said that Congress may also elect those whose task would be, within the framework of the general outlines as laid down by Congress, the taking of policy decisions on behalf of the Movement and on which all the affiliated organisations will pattern themselves.

In some countries the members of the Council are always elected members who draw no remuneration from the cooperative society; in others, it includes both employed and non-employed members.

More often than not, it would be preferable that the Council elect (unless this is carried out by Congress) a still more restricted Executive Committee, which would take all the necessary decisions so as to apply each day the policy decisions of the Council, which will entail its meeting at fairly frequent intervals (each week or fortnight, for example) and which will naturally be responsible for its actions to the Central Council (of Administration). This Committee will, more often than not, be made up entirely of full-time employees.

Lastly, the restricted Committee (Executive) will elect its Chairman (unless he is elected by the Council) and his duties will be laid down in detail.

Modernisation of the mechanics of power lead us, in fact, to two apparently contradictory propositions:

— on the one hand (and we shall return to this point later) we note the superiority of group discussion over solitary intuition and this applies equally well in politics as in economics;

— on the other hand, however, the idea has gained ground that it is necessary to have a certain degree of personification of power (here media and methods of information and advertising have had their effects).

The task of a President in a central cooperative organisation is firstly to represent the Movement, particularly when there are numerous national organisations existing side by side, and to ensure that the collective process results in concrete achievements, without deviating from the line laid down by Congress.

In this way each echelon of the democratically-chosen cooperative structure will have a precise task to accomplish.

This is the prime condition for any proper functioning of democracy. But there are still others which must be fulfilled.

It goes without saying that the elections carried out on different levels must have been democratic, in accordance with the principle of "one man, one vote", but we will not dwell on this point, which seems to present no difficulties.

We shall, however, examine one condition which nowadays is acquiring a degree of importance equalled only by the choice of national leaders. This is the setting up of a fruitful and permanent dialogue between those who hold power and those who have delegated it.

b) A permanent dialogue

This demands the setting up of a sort of "group mechanism" and a two-way system of information, from apex to base, and from base to apex.

By "group mechanism" we mean the appointment of specialised consultative Committees, sections where experiences may be exchanged, on which will be represented in each field those leaders best qualified in their respective cooperative societies, so that they may be closely associated with the preparation of the decisions to be taken and equally the choice of the means to be used to apply such decisions.

This "mechanism" will also necessitate on certain occasions the provision of regional centres for the purpose of studying the particular conditions pertaining to each region and which will have to be taken into account when applying the decisions taken on national level or to bring about the conditions necessary to their fulfilment (through a concentration of the cooperative forces available in the region, for example).

As regards the system of information, it is of course very necessary, even if only for the proper functioning of the "groups", but it must considerably widen its scope and the role which it can and should play is more often than not underestimated.

Each cog in each society must, in effect, be fully informed not only of those items of news which deal with the development of the society, but rather, and to an ever-increasing extent, all that concerns the development of the Movement itself.

The very fact that the great issues of the day, capable of arousing passions on the part of the members of cooperative societies (one only participates in an act when it is in the throes of development) will be decided at national level, means that the leaders of cooperative societies will be obliged to have these aired before their members, so that the latter may express their views on the problems which affect the life of their own society and equally so that the leaders of each society will be informed of their views and can put these over at national level.

The obligations undertaken by members of cooperative societies will be more and more concerned with the movement itself, and will no longer affect their own society alone, and these obligations and responsibilities must needs be made known clearly through a wide and objective information campaign.

If the leaders of cooperative societies do not give their members the opportunities of expressing their views on these national problems, they should not be surprised if the membership shows disinterest in their society. They will not have had the opportunity of playing an active part, which would be contrary to the recommendation adopted by the 21st Congress of the ICA at Lausanne which: "recognised the necessity of adapting the activities and objectives of the Cooperative Movement to the transformations taking place", and recommended: "the application, throughout the process of adaptation, of the fundamental principle of democratic control, by giving members on as many occasions as possible the possibility of playing an active part..."

However, we are sure that to participate in a non-profit making undertaking whose set aims are clearly formulated may lose none of its attractions — especially for the younger element — and justify membership and even devotion.

c) A certain state of mind

Cooperative democracy thus requires a democratic structure, fair distribution of tasks to be accomplished, a dialogue helped by information designed for greater knowledge of each particular problem and for each type of public; but there is more to it than that, for democracy is also a way of treating others, a personal and social way of life, an art of living.

The cooperative spirit — or perhaps better expressed as the spirit of cooperation — presupposes, in so far as it takes the common good to be its criterion, a minimum aptitude for holding aloof from the conditions which surround it: it would be difficult to imagine a cooperative association composed of opposing and egotistical interests. And it also implies an open mind, a capacity to listen and a will to understand, in the absence of which factors not only can any democratic dialogue not function, but there will be no possibility of personality being allowed to flourish.

It may be added that, in demanding of man that he rise to the point where he may conceive an economic and social ethic, the spirit of cooperation constitutes a kind of test of the human qualities which profoundly differentiate him in the group, the "club" or in any ordinary association.

Over and above the ethical aspect, it will, in everyday life provide a basis of optimism — to cooperate is to believe in man — and tolerance — for the cooperative organisation gathers together people of many different kinds — and these factors are as a general rule to be noted in the make-up of those who come to the cooperative Movements.

The feeling that responsibilities are being collectively discharged confers on it a type of gravity which makes for more mature thought and leads to a situation where each person identifies himself realistically, with the undertaking proper and with the pursuit of its aims and objects.

It has been said that it is a type of humanism; if by that is meant that it develops those moral values stifled by civilisation, then this statement is true.

But it is also a value which is added to man's activities at work and a degree of freedom offered to the now conditioned consumer.

Through it the achievements which it has inspired will always be that much different from any others.

It is even highly probable that, to differentiate the cooperative Movement from private or public undertakings, to sculpt the image it should have and which will allow it to recruit the executives it needs, to convince public opinion of its worth and to demonstrate to the authorities its disinterested character, it is this spirit which will play the determining role.

Cooperation cannot merely be a material success, it must also be a success in human terms.

In conclusion, if all these conditions are met, we believe that the centralisation of power is compatible with respect for democracy, and that the new structures which the cooperative movements have adopted are as democratic as the old ones.

But what is the situation at cooperative society level where democracy is rooted?

CHAPTER III

Democracy at cooperative society level

We referred above to the information which was necessary to members of cooperative societies concerning the aims and objects pursued by the Movement as a whole.

This does not mean, of course, that members may become disinterested in the work of their society; quite the contrary.

But what steps should be taken to ensure that democracy seeps right through all the interstices of a cooperative society? This is the question which we should now like to try to answer.

Democracy should allow workers, farmers, tenants, consumers, fishermen and others, gathered together in a cooperative society, the opportunity of giving voice to their needs, their motives for satisfaction or discontent, and to define the goals they seek.

It must also allow them to elect the representatives most qualified for the job of managing their society and equally to permit them to judge the results of such management.

We are aware that in every Movement democratic provisions are laid down in legal documents and in the Statutes and are given expression in the convocation of poorly-attended annual General Assemblies.

But we are also aware that militant democracy may be used to strengthen the rather theoretical control exercised by such Assemblies.

It follows that cooperators are no longer satisfied with present-day operation of democracy within their societies.

"Every idea will become false to you when you are content with it", wrote the philosopher Alain.

Cooperators must invent the means whereby they may create a user's democracy, wider in scope than militant democracy and more permanently enshrined than legal democracy.

Legal and militant forms of democracy grant the small "management" sector wide possibilities of action in very different fields.

But cooperative democracy cannot be circumscribed to this minority, however useful it may be. It must allow the citizen, i.e. the cooperator, to make known his views, and this presupposes that he will properly be consulted and that therefore he has in his possession the facts on the choice he is to make.

Why, properly informed on the projects which concern them, should not the members of a cooperative society be capable of intense interest in them, provided that the projects are of great moment and obvious usefulness?

Since cooperators will no longer approach Cooperation spontaneously, then Cooperation must come to them, to seek their views, the better to understand their needs and desires, and equally the better to become known to them.

Starting from these general ideas: coexistence of management democracy and directing democracy, we are led to ask what means should be chosen to arouse an interest in participation and what activities must be laid aside as outdated.

The ICA document to which we referred earlier, analyses some of these means. We shall try, by basing our reasoning on various experiments which appeared interesting, to answer the following questions:

- How to ensure that the members of a cooperative society want to participate in the management of their cooperative?
- How to ensure that, in full knowledge of the facts, they may choose their representatives in the various administrative Councils?
- How to inform and train administrators so that they may efficiently manage their society?
- How to ensure that the directors and executives of societies are genuine and wholehearted cooperators?
- How to interest the staff of cooperative societies in the work of their society?

In every country, leaders of every type of cooperative have asked themselves the same questions.

Answers there have been, experiments have been made, but the replies of today are not those of yesterday and new experiments are always needed. Nothing is ever true once for all.

Nor can we say that what holds good for a consumer cooperative will be good for a productive cooperative. There is thus no one answer to each of the questions raised and we shall not attempt to find it.

But, through the experiences of a great many people, there must be a quantity of useful conclusions to be drawn, and certain methods to be kept in mind as solutions to these problems, and which would allow an economy of research effort expended in vain, and it is in this spirit that we now intend to analyse how, in different situations, cooperative societies have become living democracies.

Obstacles have, of course, had to be surmounted and still others remain, which we will mention briefly, since they are already well-known, in the introduction to the second part of our report.

Democracy within large modern undertakings has to face several difficulties of a practical nature.

a) The social and cultural advancement which should provide the individual with greater possibilities of actively participating in democratic life places numerous obstacles in the way of this active participation, for if we accept that urbanisation reduces geographical distance between people, it tends in many instances to increase social isolation and widens the gulf between individuals. Equally, while modern techniques provide man with greater leisure, and this is fast becoming a great industry, they also get him into the habit of passively accepting information and propaganda put out by modern mass media such as the Press, radio and television. In society today the struggle for possession of men's minds becomes even more bitter; at the same time, many factors incite the average man to defend himself by flight, passivity and indifference.

b) There is generally to be found within any cooperative society a community of interests among members which may reduce any ambitions they may have towards participation on any active scale in its activities. In the political field, conflicts between economic interests and social ideals stimulate the interest of the citizen and incite him to exercise his democratic rights. Since such conflicts are not generally to be found, and should not exist, within any cooperative, the result is that members turn spontaneously towards the specialised staff to settle any organisational problems.

c) This tendency will become more accentuated because cooperative undertakings are becoming more and more complex. The member is aware that his know-

— on the other hand, however, the idea has gained ground that it is necessary to have a certain degree of personification of power (here media and methods of information and advertising have had their effects).

The task of a President in a central cooperative organisation is firstly to represent the Movement, particularly when there are numerous national organisations existing side by side, and to ensure that the collective process results in concrete achievements, without deviating from the line laid down by Congress.

In this way each echelon of the democratically-chosen cooperative structure will have a precise task to accomplish.

This is the prime condition for any proper functioning of democracy. But there are still others which must be fulfilled.

It goes without saying that the elections carried out on different levels must have been democratic, in accordance with the principle of "one man, one vote", but we will not dwell on this point, which seems to present no difficulties.

We shall, however, examine one condition which nowadays is acquiring a degree of importance equalled only by the choice of national leaders. This is the setting up of a fruitful and permanent dialogue between those who hold power and those who have delegated it.

b) A permanent dialogue

This demands the setting up of a sort of "group mechanism" and a two-way system of information, from apex to base, and from base to apex.

By "group mechanism" we mean the appointment of specialised consultative Committees, sections where experiences may be exchanged, on which will be represented in each field those leaders best qualified in their respective cooperative societies, so that they may be closely associated with the preparation of the decisions to be taken and equally the choice of the means to be used to apply such decisions.

This "mechanism" will also necessitate on certain occasions the provision of regional centres for the purpose of studying the particular conditions pertaining to each region and which will have to be taken into account when applying the decisions taken on national level or to bring about the conditions necessary to their fulfilment (through a concentration of the cooperative forces available in the region, for example).

As regards the system of information, it is of course very necessary, even if only for the proper functioning of the "groups", but it must considerably widen its scope and the role which it can and should play is more often than not underestimated.

Each cog in each society must, in effect, be fully informed not only of those items of news which deal with the development of the society, but rather, and to an ever-increasing extent, all that concerns the development of the Movement itself.

The very fact that the great issues of the day, capable of arousing passions on the part of the members of cooperative societies (one only participates in an act when it is in the throes of development) will be decided at national level, means that the leaders of cooperative societies will be obliged to have these aired before their members, so that the latter may express their views on the problems which affect the life of their own society and equally so that the leaders of each society will be informed of their views and can put these over at national level.

The obligations undertaken by members of cooperative societies will be more and more concerned with the movement itself, and will no longer affect their own society alone, and these obligations and responsibilities must needs be made known clearly through a wide and objective information campaign.

If the leaders of cooperative societies do not give their members the opportunities of expressing their views on these national problems, they should not be surprised if the membership shows disinterest in their society. They will not have had the opportunity of playing an active part, which would be contrary to the recommendation adopted by the 21st Congress of the ICA at Lausanne which: "recognised the necessity of adapting the activities and objectives of the Cooperative Movement to the transformations taking place", and recommended: "the application, throughout the process of adaptation, of the fundamental principle of democratic control, by giving members, on as many occasions as possible the possibility of playing an active part..."

However, we are sure that to participate in a non-profit making undertaking whose set aims are clearly formulated may lose none of its attractions — especially for the younger element — and justify membership and even devotion.

c) A certain state of mind

Cooperative democracy thus requires a democratic structure, fair distribution of tasks to be accomplished, a dialogue helped by information designed for greater knowledge of each particular problem and for each type of public; but there is more to it than that, for democracy is also a way of treating others, a personal and social way of life, an art of living.

The cooperative spirit — or perhaps better expressed as the spirit of cooperation — presupposes, in so far as it takes the common good to be its criterion, a minimum aptitude for holding aloof from the conditions which surround it: it would be difficult to imagine a cooperative association composed of opposing and egotistical interests. And it also implies an open mind, a capacity to listen and a will to understand, in the absence of which factors not only can any democratic dialogue not function, but there will be no possibility of personality being allowed to flourish.

It may be added that, in demanding of man that he rise to the point where he may conceive an economic and social ethic, the spirit of cooperation constitutes a kind of test of the human qualities which profoundly differentiate him in the group, the "club" or in any ordinary association.

Over and above the ethical aspect, it will, in everyday life provide a basis of optimism — to cooperate is to believe in man — and tolerance — for the cooperative organisation gathers together people of many different kinds — and these factors are as a general rule to be noted in the make-up of those who come to the cooperative Movements.

The feeling that responsibilities are being collectively discharged confers on it a type of gravity which makes for more mature thought and leads to a situation where each person identifies himself realistically, with the undertaking proper and with the pursuit of its aims and objects.

It has been said that it is a type of humanism; if by that is meant that it develops those moral values stifled by civilisation, then this statement is true.

But it is also a value which is added to man's activities at work and a degree of freedom offered to the now conditioned consumer.

Through it the achievements which it has inspired will always be that much different from any others.

It is even highly probable that, to differentiate the cooperative Movement from private or public undertakings, to sculpt the image it should have and which will allow it to recruit the executives it needs, to convince public opinion of its worth and to demonstrate to the authorities its disinterested character, it is this spirit which will play the determining role.

Cooperation cannot merely be a material success, it must also be a success in human terms.

ledge is insufficient. So long as the society or cooperative organisation appears to be prosperous, the member feels no need to take part in its assemblies, its study circles or its elections. If, however, the cooperative's prosperity declines, it is usually too late by then for him to intervene and try to put matters right. In his book, "The New Industrial State", J. K. Galbraith looks at the techno-structure which, in the great capitalist undertakings, has taken power from the capitalists, its true owners. In an often-quoted sentence, he says "that the annual meeting of a large American corporation is, perhaps, our most elaborate exercise in popular illusion". In many cases, we could well adapt this remark further by restating it as: "The annual Assembly of the big cooperative society is a feat of perfected illusionism."

d) The distance between the different sectors of the society and the central management may be so great that members feel left out of things. They have the same feeling towards the co-op shop or dairy as that generally experienced by the general public for a shop or dairy belonging to a private chain.



If then we are to see that democracy is really put into practice instead of being a mere advertising slogan, there are a number of conditions which must be fulfilled.

a) the members must become aware, and to some appreciable degree, that the cooperative society is *their* business and that it is to *their* advantage to make full use of *their* democratic rights as members. Continuous education of members is thus a precondition to the existence of cooperation as a truly democratic movement.

b) The greatest possible number of members must be sufficiently interested in their cooperative organisation to acquire the minimum amount of knowledge necessary to read, understand and discuss the economic and financial reports of the society and thus be able to assess the scale of its activities.

c) In a country where various different forms of undertakings coexist and confront each other, the cooperative movement can only do battle and progress if it is at least as strong as the opposing undertakings. If the movement is unable to serve its members efficiently, it will lose support and will inevitably disappear. Members elected to the various committees, councils or commissions within the movement must be equipped with that penetrating insight and perspicacity which follows from close knowledge of cooperative work and the economic situation. The elected leaders, although they may not be technicians, must possess sufficient knowledge to enable them to direct general policy in the cooperative and assess the work of specialised staff.

d) The efficiency of a cooperative undertaking depends to a large extent on the competence and the expertise of the staff, but the very nature of cooperative organisation means that technical competence alone is not enough. It is equally vital that employees understand the objectives and ideals of the movement. This is why cooperative education and vocational training of employees is so important.

The former director of the Swedish Cooperative College, Mr. M. Elldin, was wont to declare that if we had to start our movement again at zero and if we had the choice between two alternatives: start with no capital but with enlightened members and staff, or start with a great deal of capital and a membership which is ill-informed, then we should be inclined to choose the former.

As with many paradoxes, this statement merits discussion but it is certainly making a good point.

Having said all this, we shall now analyse the problems apparent at all levels of a cooperative society and see how it may become a true and living democracy.

A. Participation by members

People usually become members in cooperative organisations in order to serve purely economic ends (i. e. as an agricultural producer or as a consumer). In many cases, participation is automatic. It is a simple act of solidarity, regarded as perfectly natural, for a farmer to become a member in an agricultural cooperative. In some cases, agricultural cooperatives may even become monopolies, for instance, in the dairy products industry. In those countries where consumers, whether members or not, buy in the co-op shop, many of them have found it more practical to purchase their wants from the cooperative because it happens to be close by. And in order to benefit from the dividend, they ask to become members. But they have no feeling of participating in the cooperative.

How are we going to encourage the suppliers (the agricultural society) or the clients (the consumer society) of the cooperative to take an interest in cooperation purely in organisational terms?

It would be natural enough if a large majority of members should or could take an interest in the way that the consumer cooperative society sets out to reach its goals. They ought at least to take an interest in certain questions, such as the range of goods on offer, quality, prices, consumer information services, delivery service, etc., and equally in all the new aspects of consumer protection, i.e. in all the newer sectors of cooperation and all common activities directed towards protecting the interests of the consumer.

In an agricultural society, for example, a cooperative marketing society, all the activities of the organisation are of direct concern to the farmer where they affect his work, his income and thus his standard of living. He should therefore take an interest in such questions as pricing policy, sales policy, the transport services, etc. and also the general agricultural policies of the State, i.e. marketing and price levels of agricultural products.

In a cooperative housing society, the questions which directly affect members may be for example: what actions the society is undertaking to stop housing costs rising, to provide common services (repairs, laundries, perhaps day nurseries, etc.), and equally to encourage good neighbourliness in a setting made as pleasant as possible.

How can the wishes of members, their criticisms, their practical suggestions, be brought to the attention of the elected officers and the directors? How can we give members the feeling that *their* views are of great importance, that all *their* suggestions will be examined? It is not enough to have an annual Assembly, which often is not the proper forum for discussion of these matters, unless they are matters of principle.

In any cooperative society, the circulation of information should be two-way: not only information and propaganda from the management directed to the members, but also suggestions, criticisms, propositions, and judgements passed, which the members send to the management. A cooperative society is not just an ordinary commercial undertaking, but an organisation which exists to serve the interests of members. This means that the members themselves must express opinions, make suggestions and not deal solely with specialised staff members.

B. Education of members

Members, as owners of the society, are responsible for its general policy. They should be capable of assessing the economic development rate and financial situation of the cooperative and therefore to come to a well-thought out opinion on the activities of the leaders they have elected and the management as a whole. It would not be realistic to think that all members, or even the majority of them in any large cooperative society, take an active interest in the running of their cooperative. It is rather more likely that they will take a good deal of interest in

the results of the society's activities, than in matters concerning overheads, investments, balance sheets, and so on. But the aim of the society's educational activities should be to arouse interest among the greatest possible number of members in economic and financial problems and to provide all those who express interest in these matters with the basic information on cooperative principles and cooperative economics.

When discussing the changes in structure which the Movement would undergo in many countries, the Commission on Principles of the ICA said that: "this was the time, if it is not already too late, for the cooperative movement to consider its educational activities more seriously than it has done in the past. It must define its educational problems in much wider and more general terms and provide sufficient funds for a well-thought out educational programme."

For more than a century, a considerable quantity of experience has been amassed within the cooperative movement throughout the world. To this practical aspect we must add the results achieved by research workers in the field of cooperation, economics, etc. We may say definitely that there is practically no aspect of cooperative practice and theory which has not been covered in this mass of information and experiment. This information exists, but it has not always, nor everywhere, been properly passed on to members.

Education is a question of communication. However, there may not always be a suitable channel available to communicate information to those who need it. There are many and varied obstacles to be surmounted before we can transmit information to members. These may spring from historical traditions, psychological conditions, or the climate of cultural development. These may also be the result of natural conditions. This may explain why methods used so successfully in one country may be a failure in another. We must realise that the success of a particular educational method may be due to the conjunction of several favourable factors. If these are absent, the method may fail. As a result, each cooperative organisation must discover for itself to what extent it may copy the methods used elsewhere or to what extent they may be adapted to the particular conditions pertaining to the organisation concerned.

Some cooperative movements (in Sweden and USA) have made use of the method of the study circle as a useful means for educating members. Even if only one or two per cent of the membership take part in these circles they are none the less important factors for the democratic life of the cooperative. The subjects studied are often the organisation and economics of societies, services to members, and also general economic and social problems which touch on the working conditions of the society and the standard of living of members. In these study circles we find not only members, but also elected leaders and staff members. The contacts thus made between the different categories of cooperators will widen their circle of knowledge and provide greater experience to all those taking part. But the effects are more and more to be seen in and among members, for example, by the higher level of discussion at the annual Assemblies and at all the other meetings of the society's members.

It is interesting to note that this type of educational activity is developing among the younger movements of the Third World. Tanzania offers a particularly good example, for its cooperative movement has organised study circle activities combined to some extent with the regional radio programmes and with postal courses. These activities are available both to staff members and members of the council, in addition, of course, to the ordinary members. They are very important not only to improve the cooperatives' standards of efficiency, but also to strengthen the democratic spirit within the movement.

C. Members' annual Assemblies

One basic condition for increasing the degree of participation of members in a large cooperative society is that a large proportion of them should attend annual assemblies and take part in the discussions and feel themselves responsible for the decisions voted.

To achieve this, it would be desirable, if not essential, that all members receive written invitations and that furthermore they be reminded of the meeting by means of posters in the shops and by advertisements in the newspapers. It would be useful for the meeting place to be sited close to the area where the members live to make access easy. The numbers taking part in an Assembly should not be less than 50-100 people, but should not exceed 200-400 people if we are to get them to intervene in the debates, ask questions, submit suggestions, or make criticisms. As we know, the large societies divide their areas of activity into several districts, each with their own preliminary assembly.

Trying to find the best form of presentation of the annual report to members raises problems for the cooperatives. It is certainly not enough, and this should be stressed, merely to show gross figures in the society's balance sheet or any other important commercial fact without explanation. Only a small number of specialists would be able to understand such a report. In any case, these figures are not enough to show the advantages which members may have had from the society, nor do they explain its problems. In a consumer cooperative the financial statement is not considered by consumers to be a useful evaluation of the cooperative's activities. The figures must be placed in an appropriate context and allow discussion of the results of past activities in relation to future projects.

Thanks to the use of audio-visual systems, annual reports and other matters of a similar nature can be presented in a concrete and easily-understood form. But these same systems, as well as films, are also used to increase the educational value of the assembly (for example, films on cooperation in emerging countries) and also for leisure purposes.

Apart from the presentation of the activities of the society during the preceding year, discussion of the annual report, the decisions taken as a result, and elections, it is essential that members may use the annual assembly to ask questions, make suggestions and advance criticisms to the management, and obtain true and complete answers.

There are several methods used to encourage active participation on the part of members and encourage them to ask questions and submit criticisms. Some societies arrange panels to which specialists are invited to reply to questions. Some societies ask members to send in written questions which are answered in the assembly. Special forms are sent to members for these questions in the same envelope as the invitation to the annual meeting. In other instances, the debates may commence with a test-questionnaire or some other form of survey or enquiry to which participants are asked to reply.

Naturally, it is essential that members be convinced that their participation is welcomed and that their views and criticisms be respected. It has certainly happened that directors or elected leaders have said after an assembly: "That was a good meeting — nobody said anything."

What they mean is that, since there were no criticisms, everything is all right. But this would be a dangerous view to take. Indifference on the part of members is not to be looked upon as a good thing. On the contrary, it must be seen as a serious danger.

D. Elections

It is vital that the elected officers be representative of the different categories of members and the various sectors of the society. Equally, they should be competent, should have the necessary time and interest to assume their responsibilities

as members of one of the elected bodies. Candidates should not be chosen at random at the annual Assembly; on the contrary, their listing should be the result of serious study with a view to providing the society with the best administrative organisation possible.

In this connection, the first step is to list a sufficient number of first-class candidates. The society must, especially if it is a large one, remind members in good time before the meeting that they must nominate candidates for the various posts available.

A special nomination committee will have to be set up to make a careful choice of candidates. Even if the work of this committee takes place in the month immediately preceding the annual assembly, the committee's members, if they have been elected at the previous annual assembly, will have had time in which to consider the candidates' capabilities.

The role of the nomination committee depends on the type of operation and the traditions of the society involved. In a society where different groups of members are in opposition, the leaders frequently change. In such a society, the nomination committee should set out to obtain the maximum stability in proposing that the composition of councils should be made up of officers appointed for sufficiently long periods. The Statutes of many societies provide for two-year terms of office, renewable as to half the committee at a time, and in large societies re-elections frequently happen. The nomination committee should thus be a party to a reasonable system of renewal of officers. Often, societies determine age limits for candidates; and it may be opportune to set up a system prescribing limits to the terms of office of elected members so that no one may hold the office for more than 4 to 6 years and may not be eligible for re-election to the council for the next two years.

E. Training of Administrators

The expansion of cooperative structures as well as the creation of large cooperatives entails new tasks, often more complicated than before, for their elected leaders. It would therefore be useful to examine their training systems.

Such an evaluation should begin by examining the type of posts held by those elected to office, i.e. the posts of members of the councils of administration and of their sub-committees, administrative commissions, auditing, executive committees, nomination committees, etc. To this end, it is useful to look at the Statutes, the standing orders and other instructions issued by the society, but we must not forget experience, i.e. all that which serves as a basis for the elected officers on which to build their decisions. With this method we are able to obtain a clear idea of the type of knowledge necessary to the society's leaders if they are anxious to fulfil their tasks with conscientiousness.

It would also be useful to undertake a general study of the elected leaders of the society, their numbers, and in what manner elections renew their terms of office, and also some idea of the age groups involved, their professions and their educational level or attainments and lastly their training. The degree of competence and extent of knowledge demanded of council members increase regularly. The level of education is tending to rise in every country and the new generation of leaders are often much better educated than in the past. It should therefore be possible to ensure that training becomes more specialised than in the past also.

All levels of executives need manuals and instruction books from which they may obtain specialised knowledge necessary to them in their tasks. It would be desirable for such manuals to include a questionnaire at the end of each section and a special chapter for answers, so that the readers themselves may check their degree of knowledge and understanding of the problems arising.

Group studies constitute a practical form of organising the training of elected officers. These could take the form of study circles.

Study circles make use of material supplied by the central organisations (i.e. correspondence courses), which include information texts and subjects for discussion. The subjects for study are usually divided into several sections and at the end the groups must answer 2 to 4 principal questions.

The study circle should set out to provide the replies to these questions in written form. The replies are sent to the correspondence school by the group's secretary.

"Evening classes" are another means of training officers. Here again, it is desirable to make use of material supplied by a correspondence school. But generally speaking, evening classes enjoy the services of a teacher for each main subject. The teacher may be a staff member of the cooperative or, for example, a specialist in business, accounting, or sales. Each person attending evening classes should attempt to supply a personal answer to the questions raised during the lessons. These courses therefore imply sufficient aptitude for personal work and work in a group. These are the numerous qualities demanded of elected officers therefore. It may be that short conferences or seminars, would serve a useful purpose as a complement to evening classes. In these cases, specialists from the central organisation or teachers from the Cooperative College could be asked to take part as lecturers or tutors.

In some cases, this system is rounded off by seminars or courses lasting one or two weeks. This will give the leaders of the various societies an occasion to meet and discuss common problems.

F. Discussions, meetings and clubs

Organised educational activities and the annual Assemblies play a vital role in educating members. But, in addition to these activities, many organisations meet regularly every three months or gather their members together on other occasions at meetings which combine both leisure activities and education. This is an excellent formula which creates a community spirit and a truly cooperative atmosphere. In many cases, these educational activities are contained within the framework of special bodies, i.e. cooperative associations or clubs. Women's cooperative guilds, in particular, have played a most important role within the consumer cooperatives of many countries, perhaps because the consumer movement deals with problems of domestic economy and naturally this is of interest to women. The guild or cooperative club, which may have a much smaller number of members than in a large cooperative society is more likely to nurture a group spirit and may therefore assume greater importance in the eyes of many members. From the standpoint of the cooperative society, these guilds and clubs are of great value since it is from among their membership that a part of the executives and the active and militant cooperators are recruited. But at the same time it must be said that these organisations may sometimes be dangerous, for example, if they tend to isolate their members from the rest of the body of guilds. If, for example, the existence of women's cooperative guilds within a society were to be taken as a tacit excuse for not electing women to the Management committee or the council of the society, then the guild is an obstacle rather than an advantage to the creation of a soundly-based democratic spirit.

The cooperative movement, however, needs elected bodies which reflect a variety of experience and knowledge. It is thus essential that the cooperative organisations enjoy the best of relations with other popular movements, apart from the usefulness of fruitful collaboration with them, movements such as other types of cooperative, trade unions and women's associations and also youth movements, etc. Among the more active members of these organisations there will always be a few people who might be especially interested in the type of activities of the cooperative movement.

As regards the progressive renewal of cooperative bodies, it is especially important to establish excellent relations with all the various forms of youth movements.

This is so even if the cooperative movement already has its own youth movement. Here, it would be as well to dwell a little on the problems affecting the developing countries. Experience has already shown that cooperation is one of the most important levers capable of raising the general standard of living and the welfare of the population. Cooperation in developing countries also offers easily understood examples of the significance of the cooperative idea, which is often confused in advanced countries. In passing, we should like to say that the efforts of cooperative movements in advanced countries to collect the capital sums required to furnish technical assistance to the co-operative movements of emerging ce to the cooperative movements of developing countries are amply rewarded.

These efforts are not only useful to the recipients and nor do they redound solely to the benefit of international cooperation. They provide interest to those organisations putting up the capital by enlarging the possibilities of arousing interest among the younger generation and their interest also in cooperative activities and in its ideals. Shops and factories are probably of not so great a degree of interest to the young, but efforts to fight poverty and subjection by cooperative methods do meet with their intense approval and enthusiasm.

If the cooperative movement produces its own study material, its books and its brochures, its newspapers and publications, its films and audio-visual systems, then we must envisage the possibility of employing all this material in the assemblies of other organisations. Audio-visual systems in particular should be seen in this perspective. It is true that films are costly to make but if they can open the door to other organisations, to youth clubs and schools, they may well be a very inexpensive channel of contact and information. In many cooperative organisations excellent results have been obtained by combining films and other audio-visual means with the use of special manuals for discussion leaders to encourage constructive dialogues.

A particular effort should be made to see that the young are given the fullest information and even trained to be of use to the cooperative movement.

In many countries cooperative organisations have been set up in schools. These school cooperatives undertake activities which vary from one country to another, with the particular needs which must be satisfied and in keeping with the resources available. On a smaller scale, these are organisations occupied with purchasing, savings, or credit, marketing or production; they are managed and operated by the pupils themselves under the discreet supervision of their teachers. Any surplus funds go towards refurbishing the school, buying school equipment, organising fetes, and outings and also to welfare work. As associations, they have their own Statutes, policies and administrative bodies. In these cooperatives, the young learn all about the wheels of the economic machine, the operation of democracy and the value of mutual help.

In other countries, societies of this type may take care of food supply, libraries and other essential items for students, or set up shops for the use of young people in holiday camping grounds.

It is a most important duty for all cooperative movements that they should maintain good relations with schools of all types, and also with youth movements with a view to propagating cooperative education, either in the form of practical examples or merely theory. In the modern school, cooperation naturally constitutes part of social education and includes such subjects as: domestic science, technological information on consumer goods, etc.

The schools need books, audio-visual media, and other educational adjuncts and, in many cases, cooperatives could supply adequate information material. To give one examples, the consumer information brochures produced for the consumer corners in the cooperative department stores in Sweden have been used.

G. The Cooperative Press and Cooperative Advertising

It is virtually impossible to conceive cooperative democracy as viable without a strong cooperative press. Virtually every national cooperative movement has its own press which very often enjoys a large circulation figure. And there are some large cooperative societies which have deemed it essential to have their own or several press organs.

The cooperative press is highly diversified. There are a variety of bulletins and periodicals in different countries and for different forms of cooperative movements. Some of these publications are specialist in tone for the information of different groups of activities: councils, executive committees, staff, study groups, etc. In this report, we are particularly concerned with those publications which are beamed towards the cooperator at the base of the movement. They may be weekly, fortnightly, or monthly. They are one of the best instruments, perhaps the best there are, for the regular dissemination of cooperative information to many members. But to make any impact, they must be really attractive. Normally, they always contain information about the Movement and its problems, but they also do try to show where the movement stands in a wider context and deal with questions which may particularly interest their readers — both consumers and producers. They also provide occasional leisure features.

The members' magazine is distributed in different ways. In some movements, each member gets a free copy of his magazine delivered through the post. In other organisations the member pays a subscription fee equal to or less than the cost price of the magazine. In some consumer cooperatives, members receive a free copy of their magazine at the shop. We cannot recommend any one system over another. However, it must be said that the circulation of a magazine freely distributed to members does not provide any satisfactory yardstick of its value or its efficiency. It is not the circulation figure which counts so much as the number of readers really interested in the magazine's content, and whether they learn anything. In all the cases mentioned, it would be useful to work out which method is best adapted to the interests of the society and those of the members which will the most strengthen cooperative democracy.

In the large societies now in expansion it has been noted that there is a growing demand to use the cooperative press for other means than merely a one-way traffic in information, from the top or management, to the bottom or member. A dialogue has to be started with the members, who will come to use their press for discussion, questions, congratulations, and criticisms. And the cooperative press must invite its readers to take an active part in this dialogue.

However, the cooperative press alone is not enough. Even if it enjoys large circulation figures, even if it reaches all the various groups of active members, the movement must still use the organs of the private press and all the other mass media, such as radio and television. Here, many organisations come up against suspicion on the part of the controllers of mass media. Since they look upon cooperatives as economic undertakings rather than popular movements they have no great desire to mention their existence nor to give them what they consider to be free publicity — their advertising pages and other columns are there for that reason. Any cooperative press service has a hard job with them!

Cooperative movements, however, are movements concerned with people. Their news items and information cannot only consist of facts about new investments, opening of large new shops or other economic matters, but must also talk about their ability to help farmers, workers, consumers, and so on. And as regards this mission, they should be in the same position as trade unions, political parties or temperance societies. An active and highly organised press service is an important factor in the dissemination of information in the movement.

It should also be stressed that cooperative advertising of its products should not merely state type of products, price and quality. The cooperative movement should employ an institutional type of advertising of its ideas, philosophy and democratic approach, e. g. its annual Assemblies. It would be better if the two types of advertising — commercial and institutional — were not kept entirely apart. Every cooperative advertisement should be marked by its own particular layout, its own special characteristic. It is by giving cooperative ideas their proper place in commercial advertising that this objective may best be attained.

H. Democracy at the Grass Roots

In the old cooperative organisations which were quite small there were frequent contacts between the members and the staff. This was one of the reasons why it was considered very necessary for the staff to have a good grounding in cooperative philosophy. In the large modern societies the old contacts between members and staff have disappeared. This is especially true of the consumer cooperatives where the self-service system means less staff in proportion to the number of members, and brings down to the minimum the direct contact between client and employee.

And more, the contacts between members and their local elected officers in the cooperative have declined. The names of the members of the "shop council" or district committee are always pinned up in the shops. But, in a number of countries one of the results of urbanisation is that personal contact between neighbours becomes less and less frequent. Contact with the central board through the local elected officers, and whom no one seems to know personally, have now and to an ever-increasing extent, little value.

In place of the old personal contact, mass media, and especially the Press, are coming to have a much greater importance as a means of contact with members. But, as a general rule, it is a one-way traffic. It is true that some cooperative publications have their "Readers' Page" open to members who have ideas to put forward or questions to ask. But this method could not be developed to the point where it was as good as the traditional one of personal contact.

We must experiment therefore with new methods, new means, whereby the members can express their opinions on the everyday operation of their society and any ideas for change or improvement. In the past, one method was for them to make their views known in a special book available to all in the shop or in the offices, or there might have been a special letter box where their ideas could be collected in letter form and sent to the board. These ideas could be taken up again, adapted to modern conditions and techniques. In Sweden, the large cooperative department stores all have a "Consumers' Corner" where the member can obtain information leaflets, whether cooperative or not, on the articles and products on sale. In these places the management has installed boxes for receiving their ideas and suggestions and there is a supply of special forms on a desk nearby. There are plans to instal these suggestion boxes in the majority of cooperative department stores. But this system demands however a certain amount of detailed work. The letters must be regularly entered up, the questions studied and the suggestions pondered over, and a reply must be sent, by letter or telephone, within a reasonable amount of time. And there must be a checking mechanism to ensure that there are no mistakes, no lost letters or suggestions. But this system does pay off, both for the directors and the officers of the cooperative. Criticisms must be aired at the right time in a cooperative. The replies, and the measures taken as a result of suggestions made, can only do good in strengthening the feeling among members that they belong to and are jointly responsible for their cooperative.

The development of educational activities undertaken by popular movements has widened the possibilities of contact through writing letters between the members and the sales and administrative offices of the society. The telephone also has

increased technical methods of contact between members and central administrations — here is another form of contact to be exploited. But it seems that these methods of communication have only been used in exceptional cases by cooperative organisations. Even in those countries where the mass of members possess a telephone, the society does not have the specialised staff available to receive suggestions, answer queries, or reply to criticisms on the part of their members, nor a special method of dealing with these matters. Nor does it have a special staff dealing in telephone sales, nor to contact the members to ask questions and so obtain quickly a consensus of opinion concerning their needs.

But we must acknowledge that, even if communication by telephone or letter is costly, these methods probably meet a need, which is present in the new generation of members, for opening up methods of contact less time-consuming than a personal visit to the offices of the society or actual attendance at any of the meetings. Many societies must ask themselves if the details on the file of each member are sufficient or whether they really need more detailed information. If a society only knows the name, address and total of transactions effected with the society, it would be difficult to base any special offers or other initiatives on these bare details when embarking on a mailing campaign, for instance.

But if the file gives details of the members' ages, ages and sex of children, professions, etc., then it might be possible to consider a campaign providing them with the type of service each of them needs and so to interest them in all aspects of the society's activities. We must understand that different scales of needs exist among the members of any one society and a more detailed amount of information on what these needs may be would help the society to meet them, and provide a better service.

I. Public Discussions and Pressure Groups

It is a fact that, in many of the better developed cooperative societies, it is the older members who dominate the meetings. In many instances, these were the pioneers, they took an active part in the setting up and development of the society and they have a personal interest in the movement. It follows that they attend all meetings and are elected to its committees and councils. But there are others, often groups of younger members who might be persuaded to take an interest in the activities and efforts of the cooperative movement but do not feel drawn by any militant feelings, nor the motiveless and uninteresting aspects of the organisation. But discussions on the principles of the movement, its standing on a variety of great problems, its role in the development of the economic life of the country, or its commitments on the international stage, all these subjects may well be of greater interest to them. The future, for them, is much more stimulating than the past. Where their interest cannot be aroused at the ordinary annual assembly, where commercial matters are discussed, there might be much to be said for putting such wider questions on a special agenda, where free-ranging debate could take place, separate from the system of regular assemblies — as is done in several cooperative movements nowadays.

It would seem that it is now almost current practice to arrange this type of "public debate" which is not designed to deal with everyday questions nor the general activities of the national organisation. In their place, a selection is made of one or two questions of immediate interest to the members of the organisation. This might be a cooperative housing society which, in concert with younger members, could arrange a debate where the housing problems of the younger element could be discussed in all its aspects and demands sent to the housing cooperative or even to government departments or other authorities.

It might be an agricultural cooperative which invites all other types of popular movements to attend a debate on problems of consumption, with particular refer-

ence to the supply of different types of food. They would by this means attempt to establish direct contact with the representatives of consumer organisations whom they supply if they are to provide the best service they can to their own members, the farmers.

Meetings and conferences of this type mean that the initiating body provides proof of its goodwill in seeking solutions to this or that economic or social problem on the agenda. The aim is to arouse a favourable climate of opinion towards a particular policy.

Very often these meetings are preceded by preparatory work which includes drafting and considering motions which will help local organisations to submit items for discussion at the meeting. In this way, the meeting becomes, for the local organisations, a new form of initiation into popular movements and allows debate in current questions in the presence of the principal experts representing the various sectors of the population.

The new Statutes of KF (Sweden) allow for this form of discussion meeting. This central organisation, as is the case with others also, holds its ordinary annual general assembly to discuss the various activities of the organisation and to elect the governing bodies. But in addition, the new Statutes incorporate a special provision allowing the KF council to call a "Consumers' Congress", at least once in every four years.

This Congress will deal with vital questions affecting both consumers and the movement itself. In each particular case, the KF council has the responsibility of deciding both the items for the agenda and what representation will be allowed at the Congress. The object is not solely to find new forms of special cooperative manifestations on national level, for the benefit of the consumer, but to arouse discussion on points of national interest, among both members and other consumers and to demonstrate that consumer cooperation is what counts and that it is in the lead.

This is why all the various themes which will come up for debate at the first Consumers' Congress will be studied in the regions and at the local cooperative societies, in study circles and at the discussion meetings, during a whole year before the Congress meets. All the Swedish popular movements desirous of joining in are invited to come to the local debates and the study circles. Congress delegates will be nominated, for the most part, from among those who have taken the most active part in the preparatory work, submitted motions for discussion, and demonstrated their particular concern in the question raised. Consequently, the official representatives of local societies will constitute only a part of the delegation to the Congress. The Congress must be representative of the opinion of consumers in general and therefore the participants will not be chosen from within cooperative societies only, but also from among the trade unions, women's clubs, educational associations, etc.

It is probable that the decisions and resolutions taken by the Consumers' Congress will have a resounding effect and may well be seen by members as being of greater interest than many of the decisions affecting economic and financial questions taken during the course of the annual general assemblies. It is therefore also probable that this Congress will have a direct effect on public opinion and its decisions will act as would pressure groups in favour of the ideals of cooperation and the interests of consumers.

J. Surveys

The difficulties experienced in maintaining personal contacts with most members, either by letter or over the telephone, naturally lead to the idea that it would be useful to supply them with questionnaires on subjects of particular interest to them. In the case of a consumer cooperative this may concern services,

special offers, etc. and the replies would be processed by the most modern methods of data processing. The results would be published, conclusions drawn and there might also be a summary written up by the management. This is not an expensive method and no particularly large volume of work would be involved.

The difficulty lies in asking the right questions and formulating them in such a manner as will enable the member to select from among 3 or 4 answers — this method is essential for computer processing.

Naturally, a cooperative society could organise a referendum, i.e. allow members to express their opinion on any question by sending a voting slip. This method is in use in some cooperative organisations and has certain advantages so long as the question is not too complicated: It is a simple method for members to express their views and take decisions of a political nature. However, as a general rule, there are too many complicated considerations to be taken into account to allow general recourse to this method.

The opinion poll is probably the most useful method.

This type of poll is not designed to lead to any hard and fast decisions being taken, but for the management of a cooperative society it may be vital to obtain an idea of the views of members through the use of a sample survey. This will be another means of complementing the information supplied by other channels used by members to make known their views and wishes.

*

The above therefore are the principal ideas which seem to us to be of most use in promoting right action by the cooperative societies to ensure that their operations are always democratically inspired.

Conclusion:

Cooperation: a great Cause

Obviously, self-interest is the prime motive of the individual member who participates in the democratic operation of his society and is at the basis of all the movement's activities. He expects his society to improve, as efficiently as possible, his economic well-being: that is why he first joined the movement.

In the final analysis, however, we must ask ourselves what the real interests of the member really are. Do they stop at improving his income and his social well?

The answer is in the negative. Whether we are thinking of consumers, workers, farmers, builders, etc., all cooperative movements right from their beginnings have looked beyond mere economic advantages to their members. The movement's ideals reach out further, to concepts such as solidarity and social responsibility. To quote again from the ICA's Commission on Principles in their report: "Cooperators the world over should profoundly appreciate that the most important aim of the cooperative movement is the promotion of the social and economic rights of the people and that the pursuit and achievement of this high aim requires active and concerted efforts towards the realisation of world peace."

The ICA Congress and all cooperative movements throughout the world constantly reiterate this theme. That great cooperator, Albin Johansson presented his profound analysis of the problem to the Stockholm Congress in 1957: "I should like to stress that world peace is indissolubly linked to liberty — economic liberty, political liberty, individual liberty. In a world where not only goods cross frontiers, but also investment capital, and people in search of better means of earning their liveli-

hoods, there will be no place for economic rivalries nor national ambitions. Political and individual liberty within the framework of the nation states drawn together in unity constitute an indispensable pre-condition to the realisation of peace throughout the world.*

Cooperation is not merely a means of attaining purely limited economic goals, it is not merely a type of economic undertaking or democratic organisation soundly rooted in everyday life and the common needs of its members. It is also a vision of the future.

If we speak of this here, it is not with the intention of debating the objectives of the cooperative movement — such a debate would be outside the terms of reference of this report. But we refer to it because this "vision of the future" is intimately bound up with the vitality of cooperative democracy.

We live in an age where economic distortions between the wealthy nations of the Western world and the poor nations of the Third World seem to grow more marked, despite the efforts made to improve productivity and the social conditions of the developing nations. There are a greater number of illiterates in the world today than there were ten years ago. There are a greater number of hungry and under-nourished children today than there were ten years ago. And yet there is greater wealth.

In one sense, there is also a conflict between the improvident interests of the present generation of men and the interests of future generations.

Ever since the publication of Rachel Carson's alarming work "The Silent Spring", the problems of the pollution of air and water, of erosion of the soil, of the extermination of animal life, of the waste of natural resources, have received an increasing degree of attention. Because of these reports, frightening in their implications, the United Nations General Assembly has decided to set up a world conference with a view to concerted action for the preservation of the human environment and the protection of natural resources.

We are now ever more aware, and this is especially so on the part of the young, of the futility of a policy whose principal aim is the rapid increase in the overall national incomes of the wealthy countries to the detriment of the countries of the Third World, whose natural resources are pitilessly exploited, pawning the future of generations to follow who will find the larder bare. The revolt of the younger generations is partly a reaction against egoism and lack of foresight of an economic system based on profit and economic nationalism, which will lead to catastrophe unless it is profoundly altered in the very near future.

The cooperative movement advances one of the most highly constructive solutions. It may therefore exercise a particularly strong attraction on the younger generations. Within the cooperative movement, young people may find those ideals and methods which appeal to their finest aspiration in the struggle for a world of peaceful cooperation, universal solidarity and social responsibility.

It is an essential condition that the movement itself should be prepared to live up to its high ideals as frequently enunciated in its resolutions and statements.

A cooperative organisation shows itself to the general public as an economic enterprise, or as a chain of undertakings such as: big stores, warehouses, dairies, slaughter houses, factories, housing estates, insurance offices, and so on.

But these economic undertakings are not ends in themselves. They are instruments at the service of their owners — the members. And even if they are the most important instruments, they are not the only ones the organisation uses.

Basically, the cooperative society is an organisation of people. It is entirely possible that such an organisation could continue for a long time without the active participation of the members in the democratic structures of the society. But

in the long run however, the participation of the members is the sole guarantee that it will remember its ultimate goals and will not become an end in itself. It is up to the members to decide on the aims and objects, and the policy, of the society, i.e. it is up to them to control its activities and elect its officers.

In large modern cooperatives this would appear to be a more difficult task than in small local ones. However, the big cooperative undertakings in our day possess the necessary resources not only for informing and educating members efficiently, but also for undertaking large-scale economic activities. The pioneers of cooperation gave rise to a vision of a world cooperative movement which would basically alter man's life.

In some respects, their dreams have remained dreams. In other respects, the vision has taken on concrete form. The cooperative movement has demonstrated in practice that a large economic undertaking can be democratically run, based on solidarity and discover its *raison d'être* in the supply of the services it provides. It demonstrates a method of working which may contribute to the development of the conditions of economic and social life in the light of the equality of human dignity, if it is universally and properly employed.

It shows itself as a method of working, but it is only thanks to the democratic institutions and organs of the movement that such an instrument may be used to the full to further the best interests of man.

We should all be aware, however, that even if we succeed in discovering efficient solutions to our problems, we must continue our work of research, since we must be ready in the future to adapt ourselves to changing circumstances outside the movement. The evolution of our conceptions must not again fall behind those of this present era, for we know how very difficult it is to make up for lost ground.

As with life itself, democracy is a permanent creation and the least inattention will damage it. As for indifference to it, this attitude is fatal to it.

But cooperators will not be indifferent to what is — and we end as we began — the very essence of cooperation.

We believe, as Professor Georges Lasserre has expressed it: "Men will always need neither to be deceived nor exploited in their economic relationships; they will always want to participate in collective decisions which affect them, to find constructive significance in their work, to feel themselves enveloped in an atmosphere of solidarity and camaraderie; to surpass themselves and always to do better in every field of endeavour; to devote their lives to a great and worthwhile cause". Cooperation is one such cause.

AFFILIATED ORGANISATIONS

Algeria	Société Coopérative Musulmane Algérienne d'Habitation et d'Accession à la Petite Propriété, Paris
Argentina	Federación Argentina de Cooperativas de Consumo, Buenos Aires Intercoop, Editora Cooperativa Limitada, Buenos Aires Asociación Argentina de Cooperativas y Mutualidades de Seguros, Buenos Aires Federación Argentina de Cooperativos de Credito Ltda., Buenos Aires
Australia	The Co-operative Federation of Australia, Brisbane
Austria	"Konsumverband" Zentralverband der österreichischen Konsumgenossenschaften, Vienna Bank für Arbeit und Wirtschaft AG, Vienna Zentralkasse der Konsumgenossenschaften, Vienna Österreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, Vienna Österreichischer Raiffeisenverband, Vienna
Belgium	Société Générale Coopérative, Brussels Société Coopérative d'Assurances "La Prévoyance Sociale", Brussels Fédération Nationale des Coopératives Chrétiennes, Brussels "L'Economie Populaire", Ciney L'Institut Provincial de Coopération Agricole, Liège OPHACO Office des Pharmacies Coopératives de Belgique, Anderlecht-Brussels
Brazil	Aliança Brasileira de Cooperativas (ABCOOP), Sao Paulo Uniao Nacional das Associações de Cooperativas (UNASCO), Rio de Janeiro
Bulgaria	Central Co-operative Union, Sofia
Burma	National Co-operative Council, Rangoon
Canada	The Co-operative Union of Canada, Ottawa Conseil Canadien de la Coopération, Ottawa
Ceylon	The Co-operative Federation of Ceylon, Colombo
Chile	Federación Chilena de Cooperativas de Ahorro y Credito Ltda., Santiago de Chile Cooperativa Sodimac Ltda., Santiago de Chile
Colombia	Cooperativa Familiar de Medellin Ltda., Medellin
Cyprus	Co-operative Central Bank Ltd., Nicosia Cyprus Turkish Co-operative Central Bank Ltd., Nicosia Vine Products Co-operative Marketing Union Ltd., Limassol
Czechoslovakia	Ustredni Rada Druzstev, Prague
Denmark	De samvirkende danske Andelsselskaber, Copenhagen Det Kooperative Faellesforbund i Danmark, Copenhagen Faellesforeningen for Danmarks Brugsforeninger, Albertslund
Dominica	The Dominica Credit Union League, Roseau
Eire	Irish Agricultural Organisation Society Ltd., Dublin Cooperative Development Society Ltd., Dublin

Finland	Kulutusosuuskuntien Keskusliitto, Helsinki Osuustukkukauppa, Helsinki Yleinen Osuuskauppojen Liitto, Helsinki Suomen Osuuskauppojen Keskuskunta, Helsinki "Pallervo-Seura", Helsinki
France	Fédération Nationale des Coopératives de Consommation, Paris Société Générale des Coopératives de Consommation, Paris Confédération Générale des Sociétés Coopératives Ouvrières de Production, Paris Banque Coopérative des Sociétés Ouvrières de France, Paris Fédération Nationale des Sociétés Coopératives Ouvrières de Production du Bâtiment, des Travaux Publics et des Matériaux de Construction, Paris Confédération Nationale de la Coopération, de la Mutualité et du Crédit Agricoles, Paris Confédération Française de la Coopération Agricole, Paris Caisse Nationale de Crédit Agricole, Paris Fédération Nationale des Sociétés Coopératives d'Habitations à Loyer Modéré, "Foyer Coopératif", Paris Confédération des Coopératives de Construction et d'Habitation, Paris Confédération des Organismes de Crédit Maritime Mutuel, Paris
Germany (Fed. Rep. of)	Bund deutscher Konsumgenossenschaften GmbH, Hamburg Großeinkaufs-Gesellschaft Deutscher Konsumgenossenschaften mbH, Hamburg Volksfürsorge Lebensversicherung Aktiengesellschaft, Hamburg Volksfürsorge Deutsche Sachversicherung Aktiengesellschaft, Hamburg Gesamtverband gemeinnütziger Wohnungsunternehmen, Cologne
Ghana	The Alliance of Ghana Cooperatives, Accra
Greece	Pan-Hellenic Confederation of Unions of Agricultural Co-operatives (S.E.S.), Athens
Guyana	British Guiana Co-operative Union Ltd., Georgetown
Haiti	Caisse Populaire Dominiqu.e Savio, Petion-Ville
Hungary	Federation of the Hungarian Co-operative Societies, Budapest OKISZ, Budapest
Iceland	Samband Isl. Samvinnufélaga, Reykjavik
India	National Co-operative Union of India, New Delhi National Agricultural Co-operative Marketing Federation Ltd., New Delhi
Iran	Sepah Consumers' Cooperative Society, Teheran The Credit and Housing Co-operative Society of Iran, Teheran Central Organisation for Rural Cooperatives of Iran, Teheran
Israel	"Hevrat Ovdim" Ltd., General Co-operative Association of Jewish Labour in Eretz-Israel, Tel-Aviv "Merkaz" Audit Union of the Co-operative Societies for Loans

	and Savings, Tel-Aviv "Haikar" Audit Union of the Agricultural Societies of the Farmers' Federation of Israel, Tel-Aviv
Italy	Lega Nazionale delle Cooperative e Mutue, Rome Confederazione Cooperative Italiane, Rome Associazione Generale delle Cooperative Italiane, Rome
Ivory Coast	Centre National de la Coopération et de la Mutualité Agricoles, Abidjan
Jamaica	The Jamaica Co-operative Union, Ltd., Kingston
Japan	Nippon Seikatsu Kyodokumiai Rengokai (Japanese Consumers' Co-operative Union), Tokyo Zenkoku Nogyokyodokumiai Chuokai (The Central Union of Agricultural Co-operatives), Tokyo Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fishery Co-operative Associations), Tokyo
Jordan	Jordan Co-operative Organisation, Amman
Kenya	Kenya National Federation of Co-operatives Ltd., Nairobi
Korea	National Agricultural Co-operative Federation, Seoul
Malaysia	Co-operative Union of Malaya, Kuala Lumpur Sarawak Co-operative Central Bank Ltd., Kuching
Malta	Farmers' Central Co-operative Society Ltd., Marsa
Mauritius	Mauritius Co-operative Union, Port Louis
Mexico	Confederación de Cooperativas de la República Mexicana, C.C.L. Mexico
Netherlands	Coöperatieve Vereniging U.A. Centrale der Nederlandse Verbruikcoöperaties, "Co-op Nederland", Rotterdam Association of Enterprises on a Co-operative Basis, Amsterdam
New Guinea	The Federation of Native Associations, Port Moresby
Nigeria	Co-operative Union of Eastern Nigeria Ltd., Aba Co-operative Union of Western Nigeria Ltd., Ibadan Lagos Co-operative Union Ltd., Lagos Mid-Western Nigeria Cooperative Federation Ltd., Benin City
Norway	Norges Kooperative Landsforening, Oslo BBL A/L Norske Boligbyggelags Landsforbund, Oslo
Pakistan	West Pakistan Co-operative Union, Lahore Karachi Central Co-operative Consumers' Union, Karachi Karachi Co-operative Housing Societies' Union, Karachi Karachi Co-operative Union Ltd., Karachi Karachi Fishermen's Co-operative Purchase and Sales Society Ltd., Karachi Karachi Central Co-operative Bank Ltd., Karachi Sind Baluchistan Provincial Co-operative Bank Ltd., Karachi East Pakistan Co-operative Union Ltd., Dacca Provincial Fishermen's Cooperative Society Ltd., Chittagong
Peru	Cooperativa de Seguros 'Inca' Ltda., Lima Cooperativa del Seguros del Peru, Ltda., Lima

Philippines	Central Co-operative Exchange Inc., Manila
Poland	Central Agricultural Union of "Peasant Self-Aid" Co-operatives, Warsaw Central Union of Building and Housing Co-operatives, Warsaw "Spolem" Union of Consumer Co-operatives, Warsaw Central Union of Work Co-operatives, Warsaw
Roumania	"Centrocoop" — Uniunea Centrala a Cooperativelor de Consum, Bucharest UCECOM Uniunea Centrala a Cooperativelor, Mestesugaresti, Bucharest
Singapore	The Singapore Co-operative Union Ltd., Singapore
Sweden	Kooperativa Förbundet, Stockholm Folksam Insurance Group, Stockholm Sveriges Lantbruksförbund, Stockholm Hyresgästernas Sparkasse- och Byggnadsföreningars, HSB: Riksförbund, Stockholm Svenska Riksbyggen, Stockholm Kooperativa Kvinnogillesförbundet, Stockholm
Switzerland	Coop Schweiz, Basle Genossenschaftliche Zentralbank, Basle Coop Lebensversicherungs-Genossenschaft Basel, Basle Verband ostschweiz. landwirtschaftlicher Genossenschaften, Winterthur Verband sozialer Baubetriebe, Zurich
Tanzania	Co-operative Union of Tanganyika Ltd., Dar-es-Salaam
Tunisia	El Ittihad, Tunis
Uganda	Uganda Co-operative Alliance, Kampala
United Kingdom	The Co-operative Union Ltd., Manchester Co-operative Wholesale Society Ltd., Manchester Scottish Co-operative Wholesale Society Ltd., Glasgow Co-operative Insurance Society Ltd., Manchester Co-operative Permanent Building Society, London
U.S.A.	Co-operative League of the U.S.A., Chicago
U.S.S.R.	Central Union of Consumers' Co-operative Societies of the USSR and RSFSR, "Centrosoyus", Moscow
Yugoslavia	Glavni Zadružni Savez FNRJ, Belgrade
Zambia	Eastern Province Co-operative Marketing Association Ltd., Fort Jameson

International Organisations

- Nordisk Andelsforbund, Copenhagen, Denmark
- Organization of the Cooperatives of America, San Juan, Puerto Rico
- International Cooperative Bank Co., Ltd., Basle, Switzerland
- International Cooperative Petroleum Association, New York, U.S.A.
- Sociedad Interamericana de Desarrollo de Financiamiento Cooperativo (SIDEFCOOP), Washington, U.S.A.

SUBSCRIPTION RECEIVED
for the Years 1966, 1967 and 1968

	1966 £	1967 £	1968 £
Algeria	14	14	24
Argentina	174	174	191
Australia	40	40	70
Austria	1,309	1,319	1,336
Belgium	2,230	2,345	2,983
Brazil	6	6	9
Bulgaria	202	203	203
Canada	917	913	1,160
Ceylon	203	203	203
Chile	27	68	24
Colombia	47	47	47
Cyprus	159	159	160
Czechoslovakia	2,709	2,709	2,709
Denmark	1,785	1,785	1,843
Eire	472	472	496
Finland	4,663	4,798	4,605
France	6,544	6,690	7,172
Germany (Fed. Rep. of)	5,658	5,603	5,909
Ghana	—	203	203
Greece	203	203	—
Guyana	—	—	35
Haiti	4	4	5
Hungary	203	203	435
Iceland ..	365	365	365
India	203	203	878
Iran	32	105	114
Israel	994	1,138	1,003
Italy	3,451	3,451	4,033
Jamaica	25	25	25
Japan	608	608	1,616
Jordan	41	41	47
Kenya	25	25	25
Korea	135	135	135
Malaysia	242	242	278
Malta	4	4	4
Mauritius	41	41	41
Netherlands	708	747	1,003
New Guinea	—	67	78
Nigeria	203	203	203
Norway	1,404	1,404	1,662
Pakistan	68	68	203
Peru	—	—	68
Philippines	51	60	60
Poland	5,527	6,062	6,140
Roumania	203	203	203
Singapore	14	14	13
Sweden	6,025	6,025	6,902
Switzerland	2,811	2,810	2,863
Tanzania	310	310	313

United Kingdom	22,272	20,611	18,836
U.S.A.	5,364	5,369	5,264
U.S.S.R.	13,500	13,500	13,500
Yugoslavia	203	203	233
Zambia	—	50	20
	1966	1967	1968
International Organisations	£	£	£
Puerto Rico			
O.C.A., San Juan	—	203	237
Scandinavia			
Nordisk Andelsforbund,			
Copenhagen	203	203	220
Switzerland			
International			
Co-operative Bank, Basle	135	135	233
U.S.A.			
I.C.P.A., New York	—	203	203
SIDFCOOP, Washington	—	50	50

Statement of Funds

	Balance December 1965	Income	Interest	Total	Expendi- ture	Balance December 1968
	£	£	£	£	£	£
Leasehold Sinking	4,406	927	842	5,875		5,875
Development	43,020	60,578	5,837	109,232	37,324	71,908
I.F.C.Y.		133		133		133
Relief — India		2,340		2,340	2,340	—
Italy		14,662		14,662	14,662	—
Margaret L. Davies	100			100	100	—
	<u>£ 47,526</u>	<u>£ 78,637</u>	<u>£ 6,179</u>	<u>£ 132,342</u>	<u>£ 54,426</u>	<u>£ 77,916</u>

Balance Sheet as at 31st December 1968

December 1965		£		December 1968		£	
	<u>£</u>	£	£		£	£	£
Liabilities				Assets			
Funds —				Leasehold Property at Cost			
4,406		5,875		35,000		35,000	
43,020		71,908		9,450		5,904	40,904
		133				Investments —	
100		—	77,916			310	
57,246		—	72,292			—	
Creditors —				19,257		34,321	
617		339		169,832		162,453	167,284
6,421		11,109				1,050	1,050
		155	11,602			Debtors —	
8,000		—	12,000	309		5,532	
103,450		122,520		86		218	
19,068		27,661	150,181	3,029		3,490	
		—		475		673	9,913
				784			1,737
				3,031			73,103
Notes:							
No provision has been made for the proportion of the I.C.A. Domus Ltd. loss £900.							
The Foreign Bank balances have been converted into sterling at the exchange rates ruling at this date.							
	<u>£ 242,328</u>	<u>£ 323,991</u>	<u>£ 242,328</u>				<u>£ 323,991</u>

Auditor's Report

The accounts of the Regional Offices have been audited by other firms. I have examined the Books and Records of the International Co-operative Alliance for the year ended 31st December 1968 and now certify, that according to the best of my knowledge and the information given me, the foregoing and balance sheet are correct.

Cheadle Hulme, Cheadle,
Cheshire.

8th April 1969

P. E. CUCKOW
Chartered Accountant

International Co-operative Alliance
Income and Expenditure Account
for the three years ended 31st December 1968



Three years to December 1965					Three years to December 1968				
Expenditure	1966	1967	1968	Total	Income	1966	1967	1968	Total
£	£	£	£	£	£	£	£	£	£
116,239 Personnel	47,102	52,753	55,776	155,631	221,032 Subscriptions — Current	91,386	92,295	97,542	281,223
2,094 Pensions	982	856	1,000	2,838	1,932 — Arrears	4,213	1,739	452	6,404
14,418 Rent, Rates and Insurance	4,748	5,098	5,644	15,490	5,055 Review — English	1,617	1,698	1,629	4,944
2,386 Light, Heat and Cleaning	853	916	1,185	2,954	2,815 — French	893	974	1,028	2,895
4,651 Repairs	1,610	3,294	2,035	6,939	4,455 — German	1,435	1,319	1,428	4,182
3,407 Printing and Stationery	1,026	1,245	2,063	4,334	1,016 Adverts	291	253	239	783
5,016 Post and Telecommunications	2,073	2,103	2,643	6,819	1,679 Cartel	—	—	—	—
558 Books and Journals	217	252	372	841	3,278 Other Publications	977	1,131	2,228	4,336
4,477 Review — English	1,706	2,056	1,803	5,565	4,522 School	3,161	3,074	3,490	9,725
4,195 — French	1,841	1,816	1,329	4,986	1,500 Conferences	—	—	2,592	2,592
4,906 — German	2,120	1,737	1,399	5,256	— Grants towards Committee meetings	—	—	—	547
2,203 Cartel	—	—	—	—	1,149 I.L.O. Study	—	—	—	186
6,414 Other Publications	1,677	2,329	2,327	6,333	646 Films — Sales and Hire	233	109	93	435
572 Films	203	83	—	286	300 Rent	100	100	100	300
31,135 Meetings and Travelling	11,106	12,164	15,578	38,848	218 Dividend on Purchases	14	16	15	45
Commission on Principles	2,366	—	—	2,366	— Surplus on Foreign Currency conversions	—	2,017	1,182	3,199
3,976 Mission to Hungary	822	—	—	822	— School Debts recovered	—	—	176	176
5,966 School	3,755	3,514	5,080	12,349	— Interest receivable —	—	—	—	—
8,339 Congress, net of Delegates Fees	11,149	—	—	11,149	1,524 Deposit Accounts	1,673	1,602	1,789	5,064
5,800 less provision at December 1965	8,000	—	—	8,000	13,206 Loan Account	5,531	5,365	5,747	16,643
2,539	3,149	—	—	3,149	391 Current Accounts	63	1,840	4,016	5,919
3,538 Conferences	—	—	3,687	3,687	15,121	7,267	8,807	11,552	27,626
— I.L.O. Study	—	—	186	186	8,627	3,420	4,084	5,394	12,898
— Research	—	—	151	151	6,494	3,847	4,723	6,158	14,728
1,535 Equipment	1,269	708	857	2,834	— Less — Allocated to Deposit and Funds	—	—	—	—
405 Legal and Professional Fees	491	392	416	1,299	—	—	—	—	—
1,191 Affiliation and Sundry Expenses	291	254	533	1,078	—	—	—	—	—
— Removal and Re-settlement allowances	—	—	2,738	2,738	—	—	—	—	—
— Jubilee Prize	250	—	—	250	—	—	—	—	—
221,823	89,657	91,570	106,862	288,089	—	—	—	—	—
927 Leasehold Sinking Fund	309	309	300	927	—	—	—	—	—
3,546 Depreciation — Building Alterations	1,182	1,182	1,182	3,546	—	—	—	—	—
800 — Car	—	—	—	—	—	—	—	—	—
778 Provision for Taxation (U.K. and Foreign)	577	1,750	2,150	4,477	—	—	—	—	—
8,000 Provision for 1969 Congress	—	6,000	6,000	12,000	—	—	—	—	—
18,068 Surplus for the year	16,442	8,637	2,582	27,661	—	—	—	—	—
£ 254,942	£ 106,167	£ 109,446	£ 119,065	£ 334,704	£ 254,942	£ 106,167	£ 109,446	£ 119,065	£ 334,704