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# Review of International Co-operation

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# THE INTERNATIONAL CO-OPERATIVE ALLIANCE

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

It comprises organisations in every continent, and its total affiliated membership through national organisations exceeds 255 million. The consumers' movement accounts for about half the membership, the other half consisting of agricultural, housing, credit, workers' productive, artisanal and fishery societies.

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

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

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

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

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

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

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

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In December 1970, the General Assembly of the United Nations unanimously decided to proclaim the 'seventies as the Second United Nations Development Decade (DD2). This was indeed a historical event, intended to inaugurate in 1971 a world-wide concerted action to achieve a real partnership in development efforts between the rich and the poor nations. The solemn commitments by the industrialised countries, it is true, were made with some reservations; but, on the whole, the agreed programme, though too limited, did seem to establish a solid basis for a gradual development towards economic and social progress.

We can now assess to some extent the outcome of the first year of the Second UN Development Decade.

One of the most fundamental prerequisites for development, namely, Peace, was not attained. The war in Vietnam spread and engulfed Laos and Cambodia. Political events in South Asia created refugee problems of catastrophic dimensions and led to war on the subcontinent. Tension in the Middle East continued. The armaments race is making still greater inroads into the gross national product all over the world and is contributing to a serious crisis within the global monetary system. We were actually on the verge of an international trade war in the wake of the monetary disorder. At the end of 1971, the ten richest mixed economy countries reached a preliminary agreement on an adjustment of their exchange rates. The danger of further complications in respect of the international trade is, however, still not removed.

The general political and economic climate during the first year of the Decade has thus been far from conducive to promoting a world-wide concerted action to strengthen and speed up the development efforts.

There are, however, looking back on 1971, some silver linings in the dark clouds. The agreements already concluded by the Federal Republic of Germany with the Soviet Union and Poland—to be followed, one may hope, by a similar one with Czechoslovakia—have considerably improved international relations within Europe. The recent rapprochement between the two

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Republics of Germany over Berlin will, no doubt, together with the agreements just mentioned, pave the way for an all-European security conference, which may contribute to a lessening of world political tensions and make a decrease in the unproductive spending on arms possible. The Geneva Conferences on Disarmament and the Strategic Arms Limitation Talks (SALT) negotiations have also made some progress.

As in earlier years, the experience gained in 1971 about the role the UN itself can play to prevent wars is disappointing. In spite of all its shortcomings, especially in cases where the Great Powers use their vetoes, the UN is, nevertheless, the only universal Organisation which, in the long run, could and should be able to promote global interests, if mankind is to have a future at all. Even if a realistic assessment of the possible peace preserving factors must now put the main emphasis on the responsibilities of the Great Powers instead of on the UN, there are very great tasks in other fields which the UN itself and its Specialised Agencies can and must perform. If we look only one year ahead, there are some outstanding events to illustrate this fact. Let me just mention a few of them.

In April 1972, the Third UN Conference on Trade and Development (UNCTAD III) will be convened at Santiago, Chile. On its agenda is a follow-up of the exceedingly important subject of trade preferences by industrialised countries in favour of newly developing nations. The combination of "trade and aid" has for a long time been used as a slogan, but, unfortunately, a rather empty one. There is now an urgent need to move from words to action in this respect. Scapegoats, such as "balance-of-payments difficulties", "structural unemployment problems", etc., cannot, in the long run, be tolerated as reasons for inactivity on the part of the industrialised countries. Such difficulties have to be overcome by the developed countries themselves by way of a co-ordinated, powerful financial and economic policy. The period, when a laissez-faire ideology determined the policy of the State Authorities in this respect, is now long past. The trouble is,



Dr Mauritz Bonow

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however, that too many statesmen still cling to narrow-minded and short-sighted nationalistic concepts, trying to export unemployment to other countries instead of endeavouring to promote international co-ordination in respect of financial and economic policies. These and similar problems which are connected with an increasingly greater liberalisation of import policies in the industrialised countries regarding finished products from newly developing countries have to be solved by collaboration at UNCTAD III between the parties concerned, if the programme for the DD2 is to lead to the desired results.

In 1972, there will be held, under the auspices of the UN, a world-wide Conference on the whole range of environmental problems which modern technological development has made extremely urgent. A number of research activities and special investigations have already taken place at several preparatory conferences. The initiative for this Conference dates back to a decision taken by the Economic and Social Council in 1968. This Conference has a very practical aim, namely, to encourage and provide guide-lines for action by governments and international organisations in order to protect and improve the human environment. The extent to which this is being damaged and polluted, especially in the industrialised countries, has evoked an ever growing concern in recent years. This problem is, however, not only increasingly topical in the industrialised countries of the world; it is also of paramount importance to the newly developing nations. These countries may, if preventive action is taken in time, be able to avoid making the same great mistakes, from which we are already suffering in most industrialised countries.

A third example of important international events within the framework of the UN family is the Third World Conference on Adult Education, which is to take place in Tokyo in July-August 1972. This world-wide Conference, which is organised by UNESCO will, amongst other things, review the strategies for those development endeavours, especially in the field of adult education, which are integral parts of the general

promotional activities during the DD2. Having regard to the great significance of functional literacy and other work-orientated forms of adult education as a means of promoting economic and social progress in the newly developing countries, the urgent need for a well defined world-wide strategy in this field is quite apparent.

Through the International Co-operative Alliance and its national member organisations, our world Co-operative Movement is associated in a number of ways with the work of the UN and its Specialised Agencies in the broad fields illustrated by the examples just mentioned. Our efforts to promote co-operative development in the developing countries have to be closely linked with the endeavours of the UN family and with the financial and technical assistance rendered by national governments all over the world. In our own programme for the Co-operative Development Decade (CDD), this very fact has been made abundantly clear. We cannot and shall not "go it alone". Having this fundamental prerequisite in mind, it is indeed encouraging that both the UN, through its Economic and Social Council, and the Specialised Agencies concerned have repeatedly underlined the importance which is to be attached to the Co-operative Movement as an essential instrument for attaining economic and social progress in the newly developing countries. There are two main points in this context, which are given as reasons for the suitability of the co-operative form of enterprise as a vehicle for development:

1. Co-operative enterprises, provided they are efficiently managed and democratically controlled, are the best means of involving the broad masses of the population in an active participation in the development efforts. The problem of finding appropriate means for mobilising human resources for that purpose is nowadays to an increasing extent being regarded as the key factor in reaching the desired development targets.

2. The second important point is that the co-operative form of enterprise, with its equitable distribution of social benefits and economic advantages to the participating members, brings the egalitarian aspects greatly to the fore and should

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never be overlooked in development programmes. In the planning for the DD2, this approach and the general social content of the economic development process have been given an increasingly greater emphasis.

For these two reasons, a much greater role than hitherto should be attributed to co-operative elements in national and international development programmes. As the most important sector in the economy of the newly developing countries now and for the foreseeable future is agriculture, special importance has to be attached to promoting agricultural co-operation. Bearing this in mind, it is very timely that the ICA, supported by the FAO and in close collaboration with the member organisations of the Joint Committee for the Promotion of Agricultural Co-operatives (COPAC), is convening an "Open World Conference on the Role of Agricultural Co-operatives in Economic and Social Development", in support of the Co-operative Development Decade, in Rome in May 1972. It may suffice here to underline the importance which all member organisations of COPAC attach to this Conference as a contribution to our joint efforts to promote a rapid expansion of agricultural co-operatives during the DD2. Recommendations and guide-lines resulting from it will, no doubt, be noted and implemented within the framework of the ICA Development Programme and will ultimately be discussed and decided upon by our forthcoming Congress in October in Warsaw.

The preparatory work for our own Congress is now well in hand after the important deliberations that took place at the meetings of the Central and Executive Committees in Bucharest. Besides the urgent problems connected with promoting co-operatives in the newly developing countries, the Congress will, no doubt, devote much time to the other main theme, namely, "Multi-national Corporations and the International Co-operative Movement—Financial and Managerial Imperatives".

The rapid expansion in recent years of multi-national profit-motivated enterprises, both in the field of distribution and production, is adding



new dimensions to the competitive pattern, especially in the mixed economy countries, but also in other parts of the world. There is no doubt that the multi-national corporations, as a means of innovating as well as improving technology generally, and of utilising to the maximum the economy of scale, are affecting the world economy much more extensively than would seem to be warranted by their present share of the market. But such advantages are far outweighed by the inherent risks for abuse of their great economic power. For that reason, both national governments in many countries and international organisations, like the Trade Union Movement, have more intensively begun to scrutinise this new power structure and to discuss possible means of counteracting its detrimental effects. The way the multi-national enterprises can influence wage and employment, and fiscal and economic policies, creates problems with which national legislations cannot cope effectively. Some forms of international control measures are clearly needed in order to combat present and possible future abuses of the monopoly or oligopoly positions, which the strongest multi-national enterprises have already established.

Especially in the mixed economy countries, the co-operative forms of enterprise will face an increasingly stronger competition from multi-national private corporations. This underlines the extreme importance for the co-operative enterprises to carry out vigorously their present programmes of streamlining their structure in order to achieve increased efficiency. At the present stage of the new technological revolution, with its tendencies towards large-scale production and distribution, the financial problems will assume still greater dimensions than ever before. The imperative need for our various forms of co-operative enterprise to adapt their structure to rapidly changing conditions and to rationalise their activities in the managerial and financial fields, presents us with problems which are both formidable and urgent. For that reason, it is very timely that our Congress will deal thoroughly with these aspects of our contemporary development. Though its recommendations will, of necessity, be of a fairly general character, our

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deliberations will serve the purpose to focus our attention on all the problems mentioned. They should also form the basis for further follow-up activities, which will be the task of our member organisations throughout the world.

Since the last Congress three years ago, the ICA has become more representative than ever before. It is now a World Organisation in the true sense of the word. This very fact should carry real weight and significance in our deliberations and decisions. With our increased numerical strength and our rapidly growing tasks, we co-operators have, both in our national and international work, to rise to the occasion. We must do our utmost to promote the economic and social progress of the people, by the people, and for the people.

DR MAURITZ BONOW

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# New Co-operative Guilds in Finland

by Viljo Ripatti

Head of the Guild Department of the Co-operative Union KK

In 1970, the E societies of Finland introduced a new form of member activities by setting up E Guilds to take over the work of the former Shop Councils and Women's Guilds. The new system, which aims at stimulating and concentrating member activities, is based on a decision taken by the 1969 Annual Congress of the Co-operative Union KK. According to this decision, such Guild activities were to be introduced in all societies in 1972 at the latest, but all 73 E societies had started the scheme well before the set date.

Another of the Guild's important aims is to establish closer contacts between the Management of a society and its members than was possible under the old system, which lacked uniformity. To a great extent, the Guilds have thus become a kind of public relations bodies, which serve as channels of information, through which the members can voice their opinions and complaints. The objective of this reform is to consolidate and increase democracy within the membership of the E Co-operative Movement and, although the number of Guilds is much smaller than that of the former Shop Councils and Women's Guilds, it is expected to stimulate member participation and promote a democratic administration in the Movement. As a result, the members will gain more influence on such everyday matters which are not generally the concern of the

administrative bodies proper and which, although apparently quite insignificant, mean a lot to the ordinary member.

## **Organisational Structure in broad Outlines**

At the local level, the system consists basically of District and Member Guilds. The former covers two or more shopping districts, whereas the latter comprises only one district and is, as a rule, only established in very isolated areas. The District Guilds have 9 to 15 members and the Member Guilds 7 to 9.

The Central Guild serves as a connecting link between the Guilds of a society. In a way, it is the representative body of the other Guilds, since, generally, most of its members also belong to the District or Member Guilds, and it often includes members of the Council of Representatives or the Board of Administration. The main function of the Central Guild is to conduct and co-ordinate the Guild activities of a society. In addition, it works in close collaboration with the Board of Management.

A few societies have also a Youth Guild, the members of which are under 30 years of age and are working in conjunction with the Central Guild. Its task is to develop youth activities, to create co-operative awareness amongst young people and to spread information about the Co-operative Movement. Most societies do not, as a rule, set up separate youth

organisations, but direct their efforts towards developing good relations with existing youth groups, especially those of the Labour Movement, and organising events attractive to young people.

The Guilds, whose activities are spread over the whole country, have a central co-ordinating body, the KK Guild Committee, which is composed of representatives of the ordinary Guilds, the societies and the central organisations of the E Movement. Its function is to lay down the general policy of the Guilds and approve their annual action programmes. The Guilds' practical work is carried out under the guidance of the KK Education and Publicity Department, which has a Guild Section for this purpose. It also sees to it that the decisions of the KK Guild Committee are put into effect, and a number of its officials is engaged in helping the societies and the Guilds to execute their plans.

### **Members of the Guilds**

The members of the Guilds are appointed by the society's Board of Administration, which is, however, bound by a number of rules. First, it must "hear the members' opinion". In practice, this means that the members of the society propose candidates, which they usually do at district meetings. These meetings, which are of an informative nature, are generally organised within the area of a Guild.

The rules lay down certain conditions regarding the composition of the Guilds. In order to ensure the participation of women, they provide that at least three of the members of each Guild must be women. In fact, 44 per cent of the members of those Guilds, which started their activities in 1970, are women. Furthermore, in order that young people should be adequately represented, every Guild must admit at least three members under the age of 30 years. In 1970, 24 per cent of the members belonged to this age group. There must also be one representative of the society's staff in every Guild

who, in most cases, will be elected its Secretary. With the exception of the Central Guild, the other Guilds elect their Chairmen and Secretaries themselves. The Chairman of the Central Guild is appointed by the Board of Administration and its Secretary is the person in charge of the educational work of the society.

### **Terms of Office**

The severest criticism directed at the old system was that the Committee members were too old and that the change in its membership was too slow. This often resulted in an atmosphere of self-sufficiency, more especially in the Women's Guilds, which tended to become the "private property" of a small group of people. In order to counteract this tendency, a new and more radical rule has been adopted, namely, that no member of a Guild should serve on the Committee for more than two successive terms of office, i.e., for four years, as one term of office runs for two years. It is yet too early to judge what effect this limitation will have on the continuity of the work, but it will certainly involve training problems.

### **Functions**

According to the rules, the Guilds have extensive functions. The model rules of the E societies provide that the Guilds shall:

1. Supervise the management and activities of the business enterprises and submit proposals in this respect to the Board of Management;
2. receive any suggestions and wishes from the members and forward these to the managers of the society; and
3. disseminate information on co-operation and savings fund activities, as well as on consumer education within the sphere of influence of the Guild.

These general rules have been supplemented by special regulations, specifying numerous tasks of the Guilds designed to diversify their activities and adapt them to the conditions of different societies and localities.



Meeting of a newly formed E Guild

Special stress is laid on the fact that the Guilds should be looking outwards in their activities. Their internal work consists of calling meetings for the purpose of planning and dealing with other matters mentioned in the rules. The emphasis must be, however, on giving their members the greatest possible opportunity for active participation.

Previous old activities and events arranged for members of societies as well as for the public at large, such as co-operative festivals and performances by an entertainment group engaged by the E Movement, will be continued under the new system. The Guilds also organise meetings for discussion and information, as well as social gatherings with the society to consider its problems and matters of current interest.

In the course of time, the Women's Guilds developed various activities, such as courses, demonstrations and lectures, which were mainly intended for women. Now, these are open to everybody, including men. The aim is to provide guidance on consumer problems, give advice on cooking, household affairs, etc. The Guilds also organise excursions and visits for the members of the society and arrange events in connection with member recruitment campaigns or local affairs. Pollution of the environment has lately become a matter of increasing public concern which will certainly be discussed still more in the next few years. The Guilds try to draw the people's attention to this problem through lectures, exhibitions and discussions. Their activities also include the study of co-operation, consumer

questions and meeting techniques, as well as many other subjects of general or local interest in study circles of interested members.

### **Training**

The Movement regards the proper training of the Guild members as particularly important. The aim is to train them to organise activities and to provide them with information about the Co-operative Movement as a whole and the societies to which they belong. Basic training in the latter is given in the evenings and in weekend seminars and, as far as possible, officials of the KK Education and Publicity Department and of the Co-operative E Institute act as lecturers.

In addition, the Guilds are encouraged to start group studies. For this purpose, the Correspondence School of the Co-operative E Institute has worked out several correspondence courses, dealing with Co-operation, organisation, the societies' economic position and various other subjects. These courses are, however, as yet only at an initial stage.

The Co-operative E Institute also organised one-week Guild seminars mainly for Chairmen and Secretaries of the Guilds, in which the training was to be concentrated on functional work. In 1971, four such seminars have been held and the same number is being planned for 1972. In addition, the Institute arranges once a year two-day conferences for the Secretaries of the Central Guilds, at which general and

topical problems of the Guild activities are discussed.

### **Conclusions**

The necessity of the reform, which was largely due to the changes in the shop network and other developments in the Co-operative Movement, must be seen against the background of the increasing demand for flexibility, efficiency and better information. Moreover, it seemed appropriate, in view of the discussions held at that time concerning the social role of men and women, to curtail the activities performed exclusively by women. The reform does not mean, however, that those activities which were developed within the framework of the Women's Guilds will be given up. What it does mean is that they will no longer be intended for women only, but for all members. Neither does the disappearance of the Shop Councils mean that the contacts between members and shops will be broken off, because the Shop Councils' functions are being taken over by the E Guilds.

The 450 Guilds set up in 1970 and their 4,500 members have already proved that the reform is useful. As the number of Guilds and Guild members is now more than twice as large, more concrete results can be expected. It will obviously be a difficult task to make the new system work more effectively than the former system. A co-operative enterprise, such as the E Movement, has many aims which can only be achieved through the concentration of forces and, in this respect, the Guilds have a very important part to play.

# Co-operation and Collective Economy

by Karl Pröbsting

During the past centuries, economic institutions have been developed in most Western countries contributing to the public welfare. In addition to co-operatives, these are state and municipal institutions providing water supply, common pastures, mining enterprises, a monetary system, postal services, refuse collection and sewage disposal, and many other services. From small beginnings, such as perhaps the village well or, a little later, the weigh-house existing already at the earliest time of the history of human settlements, giant enterprises have finally developed to serve the community, thus forming the so-called collective economy.

According to Professor Edgard Milhaud, who was Political Economist at the Geneva University, the collective economy embraces, on the one hand, the totality of economic units or enterprises, which demonstrate their social character or pursue their general interests, and, on the other hand, their activity as well as that of corporations under public law, whose aim is to direct and organise the general economy.

From this scientific definition follows how wide the span of the collective economy is. It comprises as many types of co-operatives as economic activities of the public sector. Certain characteristics are, however, even if at variable degrees, common to all forms of the collective

economy.

In almost all Western and Central European States, collective enterprises form the basis of the whole economy just as for the modern life of the individual. This applies to the power and water supply, the refuse and sewage clearance, traffic, postal and communication services, finances and other spheres. The existing monopoly in most countries of the collective economy in these fields implies at the same time an obligation to provide services. If this were not fulfilled, the whole economy and the everyday life would then lose the basis of existence. This obligation to produce the required accomplishments is the collective economic enterprises' top priority of their tasks. There lies the essential difference between the collective economy and the private sector of the economy, the uppermost objective of which is in general to realise a maximum profit.

Thus, the principles of the business policy are an important characteristic of the collective economy. Another significant characteristic is that this business policy is being determined by corporations which were elected in accordance with democratic principles and which stipulate whether a respective enterprise is to strive for a profit, or whether it is to be run so as to cover its costs, or whether, because of a more important concern or interest, the

acceptance of losses appears to be necessary, as may be the case with most enterprises concerned with local transport. Nevertheless, the principle must always remain not to maximise the profit but to boost the production, which must be the first and foremost aim. If, however, the attainment of a profit for a certain collective economic enterprise is being aspired to, which exceeds the proportion commensurate with that needed for the further development of the undertaking, such a surplus will again be used for a collective economic purpose, be it that, in co-operatives, for instance, their members would benefit from it, or in public enterprises, it would be used for other tasks in the interest of the public, or perhaps to cover smaller receipts which another collective economic enterprise had to take upon itself.

All collective economic institutions have in common democratic control which is being exercised in the public field by elected official authorities and, in the case of co-operatives, by their members' general meetings and the elected members' representatives. Business reports are being published and are consequently subject to public review and critique.

It is obvious that the collective economy, which has so many common tasks and interests, has, at the national level, also representations of its interests just as the private sector of the economy has them in the chambers of commerce or the employees have them in their trade unions. At the international level, there exists the International Centre of Research and Information on Public and Co-operative Economy (CIRIEC), founded by Edgard Milhaud, with Professor Paul Lambert as its President, and its Headquarters in Liège, Belgium.

From May 23rd to 25th, 1972, CIRIEC will hold its 9th International Congress of Public and Co-operative Economy at the Town Hall in Vienna and will deal with the theme "The Future Tasks of Public and Co-operative Economy". Three reports

will form the basis of the discussions. Lord Kennet (Great Britain) will speak on "The Future Tasks of Public and Co-operative Economy—Our Concern for the Future of Mankind", Professor Janne (Belgium) on "Intellectual and Moral Aspects of the Future Tasks of Public and Co-operative Economy", and Professor Frisch (Austria) on "The Role of Planning in Building the Future".

It will be of great interest also to the Organisations affiliated to the International Co-operative Alliance to have an exchange of thoughts with other collective economic Institutions, above all, in view of the growing tasks with which all sections of the collective economy are faced, regarding supply of the growing need of power and water; security of a healthy environment; mastering of the technological progress; coping with the increasing masses of refuse; security of sufficient modern housing facilities; purposeful further development of agriculture; protection of the consumer, etc. In this connection, it must also be pointed out that the repeated attempts to draw collective economic organisations into the private sector must be opposed. On the contrary, in view of the above-mentioned magnitude of the tasks, it is necessary to create the climate for a continued healthy development of the collective economic sector, for which also a reasonable co-operative relationship with the private sector of the economy is essential.

The working team of the Austrian collective economy is proud to be host for the second time to the already mentioned important international economic Congress, at which once again the participation of about one thousand delegates, i.e., economic leaders, scientists, industrial consultants, and government representatives, are expected. The Austrian collective economy has a century old tradition. With the establishment of state enterprises, the nationalisation of the railways and postal services and finally, with the municipalising of the urban transport, the supply of electricity and gas, as well as the creation of the



modern water supply system, the time of the industrialisation brought about the first great expansion of the collective economic sector. Due to the needs after the two World Wars, our century produced a further development in this direction, amongst others, the nationalisation of basic industries and mining enterprises as well as of the most important banking concerns. However, this century has also produced a lively development of the co-operatives, particularly in the housing, consumer and agricultural fields. The enormous experiences gained thus in Austria will be in comprehensive written form at the disposal of the Congress participants. Thereto are

also added particularly the effects and results of the 1966 Vienna Congress of the International Co-operative Alliance, which set a high standard for the concentration of all forces and efforts. The Austrian Co-operative Movement has put the recommendations of the Congress into effect.

In the interest of all, it is to be hoped that the invitations to the 9th International Congress of Public and Co-operative Economy sent to the co-operatives will receive the attention which the importance of the collective economy in national economies and in the international world merits.

# **Co-operative Librarians' Meeting in Münster (Westphalia), Federal Republic of Germany**

by C. Kamp

The "Institut für Genossenschaftswesen der Westfälischen Wilhelms-Universität" (Institute for Co-operation of the Westphalian Wilhelms-University) in Münster was host to the ICA Working Party of Co-operative Librarians and Documentation Officers on the occasion of its Ninth Meeting from the 1st to 3rd September 1971. The participants will long remember the warm welcome and generous hospitality they received from the Director and staff of the Institute.

Professor Erik Boettcher, Director of the Institute, opened the meeting and introduced the research and publishing programme of the Münster Institute for

Co-operation, mentioning that one of the current activities was a study on bringing co-operative theory into the general theory of economics. Mr C. Kamp, Chairman of the Working Committee, then welcomed Dr S. K. Saxena, Director of the ICA, Mrs I. Bettembourg, Observer for UNESCO, and the other participants to this meeting. Two members of the Working Party, who died during the period of 1969-1971, Mr Desmond Flanagan, Librarian of the Co-operative Union Ltd., Manchester, and Miss Mary Elefsen, of Norges Kooperative Landsforening, were commemorated in silence.

The meeting started with the elect-

ion of Mr Kamp as Chairman for the meeting and Dr W. Kellerhals (Coop Schweiz) as Secretary (in the absence of Miss A. Lamming, Librarian of the ICA). The participants received a report on the activities of the Working Committee since 1969, which was approved by the Working Party. The morning session of the first day was concluded by a visit first to the Institute's Library, under the guidance of the Librarian, Miss Charlotte Blindow; and afterwards, Dr Wilhelm Jäger, the Administrative Manager, outlined the meeting on co-operative science, to be held in Münster in September 1972. The main theme of this meeting will be: "Co-operation—Democracy and Competition".

The afternoon session of the same day was devoted to two subjects. The first, "The Co-operative Development Decade and the Working Party", was introduced by Dr Saxena, who described the background to the CDD and explained its concept and content. He went on to tell the participants about future plans on which the ICA might seek the advice and assistance of the Working Party, such as the register of co-operative experts, the pilot study on the feasibility of a research register, and the provision of basic literature for people in the developing countries, who are eager to strengthen their own co-operative societies. The second topic, "Directory of Co-operative Libraries and Documentation Services", was introduced by Miss F. Baulier. Following a resolution passed at the last meeting in 1969, based on a proposal by Mr L. Kołaczowski, Miss Baulier and Miss Lamming sent out a questionnaire to collect data for the planned Directory on the scope and activities of co-operative libraries. The aim is to list areas of interest, special collections and availability of translating and photocopying services. After discussion, it was decided to compile and publish the Directory in three languages, namely, English, French and German.

The morning session of the second day was mainly devoted to a discussion of

the revised Rules of the Working Party and its Committee. The revision of both sets of Rules was thought necessary, as some of the aims listed in the Rules had been attained; it was also made possible to introduce items which were deemed useful in the light of practical experience. The revision submitted to the meeting had been jointly planned by Mr Kamp and the Committee. After a lively and far-reaching discussion, the Rules of the Working Party and its Committee were accepted and were to be submitted to the Executive Committee of the ICA.

The afternoon session was taken up by a number of shorter items. A report was presented by Mr Kamp and Mr R. Garratt, Librarian of the Co-operative Union, Manchester, on the International Association of Labour History Institutions. Its first meeting was held in London in December 1970, which was attended by Mr Kamp as Observer for the ICA, together with Miss Lamming and Mr Garratt. The object of the Association is to improve contacts and exchanges of publications between libraries, archives and organisations that deal with the Labour Movement and social problems. Mr Garratt, whose library has joined the Association, attended the second meeting in Stockholm in August 1971, both as a member of, and Observer for, the Working Party. In Mr Kamp's opinion, most co-operative libraries do not possess enough material on labour history, and he therefore suggested that the Working Party should not join the Association at this stage. Each co-operative library is free to join the Association individually. It was decided at the meeting that the Committee should maintain permanent contacts with the Association and continue to exchange publications.

During the period of 1969 to 1971, contacts were made between the Working Party and the Department of Documentation, Libraries and Archives of UNESCO. The immediate outcome of these contacts has been an exchange of

publications, as well as of Observers at meetings. Mrs Bettembourg gave the participants of this meeting an introduction to the work of the above UNESCO Department. In October 1971, Mr Kamp attended the third meeting of the Committee of Libraries, Documentation and Archives of UNESCO in Paris.

Mr Kamp gave a report on the two Working Party publications which he edits: *Libradoc* and the *Documentation Bulletins for South-East Asia and East and Central Africa*. *Libradoc* is distributed to some 200 organisations and individuals. Though it was started as the internal journal of the Working Party, it has reached a wider audience and is now distributed to a number of co-operative organisations which have a library or documentation service, but are not members of the Working Party. *Libradoc* is a bi-monthly publication and contains news for and about co-operative libraries and articles of technical interest to librarians. The articles are published in English, French and German. The *Documentation Bulletins* are quarterly publications and consist of abstracts of articles on co-operative topics, but are only published in English.

Dr Kellerhals explained to the participants the reasons why the ICA had ceased awarding the Jubilee Triennial Prize. This was due to the increased difficulties in making a selection from amongst the many publications submitted, dealing with Co-operative Practice and Theory. The ICA was, however, grateful to the Working Party for the help it had given in selecting books for the award.

A written report was received from Miss Lamming on the International Co-operative Bibliography. The intention is to accumulate a card index of all works on the Co-operative Movement acquired by members of the Working Party. A start has been made on this work, but, due to the reorganisation of

the ICA Library and the lack of staff, it had to be suspended. The ICA Librarian did, however, compile and publish a Bibliography of current co-operative literature at the end of 1970. The Working Party expressed its sincere wish that the work on the Bibliography should soon be resumed.

A new ICA Working Party on Co-operative Press had recently come into being. Dr Kellerhals reported on its first meeting in December 1970. Our two Working Parties had many areas of common interest, and collaboration between them was already close.

An information report was given to the participants at the end of the meeting, introducing the activities of Hungarian co-operative libraries.

Dr Kellerhals expressed his wish not to stand for re-election to the Committee, as he had a wide range of activities outside the library field and could not devote enough of his time to this work. The Working Party thanked him for all he had done both as a member and Secretary of the Working Party. The following were elected to serve on the Committee for the period of 1971 to 1973: Miss F. Baulier (F.N.C.C., Paris), Mr R. Garratt (Co-operative Union, Manchester), Mr C. Kamp (Co-op Nederland, Rotterdam), and Miss L. Kassner (Deutsche Genossenschaftskasse, Frankfurt/Main). Miss A. Lamming (ICA) will continue to serve ex-officio on the Committee.

The Working Party accepted with pleasure an invitation from Mr Kolaczkowski, of the Central Agricultural Union of "Peasant Self-Aid" Co-operatives, to hold the 1973 meeting in Warsaw. The meeting was closed by the Chairman, who thanked the hosts for all they had done for the well-being of the delegates. He also thanked the participants for the work and effort they had put in to make this meeting a success.



# Open World Conference on The Role of Agricultural Co-operatives in Economic and Social Development

by Dr L. E. Marsullo  
Secretary for Agriculture, ICA

In many countries, over many decades, farmers have successfully pooled their resources to escape exploitation by landowners, usurers and middlemen. In so doing, they have demonstrated the vital role of collective action in promoting economic and social progress in rural areas. Moreover, in the developing countries of the Third World today, there is a wide agreement that the best hope for rural development rests with agricultural co-operatives.

Nevertheless, new problems are confronting agricultural co-operation at the international level, which far surpass in complexity and stubbornness the difficulties which it has proved capable of overcoming at the national level. These include excess production in advanced agricultural economies, barriers to free trade in agricultural commodities, inelastic demands for food production in advanced economies, the

development of synthetic substitutes for agricultural raw materials, and consequent instability in agricultural prices on the world market. In the developing countries, these problems are compounded by primitive farming techniques, inappropriate systems of land tenure and inefficiency in production.

At the end of the 1950's, the urgent need for more balanced collaboration between nations was unmistakable, and thus the United Nations launched its First Development Decade. The ensuing years clearly demonstrated the wide-spread will towards international co-operation. Nevertheless, at the end of the 1960's, it was equally clear that the expected results had not been achieved. On the contrary, there is conclusive evidence that the gap between the advanced nations and the developing countries has widened and not narrowed. One reason has been the population explosion in the latter, which has more than nullified any increases in national output. Another has

been the failure to realise the extent to which agricultural production, processing and marketing, and the light industries associated with these activities, constitute the essential bridge to industrialisation of the developing countries.

These factors have influenced the UN Programme for its Second Development Decade, which was launched in 1971, and which promises to focus attention on agriculture and co-operation.

The Resolution 1491 (XLVIII) of the 12th June 1970 of the Economic and Social Council of the United Nations asks the International Co-operative Alliance to collaborate with the UN Specialised Agencies in implementing a programme of concerted practical action, so far as co-operative development is concerned. In a message to the ICA, the then United Nations Secretary-General, U Thant, has said: "By mobilizing the many co-operative organizations throughout the world to stimulate the development of co-operative movements in the developing countries, you will be making a greatly needed contribution to the implementation of the goals of the Second United Nations Development Decade."

The International Co-operative Alliance, in turn, has responded by declaring the 1970's as the Co-operative Development Decade to run parallel with the Second UN Development Decade. During this period, the World Co-operative Movement intends to collaborate with international agencies, governments and non-governmental organisations in carrying out a programme of co-ordinated action to realise the full potential of the co-operative movement in achieving social and economic development.

To obtain the support of agricultural co-operatives for the realisation of the objectives of the Second UN Development Decade and to focus the attention of the world on the important role they can play in this context, the ICA Central Committee and its Auxiliary Agricultural Committee have decided to call an "Open World Conference on the Role of Agricultural Co-operatives in Economic and Social Development". This Conference, organised by the International Co-operative Alliance, with the assistance of the Food and Agriculture Organisation of the UN (FAO) and in collaboration with the International Labour Organisation (ILO) and the International Federation of Agricultural Producers (IFAP), through the Joint Committee for the Promotion of Agricultural Co-operatives (COPAC), will be held from the 22nd to 26th May 1972 at the FAO Headquarters in Rome. This will be a unique event in that it is the first world-wide Conference, organised by the International Agricultural Co-operative Movement.

The Conference will cover a wide range of crucial problems common to agricultural co-operatives throughout the world. These include increased economic efficiency, mobilisation of human resources, and collaboration with governments and other national and international institutions. Background papers on each of these topics will be presented at the Conference as a basis for discussion in working groups and plenary sessions and will be supplemented by more specialised papers to be presented by leading members of the World Co-operative Movement. Participation in the Conference is open to representatives of governments and of co-operative movements, as well as to

individuals interested in agricultural co-operation.

The problems of the Third World face mankind with a major challenge. In meeting this challenge, co-operatives, because of their economic and social character, have a vital role to play in promoting a balanced economic growth. If the benefits of the "Green Revolution" are to be enjoyed by the vast majority of producers, heavy reliance must be placed on people's organisations, such as the

co-operatives, which, besides providing an excellent link between governments and producers, help in spreading advanced methods of production to small farmers and extend a variety of other services needed by them. However, the co-operatives must be fully equipped to shoulder these heavy responsibilities, and it is the purpose of this Conference to inquire into the ways in which the co-operatives will be capable to undertake these tasks.

## **"Centrosoyus" and the Developing Countries**

**by Alexander I. Krashennikov  
Member of the "Centrosoyus" Board**

The peoples of the developing countries want their States to turn from backward into economically advanced ones still during the lifetime of their present generation. The improvement of the working peoples' welfare in these countries is inseparable from their struggle for political and economic independence. Economic development goes side by side with the struggle against the vestiges of colonialism, feudalism and the domination of capitalistic monopoly. Encouraging various forms of co-operation, the developing countries strive to overcome agricultural backwardness, to improve the system of distribution of goods and to mobilise material and manpower resources.

In view of the exceptional importance of co-operation in the economy and

culture of the recently independent States, the International Co-operative Alliance, the UN Specialised Agencies and the co-operative movements in the developed countries must look for new forms and methods in order to provide effective assistance to the developing countries.

The Soviet Government allocates annually considerable sums of money for the purpose of assistance to these countries. About 350 projects, 50 of them agricultural ones, which serve the needs of rural co-operatives, have been put into operation with Soviet assistance in these countries. Investments in their agriculture account for over 6 per cent of the total volume of Soviet economic and technical assistance.

The Soviet Union, for example, has

built and equipped four machine-hire centres in Iraq, which serve both the State and the co-operative sector in that country. Such centres have also been established in India and Somalia. Ten shops for repairing farm machinery in co-operative and state enterprises have been set up in Algeria. Soviet designed and financed artesian wells are being sunk in Syria, Algeria, the United Arab Republic and in other Afro-Asian countries.

We contribute to the Development Fund of the International Co-operative Alliance, which was set up to render assistance to co-operative organisations in developing countries. At the beginning of 1971, Centrosoyus donated about 5,500 US dollars to this Fund, in addition to the previous gift of 5,000 pound sterling.

Soviet workers of co-operative societies approve of, and support in principle, the programme of the ICA Co-operative Development Decade, regarding it as a serious attempt to introduce elements of planning into this activity. They also readily share their co-operative experience with their colleagues in Africa, Asia and Latin America. Numerous delegations come to the Soviet Union to see for themselves the trade, procurement and production activities in the Soviet consumers' co-operative societies, the role they play in the country's economy, the democratic principles applied to their management, the prospects for their development and, finally, the improvement in the working people's living standards.

Delegations from 52 developing countries, not counting many foreign guests present at the Congress of Delegates of the USSR Producers' Co-operative Societies, held in August 1970, have visited the Soviet Union in the last five years at the invitation of Centrosoyus, and its delegations have been to 25 countries of Asia, Africa and Latin America.

In their statements and letters, representatives of co-operative organisations in the developing countries have repeatedly pointed out the usefulness of

this form of co-operation. On returning from a trip to the Soviet Union last autumn, Mangal Singh, Vice-Chairman of the All-India Central Bank of Land Development, wrote in a letter to Centrosoyus: "I was greatly impressed with your country's achievements and I am sure that goodwill and co-operation will inspire us to set up a healthy socialist society in our countries."

And here is a quotation from the letter of another representative of the Indian Co-operative Movement, Narain Chaturvedi: "We have managed to learn much in this brief span of time. Our profound thanks to you for the knowledge we have gained from your great nation."

The shortage of personnel is one of the most serious problems facing the co-operative organisations in Africa, Asia and Latin America. It is a permanent item on the agenda of all their meetings.

The Centrosoyus helps co-operative societies of developing countries cope with this problem. A Department for Foreign Co-operative Society Workers, with one- and two-year terms of study courses, was opened at the Moscow Co-operative Institute in 1961. About a hundred students come to this Department every year from Africa, Asia and Latin America. During the last academic year, the Department courses were attended by students from the Sudan, Nigeria, Sierra Leone, Uganda, the United Arab Republic, Mauritius, Somalia, Syria, Senegal, Mali, Kenya, Morocco, Togoland, Madagascar, Colombia, Mexico, Nicaragua, Uruguay, Indonesia, Vietnam and Peru.

The Centrosoyus pays the travelling expenses of the foreign students when they come to Moscow for studies and go back home upon completion of the courses, where the instruction is free. They are granted a 90 rouble monthly stipend, get free winter clothing, are accommodated at a hostel and issued with study aids. A library, laboratories and gymnasiums are at their disposal. Medical services are also free.

The study programme is drawn up



with a view to instructing the students in the organisation of the co-operative movement, in economics, book-keeping and statistics. They also acquire a knowledge of merchandise (manufactured goods and foodstuffs).

Besides receiving theoretical instructions, the students also get practical training at enterprises run by producers' co-operative societies, industrial enterprises and trade establishments. Upon completion of their studies, they are given diplomas, qualifying them for jobs according to the subject of their study, as for instance: organiser of the co-operative movement, co-operative economist, co-operative book-keeper, co-operative expert on merchandise, etc. On the request of national co-operative organisations in the developing countries, students may also be admitted to a full five-year course of studies.

Graduates from the Moscow Co-operative Institute work in many fields of co-operative activity in their own countries, and not infrequently occupy responsible positions. Some foreign students with University education have been admitted for post-graduate studies. These post-graduates receive a higher stipend (up to 150 roubles a month). After acceptance of their dissertations, they obtain the degree of Master of Sciences. On returning home, they may engage in pedagogical activities or in research in the field of co-operation.

In the last few years alone, the Centrosoyus has spent over 5,000,000 roubles for the training of personnel for co-operative organisations in developing countries. It was planned to spend over 500,000 roubles for this purpose in 1971. The Centrosoyus helps developing countries by training co-operative personnel on the spot, sending instructors to national educational establishments. It has organised a number of international seminars of great practical value for the training of personnel for co-operative societies. The seminar, which was arranged jointly with the International Labour Organisation in the autumn of 1968, attracted leading workers of co-operative societies from 18 countries in Asia, Africa and the Middle East. Lectures were given them on a wide range of problems connected with the theory and practice of Soviet and foreign consumers' and agricultural co-operative organisations.

A Seminar of the International Co-operative Alliance was held in Moscow in 1971, with the active assistance from Centrosoyus. There was an attendance of 63 representatives from national co-operative organisations and the theme discussed was "Co-operative Education as a Factor of Promoting the Role of Co-operation in Economic and Social Life". The Centrosoyus undertook about two-thirds of the expenditures involved in the organisation and holding of this Seminar.

# Book Review

**Geschichte der Deutschen Konsumgenossenschaften (History of German Consumers' Co-operatives)**

*By Dr Erwin Hasselmann. Published jointly by Coop Verlag GmbH, Hamburg, and Fritz Knapp Verlag GmbH, Frankfurt am Main, 1971. With 8 portraits, statistical appendix, select bibliography and indexes of persons and subjects. 740 pages.*

Dr Erwin Hasselmann's long-awaited history of the German Consumers' Co-operative Movement may be described without exaggeration as a monumental work, not so much by reason of its sheer size as by reason of its uniqueness. It is the first complete history of German Consumers' Co-operation. It is unlikely ever to be equalled in its comprehensiveness and is indeed its author's own monument. Dr Hasselmann has established his title and is certain to go down to posterity as *the historian* of the Consumers' Co-operation of his native country. Not only the author, but also the former Central Union of German Consumers' Societies are to be heartily thanked and congratulated, the one on the achievement of so magnificent a work, the other on its decision to commission it.

Besides the 703 pages of text, the volume contains a statistical appendix, covering over 100 years from 1863 to 1970, a bibliography, including publications of all kinds without restriction to German co-operative literature, and 20 pages of personal and subject indexes. The eight excellent portraits of co-operative leaders, namely, Hermann Schulze-Delitzsch, Eduard Pfeiffer, Heinrich Kaufmann, Heinrich Lorenz, Henry Everling, Peter Schlack, Gustav Dahrendorf and Oswald Paulig, are not the least interesting feature of the book.

The volume is a fine example of book production, which any German-reading co-operator may be proud to keep in his library. So much for its typographical merits. The structure and arrangement of the contents are even more worthy of commendation for, notwithstanding the abundance of detail, the division of the text into ten major sections enables the reader to obtain a clear view at every stage of the dominant tendencies and important features of the German Consumers' Co-operative Movement's development.

Nevertheless, it may be somewhat disconcerting for some readers to find that they have first to traverse, if they do not skip, a section on the origins and principles of Co-operation, with special consideration of the British Co-operative Movement's early history and the Rochdale Principles, before they reach the beginnings of association amongst consumers in Germany. But to begin his narrative in this way, seems to enable Dr Hasselmann to do two things: first, to make clear the differences and absence of continuity between the modern German Co-operative Movement and the mutual-aid and quasi-co-operative institutions of the middle and earlier ages; second, to bring out that consumers' co-operation was pluri-national in its origins and, through the wide-spread adoption of the Rochdale system, amongst other kinds of cross-fertilisation in ideas, international in its development.

The comparative study of Co-operative history from country to country almost everywhere reveals a period, characterised by efforts at association, some prompted by self-help, others encouraged by philanthropy, or more rarely by government, pre-

cluding the emergence of identifiable, well-defined co-operative movements. The common factor is, of course, the appearance of new economic and social problems and pressures, caused by the incipient Industrial Revolution. The normal line of co-operative evolution runs from the satisfaction of modest personal economic needs towards the realisation of far-reaching changes in society through the discovery and performance by the Movement of an effective role in the economic and social life. The vital necessity for co-operative movements, especially of consumers, is to discover their own identity and, with it, their appropriate role in the economy at any given stage of its evolution.

Approximately one-third of Dr Hasselmann's book is concerned with the search of the German Consumers' Co-operative Movement for its identity. He takes the reader first from the early, isolated, localised attempts, notably in Saxony and in Hamburg, to control the retail price and quality of consumption goods to the association of consumers' societies with the Co-operative Movement of Credit Banks and Supply Societies of Artisans, inspired by Hermann Schulze-Delitzsch and guided increasingly by the General Union of Industrial and Economic Co-operatives, founded by him in 1854. The consumers' societies, while affiliated to this Union, never occupied more than a subordinate place in it. Dr Hasselmann shows how a higher and truer evaluation of their importance and potentialities came with knowledge of the Rochdale system, and, from the 1860's onwards, through the teaching and organisational work of Eduard Pfeiffer, to whom the author assigns his rightful place in national and international co-operative history.

Parallel with the emergence of the distinctive character and aims of the consumers' co-operative was the rapidly increasing growth of a class of people for whom it had a special appeal, namely, the wage-earning workers, whose real incomes depended on the purchasing power of money. The greatly accelerated pace of industrial change in Germany after 1870 was accompanied by the formation of consumers' co-operatives by the hundred and led to the foundation in 1894 of the Wholesale Society GEG. It also led to a shift in the balance of power within the General Union, to the expulsion of some and withdrawal of more consumers' societies from

this Union, and the establishment of an independent Central Union of Consumers' Co-operatives in 1903. After half a century, these consumers' co-operatives had at last found and recognised their identity.

That they simultaneously found a role and a common philosophy was due to the teaching and leadership of Heinrich Kaufmann. Dr Hasselmann relates how Kaufmann came, after gaining experience in adult education and journalism, into the Secretariat of the GEG as Editor of its weekly Bulletin in 1900 at the age of 35. In his hands, the Bulletin "Der Wochenbericht" became the vehicle of a consumers' co-operative philosophy, which was really, as our author points out, the Rochdale system brought up to date and closely allied to the doctrines, which Mitchell and Tweddell of the English C.W.S., with the support of Beatrice Potter (Mrs Sidney Webb), had been propounding a few years before. The kernel of this philosophy was the idea of an economy, inspired, not by the pursuit of profit, but by the satisfaction of wants. Without renouncing ordinary business efficiency, the German Consumers' Co-operative Movement emphasised, by its usages and terminology, as well as by abjuring advertisement and meretricious window-display, the difference of its relation to the consumer from that of traditional retail trade and the economic system it represented. So far as long-term business policy was concerned, the leading idea was to develop vertically from distribution into production, the possibilities of which were already being demonstrated by the two British Wholesale Societies. For the short term, the policy was to retail goods wherever possible at reasonable prices, giving co-operative members an immediate advantage, if these were below the general market prices, but also to distribute a dividend in proportion to purchases, if the year's trading resulted in a net surplus, after making allocations to reserves and educational and social welfare purposes. With these features and policies, coupled with the German capacity for organisation and being organised, the growth of the Movement between the end of the 19th century and the first World War was phenomenal. The powerful influence of its example on other consumers' co-operative movements, especially in Central and Northern Europe, was one inevitable result. In the International Co-operative Alliance, it wielded a correspond-

ingly powerful influence, second only to that of the British Movement.

The preceding paragraph applies, of course, to the Central Union of Consumers' Co-operatives, its affiliates and subsidiary bodies, but not to the same degree either to the co-operatives, which remained members of the Schulze-Delitzsch Union or to the group of consumers' societies, linked with the Christian Trade Unions, which organised themselves under the leadership of Peter Schlack, in a separate Union and Wholesale Society, both based not on Hamburg but Cologne. While none of the three groups was committed to any given Political Party, they were, for many years, kept apart by differences of outlook, stemming largely from the other social, religious or secular affiliations of their members. More particularly, the attitude of the two smaller groups to the general economic system was less pointedly critical and radical than that of Kaufmann and his colleagues, influenced as they were by the contemporary social democratic thought.

The second half of Dr Hasselmann's history is taken up entirely by the vicissitudes of the German Consumers' Co-operatives since 1914. This tempestuous period of 57 years divides into five, the divisions being determined by external events, over which co-operators had no control. There were first the five years of the war and armistice, a period in which, as our author shows, the Movement gained in public esteem and the respect of governmental authorities for its resolute stand against profiteering and black marketing, as well as the technical advice it was able to give on distributive problems. In the second period, after struggling with the effects of the disastrous currency and price inflation, the Movement emerged into several years of prosperity and expansion, which ended with the great economic depression following the Wall Street crash of 1929. The Movement showed every sign of coping effectively with its economic difficulties, but it had no protection against lawless damage or the legalised suppression and dismemberment inspired by the Nazi hatred of everything democratic and the bitter antagonism manifested towards the consumers' co-operatives by numberless private traders since the Movement's earliest days. The winding-up of 80 of the largest societies from 1935 onwards was completed by a war-time decree dissolving all the rest and the

transfer of their properties either to private hands or the custody of the Nazi "Labour Front". Fortunately, the "Third Reich" lasted not a thousand, but only twelve years. At the end of this third period, there were still enough co-operators available, either working in the sequestered enterprises or in private or self-employment, or in retirement, to come together spontaneously to revive the Movement and reconstruct its organisation in the fourth period.

In the work of reconstruction, German co-operators, led by Henry Everling, Peter Schlack and Gustav Dahrendorf, very wisely abandoned the former ideological groupings and combined locally in one society and nationally in a single Union and a single Wholesale Society, at least in the western zones of military occupation. In the eastern zone, however, the occupying Power had issued before the end of 1945 a decree, authorising the creation of Consumers' Co-operative Unions for both trading and other purposes, in which was vested all former co-operative property. Their development proceeded under different conditions and in a different direction from the Consumers' Co-operation in the western states (Länder) which, in 1949, coalesced in the Federal Republic of Germany, and it is not included in Dr Hasselmann's history. This reconstruction period, during which most of the real property sequestered by the Nazis was returned to co-operative ownership, the Central Federations re-established, the societies' internal democratic machinery restored to working order and much of the former membership and its trading loyalty recovered, lasted five or six years.

The fifth period was initiated by the great surge of economic development, which followed the introduction of the present Deutsche Mark (DM) currency in 1948. From sombre depths of economic chaos and misery, the German workers were lifted in a decade to dazzling heights of prosperity and touched the fringes of affluence. With the influx of American capital came in American systems of retailing, which confronted the consumers' societies with unprecedented and formidable competition. The modest economies they effected for their members began to lose their significance. Their "image" was tarnished by association with the poverty of other days. They had not merely to modernise their

methods and organisation; they had to seek and find urgently a new and valid role in economic and social life in order to survive. Dr Hasselmann's concluding chapters describe the determined efforts made by the German co-operators to regroup their forces, to rationalise and consolidate their organisation, to recruit first-class ability, to bring their techniques up to the best contemporary standards, to tap fresh sources of capital and to convince the German public that Co-operation is a countervailing power capable of protecting their interests as consumers and worthy of their support and allegiance. The battle continues.

The preceding paragraphs give no more than glimpses of the story which Dr Hasselmann has told so vividly without sacrificing balance or accuracy. The picture is three-dimensional.

No important aspect of the Movement's activity is neglected. The development of its commercial and industrial enterprises, its work in the fields of training and education and its efforts to free itself from legal restrictions designed to defend the vested interests of its competitors are described and explained with clarity and ease. Not merely knowledge and information are to be gained within its pages. Those who seek diligently will surely find many of the lessons which history alone can teach. Yet the work, while indispensable henceforth for purposes of reference, is much more than that. It is a book to be enjoyed at leisure over many years, for it is a contribution of the utmost value to the co-operative literature of our time.

W.P.W.

# Annotated List of Books Received at the ICA Library

## **AMES, J. W.**

### **Without Boundaries. Co-operative Sweden Today—and Tomorrow.**

220 pp; tabs; photos; charts. Manchester Co-operative Union Ltd., 1971 (obtainable from K.F., Stockholm, at Skr. 5.-).

*A full description of the Swedish Consumer Co-operative Movement, its structure and latest developments in warehousing and department stores; educational and technical assistance work is mentioned, and there are also chapters on agricultural, housing, insurance and oil co-operatives.*

## **ARVIDSSON, R. and DANDAPANI, S.**

### **Business Switch: An Introduction to Business Management in Retailing.**

205 pp; tabs; charts; graphs (mimeo). New Delhi, ICA, 1971.

*A companion volume to the authors' previous Book on Sales Management; in this publication, business management techniques are being discussed, drawn on experiences of consumer co-operatives in Asia.*

## **BLUME, Hans**

### **Organisational Aspects of Agro-Industrial Development Agencies.**

239 pp; bibliogr; tabs (Afrika-Studien, Nr 58). München, Weltforum Verlag, 1971. Price: DM 46.-.

*An account of nine case studies in Africa to examine organisational patterns of the division of labour between small holders and development agencies.*

## **BOURGEOIS, Edouard**

### **La coopérative agricole face aux problèmes de commercialisation.**

222 pp; graph; index; bibliogr. Paris, Editions Cujas, 1967.

*In this doctoral thesis, the author reviews the state of French agricultural co-operatives engaged in marketing, and suggests the creation of "mixed co-operatives", by joining together farmers and financiers, as a method of raising capital for co-operatives.*

## **COOPERATIVA DE AHORRO Y CREDITO SANTA ELISA COMITE DE EDUCACION**

### **Curso básico de cooperativismo.**

56 pp; tabs; diagrs. Lima, C.A.C.S.E., 1971.

*A general handbook on the Co-operative Movement, published by a Credit Co-operative in Peru.*

## **CO-OPERATIVE UNION LTD.**

**The Common Market. Report of the Special Congress of the Co-operative Union held in London on Sept. 4, 1971.**

38 pp. Manchester, Co-operative Union Ltd., 1971. Price: £0.25.

## **DECHANT, Josef**

### **Untersuchungen zur Theorie der Gesamtorganisation des Genossenschaftswesens.**

485+XXXV pp; bibliogr; charts. Erlangen, Forschungsinstitut für Genossenschaftswesen, 1970.

*A doctoral dissertation on the structure and organisation of co-operatives.*

## **DERFUSS, Joachim**

**Risiko und Risikopolitik bei förderungswirtschaftlichen Genossenschaften.**

97 pp; bibliogr; diagrs. Göttingen, Otto Schwarz & Co., 1970.

*A thesis on the commercial risks faced by different types of co-operatives in the Federal Republic of Germany.*

## ✓ **DUBHASHI, P. R.**

**Principles and Philosophy of Co-operation.**

256 pp; index; bibliogr. Poona, Vaikunth Mehta National Institute of Co-operative Management, 1970?

*An examination of Co-operative Principles, in which the author relates these to the problems which confront organisers and members of societies.*

## ✗ **ELHANCE, D. N. and SHARMA, M. D. (Editors)**

**Role of Co-operative Credit in Agricultural Development.**

144 pp; graphs; tabs. Bombay, Orient Longmans Ltd., 1968. Price: £2.00.

*This book contains 28 papers by different authors. It is divided into three sections: 1. The Role of Co-operative Credit in Agricultural Development in India; 2. The Structure, Functional Techniques and Operations of Co-operative Credit Institutions; 3. The Role of the State, the Reserve Bank of India and other Institutions in the Promotion of Co-operative Credit.*

## ✓ **FALS BORDA, Orlando**

**Co-operatives and Rural Development in Latin America. An Analytical Report. (UNRISD Report No. 71.1—Rural Institutions and Planned Change, Vol. III.)**

147 pp; app. Geneva, United Nations Research Institute for Social Development, 1971.

*An analysis of case materials on co-operatives in Latin America, already published by UNRISD in 1970: "Estudios de la realidad campesina: cooperación y cambio." This report is somewhat pessimistic about the role of co-operatives.*

## **FELIZ SANCHEZ, Danilo Arturo**

**El Derecho Cooperativo Dominicano—Una introducción crítica.**

134 pp; bibliogr. Santo Domingo, Ed. Mundo Moderno, 1971.

*A study of co-operative law, with special reference to the Dominican Republic.*

## **GUNAWARDANA, H. P. Lionel**

**ICA in South-East Asia—the First Decade.**

142 pp; photos; tab. New Delhi, ICA, 1971. Price: RS 12.00 or US \$1.50.

*A review of the first ten years' work of the Office, issued to mark the tenth anniversary celebrations.*

## **HOUÉE, Paul**

**Coopération et organisations agricoles françaises—bibliographie.**

404 pp; tabs. Paris, Editions Cujas, 1969.

*A comprehensive bibliography of works on French co-operatives and other agricultural organisations from 1884 to 1966.*

## **INSTITUTO DE ECONOMIA Y COOPERATIVISMO (INDESCO)**

**Curso básico de cooperativismo (por Marco A. Mansilla).**

92 pp; illus; bibliogr; graphs. Bogotá, INDESCO, 1971.

*A basic handbook for students on the Co-operative Movement, published in Colombia.*

## **INTERNATIONAL LABOUR OFFICE**

**Report on the International Seminar on Workers' Participation in Decisions within Undertakings (Belgrade, 2 to 11 December, 1969).**

156 pp; charts (mimeo). Geneva, ILO, 1970.

**LASSERRE, G. and WRONSKI, H. and CHAMBRE, R. P.**

**Les coopératives de consommation en U.R.S.S.**

175 pp; tabs; graphs. Paris, Editions Cujas, 1969.

*This book is divided into three sections: 1. Historical Aspects of Co-operatives in the USSR; 2. Analysis of the Place of Co-operatives in the Soviet Economy; also Organisational and Managerial Descriptions; 3. A Report of a Study Tour.*

**LOCKWARD ARTILES, Andres**

**Economía y Cooperativismo (Incidencia del cooperativismo en la economía Dominicana).**

179 pp; tabs; diags. Santa Domingo, Editora del Caribe, 1971.

*The history and development of Co-operatives in the Dominican Republic. These were started in the 1940's and are now existing in the fields of credit, retailing, agriculture, fisheries and insurance.*

**MEYER, Egon**

**Der Moshav. Die Dorfkooperative in Israel unter besonderer Berücksichtigung des Moshav Ovdim im Zeitraum 1948-1963.**

123 pp; bibliogr; tabs; photos; diags; summary in English. Basel, Cyklos Verlag, 1967, Tübingen, J.C.B. Mohr (Paul Siebeck), 1967.

*A dissertation on the Moshav Ovdim in Israel during the period of 1948 to 1963.*

**NATIONAL AGRICULTURAL CO-OPERATIVE MARKETING FEDERATION LIMITED**

**Report of the Conference of Chairmen and Managing Directors, General Managers, Secretaries of State Co-operative Marketing Federations, 17-18/4/70.**

132 pp; photos; tabs. New Delhi, NAFED (1971 ?).

**STERIN, Alain**

**Les coopératives de la dernière chance: le cas des fruits et légumes.**

244 pp; index; tabs; bibliogr. Paris, Editions Cujas, 1967.

*An analysis of the system of marketing of horticultural products in France, and the failures and successes of co-operatives within this system.*

**TURKISH CO-OPERATIVE ASSOCIATION**

**Co-operatives in Developing Countries and Turkish Experience.**

85 pp; tabs. Ankara, T.C.A., 1971.

*A collection of papers given at a seminar, held in Ankara in 1970, on the theme of training and education in co-operatives in developing countries.*

**UNION DU CREDIT COOPERATIF**

**Epargne et crédit en développement coopératif.**

226 pp; bibliogr. Paris, U.C.C., 1970 (Supplément à "Economie Coopérative", no. 22, Sept. 1970).

*A collection of papers, published on the occasion of the Second International Thrift and Credit Conference, held in Paris in 1970. The material covers the extent and organisation of Credit Societies in France.*

A.L.



**International Co-operative Alliance  
Regional Office and Education Centre for  
South-East Asia**

**Regional Director: Mr P. E. Weeraman  
PO Box 3312, 43 Friends Colony  
New Delhi 14, India. Tel. 631541 ; 632093.**

**International Co-operative Alliance  
Regional Office for East and Central Africa**

**Regional Director: Mr Dan Nyanjom  
PO Box 946, Moshi, Tanzania. Tel. 2616.**

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## Affiliated Organisations

**Algeria:** Société Coopérative Musulmane Algérienne d'Habitation et d'Accession à la Petite Propriété, 6 et 8 rue du Cercle Militaire, Oran. Tel. 205-00; 237-75; 368-64; also at - 21 rue Edgar Quinet, Algiers, and 9 rue Mathurin-Régnier, 75 Paris 15e.

**Argentina:** Federación Argentina de Cooperativas de Consumo, Avda. Suárez 2034, Buenos Aires. Tel. 28-5381/3.

Intercoop, Editora Cooperativa Limitada, Humberto 1°, 2318—1° P.-A., Buenos Aires. Tel. 99-3193.

Asociación Argentina de Cooperativas y Mutualidades de Seguros, Belgrano 530, 5 Piso, Buenos Aires. Tel. 33-0222/7138.

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

Asociación de Cooperativas Argentinas, 25 de Mayo 35, Buenos Aires.

**Australia:** Co-operative Federation of Australia, President's Office: 50-54 Ferry Street, South Brisbane, Queensland 4101. Tel. 4-5083. Secretariat: 569 Wellington Street, Perth, Western Australia 6000. Tel. 21-0191.

**Austria:** "Konsumverband" Zentralverband der österreichischen Konsumgenossenschaften, Theobaldgasse 19, A-1061 Vienna VI. Tel. 57-75-38.

Membership (1967): 476,200; turnover: retail trade: Sch. 4,646 mill. (thereof consumers' societies: Sch. 3,895 mill.; department stores: Sch. 713 mill.; other retail trade: Sch. 38 mill.); wholesale society (G.Ö.C.): Sch. 1,821 mill.; own production: consumers' societies: Sch. 472 mill.; G.Ö.C. and subsidiaries: Sch. 415 mill.

Bank für Arbeit und Wirtschaft A.G., Seitzergasse 2-4, Vienna 1.

Zentralkasse der Konsumgenossenschaften, Theobaldgasse 19, Vienna VI.

Österreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, 1 Bösendorferstrasse 7/11, 1010 Vienna. Tel. 65-71-63; 65-13-25.

1969: Affiliated organisations: 301 (comprising 189 societies and 112 associations); membership: 146,767; dwellings administered: 310,124 (comprising 136,462 societies and 173,662 associations); balance at 1968: 45.2 milliard Sch. (divided as to societies 22.2 milliards, associations 23 milliards).

Österreichischer Raiffeisenverband, Seilergasse 16, Vienna 1. Tel. 52-69-34.

**Bangladesh:** Bangladesh Samabaya Union Ltd., 9/D- Motijheel Commercial Area, 8th floor, Dacca 2. Tel. 255846.

Provincial Fishermen's Co-operative Society Ltd., Iqbal Road, Patharghata, Post Box 27, Chittagong. Tel. 80587; 85967.

**Belgium:** Fédération belge des Coopératives (FEBECOOP), 26-28 rue Haute, Brussels 1. Tel. 13-28-60; 11-83-50.

Affiliated consumers' societies: 21; membership: 300,000; turnover (1968): Frs. 4,180 mill.; shops: 1,409; Wholesale society turnover (1968): Frs. 1,272 mill.

Société Coopérative d'Assurances "La Prévoyance Sociale", P.S. Building, 151 rue Royale, Brussels 3. Tel. 18-80-80.

Premiums (1966): Frs. 1,903 mill.; reserves: Frs. 6 milliards; insurance funds, life: Frs. 20 milliards.

Fédération Nationale des Coopératives Chrétiennes, 135 rue de la Loi, 1040 Brussels 4. Tel. 35-60-90.

(1967): 1,250 shops; turnover: Frs. 1,430 mill.; Savings Bank: 2,050 branches; 500,000 members; deposits: Frs. 12 milliards; Insurance Society: 290,000 policy holders; premiums: Frs. 450 mill.; reserves: Frs. 1,300 mill.

L'Economie Populaire, 30 rue des Champs, 5300 Ciney (Namur). Tel. (083) 228-01.

Branches (1970): 466; membership: 98,456; turnover: F.B. 1,319,070,000; savings deposits: F.B. 380 mill. + 340 mill. CEP (Private Savings Bank, Ltd.); capital and reserves: F.B. 208 mill.

L'Institut Provincial de Coopération Agricole, 42 rue des Augustins, Liège. Tel. Liège 32-36-52.

**OPHACO** (Office des Pharmacies Coopératives de Belgique), 602 Chaussée de Mons, Anderlecht-Brussels. Tel. 22-56-90.

Union of 28 co-operative societies owning 360 pharmacies, 68 optical departments and counters, 7 drug stores, 14 wholesale depots. Turnover (1963): Frs. 1,250 mill. Surplus distributed to 400,000 members: Frs. 95 mill.

Centrale des Caisses Rurales du Boerenbond Belge (CERA), Minderbroedersstraat 8, 3000 Leuven. Tel. 016/279.31.

**Bulgaria:** Central Co-operative Union, Rue Rakovski 103, Sofia. Tel. 7-83-11; 8-03-11.

Central Union of Productive Co-operatives, Boulevard Dondoukov 41, Sofia. Tel. 88-45-90.

**Cameroon (West):** West Cameroon Co-operative Association Ltd., P.O. Box 135, Kumba, Meme Division, West Cameroon. Tel. Kumba 251.

**Canada:** Co-operative Union of Canada, 111 Sparks Street, Ottawa 4, Ont. Tel. 232-9657.  
A federation of English-language co-operative organisations, organised in 1909.

Conseil Canadien de la Coopération, Case postale 58, Station N, Montréal 129. Tel. (514) 866-8048.

**Ceylon:** Co-operative Federation of Ceylon, P.O. Box 1669, Co-operative House, 455 Galle Road, Colombo 3. Tel. 85496.

**Chile:** Federación Chilena de Cooperativas de Ahorro y Credito, Ltda., Dieciocho 246, Clasificador 760, Santiago de Chile. Tel. 61373.

Cooperativa Sodimac Ltda., Casilla 3110, Santiago de Chile. Tel. 734023.

Cooperativa de Empleados Particulares Ltda., Teatinos 601, Casilla 424, Santiago de Chile. Tel. 82935.

Instituto de Financiamiento Cooperativo, IFICOOP, Ltda., Agustinas 853, Oficina 547, Casilla 1118, Santiago de Chile. Tel. 398253.

Unión Cooperativa de Seguros (Ucoseg) Ltda., Moneda 1040, of. 704-705, Santiago de Chile. Tel. 81295; 65100.

Unión de Cooperativas de Consumo y Servicios de Chile Ltda. ("U-Coop"), Agustinas 1141, 7° Piso, Casilla 14439, Santiago de Chile. Tel. 715256.

**Colombia:** Cooperativa Familiar de Medellín Ltda., Calle 49, No. 52-49, Medellín. Tel. 45-00-55; 41-71-13; 41-53-78.

**Congo, Democratic Republic of:** See "Zaire".

**Cyprus:** Co-operative Central Bank Ltd., P.O. Box 1447, Nicosia. Tel. 62921; 62677; 63311.

Cyprus Turkish Co-operative Central Bank Ltd., P.O. Box 791, Nicosia. Tel. 4257.

Vine Products Co-operative Marketing Union Ltd., P.O. Box 314, Limassol. Tel. 2331; 2872; 4582.

**Czechoslovakia:** Ustredni Rada Druzstev, Tesnov 5, Prague 1. Tel. 621-54; 647-51.

**Denmark:** De samvirkende danske Andels-selskaber (Andelsudvalget), Vester Farimagsgade 3, DK-1606 Copenhagen V. Tel. (01)12-14-19. Representing 30 national organisations, comprising: consumers' societies, agricultural production, marketing and purchase societies, other production and marketing societies, insurance societies, banking societies. Membership: 750,000 individual members.

Det Kooperative Faellesforbund i Danmark, Kronprinsensgade 13, 1114 Copenhagen K. Tel. (01)12-22-62.

Affiliated societies (1963): 634; total sales: D.Kr. 1,582 mill.; employees: 12,500; comprising consumers', workers', artisans', productive and housing societies, etc.

Faellesforeningen for Danmarks Brugsforeninger (FDB), Róskildevej 65, Albertslund. Tel. (01)64-88-11.

Affiliated societies (1969): 1,742; members: 839,000; turnover: 4,032 mill. D.Kr.; wholesale turnover: 2,198 mill. D.Kr.; own production: 741 mill. D.Kr.

**Finland:** Suomen Osuuskappojen Keskus-kunta (S.O.K.), Vilhonkatu 7, 00101 Helsinki 10. Tel. 90-650-611.

Affiliated societies (1971): 259; members: 593,933; whole-sale turnover: Fmk. 2,195 mill.; own production of SOK: Fmk. 337 mill.

Yleinen Osuuskappojen Liitto r.y. (Y.O.L.), Vilhonkatu 7, 00101 Helsinki 10.

Affiliated societies (1971): 259; members: 593,933; turn-over of societies: Fmk. 3,457 mill.; total production of the affiliated societies: Fmk. 55 mill.

Kulutusosuuskuntien Keskusliitto (K.K.), r.y., P.O. Box 740, 00101 Helsinki 10. Tel. Helsinki 10491.

Affiliated societies (1970): 75; members: 574,733; turn-over: Fmk. 2,133.9 mill.; own production: Fmk. 274.8 mill.

Keskusosuusliike O.T.K., P.O. Box 120, 00101 Helsinki 10. Tel. 71-13-22; 70731.

Affiliated societies (1970): 75; turnover: Fmk. 1,330.8 mill.; own production: Fmk. 431.9 mill.

Pellervo-Seura, Central Organisation of Farmers' Co-operatives, Simonkatu 6, Helsinki K. Tel. 61046.

Affiliated organisations (1963): 10 central organisations; 1,102 societies.

**France:** Fédération Nationale des Coopératives de Consommation, F.N.C.C., 89 rue la Boétie, 75 Paris VIII. Tel. 225-99-98.

Affiliated societies (1970): 315; membership: 3,400,000; shops: 8,300; turnover: NF. 6,100 mill.

**Société Générale des Coopératives de Consommation**, 61 rue Boissière, 75 Paris XVI. Tel. 553-88-22.

**Fédération Nationale des Sociétés Coopératives Ouvrières de Production du Bâtiment, des Travaux Publics et des Matériaux de Construction**, 88 rue de Courcelles, 75 Paris VIII. Tel. 622-40-48; 622-45-20.

**Confédération Générale des Sociétés Coopératives Ouvrières de Production**, 88 rue de Courcelles, 75 Paris VIII. Tel. 622-07-81/2.

**Banque Française de Crédit Coopératif**, 88 rue de Courcelles, 75 Paris VIII. Tel. 227-48-03.

**Confédération Nationale de la Coopération, de la Mutualité et du Crédit Agricoles**, 129 Bd. St. Germain, 75 Paris VI. Tel. 033-93-31.

**Caisse Nationale de Crédit Agricole**, 91-93 Boulevard Pasteur, 75 Paris XV. Tel. 273-90-00.

**Fédération Nationale des Sociétés Coopératives d'Habitation à Loyer Modéré (H.L.M.)**, 20 rue de Richelieu, 75 Paris 1er. Tel. 266-4520.

**Confédération des Coopératives de Construction et d'Habitation, "L'Habitation"**, 3 ave. du Coq, 75 Paris 9e. Tel. 742-45-79; 874-67-62.

**Confédération des Organismes de Crédit Maritime Mutuel**, 18 bis, Avenue Hoche, 75 Paris VIII. Tel. 267-14-50.

**Gambia (The)**: The Gambia Co-operative Union Ltd., P.O. Box 505, Bathurst. Tel. 581.

**German Democratic Republic**: Verband Deutscher Konsumgenossenschaften (VDK), Stresemannstrasse 128, 108 Berlin.

**Federal Republic of Germany**: Bund deutscher Konsumgenossenschaften G.m.b.H., Besenbinderhof 52, (2) Hamburg 1. Tel. (0411)284-4001.

Affiliated societies (December 1969): 115; membership (end of 1969): 2,235,000; turnover (1969): D.M. 4,827 milliards.

**Grossverkaufs-Gesellschaft deutscher Konsumgenossenschaften m.b.H.**, Besenbinderhof 52, (2) Hamburg 1. Tel. (0411)284-4310.

Total turnover incl. subsidiaries (1969): D.M. 2,462 milliards.

**Gesamtverband gemeinnütziger Wohnungsunternehmen e.V.**, Breslauer Platz 4, 5 Cologne 1. Tel. 72-04-15.

**Volksfürsorge Lebensversicherung Aktiengesellschaft**, An der Alster, (2) Hamburg 1.

**Volksfürsorge Deutsche Sachversicherung Aktiengesellschaft**, Steinstrasse 27, (2) Hamburg 1.

**Deutscher Raiffeisenverband e.V.**, Adenauerallee 127, 53 Bonn. Tel. (0-22-21) 1061.

**Ghana**: The Alliance of Ghana Co-operatives Ltd., Post Office Box 2068, Co-operative House, Liberty Avenue, Accra. Tel. 25560.

**Greece**: Pan-Hellenic Confederation of Unions of Agricultural Co-operatives (S.E.S.), 56 El. Venizelou Street, Athens 142. — Membership suspended.

**Guyana**: Guyana Co-operative Union Ltd., Ministerial Buildings, High Street and Brickdam, Georgetown.

**Haiti (W.I.)**: Caisse Populaire Dominique Savio, 57 Rue Rigaud, Pétiou-Ville.

**Hungary**: Federation of Hungarian Co-operative Societies. Szabadság 14, Budapest V. Tel. 113-600; 112-800.

National Council of Industrial Co-operatives, Pesti Barnabás 6, Budapest V. Tel. 188-800; 188-806.

National Co-operative Council, Szabadság tér 14, Budapest V. Tel. 113-600; 112-800.

National Council of Hungarian Agricultural Co-operatives, Akadémia utca 1-3, Budapest V.

**Iceland**: Samband Isl. Samvinnufélaga, Reykjavik. Tel. 17080.

**India**: National Co-operative Union of India, 72 Jorbagh, New Delhi 3. Tel. 611123; 611343; 619328.

**Iran**: Sepah Consumers' Co-operative Society, Avenue Sevvom Esfand, Rue Artèche, Tehran. Tel. 332015; 332019.

Credit and Housing Co-operative Society of Iran, 20-22 Shahabad Avenue, Tehran.

Central Organisation for Rural Co-operatives of Iran, 357 Pahlavi Avenue, Tehran. Tel. 64210.

Consumers and Services Co-operative Society for the Ministry of Labour and Social Affairs Employees, Ministry of Labour and Social Affairs, Tehran.

**Ireland**: Irish Agricultural Organisation Society Ltd., The Plunkett House, 84 Merrion Square, Dublin 2. Tel. 64783/4-6.

National Organising and Advisory Body for Agricultural Co-operatives. Affiliated societies: 333; membership: 127,000; turnover (1967): £152 mill.

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

**Israel**: General Co-operative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., P.O.B. 303, Tel-Aviv. Tel. 46111-35.

Affiliated societies and companies (1963): 1,855 in all branches.

"Merkaz" Audit Union of the Co-operative Societies for Loans and Savings, *44 Rothschild Bd., P.O. Box 75, Tel-Aviv.* Tel. 65085.

"Haikar" Audit Union of Agricultural Societies of the Farmers' Federation of Israel, *8 Kaplan Street, P.O.B. 209, Tel-Aviv.* Tel. 250881.

"Bahan" Audit Union of Agricultural Co-operative Societies in Israel, *47 Nahmani Street, P.O.B. 622, Tel-Aviv.* Tel. 614933.

**Italy:** Lega Nazionale delle Cooperative e Mutue, *Via Guattani 9, Rome.* Tel. 868-141/2-4.

Confederazione Cooperative Italiane, *Borgo Santo Spirito 78, 00193 Rome.* Tel. 653-875; 565-605; 565-614.

Associazione Generale delle Cooperative Italiane, *Via Parma N. 22, 00184 Rome.* Tel. 462-659; 471-846.

**Jamaica (W.I.):** Jamaica Co-operative Union Ltd., *14-16 Barry Street, Kingston.* Tel. 24737.

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

Zenkoku Nogyokyodokumiai Chuokai (Central Union of Agricultural Co-operatives), *5, 1-chome, Otemachi, Chiyoda-ku, Tokyo.*

Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fisheries Co-operative Associations), *Sankaido Building no. 9-13, 1-chome, Akasaka, Minato-ku, Tokyo.*

National Federation of Forest Owners' Co-operative Associations, *11-35, Nagato-cho, 1-chome, Chiyoda-ku, Tokyo 100.*

**Jordan:** Jordan Co-operative Organisation, *P.O.B. 1343, Amman.* Tel. 23101/3.

**Kenya:** Kenya National Federation of Co-operatives Ltd. *P.O.B. 9768, Nairobi.* Tel. 21486.

**Korea:** National Agricultural Co-operative Federation, *75, 1st Street, Chung-Jong-Ro, So-daemun-ku, Seoul.* Tel. 73-0021; 75-2681.

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

Co-operative Central Bank Ltd., *29 Leboh Ampang, P.O. Box 685, Kuala Lumpur.* Tel. 26531/4.

Co-operative Bank Malaysia Ltd., *140 Jalan Ipoh, Peti Surat 1024, Kuala Lumpur.* Tel. 299677; 299679.

Sarawak Co-operative Central Bank Ltd., *Kuching, Sarawak.*

Malaysian Co-operative Insurance Society Ltd., *36 Jalan Ampang, P.O. Box 817, Kuala Lumpur.* Tel. 87915/6.

**Malta:** Farmers' Central Co-operative Society Ltd., *New Building, Middleman Street, Marsa.* Tel. Cent 24896.

**Mauritius:** Mauritius Co-operative Union, *Co-operation House, Dumat Street, Port Louis.* Tel. Port Louis 822.

**Netherlands:** Coöperatieve Vereniging U.A., Centrale der Nederlandse Verbruikcoöperaties, "CO-OP Nederland", *Postbus 6008, Vierhavenstraat 40, Rotterdam 7.* Tel. (010) 235180.

Association of Enterprises on a Co-operative Basis, *Bloemgracht 29, Amsterdam.* Tel. 62303.

**Nigeria:** Co-operative Union of Western Nigeria, Ltd., *c/o Co-operative Buildings, New Court Road, Ibadan.* Tel. Ibadan 24399; 24446.

Lagos Co-operative Union Ltd., Co-operative Office, *147 Broad Street, Lagos, W. Nigeria.* Tel. 58920/85.

Mid-Western Nigeria Co-operative Federation Ltd., *Private Mail Bag 1021, No. 4 Murtala Mohammed Road, Benin City, Mid-Western State.* Tel. Benin 594.

**Norway:** Norges Kooperative Landsforening, *Revierstredet 2, Oslo 1.* Tel. (47-2)20-62-90.

Affiliated societies (1970): 753; membership: 406,000; turnover of local societies: Kr. 3,500 mill.; of N.K.L.: Kr. 1,149 mill.

Norske Boligbyggelags Landsforbund (NBBL), *Trondheimsveien 84-86, Oslo 5.* Tel. 33-32-42.

**Pakistan:** West Pakistan Co-operative Union, *5 Court Street, P.O.B. 905, Lahore 1.* Tel. 54203.

Karachi Central Co-operative Bank Ltd., *14 Laxmi Building, Bunder Road, Karachi 2.* Tel. 36185.

Karachi Central Co-operative Consumers' Union, *Iqbal Market and Cold Storage, Soldier Bazar, Karachi.* Tel. 70917.

Karachi Co-operative Housing Societies' Union, *Shaheed-e-Millat Road, Karachi 5.* Tel. 40244.

Karachi Co-operative Union Ltd., *Co-operative House, Shaheed-e-Millat Road, Karachi 5.* Tel. 230289.

Fishermen's Co-operative Society Ltd., *Fish Harbour, West Wharf, P.O. Box 5328, Karachi.* Tel: 229101; 224457.

Sind Baluchistan Provincial Co-operative Bank, Ltd., *Provincial Co-operative Bank Bldg., Serai Road, P.O. Box 4705 Karachi 2.* Tel. 32361; 37290; 34736.

**Peru:** Cooperativa de Seguros "INCA" Ltda., No. 181, Av. Brasil 1360, Apartado 10159, Lima 21.

Cooperativa de Seguros del Peru, *Maximo Abril 542, Lima*. Tel. 46769.

**Philippines:** Central Co-operative Exchange Inc., P.O.B. 1968, Manila. Tel. 7-60-09.

Grains Marketing Co-operative of the Philippines "Gramacop" Inc., 107-D Arellano Street, Calocan City. Tel. 23-91-40.

**Poland:** Central Agricultural Union of "Peasant Self-Aid" Co-operatives, *Kopernika 30, Warsaw*. Tel. 26-39-69; 26-10-81.

Central Union of Building and Housing Co-operatives, *Ul. Marchlewskiego 13, Warsaw*. Tel. 20-90-29.

"Spolem" — Union of Consumer Co-operatives, *Grazyny 13, Warsaw*. Tel. 45-32-41.

Central Union of Work Co-operatives, *Surawia 47, Warsaw*.

Supreme Co-operative Council, *Ul. Jasna 1, Warsaw*. Tel. Warsaw 26-72-21; 27-13-26.

**Portugal:** UNICOOPE - Uniao Cooperativa Abastecedora, S.C.R.L., *Avenida Almirante Reis, 127-4. Dt., Lisbon 1*. Tel. 315843.

**Puerto Rico:** Co-operative League of Puerto Rico, *458 Fernando Calder Street, Box 177, Roosevelt*. Tel. 766-2592; 766-1382.

**Romania:** Uniunea Centrala a Cooperativelor de Consum, "Centrocoop", *Strada Brezoianu 31, Sectorul 7, Bucharest*. Tel. 16-00-10; 13-87-31.

1969/70: Associated 1,728 Consumers' Co-operatives in 39 District Unions; membership: 7 mill.; 28,000 retail shops: of which 8,100 public catering units; 7 processing and marketing enterprises; 18 production enterprises; 17 building enterprises; 20,400 servicing units; 18 educational centres.

Central Union of Handicraft Co-operatives, "UCECOM", *46, Calea Plevnei Street, Sector VII, Bucharest*. Tel. 13-16-48.

Uniunea Nationala a Cooperativelor Agricole de Productie, "Uncap", *25 Bd. Gheorghe Gheorghio-Dej, Bucharest*.

**Singapore:** Singapore Co-operative Union Ltd., *Post Box 366; Office and Library: 3-JJK Clifford House, Singapore 1*.

**Sweden:** Kooperativa Förbundet, *S-104 65 Stockholm 15*. Tel. International: 46-8-449560; National: 08-44-90-60.

Affiliated retail societies (1970): 232; membership: 1,605,500; total turnover of consumer societies: Kr. 8,100 mill.; turnover of K.F.: Kr. 6,649 mill. (thereof Kr. 4,835 mill. to affiliated consumer societies); K.F.'s own production: Kr. 3,102 mill.; total capital (shares, reserves and surplus) of K.F.: Kr. 1,105 mill. and of affiliated retail societies: Kr. 1,332 mill.

Hyresgästernas Sparkasse- och Byggnadsför- eningars Riksförbund (H.S.B.), *Fleminggatan 41, Fack, S-100 21 Stockholm 18*. Tel. 54-05-40.

1970: Affiliated Building Societies: 96; with individual members: 345,000; number of flats administered by local societies: 311,500; value of real estate: Kr. 15,735 mill.

Svenska Riksbyggen, *Hagagatan 2, P.O. Box 19015, S-104 32 Stockholm 19*. Tel. (08)34-05-20.

Folksam Insurance Group, *Folksam Building, Stockholm 20*. Tel. 22-01-00.

Lantbrukarnas Riksförbund, *S-105 33 Stock- holm*. Tel. (08)14-16-00.

Kooperativa Gillesförbundet, *S-104 65 Stock- holm 15*. Tel. (08)44-90-60; (08)44-95-60.

**Switzerland:** Coop Schweiz, *Thiersteinerallee 14, CH 4002 Basle*. Tel. (061)35-50-50.

Affiliated societies (1970): 276; retail outlets: 2,451; membership: 899,320; Coop-total turnover: Frs. 3,432.3 mill.; Coop-retail turnover: Frs. 2,893.0 mill.; Coop Schweiz, wholesale turnover: Frs. 1,743.5 mill.

Verband otschweiz. landwirtschaftlicher Ge- nossenschaften (V.O.L.G.), *Schaffhauserstrasse 6, Winterthur 8401*.

Verband sozialer Baubetriebe, c/o *SBHV, Sihlpostfach, Zürich*.

Genossenschaftliche Zentralbank, *Aeschenplatz 3, CH 4002 Basle*. Tel. (061) 23-84-00.

CO-OP Lebensversicherungs-Genossenschaft Basel, *Aeschenvorstadt 67, CH 4002 Basle*.

**Tanzania:** Co-operative Union of Tanganyika Ltd., *National Co-operative Building, P.O. Box 2567, Dar-es-Salaam*. Tel. 23077; 23344; 23347.

**Thailand:** Co-operative League of Thailand, *4 Pichai Road, Dusit, Bangkok*. Tel. 811414.

**Turkey:** Türk Kooperatifcilik Kurumu (Turkish Co-operative Association), *Mithatpasa Caddesi 38, Yenisehir, Ankara*. Tel. 12-43-73.

**Uganda:** Uganda Co-operative Alliance, *P.O.B. 2215, Kampala*. Tel. 56984/6.

**U.S.S.R.:** Central Union of Consumers' Co- operative Societies of the U.S.S.R., "Centro- soyus", *Tcherkassky per no. 15, Moscow*. Tel. 221-7253.

Consumers' societies (1970): 14,868; members: 59.637 mill.; shops: 369,700.

**United Kingdom:** Co-operative Union Ltd., *Holyoake House, Hanover Street, Manchester M60 0AS*. Tel. (061) 834-0975.

Affiliated retail societies (1969): 469; membership: 12,500,000; share capital: £181 mill.; retail sales: £1,132 mill.

**Co-operative Wholesale Society Ltd., P.O.B. 53, New Century House, Corporation Street, Manchester M60 4ES.** Tel. (061) 834-1212.

**Co-operative Insurance Society Ltd., Miller Street, Manchester 4.** Tel. (061) 832-8686.  
Assets (1964): £369 mill.

**Scottish Co-operative Wholesale Society Ltd., Centenary House, 100 Morrison Street, Glasgow C.5.** Tel. (041) 429-2100.

Affiliated societies (1967): 153; sales: £89,008,059; reserves and insurance funds: £9,474,291; total resources: £23,139,384.

**U.S.A.:** Co-operative League of the U.S.A., 1828 L Street, NW, Washington, D.C. 20036. Tel. (202) 872-0550.

**Uruguay:** Centro Cooperativista Uruguayo, Dante 2252 Montevideo. Tel. 41-25-41; 40-90-66.

**Yugoslavia:** Glavni Zadruzni Savez FNRJ, Terazije 23/VI, Belgrade. Tel. 30-947/9.

**Zaire:** Centrale Générale des Coopératives Angolaises, B.P. 6039, Kinshasa 1.

**Zambia:** Eastern Province Co-operative Marketing Assoc. Ltd., P.O.B. 108, Chipata. Tel. 439; 485.

National Co-operative Development Committee, Mulungushi House, Independence Avenue, P.O. Box 1229, Lusaka. Tel. Lusaka 51744.

## **INTERNATIONAL ORGANISATIONS**

Organization of the Co-operatives of America, G.P.O. Box 4103, San Juan, Puerto Rico 00936. Tel. 765-8520

Nordisk Andelsförbund (Scandinavia), 3 Axel-torv, Copenhagen V, Denmark. Tel. 15-15-33.

International Co-operative Bank Co. Ltd. (INGEBA), Dufourstrasse 54, P.O.B. 711, CH 4002 Basle, Switzerland. Tel. (061)23-58-27.

International Co-operative Petroleum Association, 28 West 44th Street, New York, N.Y. 10036, U.S.A. Tel. LA 4-4455.

Sociedad Interamericana de Desarrollo de Financiamiento Cooperativo (SIDEFCOOP), Casilla de Correo 4311, Buenos Aires, Argentina.

International Co-operative Housing Development Association (ICHDA), Suite 1007, 1012-14th Street, N.W. Washington, D.C. 20005, U.S.A. Tel. 202-737-3420.

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The official Organ of the International Co-operative Alliance

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# Map of Poland



- State Boundaries
  - Boundaries of Regional and County Areas
  - o Seats of Regional and County Areas
  -  Number of co-operative members (in thousands)
  -  Number of co-operative societies
- Co-operatives in Poland (date as of January 1, 1971)



# Development of Polish Co-operatives

**Tadeusz Janczyk** President Supreme Co-operative Council

Poland is a leading country in regard to the development of the co-operative movement. Both the number of members, and the type and scope of activities, constitute a rare example of comprehensive expansion of the co-operative movement.

Poland has lived through hard times. At the end of the 18th century it lost its independence and the three neighbouring big powers divided the Polish territory among themselves, attempting to divest the population of the annexed territories of their national character, and suppressing any efforts of regaining their independence. The whole world knows of the military uprisings of the Poles who, on repeated occasions, organised armed insurrections against their oppressors.

The 19th century was a period of Polish revolutions and of contributions by the Poles to all revolutions taking place in the world, in Europe, in North and South America and other countries. It should be realised that the conquering powers' struggle against the Polish nation was not only waged in the political field or in armed battles, but also in the cultural and economic fields.

In the economic field the conquerors strived at organising an industry based on foreign production, using methods

applied in colonial countries. Polish workers constituted manpower exploited by foreign capital. The foreign powers endeavoured to destroy, by all means, the Polish middle class and to prevent its development. As Poland was primarily an agricultural country, special attention was devoted to the problem of land ownership. Each insurrection resulted in repressions in the form of expropriation of both large and small estates, and their transfer to representatives of the ruling nations. By the end of the 19th century no pretext in the form of insurrections was needed to take land from the Polish people. In the part of Poland which came under the iron rule of Bismarck's Prussia, Poles were expropriated on the basis of the law adopted in the Parliament of the Prussian Kingdom relating to the expropriation of Poles and the settlement of Germans under the colonisation law.

The struggle was also conducted in the economic field in which the co-operative movement participated. The beginning was made by farming co-operatives. In 1816, the organisation which was the precursor of Polish farming co-operatives called the Hrubieszow Society was set up. Incidentally, it operated till the second world war and was liquidated during the

Nazi occupation. In the middle of the last century, many more Polish credit and farming co-operatives were set up; also consumer co-operatives which were established following the example of Rochdale. Despite the historical calamities which have befallen Poland, destroying organisations and people, there are still in Poland today co-operatives which are a hundred years or even older. At the time of Poland's partitioning, co-operatives were the economic mainstay of the Polish community owing to the fact that they accumulated material means for the common good. In the part of Poland annexed by Prussia, Polish peasants who joined farming and credit co-operatives set up the economic basis for the struggle against expropriation. These co-operatives consolidated the unity of the Polish people and helped them to oppose the extermination policy of the conquering powers. It is a glorious chapter in the history of the Polish co-operative movement, and the traditions of those times are certainly one of the reasons for the wide-ranging development of co-operatives in Poland. One might say that along with purely economic factors, tradition has contributed strong emotional elements to the development of the co-operative movement.

In the inter-war period the Polish co-operative movement waged a hard struggle against capitalist industry and trade. Victory depended on the following factors: reliable goods, fair weight in selling the product, lower prices, returns on sales and efficient working. In the conditions of tough competition the activities of Polish co-operatives and especially consumer co-operatives affiliated to "Spolem" were efficiently organised, with the result that the number of supporters of these co-operatives grew steadily.

The outbreak of the war in 1939 marked the beginning of a dreadful period for Poland. These times are not so distant and need not be discussed in detail. However, it should be said that the persecution

of Poles reached an extent unknown in human history. Once again Polish co-operatives helped people by consolidating Polish life, and saved a great many people from death by starvation. The occupying forces destroyed many co-operatives, confiscated co-operative property, sentenced to death and to cruel sufferings many co-operative leaders.

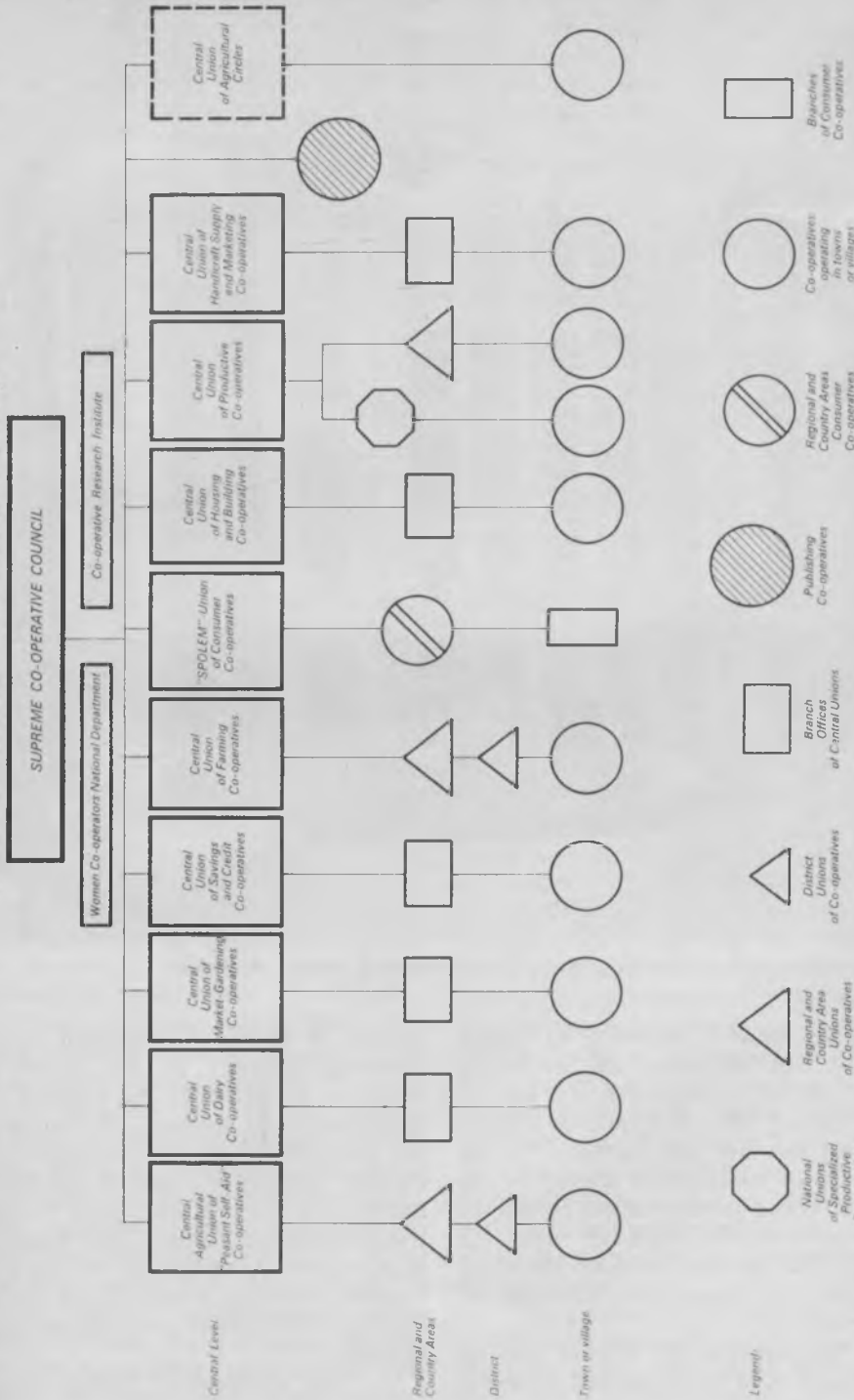
When in 1945 the Soviet and Polish troops began gradually to liberate Polish territories, military activities were immediately followed by the reorganisation of economic life by co-operatives. Poland has become a country which has lifted itself out of the ruins, and at the same time has carried out important social reforms. The co-operative movement is considered to be an inseparable element of development of social, economic and cultural life in the People's Poland.

This fact had its specific economic consequences. Co-operatives obtained far-reaching assistance from the State. They were included in the national programme and therefore permitted to purchase commodities manufactured by the State industry, and obtained the necessary amount of materials for building purposes. Last but not least, they got the privilege of obtaining bank credits at a low interest rate. The governing principle was that any commodities directed to the co-operative network must be adequately financed.

Co-operatives were provided with a strong legal basis. Article 11 of the Constitution which is the supreme law of the State, says: "the Polish People's Republic supports the development of various forms of the co-operative movement in towns and in the countryside and gives it every help in the fulfilment of its tasks, while extending special care and protection to co-operative property constituting social property."

The first Polish law on co-operatives dates back to 1920. The changed political and economic conditions, and the fact that previously unknown forms of co-operative activity were developed on a

# POLISH CO-OPERATIVE MOVEMENT (STRUCTURE)



Note: Central Union of Agricultural Circles is not a co-operative organization. However, since 1963 it has been performing auditing functions over various and productive co-operatives which are affiliated to it, according to the resolution passed by the Supreme Co-operative Council.



The Headquarters of the Supreme Co-operative Council, Warsaw

wide scale, made it necessary to amend this law. The parliament of the Polish People's Republic adopted a new law on 17th February 1961. It should be emphasised that the law was the result of the experience of co-operative activity in the People's Poland and discussions conducted in all co-operative units all over the country. The law has provided necessary conditions for democratic activities of co-operatives.

Co-operatives in Poland are an important link in the social and economic

system, a form of organised activity favouring changes in the social and economic structure of the country. The participation of millions of members in the management of their co-operatives is effected through co-operative self-government which is a practical school of collective management. Activity of co-operatives is of essential importance to the whole national economy, mostly in the fields of farming, trade, small-scale industries and housing.

The activities of Polish co-oper-

atives extend to over 50 per cent of retail trade establishments in towns and to nearly 100 per cent in rural areas. Co-operatives purchase approximately 75 per cent of farm produce sold by farmers. Almost 50 per cent of the business in catering is accounted for by co-operative restaurants. Two-thirds of the turnover in service industries and a large part of small-scale industries are carried out by various types of co-operatives. Housing co-operatives, which are more efficient than other forms of housing enterprises in the state housing sector, are constantly being developed in towns. Savings and credit co-operatives in rural areas accumulate farmers' savings and deal with the distribution of credits obtained from the State and derived from the co-operatives' own financial means. Co-operative farms are another form of co-operatives whose role has gained in importance both in nationalisation and in the expansion of farming. A good example of co-operative activities in the countryside are health co-operatives. Moreover, mention should be made of the activities of school co-operatives, "Good Housewife" centres in towns and "Modern Housewife" centres in rural areas, young farmers' clubs providing training courses in the arts and sports facilities, etc. All this illustrates the all-round activities and comprehensive development of the co-operative movement in Poland and is a proof of its economic and social value.

The last 5-year period, 1966–1970, brought about a broad development of the Polish co-operative movement. The number of members has increased from 11,920,000 in 1966 to 13,826,000 in 1970. During the same period, the number of people employed in co-operative organisations increased from 1,075,000 to 1,286,000; production plants from 27,260 to 29,500; retail shops from 84,000 to 104,000; catering establishments from 50,800 to 53,000. Economic activity was developed accordingly; the value of production increased from 81,700 million

zlotys to 110,000 million zlotys (57.8 zlotys—£1 sterling), retail sales from 160,100 million zlotys to 214,200 million zlotys; turnover in catering establishments from 10,500 million zlotys to 14,600 million zlotys, value of goods sold from 60,800 million zlotys to 70,600 million zlotys; value of services provided from 12,500 million zlotys to 18,300 million zlotys. At the end of 1970 610,000 flats were owned by housing co-operatives.

Co-operative funds amounted to 117,700 million zlotys; reserve fund (62,400 million zlotys), development fund (10,500 million zlotys) and the investments and repair fund (7,300 million zlotys) are to be used for the extension and modernisation of the economic basis, social projects, training, cultural and educational centres, etc. In 1970 allocations to these funds amounted to approximately 60 per cent of net surplus left after deduction of income tax. A total of 21,600 million zlotys was spent on investments. A demonstration of the voluntary accumulation of financial means by the people is the share fund amounting to 5,300 million zlotys, and the fund constituted by the sums paid up by members of housing co-operatives amounting to 23,100 million zlotys. The surplus made by all co-operative organisations amounted to 17,400 million zlotys.

What are the prospects of Polish co-operatives in the next few years? By 1975, retail sales in the Central Agricultural Union of "Peasant Self-Aid" Co-operatives are to grow by 41 per cent, in the "Spolem"-Union of Consumer Co-operatives by 42.3 per cent; production in the Central Agricultural Union of "Peasant Self-Aid" Co-operatives will increase by 26.2 per cent; in the "Spolem"-Union of Consumer Co-operatives by 20.7 per cent; in dairy co-operatives by 32.4 per cent; and in Workers' productive co-operatives by 49.5 per cent.

Realisation of all these tasks in the co-operative movement is possibly due to the good work done through self-government. The fact that members are involved

in production, planning, management and control in co-operative enterprises contributes in producing good material results and cultural values used to satisfy the different socio-economic and cultural needs of the population.

Co-operative methods of management make it easier to attract the rural population and some sections of the population in the towns to actively participate in the life of the whole country.

In 1970, the number of co-operators taking part in the work of executive boards, supervisory councils and their committees, and membership committees operating at various local co-operative economic units amounted to 630,000. An illustration of the scope of activities of co-operative self-government is the number of over 567,000 meetings, and 6.5 million inspections and other activities carried out in 1970.

Account should also be taken of the fact that educational work is being carried out mostly by members of co-operatives without the assistance of skilled instructors or counselling centres, and that the financial means needed for this purpose are derived from money contributed by members, without any subsidies from the State budget. It must indeed be acknowledged that co-operatives are making a valuable contribution to the development of culture and education in Poland.

Along with people's councils and trade unions, Polish co-operatives run 30 per cent of all cultural centres which are open to the public, i.e. clubs, reading rooms, libraries, children's playgrounds, sports facilities and centres giving advice and services to women. Such centres have been organised mostly in the countryside and in small towns, at the outskirts of large cities and on co-operative housing estates. The programme of work is established in accordance with the requirements of the users who comprise young people, farmers, women, invalids, small-scale manufacturers, children of members and workers, inhabitants of new housing

estates and others. In 1970, a large number of reading rooms, clubs and cultural centres were operated by co-operatives. Included in this number are over 6,000 cultural centres and 6,142 libraries mainly of technical literature operating in rural areas.

Co-operatives have given organisational assistance to 3,134 artistic ensembles, choirs, musical and theatre ensembles, etc., 5,286 circles of special interests and 3,442 sports teams and others. Co-operative ensembles perform at many regional artistic and recreational events. Lectures and courses organised on a large scale for women and youth serve the purpose of raising the educational standards.

The following task has been considered to be the prime target of co-operative activity for the next few years: to considerably speed up the improvement of living standards of the community. Many problems are linked with this task; the main one is to ensure new work places for young people. Both the growth of living standards and rational employment of youth strictly depend on a rapid and—which is most important—harmonious development of the whole national economy which in turn calls for creative commitment and universal efforts of all working people both in towns and in the country.

Such activities will lead to increased demands for consumer goods, development of services, improvement of social conditions in productive establishments, increased housing construction, improvement of sanitary conditions and development of science and education.

The system of management must be changed also, and is a wide-ranging problem which is the subject of comprehensive discussions now going on in Poland at meetings of workers, farmers, white-collar workers, among party-members and non-party people, in the press, radio and television. Scientists, publicists, engineers, workers, peasants and house-

wives take part in these discussions. The main object is to reduce the number of regulations, of directives in planning, and to increase the influence exerted by workers, which in terms of co-operative activities means increasing the importance of co-operative self-government and a more intensive participation of shops' councils in the process of drafting programmes of activities. All this should result in full co-ordination of the interests of the individual together with the general social interests, in strengthening and developing activities in all sections of the national economy including the co-operative movement.

Naturally, the community cannot be indifferent to what is happening in such an important field of the national economy and social life as the co-operative movement. Hence the need to undertake numerous activities aimed at attaining much better results than have so far been achieved in line with the established programme of action.

With a view to fulfilling their tasks

correctly, co-operatives must constantly improve their methods of management, planning and accounting. The autonomy of co-operatives should be increased and the professional qualifications of the managerial staff should be raised.

In its capacity as an organisation having a wide range of activities, co-operatives should play an important role in economic and social activation of non-industrialised areas, mostly in small towns and settlements.

Particular attention is being devoted to consolidating the role of co-operative self-government as a form of management, social control and promotion of social initiative among the numerous members of co-operatives.

All Polish co-operative organisations, and their leaders and members are making great efforts to cope as well as possible with the tasks given to the co-operative movement in relation to the future social and economic development of the country.

# Activities of Supply and Marketing Co-operatives in Poland

**Jan Kaminski** President of Board  
Central Agricultural Union of  
"Peasant Self-Aid" Co-operatives

The co-operative movements in Poland have their long traditions. They go back to the 19th century when in 1816 Stanislaw Staszic, the prominent Polish social worker, founded the organisation of a pre-co-operative character, the so-called "Hrubieszów Agricultural Society for Mutual Assistance in Misfortunes". After World War I, in 1918, Poland regained its independence and since then the co-operative movement in the countryside developed very rapidly. Farmers started to associate in marketing, consumer, dairy and credit co-operatives. Despite these efforts, the co-operative movement did not play a very important role in the economy of our country at that time.

In 1944, the political system of our country changed and it has only just created the proper circumstances for a fundamental change in the co-operative development in towns and in the countryside.

The state economy, which is of decisive importance for the whole economic life of the country, gives great oppor-

tunities to the co-operative movement.

The supply and marketing co-operatives, the largest co-operative sector in Poland, have more than 4,500,000 members; every inhabitant of the countryside who pays for his share to join a society may become a member.

The supply and marketing co-operatives have in membership 2,543 co-operative societies, 274 district and 17 county unions. These are affiliated to the Central Agricultural Union of "Peasant Self-Aid" Co-operatives.

Rural co-operative societies render their services to about 16 million people living in the countryside and to about 1.5 million people inhabiting small towns. The societies supply these people with all requirements needed in agricultural production, with building materials and also with consumer goods. The CAU "Peasant Self-Aid" Co-operatives' share in the total home trade turnover amounts to nearly 31 per cent.

The supply and marketing co-op-





Farm machinery depot owned by the District Union of "Peasant Self-Aid"  
Co-operatives in the city of Konin

Rural Co-operative Department Store



eratives have developed a large trade network. The rural co-operatives run about 60,000 retail shops, 569 department stores, 1,167 warehouses and 333 depots selling agricultural machinery and implements.

The rural supply and marketing co-operatives are also important producers of many articles, they own 260 feeding-stuff mills and 334 enterprises producing prefabricated goods.

As far as food processing is concerned, the co-operatives own 2,487 bakeries, 1,345 delicatessen shops, 4,976 countryside restaurants and cafés and 834 enterprises producing soft drinks.

The co-operatives also run numerous workshops rendering their services to households, e.g. radio and TV repairs, shoe mending, tailoring, cleaning and hiring of household equipment, etc. Recently "Modern Housewife" centres have been developed and these also render various services but generally are for women. The number of the centres amount to 1,700. Purchase of agricultural produce is an important part of the activities of rural co-operatives. The CAU "Peasant Self-Aid" is the largest organisation marketing agricultural products in Poland. It purchases about 75 per cent of the agricultural produce marketed by farmers. The system of purchase contracting should be mentioned here. In our opinion, this is the most suitable form of combining the interest of the seller—an individual farmer—with requirements of industry and its planning system as well as with general plans of supplies to the agricultural population.

The contract co-operatives enter into with a farmer is a form of trade agreement. On the basis of the agreement the farmer is obliged to deliver a determined quantity of agricultural products at a determined time and a determined quality. On the other hand, the co-operative society is put under an obligation to buy those products at prices determined by the contract. Owing to this system, farmers have an opportunity of receiving on conditions

laid down high-quality seeds, pesticides, fertilisers, fodder, etc. The contracts may be concluded for a single delivery only, or for long-term supplies. Long-term contracts give farmers the possibility of specialising in a particular field of agricultural production.

With the contracting system, services rendered to agriculture are connected. The co-operatives render services to farms such as calcium treatment of soil, spraying of ammonium water, etc. The co-operatives also run their own repair shops where agricultural machines and implements are repaired and parts renewed. They also lend agricultural equipment.

Co-operative catering businesses help the rural population. The supply and marketing co-operatives run 5,050 establishments, each one catering for about 2,000 people.

One of the very interesting forms of activities of co-operatives affiliated to the CAU "Peasant Self-Aid" are health co-operatives. The health co-operatives were founded by farmers in order to provide them with the basic medical services. They were mostly created when the National Health Service Centres had not been sufficiently developed. Since then the individual farmer has been allowed by the government to exercise his right to be treated by the National Health Service which is free of charge. Nevertheless, the health co-operatives continue their activities using the funds which the State has assigned for the medical treatment of the rural population. The co-operative principles, self-government and co-operative structure as well as the many years' experience are very useful in this case. Today the CAU "Peasant Self-Aid" includes in its membership 318 health co-operatives.

The supply and marketing co-operatives carry out well developed social and educational activities. The constantly increasing economic tasks of rural co-operation require a continuous raising of qualifications and knowledge both of

co-operative employees and active co-operators. In order to achieve those tasks first of all a network of co-operative schools has been developed. The graduates from schools run by the supply and marketing co-operatives are given the same rights as State school graduates. The scope of tuition in these schools, apart from the programme of State schooling, includes such subjects as the co-operative movement, organisation and economy of a supply and marketing co-operative, etc. The CAU runs 127 vocational schools in which tuition has a two-tier programme. Youth is being educated in the primary vocational schools, first stage, and in colleges, second stage. The courses of tuition vary. The graduates from the primary vocational schools may work for a career as shop assistants or storekeepers. The graduates from the co-oper-

ative colleges may make a career of book-keeping, interior decorating, commodity supervising, etc., a graduate may also apply to enter a university. The CAU schools also run extra-mural training for youth and adults. Irrespective of the above-mentioned schools, the CAU has also developed a network of training centres. The centres train employees of the supply and marketing co-operatives. In 1970 more than 100,000 persons were trained.

The CAU schools have also developed school co-operatives. In these co-operatives young people are prepared for their future work in the co-operative movement. The school co-operatives carry out their activities according to their own rules and on the same co-operative principles as adults' co-operatives. The school co-operatives in the countryside are under the protection of the rural "Peasant Self-

Meat cattle is being taken from a co-operative member's farm



Aid" co-operatives. In most cases they are engaged in trade activities, small school shops—where for example one can buy some articles of food, school utensils, used school-books, etc. In 1970, the number of these co-operatives amounted to 8,800.

The various forms of organisation of social life are of great importance to the rural population. In this field, the supply and marketing co-operatives play a very important role. In a very attractive way they organise leisure time activities, particularly for women and youth. For women, the rural co-operatives founded "Modern Housewife" centres. The aim of these centres is to help women in the running of their homes and also to organise in an interesting and useful way their leisure time. In the centres numerous lectures and courses are organised on subjects of interest to women, also the demonstration of new articles and household appliances, as well as lectures on nutrition, and on the up-bringing of children, gardening, etc. Moreover, the centres render services to women such as the lending of household appliances, hair-dressing and dressmaking, etc. Education and social activities in the countryside are also carried out by "Farmers' Clubs". The clubs run libraries and various artistic ensembles. The clubs are equipped with tape recorders, projectors and games, etc., and organise courses and training for young people to supplement their edu-

cation. The clubs engage in various discussions and meetings with well-known and interesting people, organise shows and entertainment and sell books. Some of the clubs engage in various activities with children, particularly at harvest time when parents do not have the time to look after their own children.

The Law on Co-operatives resolved by parliament and the Rules of Co-operatives and their unions, recognise co-operative self-government activities.

The highest authority of a co-operative is the Members' General Assembly. The Assembly elects the Supervisory Council and Executive Board. A rural co-operative society is usually a large enterprise and therefore another form of self-government has emerged—the Rural Members' Committee. This represents members of the co-operative society *vis-à-vis* the co-operative authorities. There are also rural meetings of co-operative members which are held twice a year and are important events in the life of the village. At the meetings co-operative management reports directly to the members on its activities, listens to members' opinions expressed about the work of the co-operative.

The rural supply and marketing co-operatives affiliated to the CAU "Peasant Self-Aid" form a large-scale social and economic movement which links individual interests of co-operators with general interests of the whole economy.

# Dairy Co-operatives

**Jozef Janczak** President of Board of  
Central Union of Dairy Co-operatives

At present, dairy co-operatives in Poland are the only socio-economic organisations dealing with the purchases of milk, milk processing and sales of these products in home and foreign markets.

Dairy co-operatives are over seventy years old. The first peasant companies and later co-operatives for milk processing were set up at the end of the 19th century. The founders of dairy co-operatives hoped that they would help to develop and modernise cattle breeding, and thereby contribute to the growth of farmers' incomes and also develop collective activities.

The foundation and operation of co-operatives were seriously impeded at that time. The young co-operative movement which was an expression of the developing national feelings amongst the broad masses of peasants and a means of protecting their economic interests, operated in a country deprived of independence and was considered a real danger by the foreign rulers.

After the First World War, Poland regained her independence. This was accompanied by a further growth of the number of dairy co-operatives and of private dairy enterprises. The latter were gradually joining the co-operatives which constantly improved their organisation.

In 1938, before the outbreak of the Second World War, there were 1,475 dairy co-operatives in Poland with about 700,000 members, and in that year they purchased and processed over 1,100 million litres of milk.

The above figures point to the considerable organisational development with relatively limited purchases and processing of milk. The majority of co-operative plants were not equipped with modern mechanical devices and butter was their main produce. In spite of this, co-operatives which had to work in the difficult economic and social conditions, particularly in the periods of economic depressions, did their best to protect the interests of milk suppliers, and were also an excellent school of collective husbandry for many peasant leaders.

When the Second World War came to an end, Poland had not more than 32 per cent of the pre-war cattle and the major part of dairies had been either completely destroyed or badly damaged.

The reconstruction and successive development of the Polish economy, including its dairy industry, could only take place in the conditions of a full mobilisation of all social forces and with state help. These conditions have been created



Butter production in a dairy co-operative

by the new system in the Polish People's Republic.

The reconstruction of dairy plants from war disaster was almost concluded by 1951.

The period after 1951 has been one of a planned investment policy. Dairy plants have been expanded and new ones have been built in regions in which, owing to the growing number of cattle, production and supplies of milk were increasing. When expanding and building new dairy plants, the need to widen the range of dairy produce and to improve their quality has been taken into account, and especially the need to adapt production to the requirements of consumers. Apart from traditional dairy products, such as milk, cream, butter and curd, the production of powdered milk, ice cream and other dairy products has also been developed.

The data for the years 1956–1970 show the development of production in co-operative dairy plants. The production of basic dairy products increased several times during those years: that of powdered milk from 3.9 thousand tons in 1956 to about 35 thousand tons in 1970, of curd and cheese from about 26 thousand tons to about 126 thousand tons, of condensed milk from 173 tons to 5.2 thousand tons, of cream from 17.3 thousand tons to 92 thousand tons, of milk for direct consumption from 718 million litres to 1,500 million litres, of butter from 61 thousand tons to over 127 thousand tons, etc.

This fairly quick production growth points to the increasing modernisation of the dairy industry and permits a better and fuller satisfaction of the demand for food. Increase of production has been made possible by the great efforts of co-operative



Dairy Co-operative in Konin

organisations and by the assistance of the State in the creation of production potential, and above all, thanks to the continuous growth of milk production itself.

Milk suppliers are, as a rule, members of dairy co-operatives. The great number of milk suppliers illustrates the predominance of small peasant farms in Polish agriculture.

The agrarian structure is an additional difficulty for the co-operative dairy industry. The efficient organisation of milk purchases has become a priority task, followed by effective processing of milk. The dairy co-operatives have set up a Central Union of Dairy Co-operatives with the aim of increasing their activities. Milk producers and suppliers, who are at the same time members of dairy co-operatives, take care of the social and econ-

omic development of the dairy co-operative movement through self-governing bodies, i.e. the general meeting of members, supervisory councils and their committees, co-operative boards and suppliers' committees operating at the milk collecting points. Thousands of co-operators—men, women and young people—work in co-operative self-governing bodies, contributing to the management of dairy enterprises.

Dairy co-operatives are bound by their rules to purchase any amount of milk offered by farmers. The latter, having no difficulties in selling milk, are encouraged to develop cattle breeding as a more profitable business.

In agreement with the recommendations of the state authorities, a new price policy has been adopted to encourage producers to raise the total milk production and to improve the quality of milk.



The system of prices induces stock breeders to develop breeding of more productive cattle breeds, to apply rational diet, to reduce the amount of milk destined for fodder, etc.

Dairy co-operatives supply milk producers with concentrated fodder mixtures, seeds of forage plants, milk substitutes used as fodder, and other items indispensable in rational milk production.

Cattle breeders' sections have been set up within co-operatives, with the aim of raising the level of cattle breeding and of applying modern methods.

All these initiatives and services for co-operative members, who are milk producers and suppliers, guarantee the further dynamic development of milk supplies and a steady economic and social development of dairy co-operatives.

All co-operatives are affiliated to the Central Union of Dairy Co-operatives which offers instruction through its network of experts in dairying, carries out supervisory activities provided for by the law, co-ordinates the economic activity of dairy co-operatives within the framework of national economic plans. The Central Union also represents dairy co-operatives at the level of the state authorities.

Apart from this, the Central Union carries out the all-round activities connected with the development of the dairy industry. The following institutions are run by the Union: the Institute of Dairy Industry and specialised enterprises which offer their services to all dairy co-operatives, among them the design office, factories making dairy equipment, repair, maintenance and assembly enterprises, regional dairy equipment wholesale enterprises, regional transport enterprises and many others.

The increase and improvement of quality, durability, output and range of dairy products points to another field of activity for dairy co-operatives. To cope with these tasks, technical and economic progress is widely applied and dairy plants are modernised.

Investment planned for the years 1971-1975 are to exceed 8,000 million zlotys, i.e. as much as the investment spending during the decade 1961-1970.

Investment is destined first of all for the increase of potential of plants supplying milk for consumption, cheese, powdered milk, ice cream and milk drinks. Quite a large part of the investment will be earmarked to develop specialised transport and to modernize milk collecting points. There will be further concentration and specialisation of production, above all in newly-built plants with a daily capacity of 120-320 thousand litres of milk. About 40 new plants will be built in the years 1972-1975, and about 80 existing plants will be modernised.

This will guarantee the processing of increased milk supplies, and on the other hand will allow increased supplies of dairy products to the home market. It is envisaged that, when the home market is sufficiently supplied, surplus production will be exported.

The high rate of growth of the co-operative dairy industry and its technical and economic progress call for a well-trained staff. The dairy department of the Higher Agricultural School in Olsztyn and the Agricultural and Food Department of the Central Agricultural School in Warsaw train experts at the highest level. Dairy secondary schools prepare staff with secondary education.

The dairy co-operative movement has established lively contacts with its counterparts in other countries. It makes its contribution to the activities of the International Dairy Federation, affiliating 30 countries with advanced milk production. It also collaborates with the Food and Agriculture Organisation, the World Health Organisation and the International Standards Organisation. It is in close contact with the United Nations International Children's Emergency Fund (UNICEF). Dairy co-operatives take an active part in the work of the Council for Mutual Economic Assistance. Every year Polish



experts in the dairy industry go for a period of study to countries with an advanced dairy industry, and some are sent as advisors by the FAO to countries

of the Third World. Poland also shares its experience with the specialists from various countries who visit Polish dairy enterprises in growing numbers.



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# Farming Co-operatives

**Stefan Jedryszczak**

President of the Central Union of Farming Co-operatives

During the 22 years of their existence the Polish farming co-operatives have achieved significant production, economic and social results. Their organisation has been consolidated and the system of management greatly improved. The acreage of co-operative farm land has been considerably increased, mostly by means of taking over and cultivating land owned by the State Land Fund.

The increase of land resources has been accompanied by technical modernisation of co-operative farms. Owing to great efforts by co-operative members and thanks to the assistance of the State, the basis of production has been expanded and co-operatives are increasingly better equipped with modern agricultural machinery and other production aids.

The equipping of co-operative farms with modern means of production and the resulting specialisation and concentration of production processes have brought in their wake a growth in the total market production of agricultural produce. For several years now, farming co-operatives have had the highest grain yields in the country and market production calculated per one hectare of agricultural land is also the highest in farming co-operatives.

The general expansion of the effectiveness of co-operative farming resulted in relatively high surpluses which have, in turn, helped to improve the living stan-

dards and cultural well-being of co-operative members.

The economic development of farming co-operatives was accompanied by co-operative members showing greater initiative and a more active social and economic attitude. A great number of co-operative leaders have been trained and the general and professional knowledge of co-operative members has also increased. In Poland the development of farming co-operatives was very difficult.

As previously mentioned co-operative farms have existed in Poland for 22 years, but up to 1961 their status was not well defined and many co-operatives were dissolved. This situation remained until the passing of the law on co-operatives and co-operative unions in 1961. This law, passed by parliament, made the position of farming co-operatives, and of those co-operatives existing at that time, clear, as well as introducing major changes in their organisation and activities. Apart from traditional lines of farming, co-operatives began to develop the production of vegetables, to run processing plants for agricultural produce and to also develop ancillary production and services. They also took over more and more land from the State Land Fund where land could be found in their neighbourhood. Greater freedom of agricultural activity fostered production growth. The value of produc-

tion increased from 2,618 zlotys per ha in 1957 to 4,960 zlotys per ha in 1963. Already during those years farming co-operatives were ahead of private farms with regard to yields of grain, but they were still lagging behind in meat production and stockbreeding. The cultivation of co-operative members' own small plots of land quickly developed. The amount of income for distribution increased from 16,000 zlotys per family in 1957 to 21,000 zlotys per family in 1963. But this was still a very low level of income.

The years 1963–1970 were a period of organisational and economic consolidation of farming co-operatives. In that seven-year period fusions of co-operatives were very frequent. Wherever economically weak farming co-operatives merged with stronger societies, thus strengthening the agricultural co-operative movement.

At the end of 1970 there were 1,071

farming co-operatives with 450 branches distributing surplus among members. Apart from these there were 36 co-operatives representing advanced levels of collective activity. For the first time after many years the number of farming co-operative societies dissolved in that year was almost equal to that of newly set up co-operatives. The trend towards dissolving farming co-operatives gradually died down and new societies were formed particularly in the Opole, Szczecin, Zielona Góra and Rzeszów regions.

The average acreage of a farming co-operative increased from 184 ha in 1966 to 260 ha at present.

The total membership increased from 28,000 to 36,000. The indivisible fixed assets of co-operatives and the collectively used property are a strong basis for the further development of farming co-operatives.

#### Harvest time in a farming co-operative



The general improvement of the results of co-operative farming has brought in its wake an improvement of living standards and of cultural conditions in farming co-operatives. The total amount paid to members for the work done and for reserves exceeded 1,000 million zlotys in 1970. The amount distributed was 36,093 zlotys per family. Worth mentioning here is the general trend of fixed pay for work done on a co-operative farm, guaranteed by the setting up of a special reserve fund. In general, farming co-operatives have abandoned the system of dividing agricultural produce among their members and adopted the system of cash payment. Co-operative social welfare and cultural funds were used to grant assistance to persons whose state of health made them unfit to work, to finance summer vacations for children of co-operative members, to run nursery schools in the seasons of peak field work and to develop cultural and educational facilities.

As a result of efforts made in those years a draft law has been submitted to parliament for the inclusion of members of farming co-operatives and their families in the general social insurance system. The law has recently been passed by parliament and is a great achievement for the farming co-operatives. By virtue of this law co-operative members are entitled to family allowances, sick leave and maternity leave allowances, medical and obstetric assistance, money grants and pensions. The latter include retirement pensions, disability pensions, pensions for widows and children of deceased co-operative members, funeral grants and other benefits, e.g. artificial limbs and accommodation for pensioners in old people's homes, etc.

This wide scope of social insurance benefits, identical with those to which all working people in Poland are entitled, means a great change in the conditions of life for the rural population.

In principle the cost of insurance is paid by co-operative members, but actually the latter benefit from considerable assist-

ance by the State, particularly during the first years after the co-operative has been founded and especially if the co-operative is economically weak. In general it is estimated that two-thirds of the cost of insurance will be paid through state assistance.

The relations between farming co-operatives and individual farmers have steadily been improving.

In over 450 villages peasants placed the sums obtained from the Agricultural Development Fund at the disposal of farming co-operatives in exchange for mechanical services. More and more often farming co-operatives supply individual farmers with seeds and animals for breeding. Joint commitments to do some voluntary work for common benefit and jointly organised cultural activities are another kind of collaboration.

As a result of technical progress, intensification and specialisation of production, the demand of farming co-operatives for highly trained staff has been growing. In 1970, over 1,000 agronomists and their assistants—people with higher or at least secondary vocational education—worked in farming co-operatives and their salaries were paid by the State.

During the past five years the number of co-operative members who have got qualifications in their trade has increased from 1,190 to about 4,700. Most of those people only completed primary school before starting vocational training.

It is clear that further efforts must be made and the work of co-operative unions, of local administrations and of other appropriate institutions, should be directed towards further consolidations of existing farming co-operatives and the setting up of new ones.

The strengthening of democracy within co-operatives through enhancing the role of self-government in making decisions, and in exerting control and supervision over the activity of co-operative management, is a task which must continue to be developed. To make the



Cowshed in a farming co-operative

work of self-government more efficient it is necessary to improve the qualifications of co-operative members, and the system of management in advanced co-operative societies.

Co-operatives and their unions should take advantage of new conditions, for example, state assistance for land rehabilitation, social insurance, etc., in order to initiate propaganda campaigns to gain new co-operative members.

Progress in the social transformation of the countryside depends to a great extent on the social and political activities of organisations and institutions set up and operating in the rural environment. This progress should be fostered by organising forms of collective husbandry and wider popularisation of the results and experience and of the co-operative farming principles which are not sufficiently known

by the broad masses of the rural population.

The structure and functions of co-operative unions which were shaped several years ago should be adapted to present-day needs of well developed co-operative farms.

The work of the state administration relating to agriculture should also be improved in the field of organisation of production and investments.

The experience of the past years has proved that farming co-operatives attain good results when they have the right conditions for their development. What matters is to supply them with the necessary means of production and to grant them financial assistance in order to secure qualified agricultural staff. These conditions have been fulfilled to a considerable extent in recent years.

The activities of the Central Union are directed towards putting into effect the guiding principles of the agricultural policy of the Polish United Workers' Party, which is to combine the growth of agricultural output with a gradual transformation of the agrarian structure, and

the creation of the necessary conditions for a socialist socio-economic transformation of relations in the countryside.

Farming co-operatives have been assigned a fixed place in the implementation of the agricultural policy of the State.

## **CO-OPERATIVES IN THE COMMON MARKET**

A series of articles on the above subject, written by experts in their own field, will be featured in the Review number 6, 1972, covering co-operative enterprises in the area of the enlarged European Economic Community. Single copies in English, French, German and Spanish are available at 25p each.

# Agricultural Circles: A Social and Economic Force of Farmers

**Stanislaw Tomaszewski M.S.(Econ)** General Secretary  
Central Union of Agricultural Circles

Agricultural circles are a vocational and economic organisation of individual farmers, and a form of farmers' self-government.

The rules of the circles define the aims of this organisation as follows: "To organise farmers to increase and improve agricultural production, . . . to raise the incomes of farmers and their living standards, and improve the social and cultural life in the countryside and . . . to protect the interests of its members."

Agricultural circles are registered associations, and in this way their existence is based on the law of associations. However, agricultural circles also form co-operatives, for example service and producers' co-operatives, and co-operative agricultural centres. It is with regard to these enterprises that agricultural circles have the prerogatives of co-operative unions according to the law relating to co-operatives. For this reason, the Central Union of Agricultural Circles is a member of the Supreme Co-operative Council—a member of the co-operative family.

The Union of Agricultural Circles has a four-tier structure: agricultural

circles as basic organisational units, district unions, county and regional unions and the central union.

The development of the social and economic activities of the agricultural circles led to the foundation of producers' and service enterprises operating on a larger scale than in a single village. In this way, the following enterprises have been set up: machinery depots, service and producers' co-operatives and agricultural co-operative centres, each of them offering their services to several agricultural circles all featuring the structure of socialised enterprises.

In the hundred year history of agricultural circles, two periods should be distinguished:

- 1 From the time of their foundation in the late 19th century up to the Second World War.
- 2 From the time of resuming their activities during 1956–1957 up to the present.

The first period is of historical importance. Nevertheless it is worth recalling that in that period agricultural circles were not a mass peasant organisation. In 1938,

they affiliated only about 9 per cent of all farmers. In spite of insufficient organisational development and an acute shortage of financial means, agricultural circles made an essential contribution to the development of agricultural knowledge and to rural co-operatives and they protected small agricultural producers against capitalist exploitation. During the Second World War agricultural circles and their unions were dissolved.

After the Second World War agricultural circles became a mass organisation. They operate in 80 per cent of all villages and have 2.6 million members, including 1.1 million women. They employ 180,000 workers, including tractor drivers, artisans and accountants.

Availing themselves of resources provided by the Agricultural Development Fund, a fund which provides money for investment in villages, and also by their own means, agricultural circles have developed large-scale investment and economic activities. During the past 11 years they have spent 33,400 million zlotys on technical development in agriculture: they purchased over 100,000 tractors and ancillary machinery, they established agricultural machinery centres, branches of state agricultural machinery centres, centres for the maintenance of mechanical equipment, agricultural specialists' centres which are located in buildings of former agricultural centres. They also contributed to many other investment projects, such as road building, provision of water supplies, milk purchasing centres and village club-rooms.

In 1970, as many as 27,800 agricultural circles, 77 per cent of their total number, were economically active. The agricultural circles had 2,870 inter-circle machine depots and 148 service and productive co-operatives; 17,126 circles organised the mechanisation of agricultural production, 2,312 circles were active in land rehabilitation while 1,148 were engaged in the production of building materials and in building services.

Social activities of agricultural circles are also an essential feature, above all their efforts to popularise modern methods of farming, and new means of production, to promote collective activities, to organise various forms of child care, and campaigns for the improvement of hygiene and nutrition among the rural population.

The agricultural circles implement the directives of the agricultural policy of the State for the years 1971-1975 and they endeavour to strengthen self-government by farmers as members of agricultural circles. Obstacles which could discourage people from these activities are removed and conditions are created which allow the terms of reference of the self-governing bodies to expand and increase their influence on the life of the village and on the development of agricultural production.

Different services are expanded and are better adjusted to the needs of the people.

Taking into account the growing demand of the rural population for the various activities of the agricultural circles and the increasing possibilities for activities created by the policy of the State with the aim of "accelerating production growth and creating conditions for a gradual socialist socio-economic transformation in agriculture", the circles continue to develop their basic tasks. These include the merging of the farmers' efforts of production with those of the State, the use of various means to influence the growth of agricultural output, and the raising of living standards of the villagers. This also includes the development of various types of services and the organising of collective land ownership and collective agricultural production.

Whilst focusing their attention on the problems of increasing agricultural production, the circles also want to contribute to universal production growth in all types of farming. Much attention is paid to contacts with farmers, such as talks, inspections of farmsteads and fields,





A tractor and a sprayer owned by an agricultural circle

and competitions are organised and training provided. The circles also attach great importance to programmes of increasing agricultural production worked out at village level and apply different means of influencing the level of production in each village. Such programmes are worked out by agricultural service staff and by the boards of the agricultural circles. They provide a basis for co-operation with the village people's councils; with co-operatives supplying the rural population with means of production and with the buyers of agricultural produce.

Apart from the activities addressed to all agricultural producers, the circles are intensifying the campaign for popularising the specialisation of agricultural production. Farmers who undertake specialised production are organised in branch sections of producers, and are given special instruction, agricultural and veterinary assistance, aids to production, and services provided by collective mechanical centres. The delivery of their produce is

organised on the basis of long-term contracts.

Agricultural circles also organise joint production of individual farms and agricultural centres, the latter supplying farmers with fodder which they have produced, and organising grazing of farmers' cattle and sheep on grassland owned by the circles; and also supplying farmers with seeds, piglets, chickens and young cattle.

The modernisation and expansion of farm buildings and equipment of farms with technical devices, indispensable in specialised production and guaranteeing higher labour productivity, are important factors in the intensification of stock-breeding. With this aim in view agricultural circles and service and producers' co-operatives develop—on the basis of local resources, raw materials and labour—the production of building materials. They organise building and repair brigades to satisfy the needs of farmers and their own requirements.

However, mechanisation continues

to be the prime consideration of agricultural circles, which is necessary because there is a very limited chance of mechanising agriculture in Poland through individual farmers. Collective mechanisation is the best means of satisfying general needs, because it can also be applied to very small holdings of land.

Collective ownership of grain combines' chaff-cutting machines used in green forage harvesting, diggers and planting machines, and machines distributing fertilisers and apparatus for plant protection, should make considerable progress in the mechanisation of agriculture. Collective ownership is also helpful in facilitating the storage of forage, in the application of the mechanisation of stockbreeding and in the many aspects of work on the farm itself.

Agricultural circles and inter-circle machine depots are developing various types of mechanical services adapted to

the needs of individual farms in the particular region. Hiring of machines and equipment with technical personnel will continue to be the most popular form of activity: contracts for services of this kind are concluded either for a single operation, or for the whole season or even longer periods. As more and more farmers know how to use tractors and complicated farm machinery, the circles also hire collectively owned equipment without tractor-driver to groups or single persons. Such forms of services bring tractors and agricultural machinery closer to the farms, they guarantee a higher level of mechanisation in the field and greater reliability of services.

The very great demand for mechanical land cultivation and for the production of building materials by the rural population are sufficient arguments in favour of more collective investments in agriculture.

# Market-Gardening Co-operatives in Poland

**Kazimierz Zakrzewski** Director Economic Division  
Central Union of Market-Gardening Co-operatives

The origin of market-gardening co-operative activity is of recent date. The first co-operatives of this type were set up in the years between 1926 and 1929, and by the end of 1938 the 47 market-gardening co-operatives existing then had 5,700 members.

In 1948 authority to permit audits in market-gardening co-operatives was given to a national organisation which had resumed its activity immediately after the war, and which became the Central Union of Market-Gardening Co-operatives. In the years between 1950 and 1957, the co-operatives were replaced by state enterprises charged with co-operative functions. With the change in the situation of the country in 1957, market-gardening co-operatives were re-established and their property was returned to them. The scope of resumed activities included the development of market-gardening, purchases of produce from growers, wholesale trade activities, marketing and processing. By 1970 there were 400,000 members, of

whom over 20 per cent were women and nearly 60 per cent young people, affiliated in 141 co-operatives. Immediately after 1957, work commenced to advance market-gardening to a higher level and to improve the system of purchasing of produce. Among other things, permanent and seasonal collecting stations were established.

At these stations co-operatives take in all vegetable and fruit crops marketed by growers. The co-operatives share 68 per cent of the total quantity of vegetables marketed and 57 per cent of fruit. Individual growers supply nearly 95 per cent of the total quantity of vegetables and nearly 96 per cent of fruit.

Because of seasonal fluctuations in vegetable and fruit crops in Poland over the years, the increase in the tonnage of purchased produce is usually shown in five-year periods. At the end of 1965, co-operatives purchased nearly 4,000,000 tons of fruit, vegetables and early potatoes. The tonnage was over 5,100,000 at the end



In a co-operative greengrocery owned by market-gardening co-operatives

of 1970, showing an increase of nearly 30 per cent in comparison with previous periods.

Not only was market-gardening scattered over many holdings throughout the country but also for many producers it was a supplementary occupation with grain production and stock-breeding taking the lead. It was estimated that only 16–20 per cent of farms specialised in market-gardening for commercial purposes. The orchards maintained on these farms were located in regions well-known for their market-gardening traditions.

For this reason, development programmes have been adopted with particular reference to the conditions in individual co-operatives. Long-term and low-interest loans have been obtained from the State to support the realisation of these programmes. Larger quantities of building materials, fertilisers and pesticides are being delivered to growers for market-gardening purposes. More instructors, now totalling approximately 640, are employed by co-operatives to provide assistance and to run training courses. It is estimated that approximately 370,000 trainees take courses annually. To help in this activity, books, periodicals and other information material are published by the Central Union. This includes a bi-weekly called *Vegetables, Fruit and Flowers* with a circulation of 90,000 copies and a monthly called *Market-Gardening* with a circulation of 3,000 copies.

Spending by co-operatives on production and technical projects has been increased as a result of the implementation of the programmes. In 1970 total out-goings were 62,000,000 zlotys. Part of the money is used to buy appliances for servicing stations to carry out agro-technical and other services free of charge, or sometimes with minimum charges.

A system of purchasing by contracts has been applied, not only to stimulate

production, but also to secure uninterrupted flow of produce into the market. This system covers 85.2 per cent of the total of vegetables and 36.8 per cent of fruit sold to co-operatives by growers.

There is a steady supply of most varieties of vegetables and summer varieties of fruit. Co-operatives sell 54 per cent of vegetables and 41 per cent of fruit out of the total of the products purchased by them from growers. The remainder is sent either to greengrocery departments in other co-operatives or to state fruiterers for sale to consumers or to processing plants, or to firms for exporting to other countries. Shortages occur only in winter varieties of fruit. It is expected that better supplies of such fruit will be available on the market as production is being increased.

Storage facilities are a major factor in the efficient marketing of fruit and vegetables because they are a perishable commodity, and there is a need to adapt sales of them to consumer demands. Many warehouses and cold stores have been built as a result of the great advances in the application of scientific techniques to preserve market-gardening produce. In the years between 1960 and 1970, 246 new units were constructed and the storage area increased by over 200,000 square metres.

In processing, co-operatives have achieved considerable results and increased their processing plants from 113 to 190. The value of production has increased from 421,200,000 zlotys in 1957 to 1,798,600,000 zlotys in 1970. The great progress in quality has permitted market-gardening co-operatives to export to 50 European and overseas countries through the "Hortex" — Co-operative Foreign Trade Enterprise. 50 per cent of the output of all processing plants is exported and in 1970 the value of exports amounted to 130,659,000 zlotys.



Display of products exported by "Hortex"  
— Co-operative Foreign Trade Enterprise



# Consumer Co-operatives

**Zbigniew Kasinski** Director, Praesidium Office  
"SPOLEM"—Union of Consumer Co-operatives

Consumer co-operatives have existed in Poland for over a hundred years aiming, as stated in the co-operative rules, to improve supplies and services for all consumers, and to satisfy their needs in the best possible way.

All initiatives of these co-operatives are aimed at the development of their economic and educational activities.

Consumer co-operatives, represented by "SPOLEM"—The Union of Consumer Co-operatives—are one of the three main organisations of retail trade in Poland. The two other organisations are the state retail trade supervised by the Ministry of Home Trade and other ministries, and rural co-operatives affiliated to the Central Agricultural Union of "Peasant Self-Aid" Co-operatives.

Consumer co-operatives handle about 30 per cent of the total retail trade in towns, 26.3 per cent of the turnover of restaurants and other catering enterprises; they produce 54 per cent of

bread and confectionery, 36 per cent of processed meat and 44 per cent of soft drinks.

The co-operatives affiliated to "SPOLEM" operate in towns in the same field of retail trade as the state retail trade enterprises. Co-operative enterprises are therefore particularly concerned with the improvement of services in their shops, restaurants and production plants.

Many organisational and economic measures are taken for modernisation at all levels of consumer co-operatives. For many years now, the "SPOLEM" authorities have adopted the fundamental principle that consumer co-operatives must take the lead in modern and efficient methods of work.

Taking into consideration the trends in the organisation of trade enterprises in the economically most advanced countries, the 37th Consumer Co-operative Congress, held in 1965, recommended the amalgamation of small co-operative societies into larger units.

Out of 361 consumer co-operatives existing at the time of the Congress, 23 large co-operatives have remained, including 17 co-operatives for the area of each of the 17 regions and 6 co-operatives operating in Warsaw, Cracow, Poznań, Łódź, Katowice and Wrocław. "SPOLEM" has ceded its regional branches and some

*Top left:* "JUBILAT" Co-operative Department Store in Kraków owned by the "SPOLEM"—Union of Consumer Co-operatives

*Bottom left:* Shoppers in a co-operative supermarket situated in a co-operative housing settlement

enterprises including buildings and equipment to these new regional co-operatives. The regional consumer co-operatives (Polish abbreviation WSS) are fully autonomous and self-governing bodies, entitled to make contracts with state industry, without the intermediary of state wholesale enterprises. The share of state-produced goods in co-operative turnover has increased, for instance, the share of state-produced footwear increased from 11 per cent in 1967 to 32 per cent in 1969. Every regional co-operative has branch offices in regional and district towns. They are autonomous as far as their finances and the management of their production enterprises are concerned.

Consumer co-operatives purchase their goods from wholesalers and sell them in their own shops, they also run restaurants and other catering enterprises, their own bakeries, meat producing plants, and soft drinks, they also offer a number of services to their customers.

Consumer co-operatives have over 22,700 shops with a floor space exceeding 1.6 million sq.m. There are 15,000 grocery shops, 2,000 of which are self-service, 7,600 shops dealing in industrial consumer goods, 5,600 are service shops, and 124 co-operative department stores. Consumer co-operatives also run 2,350 restaurants and cafés, 984 snack bars and canteens, 1,090 bakeries, 357 confectionery shops, 375 meat processing plants, 88 slaughter houses, 294 plants producing soft drinks, 4,700 servicing stations, 18 transport enterprises and 27 building and repair enterprises.

"SPOLEM" owns 7 factories producing high-quality chocolates, sweets, macaroni, mayonnaise and food concentrates and cakes. Five factories produce furniture for "SPOLEM" shops and restaurants, and also manufacture prefabricated shop fittings and fittings for catering establishments for consumer co-operatives, and equipment for the transportation of goods.

The programme of Poland's leading

force, the Polish United Workers' Party, and of the Polish Government, envisages that supplies of consumer goods for the home market will increase considerably in the next few years. This will bring in its wake a growth of trade services and their improvement at all levels.

The tasks of the State, the consumer co-operatives and trade and industry are geared to the needs of the population, and are in line with the 1970-1975 programme of activity adopted at the 38th Co-operative Consumer Congress.

"SPOLEM" encourages its co-operatives and enterprises to improve their standard of work and to satisfy the needs of consumers more efficiently than before. The programme of raising the level of services in groceries is now being implemented, with the view of especially overcoming the difficulty of giving quick service to people particularly in the peak shopping periods, and co-operatives especially extend self-service which shortens shopping time.

At the end of 1970, consumer co-operatives ran 2,033 self-service grocery shops, that is 13.5 per cent of all co-operative shops selling food. Their share in the total turnover of food amounted to 24.3 per cent. According to the recommendations of the 38th Congress, self-service shops should cover 50 per cent of the total turnover in food by 1975. This makes it necessary for food producers to supply their goods in a pre-packed form. The co-operatives hope that their suppliers, such as the Central Union of Dairy Co-operatives, and the Central Union of Market-Gardening Co-operatives, will expand their range of pre-packed foods for self-service sales and that in this way they will contribute to a further development of sales. The consumer co-operatives, which were the first to apply new sales techniques in Poland, have now developed this system further and have applied it to household equipment and footwear. Up to the present only co-operative shops sell shoes on a self-service basis. "SPOLEM" also



pays great attention to adapting its shops to the requirements of modern trade. With this aim in view, a campaign is now being conducted of modernising shops and popularising modern forms of sales and functional arrangements, as well as of improving the system of supplies to shops. Particular attention is given to large co-operative trade enterprises whose contribution to the total co-operative trade is expected to increase. These large enterprises include 124 co-operative department stores. During the seven years of running department stores, "SPOLEM" has succeeded in working out new technical and organisational forms which have placed co-operative shops in the forefront of retail trade. The Union's own design office with its five branches prepares blueprints and calculations for new trading outlets and department stores.

In 1970, the co-operative department stores handled about 20 per cent of the sales of consumer goods in all co-operative shops. This figure is expected to reach 40 per cent in 1975.

Widening the range of services, consumer co-operatives endeavour to open shops, restaurants and service workshops near to their customers' residence, especially on new housing estates and also near factories and large industrial plants. They also develop services in holiday and tourist centres.

Fulfilling their statutory tasks, consumer co-operatives pay much attention to the protection of consumer interests. A wide range of methods is applied to this end.

A particular role in this respect has been assigned to shop committees consisting of co-operative members which have been granted below powers in order to prevent sales of below standard goods; the committees supervise production in co-operative plants, and decide on the settlement of customers' complaints. The principle rigidly applied by consumer co-operatives since 1962 is that "customers are always right". This has had an important

influence on enhancing the role of consumers' opinions about the standard of goods and services in co-operative shops. This principle has recently been developed into a "Consumers' Charter", which includes a list of the rights of consumers buying in co-operative shops. This charter has been distributed among consumers in the form of printed leaflets informing them how their rights are protected. It guarantees efficient settlement of complaints in case of deficiencies in purchased articles, gives the customer the right to get the necessary information and assistance in the choice of goods and deals with the settlement of possible controversies.

Goods supplied by non-co-operative producers are checked for quality and this has led to great improvement in the quality of goods sold in co-operative shops.

For several years, "SPOLEM" enterprises have been concerned with improving the quality of their products. In 1968, 20 per cent of all articles produced by its enterprises were granted a hallmark. Co-operatives have 135 laboratories to check the quality of bread, confectionery, sausages and soft drinks. It is the aim of "SPOLEM" enterprises that the name "SPOLEM" should be tantamount to a hallmark of quality.

It would not be possible to carry out a wide-scale campaign of protecting the consumer's rights without continuous contact with customers, and because of this contact the campaign is recognised by the people. Critical remarks of customers are now willingly accepted and taken into consideration to improve the service of co-operatives.

Contact is maintained between representatives of co-operative self-governing bodies and the public during shopping hours on all co-operative premises, and a study of the remarks and opinions expressed about goods sold, ranges of articles on offer and types of sales and services, is made.

Consumer co-operatives have a

membership of 2.7 million, of which 147,000 have been elected at members' meetings to assist in shops and other co-operative enterprises. The members elected maintain daily contacts with consumers to secure the interest of co-operators in the activities of their society, the location of new shops and service workshops, the choice of goods offered for sale, the withdrawal of poor quality goods and the availability of cheap goods. The shop manager and shop personnel take note of these opinions, either making the necessary changes or communicating the findings to the board of management which changes its policy in line with the opinion expressed by the customer. Many of the customers' suggestions and demands are important to all consumer societies. They are submitted to "SPOLEM" which undertakes to improve the given field of operation and issues respective recommendations to affiliated co-operative societies, or takes the necessary steps with industrial ministries which supervise producers and suppliers and with co-operative central unions.

"SPOLEM" pays great attention to the efficient working of co-operative self-government. The self-governing and educational activities provided for co-operative members and their families make consumer co-operatives different from state trade enterprises. Co-operative self-governing activities play a most important part in the management of co-operative economy. The Polish United Workers'

Party, in its theme for the Sixth Congress in December 1971, states that "co-operation is an experimentally tested form of organised collective activity for the development of the economy and social education" and that it is "an inseparable link of the socialist system in Poland". It also points out that "particular emphasis should be laid on the consolidation of co-operative self-government as a form of social management and control of co-operative members, as well as a form stimulating social initiative". This statement aroused great satisfaction in co-operative circles. In consumer co-operatives, the self-governing organs elected by members, starting with the "SPOLEM" Council, through councils of regional co-operatives and councils of branch offices, adopt technical and economic plans, supervise and control the activities of co-operative boards of management. Important financial, economic and organisational decisions of the board must be approved by the respective councils. Recently, the prerogatives of co-operative councils and their committees have been further extended by transferring to them some of the powers previously included in the terms of reference of "SPOLEM".

For several years, consumer co-operatives have conducted a consistent policy of consolidating the role of co-operative committees as a form of members' control to supervise the work of co-operative enterprises and as a form of protecting the interests of consumers.

# Producer Co-operatives of Poland

**Dr Bohdan Trampczynski** President of Board  
Central Union of Producer Co-operatives

The traditions of the producer co-operatives of Poland date back to the second half of the 19th century, to the times when small-scale producers became interested in this type of organisation because it made it possible for them to pool their resources in order to defend themselves against exploitation. At that time, however, producer co-operatives neither succeeded in developing their business enterprises, nor did they play a great part in production or services. They were established in such fields where labour was the main item of production costs and where capital investments were not required. Some of these co-operatives have continued up to the present time, for example the Trade Unions Printing Society of Kraków, the Weavers' Co-operative Society at Korczyn and the Rope-Making Co-operative Society at Radymno.

Between 1918 and 1939, there were 100 co-operatives with 5,000 members.

The Second World War and the Nazi occupation brought about the complete destruction of the property of producer co-operatives. At the end of hostilities, their activities were resumed and developed under the most propitious conditions created by the rapid reconstruction

and industrialisation of the country. Between 1945 and 1971, producer co-operatives grew into an organisation of 2,400 with approximately 700,000 members and employees.

In Poland, state-run enterprises, communal firms and co-operative societies make up the structure of small-scale industry and services. There are also establishments characteristic of the simplest forms of co-operation of craftsmen among private producers. However, producer co-operatives account for the largest share in this type of organisation. Some basic figures show that their share of the total output in the national economy is 5.3 per cent, in the manufacture of consumer goods is 10 per cent and in national employment is 11 per cent. In some branches, they are the leading, if not the exclusive producers. For example, their share in folk and popular art products is 80 per cent, in toy-making and in the production of laboratory equipment is over 50 per cent. In the rendering of services, producer co-operatives share in a large part of the total turnover.

The producer co-operatives of Poland are different from those in other countries because of their wide scope of



Shoemaking section in a Producer Co-operative for footwear manufacturing

activities and variety of organisational forms, for example, in the employment of the disabled. Invalids are employed by co-operatives which are affiliated to the Union of Invalids' Co-operatives which in turn belongs to the Central Union of Producer Co-operatives. Both invalids and people incapacitated undertaking work for different reasons, are given opportunities to earn their own living as members and employees of invalids' co-operatives. The statutes of these co-operatives provide that disabled persons should account for at least 75 per cent of the total number of the work force in such societies.

Some of these disabled people cannot be employed in normal working conditions on account of their disablement. For this reason invalids' co-operatives employ as many as 80 per cent of the total number of disabled people in

Poland. This is also evidence of the importance of these co-operatives in the State social welfare policy. Yet, their task is not only in the field of employment. They also provide vocational rehabilitation, including vocational consultations, adjustments of working conditions and type of work, training, medical care, social welfare assistance for each disabled person, physical exercises, sport, tourism and cultural and educational programmes.

Co-operative employment implies resourcefulness, the ability to manage the business and to make joint decisions on common problems. In this way, disabled persons regain their feeling of usefulness by making an important contribution to the economy. Today these co-operatives employ 160,000 disabled people.

Folk and popular art production is the next sector in which producer co-oper-

atives have the largest share. Folk and popular art co-operatives are important for three reasons:

- 1 they employ more people in under-industrialised regions,
- 2 they produce marketable products in demand at home and abroad,
- 3 they revive folk art based on old traditions, contributing, in this way, to the development of Polish culture.

The co-operatives are located in centres famous for folk art and belong to the Union of Folk and Popular Art Co-operatives, "CEPELIA", a name familiar to many customers at home and abroad.

The functions characteristic of producer co-operatives are those of economic activation and provision of services. For example, some jobs at railway stations are done by retired railwaymen working in co-operatives for railway station services. Retired teachers can earn extra money by means of courses run by specialised co-operatives for educational work. There are also co-operatives operating as business enterprises for the economic activation of small seaports, seashore areas and regions, as well as being engaged in claiming some natural resources from the sea-bed of the Baltic. Some doctors and dentists work in specialised co-operatives for medical services.

Another example are Student productive co-operatives, which were formed for the first time nearly fifteen years ago, with a view to offering part-time jobs and extra earnings to student groups. The Central Union of Producer Co-operatives has collaborated with the Polish Students' Association in promoting this idea. Today, every academic centre has its own student co-operative. It is estimated that over 50,000 students are employed by these co-operatives on a part-time basis, thereby affecting every fourth student in Poland.

The aim of student co-operatives is first of all to enable students to earn their own money; secondly, more services can be offered to make a contribution to the national economy; thirdly, students can

become more appreciative of physical work; and fourthly, they can also acquire business techniques.

Producer co-operatives provide for the greater participation of members in making decisions on co-operative affairs and encourage them to shoulder responsibilities for the success of their co-operatives. There are a variety of forms through which members can wield their influence on co-operative policy. This varies according to the size and scope of co-operative business, and is an expression of the popularity of self-governing decision-making at work.

The self-governing forms applied are not fixed by universal and compulsory patterns, and do not mean that self-governing organs are only concerned with one line of activity. The scope of self-governing activities is illustrated by the number of members, i.e. 90,000, working on councils, committees and on the boards of producer co-operatives. Another important aspect of co-operative work is the education of members. The Central Union of Producer Co-operatives runs its own secondary schools attended by 23,000 young people and adults, who can study for professional qualifications, and through this producer co-operatives have contributed a considerable share for the benefit of the national economy. In addition, about 14,000 members are trained annually in centres run by the union. About 180,000 people receive training in co-operative plants every year; 35,000 of whom receive "on-the-job training".

Cultural and entertainment programmes are being conducted by producer co-operatives with particular reference to small towns in which co-operative artistic groups, song and dance teams and orchestras perform with great success, contributing to the variety of entertainment in isolated and distant areas.

The social welfare facilities in producer co-operatives include sanatoria and holiday centres owned and run by the Central Union which are available to all

members. Primary co-operatives organise summer vacations for children and youths. Particular mention should be made of the Union of Invalids' Co-operatives which runs its own sanatoria for their invalid members. In this way, membership ties become deeper and wider and the attachment of members to their co-operative has sound motivations.

In addition, all producer co-operatives have their own sports associations called "Start", which has 100,000 members in 121 clubs. Within some of the co-operatives there are sports and tourist sections, and schools run by the union have 40 sports and tourist groups.

At present, plans are being worked out for the further expansion of business

activities of producer co-operatives. It is expected that by 1975, towards the end of the five-year period, the value of production will have grown by about 48 per cent and that of services by about 60 per cent. These plans have particular reference to underdeveloped industrialised regions and to an increase in the employment of women and disabled persons.

To sum up, producer co-operatives gravitate towards services and employment of people who are unable to work in industry or for whom part-time work is a way of earning extra money. This tendency permits producer co-operatives to expand the scope of their activities without coming into conflict with industry, and allows them to tackle fundamental problems of employment.

# Housing Co-operatives in Poland

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Counsellor to the President of Board

Central Union of Housing and Building Co-operatives

Housing co-operatives play an important role in satisfying the housing needs of the population in Poland. Between 1961 and 1965, housing co-operatives, which earlier had belonged to the weakest group of investors, became the most important partner in state building. Since 1966, they have taken the lead in this field. Over 1,000 housing co-operatives of various types with a total membership of 1,140,000—apart from over half a million potential members—operate in 802 out of the 891 towns and settlements, and in 81 villages in Poland. Housing co-operatives own 653,000 flats, of which nearly 413,000 were built during the 1966–1970 five-year plan. It is envisaged that in the years 1971–1975 about half a million co-operative flats will be ready for occupation. It should be mentioned that in 1960 co-operative housing resources accounted for only 1.5 per cent of all flats in towns and settlements and in 1971 for nearly 15 per cent, hoping to attain about 24 per cent in 1975.

Some of the housing co-operatives are very old, for example the housing co-operatives in Pomerania recently celebrated their 70th anniversary. In 1971,

the Warsaw Housing Co-operative (WSM), the largest housing co-operative in Poland, celebrated its 50th anniversary. This co-operative has made a valuable contribution to the development of Polish housing co-operatives and to the promotion of co-operative housing. It was very active in the years between the First and Second World Wars and resumed its activities in the Polish People's Republic. Its organisation served as a basis for the Lublin Housing Co-operative, the "Pomorze" Housing Co-operative in Gdańsk-Oliwa, and the "Osiedle Młodych", Youth Settlement co-operatives in Gdańsk, Poznań, Toruń and Warsaw. In the inter-war years, the Warsaw Housing Co-operative was an association of people who were fighting exploitation, as well as trying to improve the housing situation in Poland. Progressive architects and town planners co-operated with the society, and in 1927 the Polish Society for Housing Reforms was set up, adapting the idea of housing estates to Polish conditions. They were guided by the principle of building "the types of flats most urgently needed by the population", namely medium-sized, well-equipped flats, which were provided with

services, open spaces and children's playgrounds.

In the inter-war years, two types of housing co-operatives existed, i.e. tenants' and owners' co-operatives. They both have common features regarding their organisational structure and the collective ownership of the land on which houses are built. But there are also essential differences. A member of the tenants' co-operative is not the owner of his flat, although he is a co-owner of the whole co-operative property and has a hereditary right to satisfy his and his family's needs on conditions laid down by the rules. He is entitled to obtain a flat according to the size of his family and, if the family grows, he can ask for a larger flat. On the other hand, in owners' co-operatives members acquiring their flat retain their ownership rights and are able to cede them to third persons as determined by the rules.

It is worth mentioning that tenants' co-operatives are the largest section amongst housing co-operatives. Out of 610,000 co-operative flats occupied at the end of 1970, 570,000 were tenants' co-operative flats. This represents a radical change in comparison with the situation of the inter-war years. In 1937 there were merely 60 tenants' co-operatives in Poland with a total membership of 12,500 owning 6,100 flats. At the same time, there were 192 owners' co-operatives affiliating 9,400 members owning 9,900 flats.

As a rule tenants' co-operatives build large groups of houses and even whole groups of estates forming urban districts, with services provided and envisaged by town planners. On the other hand, owners' co-operatives mostly erect smaller groups of houses or even single blocks of flats.

There are exceptions to this rule, namely there are several big owners' co-operatives whose investment programme envisages the construction of large estates including shops and small factories, schools, nursery schools, creches, dispensaries and repair workshops needed

to maintain the blocks of flats and their surroundings in good condition. The repair workshops also provide flat maintenance services to both tenants and flat owners.

During the war years, Polish housing co-operatives suffered severe losses, particularly in Warsaw which was very badly damaged. During the post-war years the damage was repaired. Some co-operatives, above all the Warsaw Housing Co-operative, resumed the construction of new housing estates with the assistance of the State. During that time, however, co-operative housing developed at a slower pace than state-supported housing. In 1950, co-operative investments were considerably limited.

Work was resumed again on a broader scale in 1954, and particularly after 1957, when the principles of a new housing policy were put into practice. The essence of that policy was that the housing conditions were to be improved by means of utilising the financial means of the population and partly also by the use of public funds. At the same time, rents had to be gradually raised. Housing co-operatives were considered to be the most convenient form of putting these principles into practice, and above all the tenants' co-operatives. Apart from tenants' co-operatives, State and private building of flats has been continued. Generally speaking, the share of co-operative building has increased and that of state-supported housing has decreased, while the construction of family houses by private persons is maintained at an even level.

Changes in the housing policy have provided for the building of more flats in towns and urban areas. This is best illustrated by the number of flats built in towns in the three successive five-year plans: 1956-1960, 370,000; 1961-1965, 560,000; 1966-1970, 700,000.

*Right: A Co-operative Housing Settlement in Warsaw*





During the period 1950–1970, the number of flats in towns was growing faster than the population in these towns. The increase in flats was 70 per cent, while that of the population was 62 per cent which made it possible to improve housing conditions. As a result, the number of persons allocated to a room dropped from 1.55 in 1950 to 1.32 in 1970. Over 40 per cent of the urban population live in flats built after 1950 which offer all the necessary equipment and facilities.

Between 1956 and 1970, 595,000 co-operative flats were allotted to co-operative members; it is estimated that in 1971, the figure was over 90,000 new flats. Many flats are better equipped than the national standard, because co-operatives ensure that their flats are of the best quality. Furniture is built in at a tenant's request, and at his own cost.

All housing co-operatives, especially tenants' co-operatives, are given substantial credit and financial assistance by the State. They are also entitled to many privileges. The amount paid by the co-operative member as his share of the cost of his flat and the amount of credit granted by the State are determined by the actual cost depending on the standard of equipment in the flat, the town and the location of the building site. Smaller towns and urban districts situated further away from large city centres enjoy greater privileges.

The deposits paid by members of tenants' co-operatives amount to between 15 and 22 per cent of the cost of building a flat, and bank credit amounts to between 78 and 85 per cent of the cost of building and is granted interest-free, repayable over 45 years. One-third of each instalment is written off by the State on the condition that the co-operative looks after its property and that repayments are made on time.

In owners' co-operatives, 50 per cent of the building cost is paid by the future flat owner and the other 50 per cent through a bank credit which is granted at 1 per cent annual interest, repayable over a period of up to 25 years. After 20 years

the State may write off 20 per cent of the credit if the co-operative keeps its property in good repair.

The procedure of saving for a flat is an essential factor promoting the development of housing co-operatives in Poland. It consists of regular deposits of certain sums in special savings books issued by the General Savings Bank. At the end of 1966, there were 504 such savings books with savings amounting to over 2,700 million zlotys. By mid-1971, the number of such savings books had risen to 1,152,000 and the total sum deposited to 8,600 million zlotys.

Apart from investment, building and maintenance activities, housing co-operatives also carry out educational activities for their members and the children of their members. They run clubs, children's reading rooms, libraries and "hobby" groups in which young and older people can develop their talents for music, arts, etc. There are also special clubs for retired persons, lectures and competitions for amateur artists. Some co-operatives have artistic groups and organise summer holidays for their members and summer camps for members' children.

The work of a housing co-operative is supervised by the self-governing bodies of the inhabitants of a co-operative housing estate. The decision making is done by tenants' committees, estate councils, co-operative councils and by general meetings of co-operative members or their representatives if the number of members is too large. Representatives are elected at group meetings of co-operative members.

All the housing co-operatives are members of the Central Union of Housing and Building Co-operatives with headquarters in Warsaw and branch offices in all county towns. The Union runs 35 service enterprises which offer investment services to the co-operatives, including the planning of building projects. The union also has a training centre.

The Central Union is a member of the International Co-operative Alliance,

and maintains contact with housing co-operatives in many countries. Foreign delegates attend seminars and conferences on co-operative housing problems held in Poland. This helps not only to develop mutual contacts, but also to exchange experiences.

Housing co-operatives in Poland

have good prospects of development. The setting up of enterprises producing building material within the movement is being discussed. Such enterprises should first of all satisfy the needs of those wishing to build their own homes, and this type of building should be developed much more in the future.

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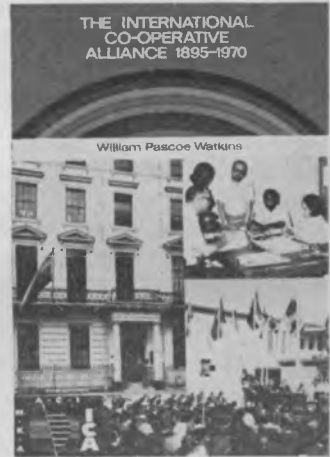
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# Savings and Credit Co-operatives

**Tadeusz Ilczuk M.S.(Econ)** President of Board  
Central Union of Savings and Credit Co-operatives

Savings and credit co-operatives are the oldest type of co-operative societies in Poland; up to the end of 1970, about 30 of them celebrated their centenary.

The main tasks of savings and credit co-operatives are:

- 1 the granting of credit for the development of agricultural production,
- 2 collecting savings deposits,
- 3 looking after and clearing farmers' accounts,
- 4 educational activities.

*The Network of Savings and Credit Co-operatives.* There were 1,645 co-operatives at the end of 1970. The smallest of them had about 1,000 members, while the largest had about 6,000–7,000. The number of branches of a co-operative varies from one to five depending on the number of their members. There is not a place in Poland which is not covered by the activities of a savings and credit co-operative. *Members and Their Self-Government.* At the end of 1970, the number of members exceeded 3,330,000. Savings and credit co-operatives are run by a board, i.e. an executive body composed of 3 members elected for an unlimited period by the co-operative council.

The president of the board manages the co-operative. Within the framework of its functions, the board makes decisions concerning all activities and makes recommendations and supervises the work of co-operative employees. The board also represents the co-operative externally.

The council supervises the activities of the board and of the whole co-operative staff. The council, composed of 9 to 15 members, is elected for 2 years by the general meeting of members. To increase the efficiency of its work, the council has specialist committees for particular types of co-operative activities.

Members of some co-operative boards and of all co-operative councils carry out their functions on a voluntary principle.

The general meeting of members is the supreme authority. If the number of co-operative members exceeds 300, the general meeting of members may be replaced by a general meeting of member representatives. Through their participation in general meetings, co-operative members assist in managing their co-operative, and influence its activities by means of expressing opinions and adopting decisions. The general meeting makes

decisions concerning the overall activities of a co-operative and its development.

*Credit Activities.* Rapidly growing mechanisation allows farmers to develop production, although the purchases of equipment often depends on the availability of credit. Savings and credit co-operatives issue short-term loans to farmers for the purchase of equipment and long-term loans for small-scale investments and repairs, etc.

The total sum of credit granted by savings and credit co-operatives amounted to 14,942.5 million zlotys in 1970.

Short-term credit is also granted to finance production, and for:

1 purposes arising out of farmers' con-

tract obligations and financing for the purchase of supplies,

2 purchases of means of production from distribution enterprises: mainly mineral fertilisers, seed, seedlings, fruit trees, pesticides, cattle, pigs, sheep, chickens, bee hives, fodder and coal,

3 payment for services offered to farmers by the socialised enterprises, mainly if given by agricultural circles,

4 the purchase and repair of farm machinery and implements.

Credit for the above purposes is provided at the rate of 3 per cent per annum. Short-term credit for the purchase of livestock, for repairs and building, and for the purchase of implements of pro-



Interior of the office of the Co-operative Bank in Kutno

duction and services is granted at the rate of 6 per cent per annum.

Medium-term credit is granted for investment expenditure, particularly for repairs, investments in mechanisation, the laying out of orchards and plantations of perennial plants, purchases of young cattle and pigs. This type of credit is provided at the rate of 4 per cent per annum.

Apart from farmers, co-operatives also give credit facilities to artisans, private industry, trade and services.

Short-term credit is granted for the purchase of materials and goods, small implements and equipment and minor repairs to machinery, as well as for means of transport and for purposes connected with services and production. Medium-term credit is granted mainly to provide the equipment for new workshops and enterprises or for the modernisation of existing ones, for repairs, building and the expansion and modernisation of buildings. Co-operatives also grant credit for hire purchase, particularly for consumer goods, e.g. radio and television sets, furniture, washing machines, refrigerators and other domestic appliances.

The progressing intensification of production on farms and the growing sums of credit required have made it necessary to improve and simplify the procedure for granting loans. Farmers are required to submit one application for credit needs during one calendar year instead of writing out a separate application for each loan; there are now greater possibilities of obtaining credit granted on a bank-transfer system, because a farmer is given a certificate showing the sum of credit granted in order to buy production aids from socialised selling agencies.

Efforts have also been made to replace short-term credit granted separately for different purposes by a single credit for current production. This has been done in the form of savings and credit accounts. In principle, it is another form of bank-transfer credit, whereby the

farmer pays by cheque for his purchases. When fixing the date of repayment, savings and credit co-operatives are guided by the duration of production cycles, or the period of amortisation of investments for which the credit is granted and the orientation of farm production is also taken into account. Short-term credit is granted for a period not exceeding 18 months; medium-term credit is granted for 5 to 8 years.

The assets of the farm or enterprise to which credit is granted, and incomes from production or services, provide the material guarantee to the creditor. A formal guarantee is an obligation signed by the debtor and his wife, another adult family member, or a third person. The guarantee of a third person is not required if the debtor is known for his ability to repay his debts.

*Savings.* Savings, at the end of 1970, amounted to 17,571.4 million zlotys. The steady growth of savings deposited with co-operatives is not only the result of improved material conditions of the rural population, but also of the closer economic and social links between farmers and savings and credit co-operatives. It is also proof of the growing confidence of farmers in co-operatives. The interest paid on sums deposited in savings accounts, using savings books, is another incentive to keep money in the co-operatives.

Among various forms of savings particular attention is given to savings accounts in which savings are deposited against the security of real property; and there are also current accounts and deposit accounts. Owners of such savings enjoy priority in purchasing building materials. The rate of interest paid on deposits is 3 per cent per annum.

*Clearing of Accounts.* Savings and credit co-operatives have recently developed a new system of financial services for the agricultural trade; they clear accounts between farmers and buyers who enter into contracts for agricultural produce, and between farmers and suppliers of

production means and consumer goods. For this purpose, co-operatives open savings and clearing accounts which are now more popular because they save time. The farmer asks his buyers to arrange for a transfer of the money owing to his savings and credit co-operative which is then credited to his account. Owners of savings and clearing accounts are granted credit by the co-operative to meet their commitments. Liabilities are paid by cheque or transfer order.

*Social and Educational Activities.* Apart from granting credit, promoting saving and clearing operations, the co-operatives also conduct social, educational and cultural activities to strengthen the ties between members. Such activities are conducted either by the co-operative itself, or jointly with other rural co-operatives and institutions. These activities include the

provision of libraries, lectures, discussions, sewing and tailoring courses, excursions and artistic events. On distributing their net profits, the co-operatives also earmark a certain sum for financial assistance to co-operative members.

*Central Union of Savings and Credit Co-operatives.* The Central Union of Savings and Credit Co-operatives was set up at the First National Congress of Delegates of Savings and Credit Co-operatives in August 1957. It affiliates all co-operatives of this type, and carries out the duties of an auditing institution.

The development of agriculture and growth of agricultural production have set important tasks to savings and credit co-operatives, and to help them to carry them out the Central Union constantly applies new methods to do this important work.

# Handicraft Supply and Marketing Co-operatives

**Edmund Szczepanski** President of Board  
Central Union of Handicraft Supply and  
Marketing Co-operatives

The activities of the Polish handicraft co-operatives in the inter-war period and during the first years following Poland's liberation in 1945 were intended to promote the association of craftsmen and artisans for mutual benefit.

After the Second World War, it was found that the number of artisans was 90,000, which was only a quarter of the 1935 figure.

In 1970, 315,000 persons worked in 164,000 handicraft workshops whose total turnover amounted to 32,500 million zlotys, including 14,500 million zlotys being the value of services provided by them. The importance of the services offered by handicraft co-operatives to the national economy is best shown by the fact that at present these co-operatives account for about 75 per cent of all upholstery, building, photographic and locksmith's services and for about 50 per cent of all tailoring, shoemaking, hairdressing, cosmetic and motor car servicing.

The need for mutual assistance imposed by the necessity for protection against capitalistic pressure was recognised early by craftsmen. The handicraft self-government organs showed interest in

co-operative initiatives in the inter-war years. There were 24 handicraft co-operatives in Poland in 1926 with 6,500 members. Ten years later there were already 114 co-operatives.

Immediately after the war, auxiliary handicraft co-operatives were established under new conditions.

The State administration in the People's Poland in its endeavours to impart a proper role to handicrafts in the building of socialism, granted support to, and helped to organise forms of collective assistance based on co-operative principles.

In time the functions of co-operatives became more and more clearly defined, and the co-ordination of handicraft activities was improved and became better adjusted to transformation in the national economy.

The system of socialist planning in Poland envisages that the handicraft sector should be granted assistance through co-operatives, charged with the implementation of tasks and with the utilisation of raw materials needed in their activities.

Taking into account that about 3 per cent of Poland's population earn their





A variety of articles produced by Handicraft Supply and Marketing Co-operatives

livelihood as artisans and that handicrafts produce and consume a considerable portion of the national income, the problem of State assistance for handicrafts imposes the need to find a realistic economic, organisational and legal form of activity.

For this reason, the Central Union of Handicraft Supply and Marketing Co-operatives was formed in 1961. The Union is the co-ordinator of planned activities of the handicraft sector.

The present situation of handicraft supply and marketing co-operatives at the end of 1970 is illustrated by the following figures:

No. of handicraft supply and marketing co-operatives **428**

No. of handicraft workshops affiliated **63,800**  
 Total turnover in million zlotys **9,100**  
 Own funds in million zlotys **1,238**

Experience gained during the 27 years of existence of the Polish People's Republic has proved that on the basis of the constitutional state system, handicraft co-operatives are the best form of socialisation of handicrafts. This has been confirmed by the realisation in private handicraft enterprises in tasks undertaken resulting from the national economy planning and by the means of assistance given from national resources for this task.

Co-operatives connect handicrafts with the socialised economy and also

co-ordinate all economic problems of the handicraft sector.

The co-operatives grant assistance to craftsmen who are their members. Their aim is to secure the development of handicrafts and to satisfy the existing social needs.

Handicraft supply and marketing co-operatives:

- are instruments of the State policy through which production material is distributed to craftsmen and financial means are given to them to develop services and production,
- are partners in the socialised enterprises and make it possible for craftsmen to market their products and services to socialised buyers,
- supply auxiliary equipment to enable craftsmen to apply modern technology and to stimulate investments in their workshops,
- make private craftsmen familiar with co-operative organisation also helping to link handicrafts with the socialist economy.

The plan for the development of handicrafts in the years 1972–1975 provides that:

- economic plans should give handicrafts a scope of activities in which their tasks could be adjusted to the available means and to local demand,
- agreements on collaboration and branch co-ordination should include the tasks and means assigned to handicrafts,
- there should be more shops owned by handicraft co-operatives for the sale of their own products.

Handicraft co-operatives should intensify their contribution to the development of handicraft production of marketable goods and should supply craftsmen with materials, machines, equipment and other technical appliances. First of all they should:

- 1 carry out supply activities,
- 2 organise sales of goods and services,
- 3 carry out economic activities on their own, in connection with the needs of handicrafts,
- 4 organise collaboration and joint production to enlarge the range of commodities for the home market and for export,
- 5 supervise and control the quality and price of goods and services.

# Co-operation as a basis of Vocational Rehabilitation of the Disabled in Poland

**Aleksander Futro** President

Union of Co-operatives for the Disabled in Poland

It is a basic principle, universally and rightly recognised as an obligation, that the disabled person should be actively concerned in the process of rehabilitation, in treatment and in social and vocational adaptation. This principle is best expressed in vocational rehabilitation based on active direct and personal participation by

the disabled person and on work in his particular vocation.

In Poland the system of vocational rehabilitation is universal and very effective because it is based on premises arising out of the principles underlying the country's political system and is in accord with the aspirations and needs of the dis-



Sanatorium run by the Union of Co-operatives for the Disabled at the well-known watering-place of Busko-Zdrój



abled themselves. According to the Constitution of the People's Republic of Poland, every citizen has a right and a duty to work, a fact which makes it easier for the disabled person to share equally and by right in the life of society. The material wherewithal of existence is thus assured, the disabled person and his work have their place in the community, and he retains his personal dignity and a feeling of being of use to society.

The satisfactory solution of the general problem of disablement and of vocational rehabilitation of special categories of the disabled is due in large measure to the Polish Co-operative Movement, more especially the co-operatives for the disabled and their associations, in particular the Union of Co-operatives for the Disabled. These societies form the starting point for mass employment and vocational rehabilitation of the seriously handicapped in Poland, and thus have a prominent place in the State Social Assistance service. At the same time they have a very definite share in the economic life of the country.

Through these co-operatives 80 per cent of the disabled have been rehabilitated, among them some seeking work through the chairmen of the People's Councils. Many of these disabled persons require additional training, choice of job location and suitable working conditions, medical attention at the place of work and continuous physiotherapy treatment.

The disablement co-operatives number 423 and comprise over 3,000 productive and service concerns employing over 206,000 people, 158,000 of whom are disabled. By law, 75 per cent of the labour

employed in these co-operatives must be disabled persons. Most of the disabled and other personnel in these societies is employed on industrial work where it is easier to ensure the conditions necessary for rehabilitation.

In 1970 the total turnover of these co-operatives amounted to almost 20 milliard zlotys, of which:

Trading output	almost 12,400 mld. zl.
Non-industrial services	over 1,500 mld. zl.
Business transactions	4,700 mld. zl.
Fixed assets exceed	2,700 mld. zl.
Share capital and reserves	2,600 mld. zl.
Net surplus has considerably exceeded	1,300 mld. zl.

In 1970 it was thus possible to put 561 million zlotys to social and rehabilitation purposes and 496 million zlotys to productive and social investment. Furthermore, the societies were able to achieve their aim of complete vocational rehabilitation by means of resources raised by the disabled themselves, an achievement reinforced by the complex and all-pervading effect on the disabled persons themselves.

The vocational rehabilitation course in disablement co-operatives comprises the following:

- consultation on rehabilitation;
- vocational preparation and training;
- choice of job location and appropriate working conditions;
- protection of health and rehabilitation treatment at place of work;
- arrangements for rest periods, active recreation as well as sport and tourism;
- social welfare;
- organisation of cultural and educational activities.

Since social rehabilitation is based on the network of centres suitably equipped with everything required for rehabilitation, the co-operatives have a contribution to make to the rehabilitation programme. There are, first of all, the centres for consultation on vocational rehabilitation attached to the Union of Co-operatives for the Disabled at regional and district level, rehabilitation clinics either at each co-oper-

*Top left:* In the premises of the Disablement Co-operative at Piotrków Trybunalski. Assembling contact banks for telephone exchanges

*Bottom left:* Treatment room at the rehabilitation clinic run by the Disablement Co-operative "Delta" at Zgorzelec

ative or run jointly by several, rest homes and sanatoria, education centres, etc. The rehabilitation personnel, numbering about 3,000, employed in the centres, includes doctors, psychologists, sociologists, nurses, social workers, technical advisers, specialists in education and physical culture, etc. All members and those working in the disablement co-operatives benefit from the work done in these centres and from the rehabilitation service.

Since a large number of disabled people suffer from a variety of illnesses and infirmities, many complex factors have to be taken into account by the co-operatives in achieving a satisfactory rehabilitation programme. The blind, those with diseases of the circulatory system, those crippled in the legs, those with rheumatism, and post-tubercular cases number over 11,000 in each group. The deaf, those with diseases of the nervous system, with infirmities in the upper limbs, the mentally handicapped, etc., number over 6,000 in each group.

The disabled person who has decided to join a co-operative must first submit to examination as to his aptitude for work (medical and psychological tests, samples of work, etc.) to determine his psycho-physical capacity and his rehabilitation requirements as well as the individual programme to be drawn up for him by the rehabilitation committee. In accordance with this programme, the disabled person undertakes such vocational training or improvement courses as are arranged by the organisation, and where necessary is given work adapted to his basic rehabilitation needs. Only then is he allotted a definite job and provided with the appropriate tools.

As mentioned above, the majority of disabled persons are employed in industry. There are, however, certain types of employment and works management which can be undertaken by the disabled according to their category of disablement and rehabilitation requirements.

In addition to ordinary industrial

enterprises offering suitable conditions of work, in which people with various illnesses and infirmities can work side by side with normal people, there are special establishments offering protected work. In these, persons suffering for the most part from the same disability are grouped together as they require extra care, special working conditions or treatment while at work. There are 250 such protected workshops employing 17,000 disabled persons, mainly mentally handicapped, blind persons, post-tubercular convalescents and psychologically disturbed cases.

Co-operatives for the disabled are extending the system of work at home which offers the chance of gainful occupation and a means of earning a living to seriously handicapped cases whose mobility is extremely restricted. Work at home is started mainly as a form of vocational rehabilitation for disabled persons living in small communities or villages and is now carried on by about 32,000 people.

The co-operatives have an extensive system of health care at work adapted to the needs of employees. This system is expanded and diversified as required by the growing number of centres and the increase in their equipment. It is co-ordinated with facilities for recreation and rest after work and for other social activities.

At present the Union of Co-operatives for the Disabled runs four sanatoria and five rehabilitation and rest centres, taking over 1,000 cases at a time and 14,000 over the whole year. Further centres are in course of construction and the co-operatives themselves have their own recreation centres.

With the collaboration of the Sports Union "Start" physical culture and sport are being popularised and developed by means of sports and athletics, rehabilitation camps in summer and winter, tourism and participation in national and international sports festivals. The sports and holidays in the rest centres and even Sunday excursions all constitute a kind of leisure and general physical activity con-



National Sports Events of the Disablement Co-operatives held in Summer 1971 at Cracow. Foreign teams and observers from many countries take part with the best disabled Polish sportsmen

tributing to general all-round rehabilitation.

Among the many forms of social help which should be mentioned are the apparatus and tools which make possible not only work, but day-to-day existence also, financial help in procuring some means of transport and living accommodation, summer holiday centres for children (the co-operatives own 42 such centres), hotels and guestrooms, self-help savings banks (run by all co-operatives), etc.

The high standards and widespread activities of the disablement co-operatives

have been progressively improved over more than 25 years during which they have developed their system of organisation and management. Thanks to the economic returns from the work produced by disabled co-operators, the co-operative enterprises have been consolidated, effective rehabilitation expanded and improved, many productive and social centres built, and the whole system of rehabilitation technique and research organised.

The co-operatives for the disabled bring considerable profits to the State, to society and to those interested themselves

by drawing large groups of the disabled back into active participation in social and economic life. The important factor is that these co-operatives have been born of the initiative of the disabled themselves in organising and managing their own co-operative establishments, creating their lives and their work for themselves, and reconciling economic, social and personal factors with those of rehabilitation.

Since they employ men whose working capacity is very limited, disablement co-operatives have to bear higher production costs as well as the expense of rehabilitation, and would obviously be in a difficult position when confronted with the harsh realities of the economic world. They owe their business success, the assurance to the disabled of suitable work and rehabilitation, as well as relatively high wages (equal to the average in the country) largely to help from the State which has granted them certain privileges, preferential treatment and facilities.

The Union of Co-operatives for the

Disabled acts as the co-ordinating body for all the disablement co-operatives in the country and is an important stabilising factor. It co-ordinates the societies' activities, and having at its disposal adequate funds, is able to give financial help to poorer societies needing funds for investment.

The Union works closely with national and foreign organisations concerned with retraining the disabled, and profits from world-wide exchange of views and experience.

The activities and achievements of the disablement co-operatives in Poland are clear proof of the value of the co-operative approach in dealing with the problems of disablement and vocational rehabilitation of the disabled. Above all, these societies have a great influence on the social and vocational activities of the disabled, and consequently upon the speed with which they respond to rehabilitation and become generally integrated members of society.



# Co-operative Legislation in Poland

**Remigiusz Bierzanek** Professor at Warsaw University  
Member of the Higher Co-operative Council

## 1. Introduction

Ten years ago the Polish Parliament passed the law relating to co-operative societies and their federations which is often referred to in practice as a "Code" embracing co-operative legislation as a whole. The law<sup>1</sup> and its practical application over the past decade offer an interesting study for both co-operators and jurists, since it concerns a movement with a long historical tradition which at present enjoys an important position in the national economy and has a part to play in regulating relations between the State and the Co-operative Movement under a system of planned economy.<sup>2</sup> Polish legislators, taking as a basis the principles of the 1920 law in force until 1961—principles which are firmly rooted in the mentality of two

generations of Polish co-operators—have, however, made use of experience gained under the system of planned economy introduced after the Second World War, and have incorporated certain original ideas regarding both the structure and contents of legislation.

The system chosen—not without a certain hesitation—was that of a single law answering the needs of all types of co-operative society, as opposed to the first proposal which was not applicable to agricultural productive societies. In the course of discussion the view was frequently expressed that all co-operatives should be covered by a single law which would emphasise the solidarity of the Co-operative Movement and offer considerable practical advantages. Neverthe-

<sup>1</sup> The law of 17th February 1961. The French and English texts of the law have been published by the ILO in Legislation Series 1961—Vol. 1.

<sup>2</sup> At the end of 1970 there were in Poland 9,689 co-operative societies with 13,832,000 members. These comprised:

	No.	Members
Consumers' societies	24	2,760,000
Agricultural Sales and Marketing	2,227	4,378,000
Workers' Societies	2,490	551,000

Artisanal Sales and Marketing	428	64,000
Fruit and Veg. Marketing	141	404,000
Agricultural Productive	1,071	37,000
Dairy Societies	430	1,108,000
Credit Societies	1,645	3,330,000
Housing Construction	915	1,084,000
Health Societies	314	115,000
Miscellaneous	4	1,600

These represent 51.3 per cent of the country's total business turnover; 10 per cent of industrial production; 68.1 per cent of urban housing construction.

less, in working on the legislation, it was considered necessary to take into account the particular nature of certain types of co-operatives which required special provisions, and accordingly to include in the law a considerable number of clauses valid for one particular type of society. For this reason, certain chapters have been devoted specially to three types of co-operative, namely, agricultural productive societies, workers' industrial productive and artisanal societies, and housing construction societies.

## **2. Preparation of the Draft Law**

Co-operative organisations have taken an active part in preparing the draft. In 1954 the government recommended that the Central Co-operative Union should prepare a draft law on Co-operation within the framework of the planned economy. The discussions carried on in the Union's offices with representatives of interested ministries resulted in a draft being submitted to the Diet in July 1956. It was rejected by the Parliamentary Committee which required it to be expanded to include provisions covering agricultural productive societies.

After the political events of October 1956—in an ebullient atmosphere of “resurgence of public life” and elimination of “irregularities”—work on the draft law took a fresh turn. The Central Co-operative Union formed a Committee of Jurists composed of law professors, judges of the High Court, as well as lawyers attached to the Co-operative Federations. This Committee set to work actively to prepare a new draft. In June 1958 a national conference of delegates of co-operative organisations discussed and adopted the main theses (145 clauses with short commentary) setting out the co-operative attitude to special problems of co-operative law. These clauses have served as the basis for the draft. A group of deputies presented the draft drawn up by the Co-operative Committee of Jurists to parliament, (Diet).

In view of the fact that the co-operatives are active in various spheres of the national economy, and the draft concerned matters outside the competence of the existing standing Parliamentary Committees, the Parliament appointed an Extraordinary Parliamentary Committee charged with examining the draft. At the same time, the opinion of the Codifying Committee at the Ministry of Justice was obtained. In the course of the work of the Extraordinary Committee and its three sub-committees (relating to the provisions concerning all co-operatives and their federations, to that concerning agricultural productive co-operatives and to that concerning housing construction co-operatives) the draft was submitted to a detailed analysis and a number of amendments and modifications introduced. In its modified form the draft was adopted by the Diet on 17th February 1961.

## **3. Legal Provisions governing Co-operatives**

As regards the organisation of co-operative societies, the law has not introduced any essential changes from the 1920 law which followed the system adopted in other Central European countries, requiring that societies should have a General Meeting, a Supervisory Council and a Board of Management. However, one of the questions arousing lively discussion was that of supervision of the societies' rules by the federations and of control over the formation of new societies. According to the 1920 law, the founders were free to establish any kind of co-operative anywhere regardless of whether a similar type was already in existence. Such an arrangement gave very unsatisfactory results. Consequently, in 1934 the law was amended so that the founders of new co-operatives were obliged to obtain the approval of the co-operative federation regarding the economic viability of the new co-operative. This measure has been generally appreciated: on the one hand, it avoids the formation of societies which

are too weak and lack adequate financial resources; and on the other, it in no way hinders co-operative development since control remains in the hands of co-operators themselves, i.e. co-operative federations keenly interested in expanding co-operation.

Following the introduction of a planned economy, it was considered necessary to reinforce the above-mentioned control. Accordingly, in 1949 the federations were authorised by an amendment to the law to draw up model rules for co-operatives; the courts were compelled by law to register only those rules which conformed to the model rules. This provision was severely criticised as being, in the opinion of many co-operators, an inadmissible interference in the life of the societies. In the course of the legal deliberations, a compromise was reached between the more liberal opinion and that anxious to ensure a certain control over the establishment and structure of societies sharing in the implementation of economic planning.

In accordance with the law of 1961, the rules of a co-operative must conform "to the principles" established by the competent central federation for a certain definite type of society. On the other hand, proof of economic viability of a new co-operative has been retained, although a clause has been introduced on behalf of the local authorities who, on account of their growing involvement in the process of decentralisation of public authority, have laid claim to some say in the creation of new economic enterprises. According to the law, proof of economic viability is provided by the co-operative federation "after agreement with the praesidium of the competent people's council" and any revision of the rules—where it concerns the aims, objects and field of activity of the co-operative—must equally be submitted for approval to the same praesidium.

#### **4. Co-operative Federations**

Under the provisions of the 1920 law,

co-operatives in Poland, as in many other countries, formed federations of various legal types: associations, commercial companies of such and such a type, co-operative societies. The most usual form was that of co-operative, but in their organisation and activities the federations—as groups of co-operatives—deviated from certain provisions of the co-operative law, for instance, the principle of "one man one vote". The 1961 law regularised this situation by bringing all co-operative federations as well as all co-operative societies under one law. Both are covered under the single heading of "co-operative organisations".

The law makes an important distinction between central federations and other federations. Whereas co-operatives are obliged to become affiliated to the central federations which have certain official functions laid down by law, in addition to those tasks provided for in their rules and by the congresses of their member societies, membership of other federations is voluntary. The powers of the central federation are wide and varied. As well as carrying out inspection of their member societies, they represent their members' interests with the public authorities, they carry on educational activities and—as laid down in the law—they fix the lines of economic and financial planning and they see that the national economic plans are carried out in so far as their member co-operatives are concerned.

Finally, under the 1961 law the Higher Co-operative Council was created consisting of over 100 delegates appointed by the federations, trade unions, agricultural organisations and representatives of the Academy of Science. The Council's function is to watch over the development of the entire co-operative movement, to represent its interests to the government and abroad, to take initiatives and to give opinions. Only in certain limited cases defined by the law can the Council take any decisions on concrete problems.

The scope of the central federations

and the tribunals in so far as control of co-operatives is concerned is clearly and precisely defined as regards questions of administration and organisation (the right to intervene in those cases where the law and the rules are not observed). In the economic field, however, the law is restricted to a general formula authorising the federations to annul resolutions passed at meetings which infringe other resolutions "relating to the rules governing the planned economy and to control in financial and investment matters". Also, as regards distribution of the surplus, the law says in a general way that this surplus "shall be distributed according to a resolution of the general meeting"; such resolutions must, however, "conform to the principles governing the financial economy".

In the course of the discussions on the law, a certain disproportion was noted due to the fact that, in economic matters, the terms of the law were not sufficiently precise and referred to special laws and decrees. This is certainly a valid criticism. The discrepancy was taken into account in the preparatory work, and the possibility was even discussed with economists of outlining in precise terms the economic field of activity of the co-operatives and that of the organisations entrusted with the responsibility of implementing the National Plan, by trying to define a number of economic indices fixed by the public authorities and imposed on the co-operatives. These efforts have not given satisfactory results on account of the rapidly evolving economic situation and because the field over which control could be exercised was equally variable. For these reasons it was considered more to the advantage of the co-operatives and also in the public interest that control and supervision should be in the hands of the co-operative federations rather than in those of the public authorities. The view sometimes expressed by certain economists that it would perhaps be better for the Co-operative Movement to be

content to work outside the National Economic Plan and thus avoid having its activities subject to control by bodies whose function it was to give effect to the plans, has been categorically denied by most co-operatives who considered it their duty, on behalf of their members and having regard to the future of the Movement, to play an active part in the development of the planned economy.

## 5. Conclusions

On the whole, it is considered that the 1961 law works satisfactorily. It has undoubtedly had a stabilising effect on the legal position of the Co-operative Movement and has helped to consolidate its importance in the country's economy. It has strengthened the standing of co-operative enterprise within the framework of the planned economy. Any criticism is directed rather at the structure of co-operation which does not meet the growing need for active collaboration between the various types of co-operative organisation. The law is especially reproached for not containing any clauses which would facilitate the concentration of co-operative economic power, and in particular that it does nothing to further the process of decentralising the functions and the rights of the organs of large societies, and does not therefore encourage small societies to amalgamate. This problem has become of prime importance for consumers' and housing societies. It must be admitted that this aspect of co-operative development was not taken into account in 1961 since the question of concentration did not arise in Poland until later on. Furthermore, suggestions have been made for amending and supplementing the provisions of the law relating to housing co-operatives. In this connection, the 1961 legislator put an ingenious legal construction on the "co-operative right to the dwelling" which contains a differential content: whereas in societies whose members themselves supply the funds for building houses (their own resources and bank loans), the "co-oper-

ative right to the dwelling" is almost identical with the right of property, in those societies whose members only meet a limited proportion of the building costs (as a rule not more than 15 per cent), the "co-operative right to the dwelling" results in the position of a privileged tenant having the right to bequeath the dwelling to members of his family, but not to dispose freely of it. Nevertheless, although in recent years there have been rapid changes<sup>3</sup> in the provisions of the law relating to this type of society in Poland, they have not been sufficient or precise enough to resolve many legal questions reflecting important economic and social problems, among them the rights of married women.

Finally, attention must be drawn to the indirect effect of the law on the development of doctrine and jurisdiction under co-operative legislation. The law has provided ample opportunity in the courts, and in the High Court in particular, to define provisions and thus to

amplify and develop co-operative legislation. Publications concerning this legislation are becoming increasingly numerous. They are not restricted to traditional questions of co-operative legislation, but deal also with contemporary key problems.<sup>4</sup>

As regards the teaching of co-operative legislation, opinion favours the establishment of a legal discipline distinct from the other disciplines taught in the Law Faculties, taking into account the importance of co-operation in the country's economy as well as the value of a knowledge of such legislation to the lawyers employed in the public administration and in the judiciary. At the moment, the Councils of the Faculties are authorised to include co-operative legislation in the obligatory course for students, and the majority have done so. Co-operative legislation is thus gaining the place which it merits in Polish universities.

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<sup>3</sup> Whereas in 1956 the number of members in this category of co-operatives was only 35,000, it had risen in 1960 to 146,300, in 1966 to 430,000 and in 1970 to 1,083,000. The co-operative share of urban housing erected between 1956 and 1960 was 8.7 per cent, between 1961 and 1965 23.5 per cent and in 1970 68.1 per cent.

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<sup>4</sup> In recent years the following monographs and manuals have been published in Polish: R. Malinowski, *The State and Co-operation* (1967); J. Pietkiewicz, *Co-ordination of the economic activities of economic and social organisations* (1967); M. Geradorf and J. Ignatowicz, *Commentary on Co-operative Legislation* (1966); R. Bierzanek, *Outline of Co-operative Legislation* (1968).

# Annotated List of Books Received at the ICA Library

## **ANSCHEL, Kurt R. and BRANNON, Russel H., and SMITH, Eldon D.** **Agricultural Co-operatives and Markets in Developing Countries.**

373 pp; notes; tabs. New York, Praeger, 1969.

*Summary: This work, based on seminar papers, deals with agricultural marketing in selected countries, and focuses on the potential of co-operatives as instruments of rural development.*

## **BERGMANN, Theodor**

### **Die Genossenschaftsbewegung in Indien. Geschichte, Leistungen, Aufgaben.**

194 pp; indices; tabs; diags; photos. Frankfurt/Main. Deutsche Genossenschaftskasse, Fritz Knapp Verlag, 1971.

*Summary: The first half of this book describes the co-operative movement in India, and the second half contains an analysis of its problems and achievements. The author shows the limitations of the movement, but concludes that co-operatives may be an important factor in the development of India.*

## **BRIXNER, Ulrich**

### **Credit Unions in den USA. Struktur, Funktionen, Probleme.**

116 pp; indices; bibliogr. Frankfurt/Main, Fritz Knapp Verlag, 1971 (Veröffentlichungen der Deutschen Genossenschaftskasse, Heft 1).

*Summary: An analysis of credit unions in the USA, which demonstrates the European origins of these credit co-operatives and describes their structure and functions.*

## **CANADA DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT**

### **Manual for Indian Co-operatives**

20 pp; tabs (mimeo). Ottawa, Co-operative Services Section, Development Services Division, Indian-Eskimo Development Branch, Department IAND, 1971.

## **CENTRAL COUNCIL FOR AGRICULTURAL and HORTICULTURAL CO-OPERATION**

### **Report of the Working Party on Agricultural Co-operative Law.**

68 pp. London, CCAHC, 1971.

*Summary: The Working Party was set up to study the relevant UK legislation. Much attention is given to the question of what are the principal characteristics of an agricultural co-operative, and it recommends changes in the law, mainly in order to open up new possibilities of obtaining finance.*

## **CREWS, Cecil R.**

### **The History of the Michigan Credit Union League.**

872 pp; Wayne State University Press, 1971.

*Summary: The author, who participated in building up the League records the story of the credit union movement in Michigan.*

## **FOOD AND AGRICULTURE ORGANISATION OF THE UNITED NATIONS**

### **Training Facilities for Co-operative Personnel in African Countries. Edited by Eberhard Dülfer.**

157 pp; maps; tabs. Rome, FAO, 1971. Price: £1.20.

*Summary: A country by country survey of training facilities, including addresses and descriptions of courses, and a list of facilities outside Africa where training is available for Africans.*

## **KOOPERATIVA FORBUNDET**

The co-operative movement and the Trade Unions.

41 pp; photos; tabs. Stockholm, KF, 1971.

*Summary: The consumer co-operative movement is now one of Sweden's largest employers; this pamphlet sketches the relationship between KF as an employer and its employees.*

## **MATHUR, B. S.**

Cooperation in India.

684 pp; tabs. Agra, Shitya Bhawan, Hospital Rd., 1971. Price: Rs. 25.00.

*Summary: A critical analysis of the co-operative movement in India's planned economy; this book is meant to be used as a text-book for post-graduate students and others.*

## **MÜNCKNER, Hans H.**

New Trends in Co-operative Law of English-Speaking Countries of Africa.

61 pp; foot-notes. Marburg/Lahn, Institute for Cooperation in Developing Countries, 1971.

*Summary: A review of the changing pattern of co-operative law in Africa, especially in the English-speaking countries' legislation, which was based on the British Indian co-operative law.*

## **ODUBANJO, M. O.**

Co-operative Guide for Trade Unions.

149 pp; model forms. New York, African-American Labor Center, 345 East 46 St., Suite 200, N.Y. 10017. 1971?

*Summary: "This book is meant to be a guide for Labour union leaders in their efforts to promote co-operative enterprises in the Labour Union Movement, and a handbook for students of Labour unionism in co-operative studies."*

## **ORGANIZACION DE LAS COOPERATIVAS DE AMERICA**

Las cooperativas de servicios medicos (by John Forbes).

No pag. San Juan, Puerto Rico, OCA, 1971.

*Summary: A pamphlet explaining the work and the organisation of health co-operatives.*

## **RIZOV, Alexander and ALEXIEVA Marguerite (Editors)**

Organization and Management of Co-operative Farms in Bulgaria.

380 pp; tabs; graphs; diagrams. Sofia, Sofia Press, 1968.

*Summary: A collection of seven articles which survey the development of agriculture in Bulgaria, covering structure, management, organisation, mechanisation and financing.*

## **U.S. DEPARTMENT OF AGRICULTURE — FARMER COOPERATIVE SERVICE**

Handbook on 20 Major Regional Cooperatives Handling Supplies 1968, 1969 and 1970.

59 pp; diagrams; tabs. Washington, USDA-FCS, 1971.

## **VIR, Dharm**

Report on the Assignment in Co-operative Education in Malaysia 1970.

Var. pag.; photo; bibliogr. (mimeo). New Delhi, ICA R.O. + E.C., 1971.

*Summary: The report of an ICA official who was seconded to help develop and initiate an integrated plan of co-operative education in Malaysia.*

## **WIDSTRAND, Carl Gösta (Editor)**

Co-operatives and Rural Development in East Africa

271 pp; tabs; notes. Uppsala, Scandinavian Institute of African Studies, and New York, Africana Publishing Corp., 1970.

*Summary: A collection of papers presented at a seminar held in Nairobi in 1969, dealing with aspects of the co-operative movement in East Africa.*

**International Co-operative Alliance**  
**Regional Office and Education Centre for**  
**South-East Asia**

**Regional Director: Mr P. E. Weeraman**  
**PO Box 3312, 43 Friends Colony**  
**New Delhi 14, India. Tel. 631541; 632093.**

**International Co-operative Alliance**  
**Regional Office for East and Central Africa**

**Regional Director: Mr Dan Nyanjom**  
**PO Box 946, Moshi, Tanzania. Tel. 2616.**

## Affiliated Organisations

**Algeria:** Société Coopérative Musulmane Algérienne d'Habitation et d'Accession à la Petite Propriété, 6 et 8 rue du Cercle Militaire, Oran. Tel. 205-00; 237-75; 368-64; also at - 21 rue Edgar Quinet, Algiers, and 9 rue Mathurin-Régnier, 75 Paris 15e.

**Argentina:** Federación Argentina de Cooperativas de Consumo, Avda. Suárez 2034, Buenos Aires. Tel. 28-5381/3.

Intercoop, Editora Cooperativa Limitada, Humberto 1°, 2318—1° P.-A., Buenos Aires. Tel. 99-3193.

Asociación Argentina de Cooperativas y Mutualidades de Seguros, Belgrano 530, 5 Piso, Buenos Aires. Tel. 33-0222/7138.

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

Asociación de Cooperativas Argentinas, 25 de Mayo 35, Buenos Aires.

**Australia:** Co-operative Federation of Australia, President's Office: 50-54 Ferry Street, South Brisbane, Queensland 4101. Tel. 4-5083. Secretariat: 569 Wellington Street, Perth, Western Australia 6000. Tel. 21-0191.

**Austria:** "Konsumverband" Zentralverband der österreichischen Konsumgenossenschaften, Theobaldgasse 19, A-1061 Vienna VI. Tel. 57-75-38.

Membership (1967): 476,200; turnover: retail trade: Sch. 4,646 mill. (thereof consumers' societies: Sch. 3,895 mill.; department stores: Sch. 713 mill.; other retail trade: Sch. 38 mill.); wholesale society (G.Ö.C.): Sch. 1,821 mill.; own production: consumers' societies: Sch. 472 mill.; G.Ö.C. and subsidiaries: Sch. 415 mill.

Bank für Arbeit und Wirtschaft A.G., Seitzer-gasse 2-4, Vienna 1.

Zentralkasse der Konsumgenossenschaften, Theobaldgasse 19, Vienna VI.

Osterreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, 1, Bösendorferstrasse 7/11, 1010 Vienna. Tel. 65-71-63; 65-13-25.

1969: Affiliated organisations: 301 (comprising 189 societies and 112 associations); membership: 146,767; dwellings administered: 310,124 (comprising 136,462 societies and 173,662 associations); balance at 1968: 45.2 milliard Sch. (divided as to societies 22.2 milliards, associations 23 milliards).

Osterreichischer Raiffeisenverband, Seilergasse 16, Vienna 1. Tel. 52-69-34.

**Bangladesh:** Bangladesh Samabaya Union Ltd., 9/D- Motijheel Commercial Area, 8th floor, Dacca 2. Tel. 255846.

Provincial Fishermen's Co-operative Society Ltd., Iqbal Road, Patharghata, Post Box 27, Chittagong. Tel. 80587; 85967.

**Belgium:** Fédération belge des Coopératives (FEBECOOP), 26-28 rue Haute, Brussels 1. Tel. 13-28-60; 11-83-50.

Affiliated consumers' societies: 21; membership: 300,000; turnover (1968): Frs. 4,180 mill.; shops: 1,409; Wholesale society turnover (1968): Frs. 1,272 mill.

Société Coopérative d'Assurances "La Prévoyance Sociale", P.S. Building, 151 rue Royale, Brussels 3. Tel. 18-80-80.

Premiums (1966): Frs. 1,903 mill.; reserves: Frs. 6 milliards; insurance funds, life: Frs. 20 milliards.

Fédération Nationale des Coopératives Chrétiennes, 135 rue de la Loi, 1040 Brussels 4. Tel. 35-60-90.

(1967): 1,250 shops; turnover: Frs. 1,430 mill.; Savings Bank: 2,050 branches; 500,000 members; deposits: Frs. 12 milliards; Insurance Society: 290,000 policy holders; premiums: Frs. 450 mill.; reserves: Frs. 1,300 mill.

L'Economie Populaire, 30 rue des Champs, 5300 Ciney (Namur). Tel. (083) 228-01.

Branches (1970): 466; membership: 98,456; turnover: F.B. 1,319,000,000; savings deposits: F.B. 380 mill. + 340 mill. CEP (Private Savings Bank, Ltd.); capital and reserves: F.B. 208 mill.

L'Institut Provincial de Coopération Agricole, 42 rue des Augustins, Liège. Tel. Liège 32-36-52.



**OPHACO** (Office des Pharmacies Coopératives de Belgique), 602 *Chaussée de Mons, Anderlecht-Brussels*. Tel. 22-56-90.

Union of 28 co-operative societies owning 360 pharmacies, 68 optical departments and counters, 7 drug stores, 14 wholesale depots. Turnover (1963): Frs. 1,250 mill. Surplus distributed to 400,000 members: Frs. 95 mill.

Centrale des Caisses Rurales du Boerenbond Belge (CERA), *Minderbroedersstraat 8, 3000 Leuven*. Tel. 016/279.31.

**Bulgaria:** Central Co-operative Union, *Rue Rakovski 103, Sofia*. Tel. 7-83-11; 8-03-11.

Central Union of Productive Co-operatives, *Boulevard Dondoukov 41, Sofia*. Tel. 88-45-90.

**Cameroon (West):** West Cameroon Co-operative Association Ltd., *P.O. Box 135, Kumba, Meme Division, West Cameroon*. Tel. Kumba 251.

**Canada:** Co-operative Union of Canada, *111 Sparks Street, Ottawa 4, Ont.* Tel. 232-9657.

A federation of English-language co-operative organisations, organised in 1909.

Conseil Canadien de la Coopération, *Case postale 58, Station N, Montréal 129*. Tel. (514) 866-8048.

**Ceylon:** Co-operative Federation of Ceylon, *P.O. Box 1669, Co-operative House, 455 Galle Road, Colombo 3*. Tel. 85496.

**Chile:** Cooperativa Sodimac Ltda., *Casilla 3110, Santiago de Chile*. Tel. 734023.

Cooperativa de Empleados Particulares Ltda., *Teatinos 601, Casilla 424, Santiago de Chile*. Tel. 82935.

Instituto de Financiamiento Cooperativo, IFICOOP, Ltda., *Agustinas 853, Oficina 547, Casilla 1118, Santiago de Chile*. Tel. 398253.

Unión Cooperativa de Seguros (Ucoseg) Ltda., *Moneda 1040, of. 704-705, Santiago de Chile*. Tel. 81295; 65100.

Unión de Cooperativas de Consumo y Servicios de Chile Ltda. ("U-Coop"). *Agustinas 1141, 7° Piso, Casilla 14439, Santiago de Chile*. Tel. 715256.

**Colombia:** Cooperativa Familiar de Medellín Ltda., *Calle 49, No. 52-49, Medellín*. Tel. 45-00-55; 41-71-13; 41-53-78.

**Congo Democratic Republic of:** See "Zaire"

**Cyprus:** Co-operative Central Bank Ltd., *P.O. Box 1447, Nicosia*. Tel. 62921; 62677; 63311.

Cyprus Turkish Co-operative Central Bank Ltd., *P.O. Box 791, Nicosia*. Tel. 4257.

Vine Products Co-operative Marketing Union Ltd., *P.O. Box 314, Limassol*. Tel. 2331; 2872; 4582.

**Czechoslovakia:** Ustredni Rada Druzstev, *Tesnov 5, Prague 1*. Tel. 621-54; 647-51.

**Denmark:** De samvirkende danske Andels-selskaber (Andelsudvalget), *Vester Farimagsgade 3, DK-1606 Copenhagen V*. Tel. (01)12-14-19. Representing 30 national organisations, comprising: consumers' societies, agricultural production, marketing and purchase societies, other production and marketing societies, insurance societies, banking societies. Membership: 750,000 individual members.

Det Kooperative Faellesforbund i Danmark, *Kronprinzensgade 13, 1114 Copenhagen K*. Tel. (01)12-22-62.

Affiliated societies (1963): 634; total sales: D.Kr. 1,582 mill.; employees: 12,500; comprising consumers', workers', artisans', productive and housing societies, etc.

Faellesforeningen for Danmarks Brugsforeninger (FDB), *Róskildevej 65, Albertslund*. Tel. (01)64-88-11.

Affiliated societies (1969): 1,742; members: 839,000; turnover: 4,032 mill. D.Kr.; wholesale turnover: 2,198 mill. D.Kr.; own production: 741 mill. D.Kr.

**Finland:** Suomen Osuuskappojen Keskus-kunta (S.O.K.), *Vilhonkatu 7, 00101 Helsinki 10*. Tel. 90-650-611.

Affiliated societies (1971): 259; members: 593,933; whole-sale turnover: Fmk. 2,195 mill.; own production of SOK: Fmk. 337 mill.

Yleinen Osuuskappojen Liitto r.y. (Y.O.L.), *Vilhonkatu 7, 00101 Helsinki 10*.

Affiliated societies (1971): 259; members: 593,933; turn-over of societies: Fmk. 3,457 mill.; total production of the affiliated societies: Fmk. 55 mill.

Kulutusosuuskuntien Keskusliitto (K.K.), r.y., *P.O. Box 740, 00101 Helsinki 10*. Tel. Helsinki 10491.

Affiliated societies (1970): 75; members: 574,733; turn-over: Fmk. 2,133.9 mill.; own production: Fmk. 274.8 mill.

Keskusosuusliike O.T.K., *P.O. Box 120, 00101 Helsinki 10*. Tel. 71-13-22; 70731.

Affiliated societies (1970): 75; turnover: Fmk. 1,330.8 mill.; own production: Fmk. 431.9 mill.

Pellervo-Seura, Central Organisation of Farmers' Co-operatives, *Simonkatu 6, Helsinki K*. Tel. 61046.

Affiliated organisations (1963): 10 central organisations; 1,102 societies.

**France:** Fédération Nationale des Coopératives de Consommation, F.N.C.C., *89 rue la Boétie, 75 Paris VIII*. Tel. 225-99-98.

Affiliated societies (1970): 315; membership: 3,400,000; shops: 8,300; turnover: NF. 6,100 mill.

**Société Générale des Coopératives de Consommation**, 61 rue Boissière, 75 Paris XVI. Tel. 553-88-22.

**Fédération Nationale des Sociétés Coopératives Ouvrières de Production du Bâtiment, des Travaux Publics et des Matériaux de Construction**, 88 rue de Courcelles, 75 Paris VIII. Tel. 622-40-48; 622-45-20.

**Confédération Générale des Sociétés Coopératives Ouvrières de Production**, 88 rue de Courcelles, 75 Paris VIII. Tel. 622-07-81/2.

**Banque Française de Crédit Coopératif**, 88 rue de Courcelles, 75 Paris VIII. Tel. 227-48-03.

**Confédération Nationale de la Coopération, de la Mutualité et du Crédit Agricoles**, 129 Bd. St. Germain, 75 Paris VI. Tel. 033-93-31.

**Caisse Nationale de Crédit Agricole**, 91-93 Boulevard Pasteur, 75 Paris XV. Tel. 273-90-00.

**Fédération Nationale des Sociétés Coopératives d'Habitation à Loyer Modéré (H.L.M.)**, 20 rue de Richelieu, 75 Paris 1er. Tel. 266-4520.

**Confédération des Coopératives de Construction et d'Habitation, "L'Habitation"**, 3 ave. du Coq, 75 Paris 9e. Tel. 742-45-79; 874-67-62.

**Confédération des Organismes de Crédit Maritime Mutuel**, 18 bis, Avenue Hoche, 75 Paris VIII. Tel. 267-14-50.

**Gambia (The)**: The Gambia Co-operative Union Ltd., P.O. Box 505, Bathurst. Tel. 581.

**German Democratic Republic**: Verband Deutscher Konsumgenossenschaften (VDK), Stresemannstrasse 128, 108 Berlin.

**Federal Republic of Germany**: Bund deutscher Konsumgenossenschaften G.m.b.H., Besenbinderhof 52, (2) Hamburg 1. Tel. (0411)284-4001.

Affiliated societies (December 1969): 115; membership (end of 1969): 2,235,000; turnover (1969): D.M. 4,827 milliards.

**Grosseinkaufs-Gesellschaft deutscher Konsumgenossenschaften m.b.H., Besenbinderhof 52, (2) Hamburg 1**. Tel. (0411)284-4310.

Total turnover incl. subsidiaries (1969): D.M. 2,462 milliards.

**Gesamtverband gemeinnütziger Wohnungsunternehmen e.V., Breslauer Platz 4, 5 Cologne 1**. Tel. 72-04-15.

**Volksfürsorge Lebensversicherung Aktiengesellschaft, An der Alster, (2) Hamburg 1**.

**Volksfürsorge Deutsche Sachversicherung Aktiengesellschaft, Steinstrasse 27, (2) Hamburg 1**.

**Deutscher Raiffeisenverband e.V., Adenauerallee 127, 53 Bonn**. Tel. (0-22-21) 1061.

**Ghana**: The Alliance of Ghana Co-operatives Ltd., Post Office Box 2068, Co-operative House, Liberty Avenue, Accra. Tel. 25560.

**Greece**: Pan-Hellenic Confederation of Unions of Agricultural Co-operatives (S.E.S.), 56 El. Venizelou Street, Athens 142. — Membership suspended.

**Guyana**: Guyana Co-operative Union Ltd., Ministerial Buildings, High Street and Brickdam, Georgetown.

**Haiti (W.I.)**: Caisse Populaire Dominique Savio, 57 Rue Rigaud, Pétion-Ville.

**Hungary**: Federation of Hungarian Co-operative Societies Szabadság 14, Budapest V. Tel. 113-600; 112-800.

**National Council of Industrial Co-operatives. Pesti Barnabás 6, Budapest V**. Tel. 188-800; 188-806.

**National Co-operative Council, Szabadság tér 14, Budapest V**. Tel. 113-600; 112-800.

**National Council of Hungarian Agricultural Co-operatives, Akadémia utca 1-3, Budapest V**.

**Iceland**: Samband Isl. Samvinnufélaga, Reykjavík. Tel. 17080.

**India**: National Co-operative Union of India, 72 Jorbagh, New Delhi 3. Tel. 611123; 611343; 619328.

**Iran**: Sepah Consumers' Co-operative Society, Avenue Sevvom Esfand, Rue Artèche, Tehran. Tel. 332015; 332019.

**Credit and Housing Co-operative Society of Iran, 20-22 Shahabad Avenue, Tehran**.

**Central Organisation for Rural Co-operatives of Iran, 357 Pahlavi Avenue, Tehran**. Tel. 64210.

**Consumers and Services Co-operative Society for the Ministry of Labour and Social Affairs Employees, Ministry of Labour and Social Affairs, Tehran**.

**Ireland**: Irish Agricultural Organisation Society Ltd., The Plunkett House, 84 Merrion Square, Dublin 2. Tel. 64783/4-6.

**National Organising and Advisory Body for Agricultural Co-operatives. Affiliated societies: 333; membership: 127,000; turnover (1967): £152 mill.**

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

**Israel**: General Co-operative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., P.O.B. 303, Tel-Aviv. Tel. 46111-35.

Affiliated societies and companies (1963): 1,855 in all branches.

"Merkaz" Audit Union of the Co-operative Societies for Loans and Savings, 44 Rothschild Bd., P.O. Box 75, Tel-Aviv. Tel. 65085.

"Haikar" Audit Union of Agricultural Societies of the Farmers' Federation of Israel, 8 Kaplan Street, P.O.B. 209, Tel-Aviv. Tel. 250881.

"Bahan" Audit Union of Agricultural Co-operative Societies in Israel, 47 Nahmani Street, P.O.B. 622, Tel-Aviv. Tel. 614933.

**Italy:** Lega Nazionale delle Cooperative e Mutue, Via Guattani 9, Rome. Tel. 868-141/2-4.

Confederazione Cooperative Italiane, Borgo Santo Spirito 78, 00193 Rome. Tel. 653-875; 565-605; 565-614.

Associazione Generale delle Cooperative Italiane, Via Parma N. 22, 00184 Rome. Tel. 462-659; 471-846.

**Jamaica (W.I.):** Jamaica Co-operative Union Ltd., 14-16 Barry Street, Kingston. Tel. 24737.

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

Zenkoku Nogyokyodokumiai Chuokai (Central Union of Agricultural Co-operatives), 5, 1-chome, Otemachi, Chiyoda-ku, Tokyo.

Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fisheries Co-operative Associations), Sankaido Building no. 9-13, 1-chome, Akasaka, Minato-ku, Tokyo.

National Federation of Forest Owners' Co-operative Associations, 11-35, Nagato-cho, 1-chome, Chiyoda-ku, Tokyo 100.

**Jordan:** Jordan Co-operative Organisation, P.O.B. 1343, Amman. Tel. 23101/3.

**Kenya:** Kenya National Federation of Co-operatives Ltd., P.O.B. 9768, Nairobi. Tel. 21486.

**Korea:** National Agricultural Co-operative Federation, 75, 1st Street, Chung-Jong-Ro, So-daemun-ku, Seoul. Tel. 73-0021; 75-2681.

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

Co-operative Central Bank Ltd., 29 Leboh Ampang, P.O. Box 685, Kuala Lumpur. Tel. 26531/4.

Co-operative Bank Malaysia Ltd., 140 Jalan Ipoh, Peti Surat 1024, Kuala Lumpur. Tel. 299677; 299679.

Sarawak Co-operative Central Bank Ltd., Kuching, Sarawak.

Malaysian Co-operative Insurance Society Ltd., 36 Jalan Ampang, P.O. Box 817, Kuala Lumpur. Tel. 87915/6.

**Malta:** Farmers' Central Co-operative Society Ltd., New Building, Middleman Street, Marsa. Tel. Cent 24896.

**Mauritius:** Mauritius Co-operative Union, Co-operation House, Dumat Street, Port Louis. Tel. Port Louis 822.

**Netherlands:** Coöperatieve Vereniging U.A., Centrale der Nederlandse Verbruikerscoöperaties, "CO-OP Nederland", Postbus 6008, Vierhavensstraat 40, Rotterdam 7. Tel. (010) 235180.

Association of Enterprises on a Co-operative Basis, Bloemgracht 29, Amsterdam. Tel. 62303.

**Nigeria:** Co-operative Union of Western Nigeria, Ltd., c/o Co-operative Buildings, New Court Road, Ibadan. Tel. Ibadan 24399; 24446.

Lagos Co-operative Union Ltd., Co-operative Office, 147 Broad Street, Lagos, W. Nigeria. Tel. 58920/85.

Mid-Western Nigeria Co-operative Federation Ltd., Private Mail Bag 1021, No. 4 Murtala Mohammed Road, Benin City, Mid-Western State. Tel. Benin 594.

**Norway:** Norges Kooperatieve Landsforening, Revierstredet 2, Oslo 1. Tel. (47-2)20-62-90. Affiliated societies (1970): 753; membership: 406,000; turnover of local societies: Kr. 3,500 mill.; of N.K.L.: Kr. 1,149 mill.

Norske Boligbyggelags Landsforbund (NBBL), Trondheimsveien 84-86, Oslo 5. Tel. 33-32-42.

**Pakistan:** West Pakistan Co-operative Union, 5 Court Street, P.O.B. 905, Lahore 1. Tel. 54203.

Karachi Central Co-operative Bank Ltd., 14 Laxmi Building, Bunder Road, Karachi 2. Tel. 36185.

Karachi Central Co-operative Consumers' Union, Iqbal Market and Cold Storage, Soldier Bazar, Karachi. Tel. 70917.

Karachi Co-operative Housing Societies' Union, Shaheed-e-Millat Road, Karachi 5. Tel. 40244.

Karachi Co-operative Union Ltd., Co-operative House, Shaheed-e-Millat Road, Karachi 5. Tel. 230289.

Fishermen's Co-operative Society Ltd., Fish Harbour, West Wharf, P.O. Box 5328, Karachi. Tel: 229101; 224457.

Sind Baluchistan Provincial Co-operative Bank, Ltd., Provincial Co-operative Bank Bldg., Serai Road, P.O. Box 4705 Karachi 2. Tel. 32361; 37290; 34736.

**Peru:** Cooperativa de Seguros "INCA" Ltda., No. 181, Av. Brasil 1360, Apartado 10159, Lima 21.

**Philippines:** Central Co-operative Exchange Inc., P.O.B. 1968, Manila. Tel. 7-60-09.

Grains Marketing Co-operative of the Philippines "Gramacop" Inc., 107-D Arellano Street, Calocan City. Tel. 23-91-40.

**Poland:** Central Agricultural Union of "Peasant Self-Aid" Co-operatives, *Kopernika 30, Warsaw*. Tel. 26-39-69; 26-10-81.

Central Union of Building and Housing Co-operatives, *Ul. Marchlewskiego 13, Warsaw*. Tel. 20-90-29.

"Spolem" — Union of Consumer Co-operatives, *Grazyny 13, Warsaw*. Tel. 45-32-41.

Central Union of Work Co-operatives, *Surawia 47, Warsaw*.

Supreme Co-operative Council, *Ul. Jasna 1, Warsaw*. Tel. Warsaw 26-72-21; 27-13-26.

**Portugal:** UNICOPE - Uniao Cooperativa Abastecedora, S.C.R.L., *Avenida Almirante Reis, 127-4. Dt., Lisbon 1*. Tel. 315843.

**Romania:** Uniunea Centrala a Cooperativelor de Consum, "Centrocoop", *Strada Brezoianu 31, Sectorul 7, Bucharest*. Tel. 16-00-10; 13-87-31. 1969/70: Associated 1,728 Consumers' Co-operatives in 39 District Unions; membership: 7 mill.; 28,000 retail shops: of which 8,100 public catering units; 7 processing and marketing enterprises; 18 production enterprises; 17 building enterprises; 20,400 servicing units; 18 educational centres.

Central Union of Handicraft Co-operatives, "UCECOM", *46, Calea Plevnei Street, Sector VII, Bucharest*. Tel. 13-16-48.

Uniunea Nationala a Cooperativelor Agricole de Productie, "Uncap", *25 Bd. Gheorghe Gheorghiu-Dej, Bucharest*.

**Singapore:** Singapore Co-operative Union Ltd., *Post Box 366; Office and Library: 3-JJK Clifford House, Singapore 1*.

**Sweden:** Kooperativa Förbundet, *S-104 65 Stockholm 15*. Tel. International: 46-8-449560; National: 08-44-90-60.

Affiliated retail societies (1970): 232; membership: 1,605,500; total turnover of consumer societies: Kr. 8,100 mill.; turnover of K.F.: Kr. 6,649 mill. (thereof Kr. 4,835 mill. to affiliated consumer societies); K.F.'s own production: Kr. 3,102 mill.; total capital (shares, reserves and surplus) of K.F.: Kr. 1,105 mlii. and of affiliated retail societies: Kr. 1,332 mill.

Hyresgästernas Sparkasse- och Byggnadsför- eningars Riksförbund (H.S.B.), *Fleminggatan 41, Fack, S-100 21 Stockholm 18*. Tel. 54-05-40. 1970: Affiliated Building Societies: 96; with individual members: 345,000; number of flats administered by local societies: 311,500; value of real estate: Kr. 15,735 mill.

Svenska Riksbyggen, *Hagagatan 2, P.O. Box 19015, S-104 32 Stockholm 19*. Tel. (08)34-05-20.

Folksam Insurance Group, *Folksam Building, Stockholm 20*. Tel. 22-01-00.

Lantbrukarnas Riksförbund, *S-105 33 Stockholm*. Tel. (08)14-16-00.

Kooperativa Gillesförbundet, *S-104 65 Stockholm 15*. Tel. (08)44-90-60; (08)44-95-60.

**Switzerland:** Coop Schweiz, *Thiersteinallee 14, CH 4002 Basle*. Tel. (061)35-50-50.

Affiliated societies (1970): 276; retail outlets: 2,451; membership: 899,320; Coop-total turnover: Frs. 3,432.3 mill.; Coop-retail turnover: Frs. 2,893.0 mill.; Coop Schweiz, wholesale turnover: Frs. 1,743.5 mill.

Verband otschweiz. landwirtschaftlicher Genossenschaften (V.O.L.G.), *Schaffhauserstrasse 6, Winterthur 8401*.

Verband sozialer Baubetriebe, c/o SBHV., *Sihlpostfach, Zürich*.

Genossenschaftliche Zentralbank, *Aeschenplatz 3, CH 4002 Basle*. Tel. (061) 23-84-00.

CO-OP Lebensversicherungs-Genossenschaft Basel, *Aeschenvorstadt 67, CH 4002 Basle*.

**Tanzania:** Co-operative Union of Tanganyika Ltd., *National Co-operative Building, P.O. Box 2567, Dar-es-Salaam*. Tel. 23077; 23344; 23347.

**Thailand:** Co-operative League of Thailand, *4 Pichai Road, Dusit, Bangkok*. Tel. 811414.

**Turkey:** Türk Kooperatifcilik Kurumu (Turkish Co-operative Association), *Mithatpasa Caddesi 38, Yenisehir, Ankara*. Tel. 12-43-73.

**Uganda:** Uganda Co-operative Alliance, *P.O.B. 2215, Kampala*. Tel. 56984/6.

**U.S.S.R.:** Central Union of Consumers' Co-operative Societies of the U.S.S.R., "Centrosoyuz", *Tcherkassky per no. 15, Moscow*. Tel. 221-7253.

Consumers' societies (1970): 14,868; members: 59,637 mill.; shops: 369,700.

**United Kingdom:** Co-operative Union Ltd., *Holyoake House, Hanover Street, Manchester M60 0AS*. Tel. (061) 834-0975.

Affiliated retail societies (1969): 469; membership: 12,500,000; share capital: £181 mill.; retail sales: £1,132 mill.

Co-operative Wholesale Society Ltd., *P.O.B. 53, New Century House, Corporation Street, Manchester M60 4ES*. Tel. (061) 834-1212.

Co-operative Insurance Society Ltd., *Miller Street, Manchester 4*. Tel. (061) 832-8686. Assets (1964): £369 mill.

Scottish Co-operative Wholesale Society Ltd.,  
*Centenary House, 100 Morrison Street, Glasgow*  
C.5. Tel. (041) 429-2100.

Affiliated societies (1967): 153; sales: £89,008.059;  
reserves and insurance funds: £9,474,291; total resources:  
£23,139,384.

**U.S.A.:** Co-operative League of the U.S.A.,  
*1828 L Street, NW, Washington, D.C. 20036.*  
Tel. (202) 872-0550.

**Uruguay:** Centro Cooperativista Uruguayo,  
*Dante 2252, Montevideo.* Tel. 41-25-41;  
40-90-66.

**Yugoslavia:** Glavni Zadruzni Savez FNRJ,  
*Terazije 23/VI, Belgrade.* Tel. 30-947/9.

**Zaire:** Centrale Générale des Coopératives  
Angolaises, *B.P. 6039, Kinshasa 1.*

**Zambia:** Eastern Province Co-operative Market-  
ing Assoc. Ltd., *P.O.B. 108, Chipata.* Tel. 439;  
485.

National Co-operative Development Committee,  
*Mulungushi House, Independence Avenue, P.O.*  
*Box 1229, Lusaka.* Tel. Lusaka 51744.

## INTERNATIONAL ORGANISATIONS

Organization of the Co-operatives of America,  
*G.P.O. Box 4103, San Juan, Puerto Rico 00936.*  
Tel. 765-8520.

Nordisk Andelsförbund (Scandinavia), *3 Axel-  
torv, Copenhagen V, Denmark.* Tel. 15-15-33.

International Co-operative Bank Co. Ltd.  
(INGEBA), *Dufourstrasse 54, P.O.B. 711, CH*  
*4002 Basle, Switzerland.* Tel. (061)23-58-27.

International Co-operative Petroleum Associa-  
tion, *28 West 44th Street, New York, N.Y. 10036,*  
*U.S.A.* Tel. LA 4-4455.

Sociedad Interamericana de Desarrollo de  
Financiamiento Cooperativo (SIDEFCOOP) *Ca-  
silla de Correo 4311, Buenos Aires, Argentina.*

International Co-operative Housing Development  
Association (ICHDA), *Suite 1007, 1012-14th*  
*Street, N.W. Washington, D.C. 20005, U.S.A.*  
Tel. 202-737-3420.



# Review of INTERNATIONAL CO-OPERATION

The official Organ of the International Co-operative Alliance

*Editor:* J. H. Ollman

*Publications Assistant:* Miss E. Stiassna

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# 50th International Co-operative Day



Saturday 1st July 1972



# Declaration of the ICA

THE INTERNATIONAL CO-OPERATIVE ALLIANCE,  
addressing its affiliated Organisations comprising 268,027,350  
members in 60 countries, on the occasion of the  
50TH INTERNATIONAL CO-OPERATIVE DAY.

\*\*\* WELCOMES WARMLY the lessening of tension  
resulting from the treaties between the Union of the Soviet  
Socialist Republics and the Federal Republic of Germany,  
as well as the one between the Polish Peoples Republic and  
the Federal Republic of Germany and the conclusion of the  
quadripartite agreement on Berlin;  
URGES STRONGLY all leading statesmen to reach  
agreement banning the production, storage and use of all  
biological and chemical means of warfare and to aim for a  
complete prohibition of all nuclear tests to ensure that the  
massive expenditure on arms could be diverted to  
constructive purposes;

\*\*\* RECALLS with satisfaction that 1972, the year of its  
25th Congress is also the 50th year of the celebration of the  
International Co-operative Day aimed at furthering  
international co-operative solidarity.  
THANKS all member Organisations for their continued  
support of the aims and work of the Alliance and  
ASKS all co-operators to support actively programmes  
within the Co-operative Development Decade;

\*\*\* DRAWS ATTENTION to the recent discussion on "The  
Situation and Role of Women in Co-operative Movements"  
and urges member Organisations to:

- i promote new programmes directed towards women's  
participation in member and public relations schemes,
- ii encourage more women to seek election to co-operative  
policy-making bodies and to qualify for higher posts in  
co-operative service,
- iii provide co-operative education and training designed to  
attract both sexes,
- iv keep in mind the special needs of women in the  
developing countries when planning aid programmes;

\*\*\* REMINDS all co-operators that 1972 is designated by the  
United Nations (UNESCO) as the INTERNATIONAL  
BOOK YEAR and stresses the World Co-operative  
Movement's traditional role in the promotion of the  
written word.

Dear Co-operators,

## 50th International Co-operative Day

This year's Declaration reflects our continued concern with peace; it draws attention to recommendations made at the Central Committee meeting in Bucharest in 1971 on the subject of "The Situation and Role of Women in the Co-operative Movement"; and, finally, it refers to the UN's International Book Year and the stress which our movement has always laid on the importance of the written word for the communication of co-operative ideas.

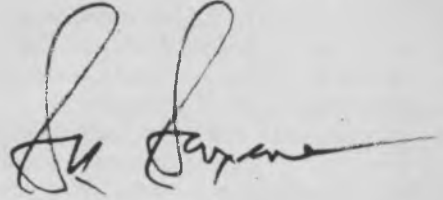
May I, however, draw your particular attention to our 25th Congress which will be held from October 2nd to 5th in Warsaw this year. As many of you would know, the Congress is not an isolated event, but comes as a climax to a series of specialised conferences which will be organised by the various Auxiliary Committees and Working Parties immediately preceding the Congress. In addition to the Central Committee's Report on our work since the last Congress in Hamburg in 1969 and the motions submitted for discussion by member organisations and our own Authorities, the Congress will debate two principal themes which are of vital concern to the International Co-operative Movement. Recent years have witnessed the emergence of multi-national corporations which span across national frontiers and which by their size and concentrated economic power, exert a significant influence on the lives of average men and women. It is with a view to arousing co-operators' consciousness to this development and to study appropriate responses that the Congress will discuss the theme "Multi-National Corporations and the International Co-operative Movement: Financial and Managerial Imperatives". The focus on financial and managerial aspects is an indication of the two most urgent problem areas of current concern to the co-operative movement.

No less significant is the other theme for discussion, namely, "Technical Assistance to Co-operative Movements in Developing Countries", a subject which is of continuing interest to the Alliance. By October 1972, we would have completed almost two years since our Authorities declared the 'seventies as the Co-operative Development Decade. During this period, our attempt has been to acquaint the large body of co-operators and relevant institutions with the problems of developing countries and the role which co-operative movements can play in solving some of those problems. It is expected that the Congress will not only study the present situation of technical assistance to co-operatives,

but will also indicate positive lines of action along which much-needed support to the movements in developing countries can be accelerated.

This year, as I said earlier, the movements throughout the world will be observing the 50th International Co-operative Day. I sincerely hope that on this Day you will be able to look back on the achievements of your movement with satisfaction and to the future, with optimism and enthusiasm.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. K. Saxena', written in a cursive style.

S. K. SAXENA  
*Director, ICA*

# The Co-operative Movement in Iceland

by **Eysteinn Sigurdsson**

Samband Íslenzkra samvinnufélaga

— Public Relations Department —

The Co-operative Movement in Iceland traces its origins back to the nineteenth century, at which time most of the Icelanders earned their living by agriculture and fishing. There was no industry in the country, and the import and export of goods was overwhelmingly in the hands of foreign merchants. The creation of the first co-operative societies was a part of an endeavour to draw the profit of the country's commerce into native hands, and also a part of the nation's general struggle for better living conditions and for independence from foreign domination.

The first co-operative society was founded in the north of Iceland in 1882, and others followed soon. These first societies were created by farmers, and their main object was to market farmers' produce and to buy for them their necessities. In the beginning of their work they met with numerous difficulties. The merchants rightly considered them possible enemies, and they had to build up their operations without necessary funds and with little or no commercial experience. But the new societies soon gained ground and could plan an expansion.

In 1902 three societies in the northern part of the country founded a „Sambandskaupfélag“ (a Federational Co-

operative Society). This later developed into „Samband Íslenzkra samvinnufélaga“ (The Federation of Iceland Co-operative Societies), which is now, together with its member societies, by far the largest business group in Iceland, and lately named „Samband of Iceland“ in foreign dealings.

In the beginning Samband aimed at increasing the co-operation of its member societies, mainly in the field of education, but it also intended to undertake business services for the societies. Thus, in 1907 Samband started the publication of a periodical, which soon became widely circulated. In 1910, for the first time, it sent a trade delegate abroad in search of a meat market, and in 1915 it opened an office of its own in Copenhagen. Until then there had been no offices, as the Board had taken care of the business actions, but from then on purchasing activities increased considerably. In 1916 an office was opened in Akureyri, the largest town of Northern Iceland, and in 1917 it was moved to the capital, Reykjavík. There the Co-operative College also commenced in 1918. In 1919 an organisational change was effected, and Samband was divided into an export and an import department, together with some other modernisations. At that time the number

of member societies had grown to 24.

The Great Depression in the thirties caused some serious difficulties, but during the first years after World War 2 there was a great expansion of all Samband's activities, the most important of which were the establishment of its Shipping Line, its insurance and oil companies, together with an expansion in its industry.

Today Samband's member societies are 50 with a total membership of about 31,300, out of Iceland's 200,000 inhabitants. A characteristic of the great majority of these societies is their twofold role as mixed consumers' and producers' societies. They generally handle retail shopping, distribution of farm machinery and animal feeds, slaughtering and marketing of the agrarian produce, and also in many cases dairying. In the fishing villages around the coast, the societies frequently take part in the fisheries and the fishing industry, either directly or as shareholders. It has also been customary for the societies to act as savings-banks for their members, although this is now gradually being taken over by the banks.

There are, however, some pure consumers' societies, primarily in the capital Reykjavík, and its neighbouring towns. The largest of them is KRON, the Co-operative Society of Reykjavík and its neighbourhood, with some 7,300 members and 13 sales outlets. The society with the largest annual turnover is however KEA, the Co-operative Society of the Eyjafjörður-District, situated at Akureyri. Among its activities it runs several industrial factories, some of them in collaboration with Samband's Industries Department. There are also a few co-operative societies in Iceland, which are not members of Samband. Among them are special producers' associations which have been developed in Southern Iceland and include the largest dairy in the country and a slaughtering association. These societies collaborate, however, in many ways closely with Samband and its member societies.

Samband's organisation is based on

the same principles as found in the neighbouring countries. An Annual General Meeting, attended by delegates from all member societies, wields the supreme power within Samband and elects a nine-member Board of Directors, which again appoints the Director-General and seven Departmental Directors. They form the eight-member Executive Board, which carries on the daily management of Samband. The Chairman of the Board of Directors is Mr. Jakob Frímansson, former Director of KEA, and the Chairman of the Executive Board is Mr. Erlendur Einarsson, Director-General of Samband.

Samband is divided into seven main departments, of these the Agricultural Products Department handles the domestic and export sales of agricultural products for the member societies, and also operates several processing plants. The most important of these products are meat—primarily Icelandic lamb—wool, hides and skins, and the department also takes care of the export of dairy products. As the sole exporter for all Samband's member societies, this department handles almost all exports of agricultural products in the country, and its most important foreign markets are in the Scandinavian countries, Great Britain, West Germany and the United States of America.

The Fisheries Products Department is an export organisation for some 30 freezing plants, most of which are owned by Samband's member societies or closely affiliated to them. The most important fish products are frozen fish fillets, lobster and shrimps, salted fish, stockfish, fish meals and fish oils. The most important market for these products are in the United States of America, the Soviet Union and numerous West-European countries. In connection with the fish export to the United States, Samband and some of its member societies run a subsidiary, Iceland Products Inc., in Harrisburg, Pennsylvania, which operates a factory for processing fish for the American market. Samband also owns a subsidiary in the United King-



Icelandic girl in a co-operative freezing plant, packing for export.

dom, Samband Selected Seafoods Ltd., near Leeds, which runs a fish processing plant and handles marketing of fish products, and in Reykjavík there is now the third factory of this kind under preparation, which will produce fish fingers, fish steaks, etc., and will be owned jointly by Samband and several freezing plants.

The Import Department is the largest importer to Iceland, and it is responsible for imports and wholesale distribution of groceries, animal feeds, household utensils, tools, textiles, footwear and building materials to all Samband's member societies. Besides this the Department handles domestic sales

of the products of the factories of the Industries Department. The Import Department has made numerous successful efforts in recent years to lower the distribution costs of goods through the retail shops of Samband's member societies, foremost by erecting a Central Warehouse in Reykjavík for distribution to the shops, by introducing innovations in shipping and delivery of goods, and by carrying a part of the wholesale profit to the credit of the member societies.

The Machinery Department is divided into three sub-departments, handling the import and distribution of farm equipment, electrical appliances and automobiles. A special subsidiary of Samband, „Drátarvélar Ltd.“, was originally established in 1949 for handling the Massey-Ferguson agency in Iceland, but has later added the import of various other kinds of machinery, trucks, diesel-engines and electrical home appliances.

The Samband Line operates seven vessels, of which four are dry-cargo, one is refrigerated and two are coastal-tankers. The coastal-tankers are owned and operated jointly by Samband Line and Samband's affiliated oil company, „Óliufélagid Ltd.“ A new fully refrigerated vessel was launched in Germany in early July, 1971, and a new dry-cargo vessel is to be launched there later. These new ships commenced operation in September and December, increasing Samband's fleet to nine ships. In 1970 Samband Line transported 343,000 tons, by own and charter vessels, to and from Iceland and harbours on both sides of the Atlantic.

The Industries Department operates eight factories. They are the Department's woollen mill, tannery, shoe factory and knitting and clothing factory in Akureyri, the Department's and KEA'S chemical and technical plant and coffee roasting plant in Akureyri, and the Department's factory for men's clothing and electrical motors plant in Reykjavík. The products of these factories are mostly sold on the domestic market, but an extensive



A KRON'S shop.

export has also been built up of woollen blankets, knits and fur-products. The most important export markets are in the Soviet Union, the United States of America and several countries in Western-Europe. A new and large fur-tannery in Akureyri has now been in successful operation since last year.

The Organisation and Planning Department is responsible for matters of organisation, planning and the gathering of information within Samband and the member societies, much of this work is carried out in collaboration with Samband's Data Processing Department and the Central Accounts Department. There

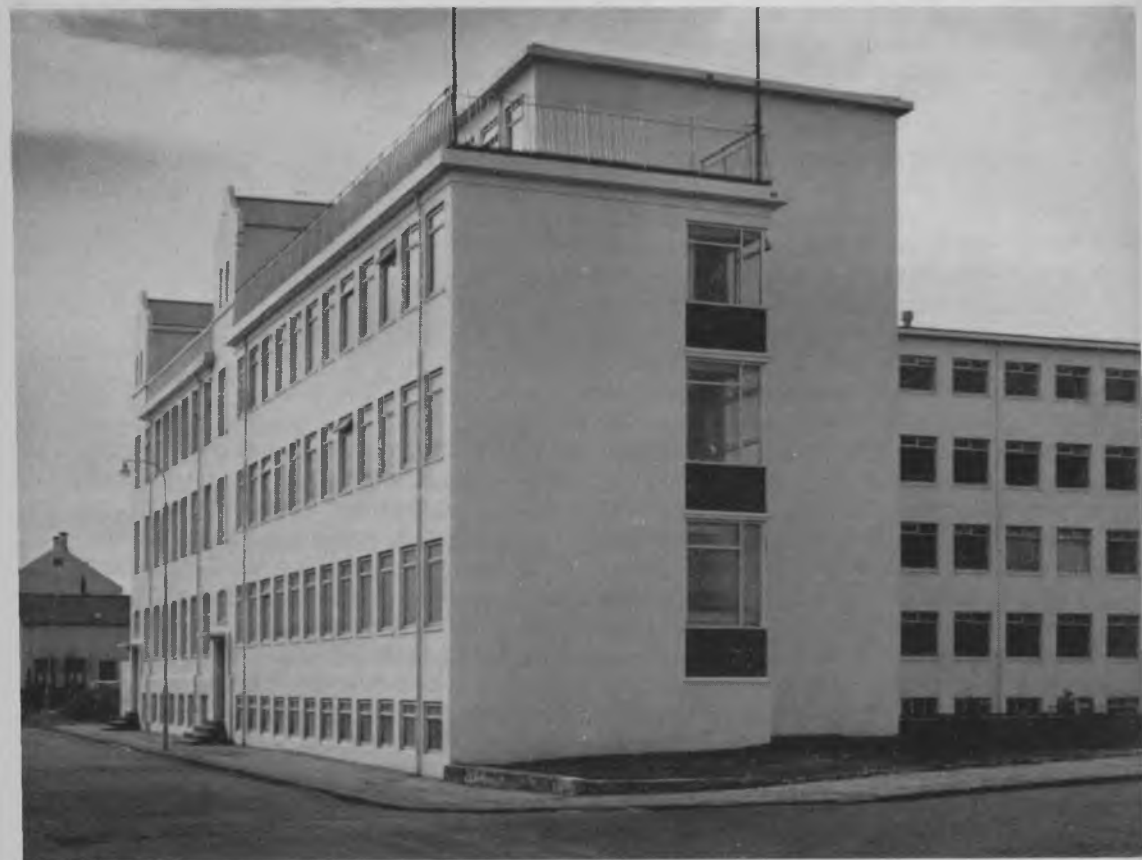
are also two consulting offices attached to this Department, one in the field of accounting, the other in retailing.

There is an Education and Public Relations Department, which is divided into two sub-departments. One runs the Co-operative College at Bifröst, a boarding-school about 150 km from Reykjavík, and a Correspondence School, which is operated in collaboration with the Trade Unions. The other publishes two magazines, SAMVINNAN, a bimonthly magazine on cultural, political and social matters, which is now the most widely read magazine in the country, and HYLNUR, a monthly magazine on co-

operative affairs, mostly read by the movement's employees. A news-letter for Samband's employees, SAMBANDS-FRÉTTIR, has just recently been launched.

For various reasons Samband has chosen to operate some of its activities in the form of subsidiaries or affiliated companies. A few of these have already been mentioned, but one of the most important is the mutual insurance company „Samvinnutryggingar“, founded in 1946, which is affiliated to Samband together with the life-insurance company „Andvaka“, founded in 1949, both of

them having the biggest premium income in the country. A separate „Samvinnutryggingar Reinsurance Company Ltd.“ has also recently been established. Samband and its member societies also hold a majority of the shares in the largest oil company in Iceland, „Oliufélagid Ltd.“, which was established in 1946. It handles about 45 per cent of the imports of petroleum products to Iceland, and has storage depots and service stations all over the country. The Co-operative Bank of Iceland, „Samvinnubanki Islands Ltd.“, founded in 1963, runs ten branches in various villages and towns around the



Samband's headquarters in Reykjavik.



country. The Cheese and Butter Centre, „Osta- og smjöröalan,“ founded in 1959, 50 per cent of which is owned by Samband handles all wholesale distribution of cheese and butter in Iceland.

Samband runs two branch offices in London and Hamburg, which have the main object of marketing Icelandic products, but have besides this a considerable significance for imports and general representation. Samband also takes part in Scandinavian co-operative collaboration in many ways, especially through its membership in the Scandinavian Wholesale Society (NAF) and its export

organisation (NAE).

Samband is a member of the International Co-operative Alliance and INTER-COOP. It is represented in the Central Committee of the ICA by Mr. Erlendur Einarsson, Director-General. The plans for the Co-operative Development Decade have aroused attention among Icelandic co-operators, and recently Samband's Board of Directors decided to contribute to the Development Fund for the year 1971 an amount of ten Icelandic krónur (about 5 British New Pence) for each one of the 31,300 persons within Samband's member societies.

# Social and economic problems calling for the development of Intermediate Technology

by E. F. Schumacher

## Introduction

In many places in the world today the poor are getting poorer while the rich are getting richer, and the established processes of foreign aid and development planning appear to be unable to overcome this tendency. In fact, they often seem to promote it, for it is always easier to help those who can help themselves than to help the helpless. Nearly all the so-called developing countries have a modern sector where the patterns of living and working are similar to those of the developed countries, but they also have a non-modern sector, accounting for the vast majority of the total population, where the patterns of living and working are not only profoundly unsatisfactory but also in a process of accelerating decay.

The hope that the modern sector could be made to grow so fast that it would progressively absorb the other has almost everywhere been disappointed. In fact, the opposite tendency is much more typical: that the sickness of the non-modern sector spreads in the form of mass-migration, leading to the mushrooming of shanty towns and "misery belts" and threatening to engulf even those areas where a relatively prosperous life had already established itself.

In this article, we are concerned exclusively with the problem of helping the people in the non-modern sector. This does not imply the suggestion that constructive work in the modern sector should be discontinued, and there can be no doubt that it will continue in any case. But it does imply the conviction that all successes in the modern sector are likely to be illusory unless there is also a healthy growth—or at least a healthy condition of stability—among the very great numbers of people today whose life is characterised not only by dire poverty but also by hopelessness.

## The Need for Intermediate Technology

### The Condition of the Poor

What is the typical condition of the poor in most of the so-called developing countries? Their work opportunities are so restricted that they cannot work their way out of misery. They are under-employed or totally unemployed, and when they do find occasional work their productivity is exceedingly low. Some of them have land, but often too little land. Many have no land and no prospect of ever getting land. There is no hope for them in the rural areas and hence they drift

into the big cities. But there is no work for them in the big cities either and, of course, no housing. All the same, they flock into the cities because the chances of finding some work appear to be greater there than in the villages where they are nil.

The open and disguised unemployment in the rural areas is often thought to be due entirely to population growth, and no doubt this is an important contributory factor. But those who hold this view still have to explain why additional people cannot do additional work. It is said that they cannot work because they lack "capital". But what is "capital"? It is the product of human work. The lack of capital can explain a low level of productivity, but it cannot explain a lack of work opportunities.

The fact remains, however, that great numbers of people do not work or work only intermittently, and that they are therefore poor and helpless and often desperate enough to leave the village to search for some kind of existence in the big city. Rural unemployment produces mass-migration into cities, leading to a rate of urban growth which would tax the resources of even the richest societies. Rural unemployment becomes urban unemployment.

I shall not attempt to describe the misery and degradation suffered by untold millions of people today in the monster-cities and the so-called developing countries. Statistical projections have been made of the growth of cities in South East Asia, South America and elsewhere over the next 20 or 30 years which presage the "immiseration" of people on a scale never before known in the history of mankind, a sub-human existence without adequate nourishment for body or soul, without roots of any kind, without hope, but with the ever-present propensity to political revolt. These matters may not normally enter the calculations of economists and they certainly do not show up in national income statistics; but a consider-

ation of development policies without reference to them would seem to be utterly pointless.

### **Help to those who need it most**

The problem may therefore be stated quite simply thus: What can be done to bring health to economic life outside the big cities, in the small towns and villages which still contain—in most cases—80 to 90 per cent of the total population? As long as the development effort is concentrated mainly on the big cities, where it is easiest to establish new industries, to staff them with managers and men, and to find finance and markets to keep them going, the competition from these industries will further disrupt and destroy non-agricultural production in the rest of the country, will cause additional unemployment outside, and will further accelerate the migration of destitute people into towns that cannot absorb them. The "process of mutual poisoning" (as I have called it) will not be halted.

It is necessary, therefore, that at least an important part of the development effort should by-pass the big cities and be directly concerned with the creation of an "agro-industrial structure" in the rural and small town areas. In this connection it is necessary to emphasise that the primary need is workplaces, literally millions of workplaces. No one, of course, would suggest that output per man is unimportant; but the primary consideration cannot be to maximise output per man; it must be to maximise work opportunities for the unemployed and underemployed. For a poor man the chance to work is the greatest of all needs, and even poorly paid and relatively unproductive work is better than idleness. "Coverage must come before perfection", to use the words of Mr. Gabriel Ardant.<sup>1</sup>

"It is important that there should be enough work for all because that is the only way to eliminate anti-productive reflexes and create a new state of mind—that of a country where labour has become precious

and must be put to the best possible use.”

In other words, the economic calculus which measures success in terms of output or income, without consideration of the number of jobs, is quite inappropriate in the conditions under consideration; for it implies a static approach to the problem of development. The dynamic approach pays heed to the needs and reactions of people: their first need is to start work of some kind that brings some reward, however small; it is only when they experience that their time and labour is of value that they can become interested in making it more valuable. It is therefore more important that everybody should produce something than a few people should each produce a great deal, and this remains true even if in some exceptional cases the total output under the former arrangement should be smaller than it would be under the latter arrangement. It will not remain smaller, because this is a dynamic situation capable of generating growth.

An unemployed man is a desperate man and he is practically forced into migration. This is another justification for the assertion that the provision of work opportunities is the primary need and should be the primary objective of economic planning. Without it, the drift of people into the large cities cannot be mitigated, let alone halted.

### **The Nature of the Task**

The task then is to bring into existence millions of new workplaces in the rural areas and small towns. That modern industry, as it has arisen in the developed countries, cannot possibly fulfil this task should be perfectly obvious. It has arisen in societies which are rich in capital and short of labour and therefore cannot possibly be appropriate for societies short of capital and rich in labour. Puerto Rico furnishes a good illustration of the point. To quote from a recent study—

“Development of modern factory-style manufacturing makes only limited

contribution to employment. The Puerto Rican development programme has been unusually vigorous and successful; but from 1952–62 the average increase of employment in E.D.A.-sponsored plants was about 5,000 a year. With present labour force participation rates, and in the absence of net emigration to the mainland, annual additions to the Puerto Rican labour force would be of the order of 40,000. . . .

“Within manufacturing, there should be imaginative exploration of small scale, more decentralised, more labour-using forms of organisation such as have persisted in the Japanese economy to the present day and have contributed materially to its vigorous growth.”<sup>2</sup>

Equally powerful illustrations could be drawn from many other countries notably India and Turkey, where highly ambitious Five-Year-Plans regularly show a greater volume of unemployment at the end of the five year period than at the beginning, even assuming that the Plan is fully implemented.

The real task may be formulated in four propositions:

*First*, that workplaces have to be created in the areas where the people are living now, and not primarily in metropolitan areas into which they tend to migrate.

*Second*, that these workplaces must be, on average, cheap enough so that they can be created in large numbers without this calling for an unattainable level of capital formation and imports.

*Third*, that the production methods employed must be relatively simple, so that the demands for high skills are minimised, not only in the production process itself but also in matters of organisation, raw material supply, financing, marketing and so forth.

*Fourth*, that production should be mainly from local materials and mainly for local use.

These four requirements can be met only if there is a “regional” approach to

development and, secondly, if there is a conscious effort to develop and apply what might be called an "intermediate technology." These two conditions will now be considered in turn.

### **The regional or district approach**

A given political unit is not necessarily of the right size for economic development to benefit those whose need is the greatest. In some cases it may be too small; but in the generality of cases today it is too large. Take, for example, the case of India. It is a very large political unit, and it is no doubt desirable from many points of view that this unity should be maintained. But if development policy is concerned merely—or primarily—with "India-as-a-whole", the natural drift of things will concentrate development mainly in a few metropolitan areas, in what I have called the modern sector. Vast areas within the country, containing 80 per cent of the population or more, will benefit little and may indeed suffer. Hence the twin evils of mass-unemployment and mass-migration into the metropolitan areas. The result of "development" is that a fortunate minority have their fortunes greatly increased, while those who really need help are left more helpless than ever before. If the purpose of development is to bring help to those who need it most, each "region" or "district" within the country needs its own development. This is what is meant by a "regional" approach.

A further illustration may be drawn from Italy, a relatively wealthy country. Southern Italy and Sicily do not develop merely as a result of successful economic growth in "Italy-as-a-whole". Italian industry is concentrated mainly in the North of the country, and its rapid growth does not diminish, but on the contrary tends to intensify, the problem of the South. Nothing succeeds like success and, equally, nothing fails like failure. Competition from the North destroys production in the South and drains all talented and enterprising men out of it. Conscious efforts have to

be made to counteract these tendencies, for if the population of any region within a country is by-passed by development it becomes actually worse off than before, is thrown into mass unemployment and forced into mass migration. The evidence of this truth can be found all over the world, even in the most highly developed countries.

In this matter it is not possible to give hard and fast definitions. Much depends on geography and local circumstances. A few thousand people, no doubt, would be too few to constitute a "district" for economic development; but a few hundred thousand people, even if fairly widely scattered, may well deserve to be treated as such. The whole of Switzerland has less than six million inhabitants; yet it is divided into more than twenty "cantons", each of which is a kind of development district, with the result that there is a fairly even spread of population and of industry and no tendency towards the formation of excessive concentrations.

Each "district", ideally speaking, would have some sort of inner cohesion and identity and possess at least one town to serve as a district centre. There is need for a "cultural structure" just as there is need for an "economic structure"; thus, while every village would have a primary school, there would be a few small market towns with secondary schools, and the district centre would be big enough to carry an institution of higher learning. The bigger the country, the greater is the need for internal "structure" and for a decentralised approach to development. If this need is neglected, there is no hope for the poor.

### **The Need for an appropriate Technology**

It is obvious that this "regional" or "district" approach has no chance of success unless it is based on the employment of a suitable technology. Modern industry, as we have already seen, is highly capital intensive, that is to say, it

employs a technology excellently suited to societies which are rich in capital and poor in labour resources. Each workplace in modern industry costs a great deal of capital—something of the order of (say) £2,000 on average. A poor country, naturally, can never afford to establish more than a very limited number of such workplaces within any given period of time. A “modern” workplace, moreover, can be really productive only within a modern environment, and for this reason alone it is unlikely to fit into a “district” consisting of rural areas and a few small towns. In every “developing country” one can find industrial estates set up in rural areas, where high-grade modern equipment is standing idle most of the time because of a lack of organisation, finance, raw material supplies, transport, marketing facilities, and the like. There are then complaints and recriminations; but they do not alter the fact that a lot of scarce capital resources—normally imports paid from scarce foreign exchange—are virtually unused.

The distinction between “capital-intensive” and “labour-intensive” industries is, of course, a familiar one in development theory. Although it has an undoubted validity, it does not really make contact with the essence of the problem; for it normally induces people to accept the technology of any given line of production as given and unalterable. If it is then argued that developing countries should give preference to “labour-intensive” rather than “capital-intensive” industries, no intelligent action can follow, because the choice of industry, in practice, will be determined by other, much more powerful criteria, such as raw material base, markets, entrepreneurial interest, etc. The choice of industry is one thing, but the choice of technology to be employed *after* the choice of industry has been made, is quite another thing. It is therefore better to speak directly of technology, and not to cloud the discussion by choosing terms like “capital intensity”

or “labour intensity” as one’s point of departure. Much the same applies to another distinction frequently made in these discussions, that between “large-scale” and “small-scale” industry. It is true that modern industry is often organised in very large units, but “large-scale” is by no means one of its essential and universal features. Whether a given industrial activity is appropriate to the conditions of a developing district does not directly depend on “scale”, but on the technology employed. A small-scale enterprise with an average cost per workplace of £2,000 is just as inappropriate as a large-scale enterprise with equally costly workplaces.

I believe, therefore, that the best way to make contact with the essential problem is by speaking of technology: economic development in poverty-stricken areas can be fruitful only on the basis of what I have called “Intermediate Technology”. As we shall see, intermediate technology will be “labour-intensive” and will lend itself to use in small-scale establishments.

But neither “labour-intensity” nor “small-scale” implies “intermediate technology”.

### **Definition of Intermediate Technology**

If we define the level of technology in terms of “equipment cost per workplace”, we can call the indigenous technology of a typical “developing” country—symbolically speaking—a £1-technology, while that of the “developed” countries could be called a £1,000-technology. The gap between these two technologies is so enormous that a transition from the one to the other is simply impossible. In fact, the current attempt of the “developing” countries to infiltrate the £1,000-technology into their economies inevitably kills off the £1-technology at an alarming rate, destroying traditional workplaces much faster than modern workplaces can be created, and thus leaves the poor in a more desperate and helpless position than ever before.

If effective help is to be brought to those who need it most, a technology is required which would range in some intermediate position between the £1-technology and the £1,000-technology. Let us call it—again symbolically speaking—a £100-technology.

Such an intermediate technology would be immensely more productive than the indigenous technology (which is generally in a condition of decay), but it would also be immensely cheaper than the sophisticated, highly capital-intensive technology of modern industry. At such a level of capitalisation, very large numbers of workplaces could be created within a fairly short time; and the creation of such workplaces would be “within reach” for the more enterprising minority within the district, not only in financial terms but also in terms of their education, aptitude, organising skill, and so forth.

This last point may perhaps be elucidated as follows:

The average annual income per worker and the average capital per workplace in the developed countries appear at present to stand in a relationship of roughly 1:1. This implies, in general terms, that it takes one man-year to create one workplace, or that a man would have to save one month's earnings a year for twelve years to be able to own a workplace. If the relationship were 1:10, it would require ten man-years to create one workplace, and a man would have to save a month's earnings a year for 120 years before he could make himself owner of a workplace. This, of course, is an impossibility, and it follows that a £1,000-technology transplanted into a district which is stuck on the level of a £1-technology simply cannot spread by any process of normal growth. It cannot have a positive “demonstration effect”; on the contrary, as can be observed all over the world, its “demonstration effect” is wholly negative. The people, to whom the £1,000-technology is wholly inaccessible, simply “give up” and often cease doing even those

things which they had done previously.

The intermediate technology would also fit much more smoothly into the relatively unsophisticated environment in which it is to be utilised. The equipment would be fairly simple and therefore understandable, suitable for maintenance and repair on the spot. Simple equipment is normally far less dependent on raw materials of great purity or exact specifications and much more adaptable to market fluctuation than highly sophisticated equipment. Men are more easily trained: supervision, control and organisation are simpler, and there is far less vulnerability to unforeseen difficulties.

### **Objections raised and discussed**

Since the idea of intermediate technology was first put forward, a number of objections have been raised. The most immediate objections are psychological: “You are trying to withhold the best and make us put up with something inferior and outdated.” This is the voice of those who are not in need, who can help themselves and want to be assisted in reaching a higher standard of living at once. It is not the voice of those with whom this paper is concerned, the poverty-stricken multitudes who lack any real basis of existence, whether in rural or in urban areas, who have neither “the best” nor “the second best” but go short of even the most essential means of subsistence. One sometimes wonders how many “development economists” have any real comprehension of the condition of the poor.

There are economists and econometricians who believe that development policy can be derived from certain allegedly fixed ratios, such as the capital/output ratio. Their argument runs as follows: The amount of available capital is given. Now, you may concentrate it on a small number of highly capitalised workplaces; or you may spread it thinly over a large number of cheap workplaces. If you do the latter, you obtain less total output than if you do the former; you therefore fail to

achieve the quickest possible rate of economic growth. Dr. Kaldor, for instance, claims that "Research has shown that the most modern machinery produces much more output per unit of capital invested than less sophisticated machinery which employs more people." Not only "capital" but also "wages goods" are held to be a given quantity, and this quantity determines "the limits on wages employment in any country at any given time".

"If we can employ only a limited number of people in wage labour, then let us employ them in the most productive way, so that they make the biggest possible contribution to the national output, because that will also give the quickest rate of economic growth. You should not go deliberately out of your way to reduce productivity in order to reduce the amount of capital per worker. This seems to me nonsense because you may find that by increasing capital per worker ten-fold you increase the output per worker twenty-fold. There is no question from every point of view of the superiority of the latest and most capitalistic technologies."

The first thing that might be said about these arguments is that they are evidently static in character and fail to take account of the dynamics of development. To do justice to the real situation it is necessary to consider the reactions and capabilities of people and not confine oneself to machinery or abstract concepts. As we have seen before, it is simply wrong to introduce the tacit assumption that the most sophisticated equipment, transplanted into an unsophisticated environment, will be regularly worked at full capacity, and if capacity utilisation is low, then the capital output ratio is also low. It is therefore fallacious to treat capital/output ratios as technological facts, when they are so largely dependent on quite other factors.

The question must be asked, moreover, whether there is such a law, as Dr. Kaldor asserts, that the capital/output ratio grows if capital is concentrated on fewer workplaces. No one with the slightest

industrial experience would ever claim to have noticed the existence of such a "law", nor is there any foundation for it in any science. Mechanisation and automation are introduced to increase the productivity of labour, *ie* the worker/output ratio, and their effect on the capital/output ratio may just as well be negative as it may be positive. Countless examples can be quoted where advances in technology eliminate workplaces at the cost of an additional input of capital without affecting the volume of output. It is therefore quite untrue to assert that a given amount of capital invariably and necessarily produces the biggest total output when it is concentrated on the smallest number of workplaces.

The greatest weakness of the argument, however, lies in taking "capital"—and even "wages goods"—as "given quantities" in an underemployed economy. Here again, the static outlook inevitably leads to erroneous conclusions. The central concern of development policy, as I have argued already, must be the creation of work opportunities for those who, being unemployed, are consumers—on however miserable a level—without contributing anything to the fund of either "wages goods" or "capital". Employment is the very pre-condition of everything else. The output of an idle man is nil; whereas the output of even a poorly equipped man can be a positive contribution, and this contribution can be to "capital" as well as to "wages goods". The distinction between those two is by no means as definite as the econometricians are inclined to think, because the definition of "capital" itself depends decisively on the level of technology employed.

Let us consider a very simple example. Some earth moving job has to be done in an area of high unemployment. There is a wide choice of technologies, ranging from the most modern earth moving equipment to purely manual work without tools of any kind. The "output" is fixed by the nature of the job, and it is



quite clear that the capital/output ratio will be highest if the input of "capital" is kept lowest. If the job were done without any tools, the capital/output ratio would be infinitely large, but the productivity per man would be exceedingly low. If the job were done at the highest level of modern technology, the capital/output ratio would be low and the productivity per man very high. Neither of these extremes is desirable, and a middle way has to be found. Assume some of the unemployed men were first set to work to make a variety of tools, including wheelbarrows and the like, while others were made to produce various "wages goods". Each of these lines of production in turn could be based on a wide range of different technologies, from the simplest to the most sophisticated. The task in every case would be to find an intermediate technology which obtains a fair level of productivity without having to resort to the purchase of expensive and sophisticated equipment. The outcome of the whole venture would no doubt be an economic development going far beyond the completion of the initial earth moving project. With a total input of "capital" from outside which might be much smaller than would have been involved in the acquisition of the most modern earth moving equipment, and an input of (previously unemployed) labour much greater than the "modern" method would have demanded, not only a given project would have been completed, but a whole community would have been set on the path of development.

I say, therefore, that the dynamic approach to development, which treats the choice of appropriate, intermediate technologies as the central issue, opens up avenues of constructive action, which the static, econometric approach totally fails to recognise.

This leads to the next objection which has been raised against the idea of Intermediate Technology. It is argued that all this might be quite promising if it were not for a notorious shortage of entre-

preneurial ability in the underdeveloped countries. This scarce resource should, therefore, be utilised in the most concentrated way, in places where it has the best chances of success, and should be endowed with the finest capital equipment the world can offer. Industry, it is thus argued, should be established in or near the big cities, in large integrated units, and on the highest possible level capitalisation per workplace.

The argument hinges on the assumption that "entrepreneurial ability" is a fixed and given quantity, and thus again betrays a purely static point of view. It is, of course, neither fixed nor given, being largely a function of the technology to be employed. Men quite incapable of acting as entrepreneurs on the level of modern technology may none-the-less be fully capable of making a success of a small-scale enterprise set up on the basis of intermediate technology—for reasons already explained above. In fact, it seems to me, that the apparent shortage of entrepreneurs in many developing countries today is precisely the result of the "negative demonstration effect" of a sophisticated technology infiltrated into an unsophisticated environment. The introduction of an appropriate, intermediate technology would not be likely to founder on any shortage of entrepreneurial ability. Nor would it diminish the supply of entrepreneurs for enterprises in the modern sector; on the contrary, by spreading familiarity with systematic, technical modes of production over the entire population, it would undoubtedly help to increase the supply of the required talent.

Two further arguments have been advanced against the idea of Intermediate Technology—that its products would require protection within the country and would be unsuitable for export. Both arguments are based on more surmise. In fact a considerable number of design studies and costings, made for specific products in specific districts, have universally demonstrated that the products of an intelligently

chosen intermediate technology could actually be cheaper than those of modern factories in the nearest big city. Whether or not such products could be exported is an open question; the unemployed are not contributing to exports now, and the primary task is to put them to work so that they will produce useful goods from local materials for local use.

### **Application for Intermediate Technology**

The applicability of intermediate technology is, of course, not universal. There are products which are themselves the typical outcome of highly sophisticated modern industry and cannot be produced except by such an industry. These products, at the same time, are not normally an urgent need of the poor. What the poor need most of all is simple things—building materials, clothing, household goods, agricultural implements—and a better return for their agricultural products. They also most urgently need in many places: trees, water and crop storage facilities. Most agricultural populations would be helped immensely if they could themselves do the first stages of processing their products. All these are ideal fields for intermediate technology.

There are, however, also numerous applications of a more ambitious kind. I quote two examples from a recent report:

“The first relates to the recent tendency (fostered by the policy of most Africans, Asian and Latin American Governments of having oil refineries in their own territories, however small their markets) for international firms to design small petroleum refineries with low capital investment per unit of output and a low total capacity, say from 5,000 to 30,000 barrels daily. These units are as efficient and low-cost as the much bigger and more capital-intensive refineries corresponding to conventional design. The second example relates to ‘package plants’ for ammonia production, also recently designed for small markets. According to some pro-

vincial data, the investment cost per ton in a ‘package plant’ with a 60-tons-a-day capacity may be about 30,000 dollars, whereas a conventionally designed unit, with a daily capacity of 100 tons (which is, for a conventional plant, very small) would require an investment of approximately 50,000 dollars per ton.”

The idea of Intermediate Technology does not imply simply a “going back” in history to methods now out-dated, although a systematic study of methods employed in the developed countries, say, a hundred years ago could indeed yield highly suggestive results. It is too often assumed that the achievement of Western science, pure and applied, lies mainly in the apparatus and machinery that have been developed from it, and that a rejection of the apparatus and machinery would be tantamount to a rejection of science. This is an excessive superficial view. The real achievement lies in the accumulation of precise knowledge, and this knowledge can be applied in a great variety of ways, of which the current application in modern industry is only one. The development of an Intermediate Technology, therefore, means a genuine forward movement into new territory, where the enormous cost and complication of production methods for the sake of labour saving and job elimination is avoided and technology is made appropriate for labour-surplus societies.

That the applicability of Intermediate Technology is extremely wide, even if not universal, will be obvious to anyone who takes the trouble to look for its actual applications today. Examples can be found in every developing country and, indeed, in the advanced countries as well. What, then, is missing? It is simply that the brave and able practitioners of Intermediate Technology do not know of one another, do not support one another, and cannot be of assistance to those who want to follow a similar road but do not know how to get started. They exist, as it were, outside the mainstream of official and

popular interest. "The catalogue issued by the European or United States exporter of machinery is still the prime source of technical assistance" and the institutional arrangements for dispensing aid are generally such that there is an unsurmountable bias in favour of large-scale projects on the level of the most modern technology.

If we could turn official and popular interest away from the grandiose projects and to the real needs of the poor, the battle could be won. A study of intermediate technologies as they exist today already would disclose that there is enough knowledge and experience to set everybody to work, and where there are gaps, new design studies could be made very quickly. The late Professor Gadgil of India, former director of the Gokhale Institute of Politics and Economics at Poona, had outlined three possible approaches to the development of intermediate technology as follows:

"One approach may be to start with existing techniques in traditional industry and to utilise knowledge of advanced techniques to transform them suitably. Transformation implies retaining some elements in existing equipment, skills and procedures. . . . This process of improvement of traditional technology is extremely important particularly for that part of the transition in which a holding operation for preventing added technological unemployment appears necessary. . . . Another approach would be to start from the end of the most advanced technology and to adapt and adjust so as to meet the requirements of the intermediate. . . . In some cases, the process would also involve adjustment to special local circumstances such as type of fuel or power available.

"A third approach may be to conduct experimentation and research in a direct effort to establish intermediate technology. However, for this to be fruitfully undertaken it would be necessary to define, for the scientist and the technician, the limiting economic circumstances. These are chiefly the scale of operations aimed at and the

relative costs of capital and labour and the scale of their inputs—possible or desirable. Such direct effort at establishing intermediate technology would undoubtedly be conducted against the background of knowledge of advanced technology in the field. However, it could cover a much wider range of possibilities than the effort through the adjustment and adaptation approach."

Professor Gadgil went on to plead that—

"The main attention of the personnel on the applied side of National Laboratories, technical institutes and the large university departments must be concentrated on this work. The advancement of advanced technology in every field is being adequately pursued in the developed countries; the special adaptations and adjustments required in India are not likely to be given attention in any other country. They must, therefore, obtain the highest priority in our plans. Intermediate Technology should become a national concern and not, as at present, a neglected field assigned to a small number of specialists, set apart."

A similar plea might be made to supra-national agencies which would be well-placed to collect, systematise and develop the scattered knowledge and experience already existing in this vitally important field.

## Conclusions

A subject of this magnitude and importance cannot be dealt with exhaustively in one short paper, and it will be best to limit the "Conclusions" to a few fundamental propositions:

(a) The "dual economy" in the developing countries will remain for the foreseeable future. The modern sector will not be able to absorb the whole.

(b) If the non-modern sector is not made the object of special development efforts, it will continue to disintegrate; this

disintegration will continue to manifest itself in mass-unemployment and mass-migration into metropolitan areas; and this will poison economic life in the modern sector as well.

(c) The poor can be helped to help themselves, but only by making available to them a technology that recognises the

economic boundaries and limitations of poverty—an Intermediate Technology.

### **Recommendation**

Action programmes on a national and supra-national basis are needed to develop intermediate technologies suitable for the promotion of full employment in developing countries.

# **BRITISH CO-OPERATION**

by **A. Bonner**

*Revised by B. Rose*

The standard work on British Co-operation and the foremost textbook for students of Co-operation is available in a revised edition.

Additions to the original edition include an important reassessment of the principles of Co-operation and changes affecting the role of the Co-operative Union following decisions taken at the 1970 Congress. The latter sections of the book have been considerably revised to show an up-to-date picture of the Movement and the many changes which have taken place since the original edition was first published.

*Available from:*

**THE CO-OPERATIVE UNION LTD.**  
**PUBLICATIONS SALES SECTION, HOLYOAKE HOUSE**  
**HANOVER STREET, MANCHESTER, M60 0AS**

*Price: £1.50, by post £1.71*

# The Co-operative Oil Trade in Sweden

by **Sten Kjellberg**

Managing Director of the  
Oil Consumers Association—OK

In Sweden, the co-operative oil trade is managed by a separate organisation, the OK movement. In its present form, the OK movement combines the co-operative activity between car-owners started in the 1920s and a number of fuel companies initiated by KF in the 1930s.

Five-hundred thousand or so individual consumers, car-owners and house-owners are members in the 20 regional and 15 local societies which, in turn, are affiliated to the OK Association. Other members of the latter are the co-operative central organisations KF (The Co-operative Union and Wholesale Society), HSB (The National Association of Tenants' Savings and Building Societies) and SR (The Co-operative Housing Organisation of the Swedish Trade Unions) as well as the farmers' purchasing co-operative SLR.

From the parliamentary point of view, the Swedish oil co-operative has the same set-up as other Swedish co-operative movements, with members' meetings on a district level in the OK societies, where representatives are elected to the executive bodies. The OK societies appoint representatives to five area meetings, each of which appoints one member to the Board of the OK Association. This Board also comprises representatives from the co-

operative organisations with direct affiliation. Harry Hjalmarson, Managing Director of KF, has been Chairman of the OK Association's Board for a number of years.

Collaboration between the OK Association and the OK societies is very close, and extensive integration has been achieved with the aid of central bodies for planning, building, accounting, staff administration, training, advertising, information work, sales campaigns and so on.

For car-owners, there are 350 service stations which, as this activity is relatively young, are well located. A recent government survey on petrol sales indicates that the average sales volume is twice as large in the co-operative sector as in the private sector.

The oil co-operative is a pioneer in self-service and do-it-yourself car repairs. OK service stations always have a well-stocked shop for accessories, tyres and spare parts. Testing equipment and equipment for repair and maintenance work are included, too. Many stations have a kiosk selling newspapers, tobacco, confectionery, soft drinks and snacks. Quite a number have a cafeteria and a chain of motor hotels is being established at present.



The Swedish Oil Co-operative is a pioneer in self-service and do-it-yourself car care.

OK oil tanker at sea.



For house-owning members, OK delivers central heating oil, as well as providing necessary equipment and regular servicing.

The supply of car fuel and heating oil to the societies and individual members is done by OK trucks from 20 or so terminals on the Swedish coast. In turn, these terminals are supplied by OK's own tankers from refineries all over the world. OK has just started building a refinery of its own on the West Coast of Sweden, in order to strengthen its competitive position, especially in the field of quality. Great efforts are directed towards keeping air pollution down in Sweden, as in many other countries.

The discovery of oil in the North Sea has inspired Swedes to search for oil in their own territory. A special company,

half private—with big business in Sweden, including the co-operatives—and half State-owned, has been formed for this very purpose. The Director of this prospecting company is Arne Carlsson, who has been one of OK's top executives for many years.

OK is one of the major oil companies in Sweden, holding a market share of about 15 per cent, which has been won in tough competition with the international oil giants, all of whom are represented in our country. For petrol and light heating oil to the small-house sector the market share 1971 is close to 20 per cent. OK is Sweden's largest firm in car accessories.

The following figures indicate the extent and size of OK's activities during the last business year, and its development over the last five years.

	1970 (Mill. SKr.)	1966
<b>From the Statements of Income</b>		
Sales	1.474,5	1.035,0
whereof taxes	481,4	311,0
* Surplus before appropriations, taxes, customer dividends to members, and interest on member contributions	99,1	30,1
** Appropriations	62,7	13,7
Income taxes	8,2	2,9
* Member dividends and interest on contributions	28,2	13,5
<b>From the Balance Sheets</b>		
Current assets	134,5	33,4
Fixed assets after depreciations	367,0	318,1
Long-term liabilities	136,7	176,0
Deposits from members	93,2	44,5
Untaxed reservations	170,0	67,6
Own capital	101,6	63,4
<b>Other data</b>		
Personnel	4.562	3.849
*** Number of filling stations	338	297
Net investments	88,6	77,7
Share of the market, petrol	16,9%	13,3%

\* Incl. refunds from OK Association to the small-house sector.

\*\* Appropriations for reserve storage, free reserve fund, reserve fund, preparedness storage fund and additional depreciations.

\*\*\* Sales points with a sale volume above 300 cu. m.



A typical OK car care station with do-it-yourself facilities and a well-stocked shop for accessories.

OK oil on the way to the customer.





# Problems of co-ordinating research on Co-operatives in developing countries

by **Nora Stettner**

ICA Secretary for Research

No one questions that research is basic to the promotion of co-operatives as instruments of social and economic development in less advanced countries, and a good deal of such research is going on all over the world in both developed and developing countries.

But the effectiveness of these efforts is seriously diluted by failure to co-ordinate. The work is being done at different levels and for different purposes by a wide variety of institutions including co-operatives, universities, research and training institutes, governments, international agencies and voluntary organisations. Also the types of research range from statistical surveys through feasibility studies and evaluation projects to full-fledged academic investigations. The latter in turn reflect different approaches including comparative analyses, case studies, sectoral surveys, abstract analytical treatises and interdisciplinary projects involving teams of social scientists from various fields.

It is an extraordinary fact that there is no centralised record of such research. Here and there bits and pieces have been collated but only sporadically, with no effort being made to bring them together in one central place and make them available

to all those who might be interested. Nor does there exist any comprehensive organisational framework for bringing together co-operative researchers both within and outside the movement for regular contacts and exchange of experience. A few isolated efforts have been made, notably by nine co-operative research institutes in Germany and Austria, by the co-operative research institutes of the Socialist countries and by the Scandinavian Institute of African Studies; but these have been localised, partial, tentative and not markedly successful in terms of concrete results.

Co-operators have become increasingly conscious of the intolerable waste resulting from this lack of co-ordination, particularly in terms of duplication of efforts and failure to pool resources, exchange experience, collaborate on research and make available to co-operatives in developing countries the lessons of the past. Accordingly, a number of them met together recently to discuss the problem at a seminar jointly sponsored by the Polish Co-operative Research Institute and the International Co-operative Alliance and financed out of the contribution which the Polish movement made to the ICA Development Fund for the purposes of the Co-operative Development Decade.

Participants at the Seminar included almost forty representatives from research institutes, co-operative unions, co-operative colleges and development institutes in Austria, Canada, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Hungary, Italy, Japan, Malaysia, Netherlands, Poland, Romania, Sweden, the USSR and Yugoslavia; and also from the ICA and the International Labour Office. Practical discussions concerning co-ordination of research took place during three days of Seminar sessions as well as in the course of a subsequent three-day study tour of Poland; and the concrete proposals considered in the discussions were reflected in recommendations prepared by a drafting committee and formally adopted by the Seminar. The three major topics covered were: (a) the need for organisational machinery to achieve co-ordination, consultation and collaboration among researchers; (b) the need for a centralised register of research done on co-operatives in developing countries; and (c) practical measures for reducing the gap between co-operative researchers or "academicians" on the one hand and co-operative "practitioners", that is administrators and managers, on the other.

(a) The Seminar discussed at some length the need for some kind of Research Council and recommended that the ICA should establish a working group to analyse the proposals made at the Seminar and particularly to examine the possibility of setting up such a Council "to facilitate consultation and collaboration of researchers from both developed and developing countries".

Suggestions made during the Seminar indicated that the general purposes of such a Council might be to:

- facilitate exchange of experience and personal contacts among researchers;
- define specific research priorities within the general framework of the theme Co-operatives as Instruments of Social and Economic Development;

- stimulate research in the areas so defined;

- support the setting up of a centralised register and clearing house of information on research—current, completed and projected—on Co-operatives as Instruments of Social and Economic Development; in particular by obligating members to keep the register informed of progress on research studies;

- facilitate mutual exchange of personnel, at all levels, between research institutes;

- encourage research collaboration among members, for example through joint publication of correlated studies on a particular theme; joint participation on inter-disciplinary research teams, and joint research projects between the ICA (with its access to primary societies in developing countries), co-operative research institutes (with their scientific experience and trained staffs), and international organisations (with experience and access to funds, eg UN specialised agencies); and promote the use of scientific publications as channels for diffusing research results, for example: more frequent publication of important research papers in academic journals; wider distribution and mutual exchange of scientific publications; reciprocal reprinting of major articles in various journals, particularly where translations are required; mutual agreements on publishing annexes to journals containing summaries, in several languages, of important articles; mutual agreement to publish annotated research notes, drawn from the research register, in standard format in all "house organs", and discussions as to whether there is a need for a new journal on research relating to co-operatives as instruments of social and economic development.

(b) It was also recommended that the ICA Working Group should "first of all analyse the broad problems of co-ordination of co-operative research" and in this connection "the feasibility of setting up a Research Register to enable the ICA to act as an information centre for basic

data on all research relating to co-operatives in developing countries. If this idea is accepted by the ICA, the group's aim should be to formulate proposed working rules of such a Register and especially the best methods of disseminating the data collected so that they can be used for practical purposes." Judging by the discussion the practical aspects to be examined by such a Working Group will cover procedures for collecting, collating and publishing data with particular emphasis on

- methods of identifying research projects and maintaining regular contacts with, and flow of information from, co-operative researchers;
- practical problems and details of record keeping;
- possible use of computer techniques;
- ways of standardising terminology and coping with problems of translation;
- channels for publicising and disseminating the results; and
- financial resources for initiating the project and methods of achieving eventual self-financing.

(c) In connection with the problem of achieving co-ordination between researchers and co-operative "practitioners" in developing countries the Seminar recommended that the Working Group should "examine all possibilities of intensifying research activities in developed as well as in developing countries and see what can be done to make research studies more effective in solving crucial practical problems of co-operatives in developing countries." Specific proposals presented to the Seminar included the suggestions that: —co-operative officials from developing countries who study at international co-operative training centres in developing countries should spend additional time after their return doing research under the

supervision of the training centre or of a university or research institute in their own country;

—tutors of international co-operative training centres as well as co-operative researchers in universities should spend "sabbatical" periods doing research in developing countries;

—co-operative movements in developing countries should encourage and support the training of young researchers under the guidance of ICA regional offices or research institutes;

—efforts should be made to ensure that there is available in each developing country a focal point for collection and dissemination of information on co-operative research; this might be a co-operative union, an ICA regional office, an ILO Co-operative Enterprise Development Centre, a university or a research institute; and

—co-operative educational work in developing countries should be geared to ensuring that the results of research are made available to those co-operative business men and administrators who can make practical use of them.

Research and information are indispensable tools for co-ordinating the efforts of all the various agencies interested in promoting co-operatives in developing countries. For each geographic area of prospective co-operative development it is essential that all of the potential aid donors and administrators should have at their disposal as much data as possible on the local context in depth and detail, as well as on national needs and priorities, the development plans of governments, efforts by and resources available to other donors in the area and relevant co-operative experience elsewhere in the world. *Such co-ordination is unlikely, however, unless and until the researchers themselves co-ordinate their own efforts.*

# The 40th year of the Union of Retail Consumer Co-operatives in Israel

by Israel Shapan

This year the Union of Retail Consumer Co-operatives is celebrating its 40th anniversary.

In this connection, statistics and numbers speak a much clearer, persuasive and succinct language than anything else. In 1931 the Union encompassed 11 retail consumer co-operatives with 11 small branches, each branch being also a retail consumer co-operative society. Those 11 tiny societies served 600 families or 2,400 persons, and employed 25 workers with an annual turnover not exceeding more than £P36,000. These figures indicate fairly modest beginnings.

A completely different picture emerges when reviewing the data pertaining to 1961. In the course of 30 years the number of societies grew to 61 with 347 branches and 1,500 employees. The turnover increased to IL.76 million, and this network of co-operatives served about 100,000 families or some 400,000 customers.

Even if we take into account the far-reaching economic changes that began immediately after World War 2, following the establishment of national independence, it was already apparent at that time, in the period ending in 1961, that profound developments had been set in motion in-

side the Union. It already comprised 61 societies, each with five branches apiece. This indicates the kind of fragmentation that dogged the Retail Co-operative Movement of the day, and brought about a radical examination of the situation, resulting in a far-reaching operation which was at that time hurtful, but had the healthiest possible results from all points of view.

## The Year of the New Departure

1961 was a most testing year for the Israeli Consumers Co-operative Movement. During and after that year the supermarket revolution penetrated the concepts of modern marketing techniques. It was clear that the Union of Retail Consumer Co-operatives faced two alternatives: either to rise to the new challenge or to continue using the old routine. The former involved adjusting organisational and administrative instruments, and above all ideological concepts to the new ideas that began to gain currency. The latter would only have led the Movement into an impasse.

The conclusion was clear-cut. Reality demanded consolidation instead of fragmentation. It called for the concentrating of resources instead of dispers-



Modern supermarket at Mount Carmel Centre

ing them, and it was resolved to cut out small branches that were remote and unprofitable and instead these were replaced by more up-to date and spacious premises. Data that has accumulated since then indicates the fundamental change that enveloped the entire Consumer Co-operative Movement. The number of societies was reduced to 15 by regional mergers and district unification, essential in the light of the new economic conditions. The number of branches dropped from 347 to 196, and in their place there flourished entirely new branches, *ie* spacious supermarkets in the new urban shopping centres. The number of employees grew to 4,000, with business volume increasing to IL.342 million. Above all, one million customers, or one-third of the population of Israel, are served by the supermarket network of the Union of Retail Consumers Co-operatives.

However, there are points that do

not emerge from simply quoting numbers. Numbers alone can hardly relate the drawn-out deliberations among colleagues, and those between them and members of the Societies. There were those who refused to be moved, believing that the reorganisation programme entailed the abandonment of the principles of co-operation, and there were those who feared that the value of the Movement to the community would be impaired, and others voiced apprehensions lest the reorganisation plan might not succeed.

Today, as one looks back, no-one can deny that the incisive operation indeed succeeded. For it can be seen that The Retail Consumers Co-operative Movement has emerged in a healthier state; it is much stronger and indeed it has never been in such good shape as at present. It happened that the reform plan brought in its wake a most impressive increase in the

volume of sales. The Retail Consumer Co-operative Movement, despite its advancing years, showed no decline, and did not rest on its laurels. On the contrary, it has been renewed, revived itself and grown more mature, and advanced into the position of being the pioneer of modern marketing methods. Today it is clear, even to those who in the past expressed their doubts and did not conceal their hesitations, that it is highly dubious whether progress would have been so apparent, had it not been for the reorganisation programme.

### The Next Phase of the 1970s

The Union of Retail Consumers Co-operatives is faced with considerable economic, commercial and organisational tasks as the 1970s progress. In addition, the Movement is confronted with social and communal challenges of far-reaching significance. This development can also be noted in other members of the Inter-

national Co-operative Alliance. In Europe, for example, there can be seen the ever-growing powerful capitalist corporations that dominate gigantic marketing networks, integrate production, and control the intermediary stage and marketing. Those huge groups are not only guided and directed by clever salesmanship, knowledge of marketing and the latest technology, but are also powerful economic factors giving much attention to the social side in their aim for bigger profits.

Hitherto the co-operative movements devoted most of their attentions to the social aspect of their activities, in other words, business and communal interests should have equal influence in guiding the operations of consumers co-operatives. Indeed, even the giants of private enterprise have jumped on this band-wagon, by acknowledging that first of all one must gain the confidence of the public and its goodwill.

In the era of unprecedented afflu-



Supermarket in a workers suburb

ence, it is not only the price, the range of goods, their display and variety that determine the volume of the cash register. No less decisive are public relations, advertising, promotion, human relations and information. One need only survey current developments in the European Economic Community to find many illustrations of that. Year by year, tens of thousands of small shopkeepers are obliged to close down and make way for the giants of retail merchandising who are expanding at a fast pace. This new, and for many, brutal reality has obliged retail co-operatives in Western Europe to review their plans and consolidate their strength in order to rise to the challenge inherent in the successes of the big networks.

This trend has not yet reached us. But we are convinced that the day is not far off, when in Israel too, we will be confronted with similar challenges. Thus, the sooner we devote our thinking to these new problems, the better it will be for the Retail Consumers Co-operative Movement and the consumer. The intimate and unbroken contact between the marketing agency and the mass of consumers is no longer the monopoly of consumer co-operatives. It has become the field of other businesses as well.

This expected development, which may reach us in the near future, obliges us to re-examine the measure of communal and social involvement of the Union and its constituent societies. Hitherto the Union of Retail Consumer Co-operatives preserved its unique status, a close affinity to the Histadrut, the General Federation of Labour in Israel. Today it is already apparent that we must strive to intensify our links with the Histadrut's constituent trade unions, representing, as they do, a large group of members. Naturally this trend of tightening the links with the trade union membership must firstly involve the strengthening of the public, social and economic instruments of the Union of Retail Consumer Co-operatives. What is also required will be a

full integration of economic and public needs, bearing in mind that in the 1970s we could expect another revolution in marketing methods no less radical in effect than the one we underwent in the early 1960s.

The public's patterns of consumption are becoming rapidly more sophisticated and more demanding. The young generation growing up in Israel has changed not only its consumption habits, but also its buying patterns. The young housewife prefers the modern and spacious supermarket to the cramped store of the shopkeeper. The fact that 6,640 shopkeepers still survive in our midst is meaningless in this context. The natural process taking place the world over, and it will not bypass Israel either, is the gradual disappearance of the traditional small shopkeeper, especially as they have no-one to succeed them.

Moreover, the changes in consumption and buying habits have brought about revolutionary trends in food technology. The sale of frozen food is growing rapidly, new kinds of packaging are making their appearance, and the marketing of food-stuffs is assuming completely new patterns. Of course, even amidst this rapidly changing reality, the Union of Retail Consumer Co-operatives will stand by its basic concept of limited profit and large turnover. If I speak of limited profit, I mean that level of reasonable profitability which covers not only expenses, amortisation and interest payments, but permits for certain surpluses to be earmarked, not for paying dividends to stock-holders, but for development, expansion, renovation and improved services. Naturally it is a necessity, that the economic policy of the Union of Retail Consumer Co-operatives should ensure not only its unbroken economic survival, but also create a reasonable reserve for the future.

As to the social aspect, it is important that our Consumer Co-operative Movement should show greater awareness of the important link with our customers.



Co-operative Department Store in Jerusalem

There are many ways and means of attaining that most important target. We must never forget that the Union of Retail Consumer Co-operatives, and the great Movement it represents, came into being thanks to the powerful backing and public support of the Labour Movement and the Histadrut. If our Movement has developed, as it has in the past 40 years, into a dominant marketing factor in the national economy, it is largely due to the solid backing provided by organized labour.

More than one million customers are served by consumer co-operatives and their retail outlets, *ie* one-third of the population of Israel, a most important section of the nation, and this amounts in fact to a repeated vote of confidence day after day. When a housewife enters a supermarket in Tel Aviv or Arad, in Kiryat Shmoneh or Eilat and makes her purchases in our co-operative she is reiterating her trust in us and what we stand for. The increase in our turnover is the most persuasive and concrete testimony that

our Movement has succeeded in winning the public's confidence, for the consumer does have a choice as we are not the only ones operating in the market, and competition is harsh and unyielding.

However, we must not be content with these achievements which are at one and the same time, an asset of our Movement and its principles and a testimony of our economic success. Our true tests are in the daily confrontation with the member and consumer.

#### **Future Forecast**

Even if we should leave it to others to evaluate the importance to the economy and the community of the Union of Retail Consumer Co-operatives, 40 years make up a period of some significance which can be summed up while viewing the facts in true perspective. We can also stop for a moment and gaze backwards with no small measure of satisfaction. Of course we must not let our gratification allow us to indulge in self-satisfaction and smugness.



To the contrary, the achievements of the past must serve us as a model and inspiration for the future.

We must again and again re-examine our structure and give it a new meaning and content, so that Co-operation and within that, the Consumer Co-operative Movement, should not simply become a meaningless platitude. We have to re-charge our social, ideological and communal batteries and motivating forces. For without them, even the biggest business success has only a limited value.

The Union of Retail Consumer Co-operatives did not come into being and does not operate in order to be just another marketing network, with little difference between it and privately owned chains. Before others come to ask and question us and our Movement, its leaders and membership, we ourselves must from time

to time re-examine our purpose. Our Co-operative Movement must show at all times its special purpose and highlight its distinctive features.

This should be done on three levels.

- i the ideological sphere; expressing itself in absolute fidelity to the co-operative principle, while showing loyalty to the membership and integrating it in the democratic life of our Movement;
- ii the social sphere; involving a firmness in maintaining constant and unbroken contact with the membership, on the one hand, and the consuming public on the other;
- iii the business sphere; which seeks to combine the customer's interests with the furthering of the development of the Consumer Co-operative Movement.

# Book Review

## **LABOUR and universal property**

by Curio Chiaraviglio

*Spanish edition: Editorial Cajica SA*

*AP 336 Puebla Pue. Mexico*

*Price: 30 pesos mex.*

*Italian edition: Editrice Felice Le Monnier*

*Via S. Ammirato—Firenze, Italy*

*Price: 2.500 Lire*

Introduction to the study of development plans aimed to valorize labour forces and to substitute improductive expenses by constructive works in order to expand and distribute equitably essential elements for human life.

The author—civil engineer, member of the ICA Central Committee representing Argentina—presents the conclusions of a wide research carried out in underdeveloped areas of Latin America and of Southern Europe, aimed to ascertain possibilities and means to eliminate depressing conditions of poverty, in order to create the social premises of economic and industrial development.

He observes that—unlike other living species—it is only by labour that human beings can obtain the necessary elements for their life. Without agriculture, technology and science applied to human welfare, mankind could never have reached its present number of over

three thousand millions of people, least of all at the present standard of life. The full utilisation of labour forces and the constructive investment of capital for the development of vital resources are essential to maintain the biological balance between production and need of elements to ensure human life and effective fulfilment of human rights.

To this fundamental objective the author dedicates a detailed analysis of the new and promising techniques that could be applied and improved to valorize the tremendous resources of potential wealth, represented by the unutilised capacity of investment lost at present by unemployment. This unexploited creative capacity should be used to form the “social infrastructure for industrial development”, represented by the new settlements that could be built to settle conveniently the families leaving rural areas in order to find better opportunities of productive jobs.

This infrastructure should form a net of “residential communities” for two hundred families, having each settlement as a “Co-operative Centre”. In this small community every family should own its homestead, also called “family holding” or better still “vital unity”, of half to one acre of surface with house, garden and orchard. This “vital unity” should be exempt from any kind of tax in order to constitute a safe basis of stability for the family and a real guarantee of fundamental rights. It ought to be such as to eliminate

fundamentally the most degrading manifestations of poverty—promiscuity, insecurity, unhealthy environment—and to improve the physical basis of personality as a social premise of better education and productive efficiency.

Notwithstanding that a great part of the book is dedicated to financing and to techniques for achieving this objective, the main conclusion of his research—as the author states—is the wide range of productive activities that could be started in underdeveloped areas, where at present the poor, undernourished and unemployed families would attain the full ownership of the scientifically studied, technically elaborated and equipped “vital unity”, constituting a living milieu (ambiance, habitat) adapted to ensure the full and sound development of the new generation, reducing the cost of living and increasing health efficiency and capacity of the workers in order that they may progress by their own forces.

In the chapter with the Spanish title “El credito al trabajo”—difficult to translate literally in English—the author presents a new form of credit and new methods for promoting the creation of small industries in underdeveloped areas, based on his personal experience in Argentina.

In his opinion, this form of credit, combined with technical instruction and incentives specifically adapted to conditions of the local labourers and the individualistic mentality of immigrants coming from mediterranean areas, could promote the development of efficient and subsidiary industries in agricultural regions, valorizing the gifts of thrift, saving and hard work of people accustomed to live in poor countries.

The rising cost of living, stimulating squandering and urban congestion, gradually determines new expediencies for developing industries in agricultural areas, where healthy conditions and a low cost of living give greater opportunities of saving and of capitalisation of workers who own their living milieu. These opportunities could be extended by institutions and methods explained in this study, in which a decisive role is reserved to the “Co-operatives of development”, conceived to

stabilise human capacities in backward areas.

Dealing with problems of this unbalanced world, Mr. Chiaraviglio's research gives an optimistic view of the new and wide possibilities offered by the technological progress in changing the trend that at present causes a growing and dangerous gap between industrialised and underdeveloped countries. But the techniques and the methods proposed in order to promote industrial development in agricultural countries have wide political projections that clash with the present trend of growing state intervention and collective organisation. This whole promotion system is based on the diffusion of private ownership. With the proposed form of credit, every worker who has the wish to start an independent business, should have the immediate possibility to acquire machinery and the ownership of his own productive tools. In this way, instead of nationalising industries, it would promote the growing of individual and co-operative enterprises, capitalising the workers instead of capitalising the State.

Through the “social infrastructure” every family should get the ownership of its “family holding”, free, as an independant factor of social security, based on real estate, not exposed to inflation and bureaucratic interference. Thus, instead of promoting the abolition of property, it would extend private property also to the “have-nots”, creating the “universal property”. The evidence of this concrete possibility shows that the extreme manifestation of poverty, that can be seen also in naturally wealthy Latin-American countries, depends essentially on the waste of public money, abstracted from the works for human and social solidarity.

Many other and similar conclusions could be quoted, but this example seems sufficient to indicate that, everybody agreeing to the premises and methods to build a healthy living milieu and to raise human capacities, this study will be controversial in its general and political conclusions. In any case, also if controversial, it presents new ideas which—just because in opposition to leading ideologies—can offer a basis at least for a concrete and interesting debate.

JHO

**International Co-operative Alliance**  
**Regional Office and Education Centre for**  
**South-East Asia**

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**International Co-operative Alliance**  
**Regional Office for East and Central Africa**

**Regional Director: Mr Dan Nyanjom**  
**PO Box 946, Moshi, Tanzania. Tel. 2616.**

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## Affiliated Organisations

**Algeria:** Société Coopérative Musulmane Algérienne d'Habitation et d'Accession à la Petite Propriété, 6 et 8 rue du Cercle Militaire, Oran. Tel. 205-00; 237-75; 368-64; also at - 21 rue Edgar Quinet, Algiers, and 9 rue Mathurin-Régnier, 75 Paris 15e.

**Argentina:** Federación Argentina de Cooperativas de Consumo, Avda. Suárez 2034, Buenos Aires. Tel. 28-5381/3.

Intercoop, Editora Cooperativa Limitada, Humberto 1°, 2318—1° P.-A., Buenos Aires. Tel. 99-3193.

Asociación Argentina de Cooperativas y Mutualidades de Seguros, Belgrano 530, 5 Piso, Buenos Aires. Tel. 33-0222/7138.

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

Asociación de Cooperativas Argentinas, 25 de Mayo 35, Buenos Aires.

**Australia:** Co-operative Federation of Australia, President's Office: 50-54 Ferry Street, South Brisbane, Queensland 4101. Tel. 4-5083. Secretariat: 569 Wellington Street, Perth, Western Australia 6000. Tel. 21-0191.

**Austria:** "Konsumverband" Zentralverband der österreichischen Konsumgenossenschaften, Theobaldgasse 19, A-1061 Vienna VI. Tel. 57-75-38.

Membership (1967): 476,200; turnover: retail trade: Sch. 4,646 mill. (thereof consumers' societies: Sch. 3,895 mill.; department stores: Sch. 713 mill.; other retail trade: Sch. 38 mill.); wholesale society (G.Ö.C.): Sch. 1,821 mill.; own production: consumers' societies: Sch. 472 mill.; G.Ö.C. and subsidiaries: Sch. 415 mill.

Bank für Arbeit und Wirtschaft A.G., Seitzergasse 2-4, Vienna 1.

Zentralkasse der Konsumgenossenschaften, Theobaldgasse 19, Vienna VI.

Österreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, 1, Bösendorferstrasse 7/11, 1010 Vienna. Tel. 65-71-63; 65-13-25.

1969: Affiliated organisations: 301 (comprising 189 societies and 112 associations); membership: 146,767; dwellings administered: 310,124 (comprising 136,462 societies and 173,662 associations); balance at 1968: 45.2 milliard Sch. (divided as to societies 22.2 milliards, associations 23 milliards).

Österreichischer Raiffeisenverband, Seilergasse 16, Vienna 1. Tel. 52-69-34.

**Bangladesh:** Bangladesh Samabaya Union Ltd., 9/D- Motijheel Commercial Area, 8th floor, Dacca 2. Tel. 255846.

Provincial Fishermen's Co-operative Society Ltd., Iqbal Road, Patharghata, Post Box 27, Chittagong. Tel. 80587; 85967.

**Belgium:** Fédération belge des Coopératives (FEBECOOP), 26-28 rue Haute, Brussels 1. Tel. 13-28-60; 11-83-50.

Affiliated consumers' societies: 21; membership: 300,000; turnover (1968): Frs. 4,180 mill.; shops: 1,409; Wholesale society turnover (1968): Frs. 1,272 mill.

Société Coopérative d'Assurances "La Prévoyance Sociale", P.S. Building, 151 rue Royale, Brussels 3. Tel. 18-80-80.

Premiums (1966): Frs. 1,903 mill.; reserves: Frs. 6 milliards; insurance funds, life: Frs. 20 milliards.

Fédération Nationale des Coopératives Chrétiennes, 135 rue de la Loi, 1040 Brussels 4. Tel. 35-60-90.

(1967): 1,250 shops; turnover: Frs. 1,430 mill.; Savings Bank: 2,050 branches; 500,000 members; deposits: Frs. 12 milliards; Insurance Society: 290,000 policy holders; premiums: Frs. 450 mill.; reserves: Frs. 1,300 mill.

L'Economie Populaire, 30 rue des Champs, 5300 Ciney (Namur). Tel. (083) 228-01.

Branches (1970): 466; membership: 98,456; turnover: F.B. 1,319,000,000; savings deposits: F.B. 380 mill. + 340 mill. CEP (Private Savings Bank, Ltd.); capital and reserves: F.B. 208 mill.

L'Institut Provincial de Coopération Agricole, 42 rue des Augustins, Liège. Tel. Liège 32-36-52.

**OPHACO** (Office des Pharmacies Coopératives de Belgique), 602 *Chaussée de Mons, Anderlecht-Brussels*. Tel. 22-56-90.

Union of 28 co-operative societies owning 360 pharmacies, 68 optical departments and counters, 7 drug stores, 14 wholesale depots. Turnover (1963): Frs. 1,250 mill. Surplus distributed to 400,000 members: Frs. 95 mill.

Centrale des Caisses Rurales du Boerenbond Beige (CERA), *Minderbroedersstraat 8, 3000 Leuven*. Tel. 016/279.31.

**Bulgaria:** Central Co-operative Union, *Rue Rakovski 103, Sofia*. Tel. 7-83-11; 8-03-11.

Central Union of Productive Co-operatives, *Boulevard Dondoukov 41, Sofia*. Tel. 88-45-90.

**Cameroon (West):** West Cameroon Co-operative Association Ltd., *P.O. Box 135, Kumba, Meme Division, West Cameroon*. Tel. Kumba 251.

**Canada:** Co-operative Union of Canada, *111 Sparks Street, Ottawa 4, Ont.* Tel. 232-9657.

A federation of English-language co-operative organisations, organised in 1909.

Conseil Canadien de la Coopération, *Case postale 58, Station N, Montréal 129*. Tel. (514) 866-8048.

**Chile:** Cooperativa Sodimac Ltda., *Casilla 3110, Santiago de Chile*. Tel. 734023.

Cooperativa de Empleados Particulares Ltda., *Teatinos 601, Casilla 424, Santiago de Chile*. Tel. 82935.

Instituto de Financiamiento Cooperativo, IFICOOP, Ltda., *Agustinas 853, Oficina 547, Casilla 1118, Santiago de Chile*. Tel. 398253.

Unión Cooperativa de Seguros (Ucoseg) Ltda., *Moneda 1040, of. 704-705, Santiago de Chile*. Tel. 81295; 65100.

Unión de Cooperativas de Consumo y Servicios de Chile Ltda. ("U-Coop"), *Agustinas 1141, 7° Piso, Casilla 14439, Santiago de Chile*. Tel. 715256.

**Colombia:** Cooperativa Familiar de Medellín Ltda., *Calle 49, No. 52-49, Medellín*. Tel. 45-00-55; 41-71-13; 41-53-78.

**Congo, Democratic Republic of:** See "Zaire".

**Cyprus:** Co-operative Central Bank Ltd., *P.O. Box 1447, Nicosia*. Tel. 62921; 62677; 63311.

Cyprus Turkish Co-operative Central Bank Ltd., *P.O. Box 791, Nicosia*. Tel. 4257.

Vine Products Co-operative Marketing Union Ltd., *P.O. Box 314, Limassol*. Tel. 2331; 2872; 4582.

**Czechoslovakia:** Ustredni Rada Druzstev, *Tesnov 5, Prague 1*. Tel. 621-54; 647-51.

**Denmark:** De samvirkende danske Andelselskaber (Andelsudvalget), *Vester Farimagsgade 3, DK-1606 Copenhagen V*. Tel. (01)12-14-19. Representing 30 national organisations, comprising: consumers' societies, agricultural production, marketing and purchase societies, other production and marketing societies, insurance societies, banking societies. Membership: 750,000 individual members.

Det Kooperative Faellesforbund i Danmark, *Kronprinzengade 13, 1114 Copenhagen K*. Tel. (01)12-22-62.

Affiliated societies (1963): 634; total sales: D.Kr. 1,582 mill.; employees: 12,500; comprising consumers', workers', artisans', productive and housing societies, etc.

Faellesforeningen for Danmarks Brugsforeninger (FDB), *Róskildevej 65, Albertslund*. Tel. (01)64-88-11.

Affiliated societies (1969): 1,742; members: 839,000; turnover: 4,032 mill. D.Kr.; wholesale turnover: 2,198 mill. D.Kr.; own production: 741 mill. D.Kr.

**Finland:** Suomen Osuuskappojen Keskuskunta (S.O.K.), *Vilhonkatu 7, 00101 Helsinki 10*. Tel. 90-650-611.

Affiliated societies (1971): 259; members: 593,933; wholesale turnover: Fmk. 2,195 mill.; own production of SOK: Fmk. 337 mill.

Yleinen Osuuskappojen Liitto r.y. (Y.O.L.), *Vilhonkatu 7, 00101 Helsinki 10*.

Affiliated societies (1971): 259; members: 593,933; turnover of societies: Fmk. 3,457 mill.; total production of the affiliated societies: Fmk. 55 mill.

Kulutusosuuskuntien Keskusliitto (K.K.), r.y., *P.O. Box 740, 00101 Helsinki 10*. Tel. Helsinki 10491.

Affiliated societies (1970): 75; members: 574,733; turnover: Fmk. 2,133.9 mill.; own production: Fmk. 274.8 mill.

Keskusosuusliike O.T.K., *P.O. Box 120, 00101 Helsinki 10*. Tel. 71-13-22; 70731.

Affiliated societies (1970): 75; turnover: Fmk. 1,330.8 mill.; own production: Fmk. 431.9 mill.

Pellervo-Seura, Central Organisation of Farmers' Co-operatives, *Simonkatu 6, Helsinki K*. Tel. 61046.

Affiliated organisations (1963): 10 central organisations; 1,102 societies.

**France:** Fédération Nationale des Coopératives de Consommation, F.N.C.C., *89 rue la Boétie, 75 Paris VIII*. Tel. 225-99-98.

Affiliated societies (1970): 315; membership: 3,400,000; shops: 8,300; turnover: NF. 6,100 mill.

Société Générale des Coopératives de Consommation, *61 rue Boissière, 75 Paris XVI*. Tel. 553-88-22.

Fédération Nationale des Sociétés Coopératives Ouvrières de Production du Bâtiment, des Travaux Publics et des Matériaux de Construction, *88 rue de Courcelles, 75 Paris VIII*. Tel. 622-40-48; 622-45-20.

**Confédération Générale des Sociétés Coopératives Ouvrières de Production**, 88 *rue de Courcelles*, 75 Paris VIII. Tel. 622-07-81/2.

Banque Française de Crédit Coopératif, 88 *rue de Courcelles*, 75 Paris VIII. Tel. 227-48-03.

**Confédération Nationale de la Coopération**, de la Mutualité et du Crédit Agricoles, 129 *Bd. St. Germain*, 75 Paris VI. Tel. 033-93-31.

Caisse Nationale de Crédit Agricole, 91-93 *Boulevard Pasteur*, 75 Paris XV. Tel. 273-90-00.

Fédération Nationale des Sociétés Coopératives d'Habitation à Loyer Modéré (H.L.M.), 20 *rue de Richelieu*, 75 Paris 1er. Tel. 266-4520.

**Confédération des Organismes de Crédit Maritime Mutuel**, 18 *bis, Avenue Hoche*, 75 Paris VIII. Tel. 267-14-50.

**Gambia (The)**: The Gambia Co-operative Union Ltd., P.O. Box 505, *Bathurst*. Tel. 581.

**German Democratic Republic**: Verband Deutscher Konsumgenossenschaften (VDK), *Stresemannstrasse 128*, 108 Berlin.

**Federal Republic of Germany**: Bund deutscher Konsumgenossenschaften G.m.b.H., *Besenbinderhof 52*, (2) *Hamburg 1*. Tel. (0411)284-4001.

Affiliated societies (December 1969): 115; membership (end of 1969): 2,235,000; turnover (1969): D.M. 4,827 milliards.

Grosseinkaufs-Gesellschaft deutscher Konsumgenossenschaften m.b.H., *Besenbinderhof 52*, (2) *Hamburg 1*. Tel. (0411)284-4310.

Total turnover incl. subsidiaries (1969): D.M. 2,462 milliards.

Gesamtverband gemeinnütziger Wohnungsunternehmen e.V., *Breslauer Platz 4*, 5 *Cologne 1*. Tel. 72-04-15.

Volksfürsorge Lebensversicherung Aktiengesellschaft, *An der Alster*, (2) *Hamburg 1*.

Volksfürsorge Deutsche Sachversicherung Aktiengesellschaft, *Steinstrasse 27*, (2) *Hamburg 1*.

Deutscher Raiffeisenverband e.V., *Adenauerallee 127*, 53 *Bonn*. Tel. (0-22-21) 1061.

**Ghana**: The Alliance of Ghana Co-operatives Ltd., *Post Office Box 2068, Co-operative House, Liberty Avenue, Accra*. Tel. 25560.

**Greece**: Pan-Hellenic Confederation of Unions of Agricultural Co-operatives (S.E.S.), 56 *El. Venizelou Street, Athens 142*. — Membership suspended.

**Guyana**: Guyana Co-operative Union Ltd., *Ministerial Buildings, High Street and Brickdam, Georgetown*.

**Haiti (W.I.)**: Caisse Populaire Dominique Savio, 57 *Rue Rigaud, Pétiön-Ville*.

**Hungary**: Federation of Hungarian Co-operative Societies, *Szabadság 14, Budapest V*. Tel. 113-600; 112-800.

National Council of Industrial Co-operatives, *Pesti Barnabás 6, Budapest V*. Tel. 188-800; 188-806.

National Co-operative Council, *Szabadság tér 14, Budapest V*. Tel. 113-600; 112-800.

National Council of Hungarian Agricultural Co-operatives, *Akadémia utca 1-3, Budapest V*.

**Iceland**: Samband Isl. Samvinnufélaga, *Reykjavik*. Tel. 17080.

**India**: National Co-operative Union of India, 72 *Jorbagh, New Delhi 3*. Tel. 611123; 611343; 619328.

**Iran**: Sepah Consumers' Co-operative Society, *Avenue Sevvom Esfand, Rue Artèche, Tehran*. Tel. 332015; 332019.

Credit and Housing Co-operative Society of Iran, 20-22 *Shahabad Avenue, Tehran*.

Central Organisation for Rural Co-operatives of Iran, 357 *Pahlavi Avenue, Tehran*. Tel. 64210.

Consumers and Services Co-operative Society for the Ministry of Labour and Social Affairs Employees, *Ministry of Labour and Social Affairs, Tehran*.

**Ireland**: Irish Agricultural Organisation Society Ltd., *The Plunkett House, 84 Merrion Square, Dublin 2*. Tel. 64783/4-6.

National Organising and Advisory Body for Agricultural Co-operatives. Affiliated societies: 333; membership: 127,000; turnover (1967): £152 mill.

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

**Israel**: General Co-operative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., P.O.B. 303, *Tel-Aviv*. Tel. 46111-35.

Affiliated societies and companies (1963): 1,855 in all branches.

"Merkaz" Audit Union of the Co-operative Societies for Loans and Savings, 44 *Rothschild Bd.*, P.O. Box 75, *Tel-Aviv*. Tel. 65085.

"Haikar" Audit Union of Agricultural Societies of the Farmers' Federation of Israel, 8 *Kaplan Street*, P.O.B. 209, *Tel-Aviv*. Tel. 250881.

"Bahan" Audit Union of Agricultural Co-operative Societies in Israel, 47 *Nahmani Street*, P.O.B. 622, *Tel-Aviv*. Tel. 614933.

**Italy:** Lega Nazionale delle Cooperative e Mutue, *Via Guattani 9, Rome*. Tel. 868-141/2-4.

Confederazione Cooperative Italiane, *Borgo Santo Spirito 78, 00193 Rome*. Tel. 653-875; 565-605; 565-614.

Associazione Generale delle Cooperative Italiane, *Via Parma N. 22, 00184 Rome*. Tel. 462-659; 471-846.

**Jamaica (W.I.):** Jamaica Co-operative Union Ltd., *14-16 Barry Street, Kingston*. Tel. 24737.

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

Zenkoku Nogyokyodokumiai Chuokai (Central Union of Agricultural Co-operatives), *5, 1-chome, Otemachi, Chiyoda-ku, Tokyo*.

Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fisheries Co-operative Associations), *Sankaido Building no. 9-13, 1-chome, Akasaka, Minato-ku, Tokyo*.

National Federation of Forest Owners' Co-operative Associations, *11-35 Nagato-cho, 1-chome, Chiyoda-ku, Tokyo 100*.

**Jordan:** Jordan Co-operative Organisation, *P.O.B. 1343, Amman*. Tel. 23101/3.

**Kenya:** Kenya National Federation of Co-operatives Ltd., *P.O.B. 9768, Nairobi*. Tel. 21486.

**Korea:** National Agricultural Co-operative Federation, *75, 1st Street, Chung-Jong-Ro, So-daemun-ku, Seoul*. Tel. 73-0021; 75-2681.

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

Co-operative Central Bank Ltd., *29 Leboh Ampang, P.O. Box 685, Kuala Lumpur*. Tel. 26531/4.

Co-operative Bank Malaysia Ltd., *140 Jalan Ipoh, Peti Surat 1024, Kuala Lumpur*. Tel. 299677; 299679.

Sarawak Co-operative Central Bank Ltd., *Kuching, Sarawak*.

Malaysian Co-operative Insurance Society Ltd., *36 Jalan Ampang, P.O. Box 817, Kuala Lumpur*. Tel. 87915/6.

**Malta:** Farmers' Central Co-operative Society Ltd., *New Building, Middleman Street, Marsa*. Tel. Cent 24896.

**Mauritius:** Mauritius Co-operative Union, *Co-operation House, Dumat Street, Port Louis*. Tel. Port Louis 822.

**Netherlands:** Coöperatieve Vereniging U.A., Centrale der Nederlandse Verbruikcoöperaties, "CO-OP Nederland", *Postbus 6008, Vierhavensstraat 40, Rotterdam 7*. Tel. (010) 235180.

Association of Enterprises on a Co-operative Basis, *Bloemgracht 29, Amsterdam*. Tel. 62303.

**Nigeria:** Co-operative Union of Western Nigeria, Ltd., *c/o Co-operative Buildings, New Court Road, Ibadan*. Tel. Ibadan 24399; 24446.

Lagos Co-operative Union Ltd., Co-operative Office, *147 Broad Street, Lagos, W. Nigeria*. Tel. 58920/85.

Mid-Western Nigeria Co-operative Federation Ltd., *Private Mail Bag 1021, No. 4 Murtala Mohammed Road, Benin City, Mid-Western State*. Tel. Benin 594.

**Norway:** Norges Kooperative Landsforening, *Rievierstredet 2, Oslo 1*. Tel. (47-2)20-62-90. Affiliated societies (1970): 753; membership: 406,000; turnover of local societies: Kr. 3,500 mill.; of N.K.L.: Kr. 1,149 mill.

Norske Boligbyggelags Landsforbund (NBBL), *Trondheimsveien 84-86, Oslo 5*. Tel. 33-32-42.

**Pakistan:** West Pakistan Co-operative Union, *5 Court Street, P.O.B. 905, Lahore 1*. Tel. 54203.

Karachi Central Co-operative Bank Ltd., *14 Laxmi Building, Bunder Road, Karachi 2*. Tel. 36185.

Karachi Central Co-operative Consumers' Union, *Iqbal Market and Cold Storage, Soldier Bazar, Karachi*. Tel. 70917.

Karachi Co-operative Housing Societies' Union, *Shaheed-e-Millat Road, Karachi 5*. Tel. 40244.

Karachi Co-operative Union Ltd., *Co-operative House, Shaheed-e-Millat Road, Karachi 5*. Tel. 230289.

Fishermen's Co-operative Society Ltd., *Fish Harbour, West Wharf, P.O. Box 5328, Karachi*. Tel: 229101; 224457.

Sind Baluchistan Provincial Co-operative Bank, Ltd., *Provincial Co-operative Bank Bldg., Serai Road, P.O. Box 4705 Karachi 2*. Tel. 32361; 37290; 34736.

**Peru:** Cooperativa de Seguros "INCA" Ltda., No. 181, *Av. Brasil 1360, Apartado 10159, Lima 21*.

**Philippines:** Central Co-operative Exchange Inc., *P.O.B. 1968, Manila*. Tel. 7-60-09.

Grains Marketing Co-operative of the Philippines "Gramacop" Inc., *107-D Arellano Street, Caloocan City*. Tel. 23-91-40.

**Poland:** Central Agricultural Union of "Peasant Self-Aid" Co-operatives, *Kopernika 30, Warsaw*. Tel. 26-39-69; 26-10-81.

Central Union of Building and Housing Co-operatives, *Ul. Marchlewskiego 13, Warsaw*. Tel. 20-90-29.

"Społem" — Union of Consumer Co-operatives, *Grazyny 13, Warsaw*. Tel. 45-32-41.

Central Union of Work Co-operatives, *Surawia 47, Warsaw*.

Supreme Co-operative Council, *Ul. Jasna 1, Warsaw*. Tel. Warsaw 26-72-21; 27-13-26.

**Portugal:** UNICOOPE - Uniao Cooperativa Abastecedora, S.C.R.L., *Avenida Almirante Reis, 127-4. Dt., Lisbon 1*. Tel. 315843.

**Romania:** Uniunea Centrala a Cooperativelor de Consum, "Centrocoop", *Strada Brezoianu 31, Sectorul 7, Bucharest*. Tel. 16-00-10; 13-87-31. 1969/70: Associated 1,728 Consumers' Co-operatives in 39 District Unions; membership: 7 mill.; 28,000 retail shops: of which 8,100 public catering units; 7 processing and marketing enterprises; 18 production enterprises; 17 building enterprises; 20,400 servicing units; 18 educational centres.

Central Union of Handicraft Co-operatives, "UCECOM", *46, Calea Plevnei Street, Sector VII, Bucharest*. Tel. 13-16-48.

Uniunea Nationala a Cooperativelor Agricole de Productie, "Uncap", *25 Bd. Gheorghe Gheorghiu-Dej, Bucharest*.

**Singapore:** Singapore Co-operative Union Ltd., *Post Box 366; Office and Library: 3-JJK Clifford House, Singapore 1*.

**Sri Lanka:** Co-operative Federation of Ceylon, *P.O. Box 1669, Co-operative House, 455 Galle Road, Colombo 3*. Tel. 85496.

**Sweden:** Kooperativa Förbundet, *S-104 65 Stockholm 15*. Tel. International: 46-8-449560; National: 08-44-90-60.

Affiliated retail societies (1970): 232; membership: 1,605,500; total turnover of consumer societies: Kr. 8,100 mill.; turnover of K.F.: Kr. 6,649 mill. (thereof Kr. 4,835 mill. to affiliated consumer societies); K.F.'s own production: Kr. 3,102 mill.; total capital (shares, reserves and surplus) of K.F.: Kr. 1,105 mli. and of affiliated retail societies: Kr.1,332 mill.

Hyresgästernas Sparkasse- och Byggnadsför-  
eningars Riksförbund (H.S.B.), *Fleminggatan 41, Fack, S-100 21 Stockholm 18*. Tel. 54-05-40.

1970: Affiliated Building Societies: 96; with individual members: 345,000; number of flats administered by local societies: 311,500; value of real estate: Kr. 15,735 mill.

Svenska Riksbyggen, *Hagagatan 2, P.O. Box 19015, S-104 32 Stockholm 19*. Tel. (08)34-05-20.

Folksam Insurance Group, *Folksam Building, Stockholm 20*. Tel. 22-01-00.

Lantbrukarnas Riksförbund, *S-105 33 Stockholm*. Tel. (08)14-16-00.

Kooperativa Gilleförbundet, *S-104 65 Stockholm 15*. Tel. (08)44-90-60; (08)44-95-60.

**Switzerland:** Coop Schweiz, *Thiersteinallee 14, CH 4002 Basle*. Tel. (061)35-50-50.

Affiliated societies (1970): 276; retail outlets: 2,451; membership: 899,320; Coop-total turnover: Frs. 3,432.3 mill.; Coop-retail turnover: Frs. 2,893.0 mill.; Coop Schweiz, wholesale turnover: Frs. 1,743.5 mill.

Verband ostschweiz. landwirtschaftlicher Genossenschaften (V.O.L.G.), *Schaffhauserstrasse 6, Winterthur 8401*.

Verband sozialer Baubetriebe, c/o SBHV., *Sihlpostfach, Zürich*.

Genossenschaftliche Zentralbank, *Aeschenplatz 3, CH 4002 Basle*. Tel. (061) 23-84-00.

CO-OP Lebensversicherungs-Genossenschaft Basel, *Aeschenvorstadt 67, CH 4002 Basle*.

**Tanzania:** Co-operative Union of Tanganyika Ltd., *National Co-operative Building, P.O. Box 2567, Dar-es-Salaam*. Tel. 23077; 23344; 23347.

**Thailand:** Co-operative League of Thailand, *4 Pichai Road, Dusit, Bangkok*. Tel. 811414.

**Turkey:** Türk Kooperatifçilik Kurumu (Turkish Co-operative Association), *Mithatpasa Caddesi 38, Yenisehir, Ankara*. Tel. 12-43-73.

**Uganda:** Uganda Co-operative Alliance, *P.O.B. 2215, Kampala*. Tel. 56984/6.

**U.S.S.R.:** Central Union of Consumers' Co-operative Societies of the U.S.S.R., "Centrosoyuz", *Tcherkassky per no. 15, Moscow*. Tel. 221-7253.

Consumers' societies (1970): 14,868; members: 59,637 mill.; shops: 369,700.

**United Kingdom:** Co-operative Union Ltd., *Holyoake House, Hanover Street, Manchester M60 0AS*. Tel. (061) 834-0975.

Affiliated retail societies (1971): 303; membership: 11.3 million; share capital: £142 million; retail sales: £1,203 million.

Co-operative Wholesale Society Ltd., *P.O.B. 53, New Century House, Corporation Street, Manchester M60 4ES*. Tel. (061) 834-1212.

Co-operative Insurance Society Ltd., *Miller Street, Manchester 4*. Tel. (061) 832-8686. Assets (1964): £369 mill.



Scottish Co-operative Wholesale Society Ltd.,  
*Centenary House, 100 Morrison Street, Glasgow*  
C.5. Tel. (041) 429-2100.

Affiliated societies (1967): 153; sales: £89,008,059;  
reserves and insurance funds: £9,474,291; total resources:  
£23,139,384.

**U.S.A.:** Co-operative League of the U.S.A.,  
*1828 L Street, NW, Washington, D.C. 20036.*  
Tel. (202) 872-0550.

**Uruguay:** Centro Cooperativista Uruguayo,  
*Dante 2252 Montevideo.* Tel. 41-25-41;  
40-90-66.

**Yugoslavia:** Glavni Zadruzni Savez FNRJ,  
*Terazije 23/VI, Belgrade.* Tel. 30-947/9.

**Zaire:** Centrale Générale des Coopératives  
Angolaises, *B.P. 6039, Kinshasa 1.*

**Zambia:** Eastern Province Co-operative Market-  
ing Assoc. Ltd., *P.O.B. 108, Chipata.* Tel. 439;  
485.

National Co-operative Development Committee,  
*Mulungushi House, Independence Avenue, P.O.*  
*Box 1229, Lusaka.* Tel. Lusaka 51744.

## INTERNATIONAL ORGANISATIONS

Organization of the Co-operatives of America,  
*G.P.O. Box 4103, San Juan, Puerto Rico 00936.*  
Tel. 765-8520

Nordisk Andelsförbund (Scandinavia), *3 Axel-  
torv, Copenhagen V, Denmark.* Tel. 15-15-33.

International Co-operative Bank Co. Ltd.  
(INGEBA), *Dufourstrasse 54, P.O.B. 711, CH*  
*4002 Basle, Switzerland.* Tel. (061)23-58-27.

International Co-operative Petroleum Associa-  
tion, *28 West 44th Street, New York, N.Y. 10036,*  
*U.S.A.* Tel. LA 4-4455.

Sociedad Interamericana de Desarrollo de  
Financiamiento Cooperativo (SIDEFCOOP), *Ca-  
silla de Correo 4311, Buenos Aires, Argentina*

International Co-operative Housing Development  
Association (ICHDA), *Suite 1007, 1012-14th*  
*Street, N.W. Washington, D.C. 20005, U.S.A.*  
Tel. 202-737-3420.

# The International Co-operative Alliance 1895-1970

by **W. P. Watkins**

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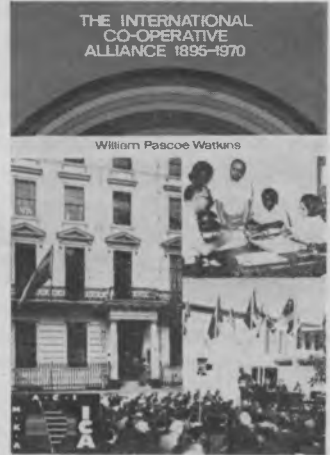
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*“All co-operative societies should make provision for the education of their members, officers and employees, and of the general public, in the principles and techniques of Co-operation, both economic and democratic.”*

(Quotation from “Report of the ICA Commission on Co-operative Principles”, p.36, Principle 5)

There was no doubt in the minds of the members of the ICA Commission on Co-operative Principles that “Education”, both in the broadest and more specialised sense, should be adopted as one of the Principles of Co-operation. Participation by all engaged in any kind of co-operative activity, with a view to the continuous furtherance of education and re-education, whatever the field may be, was stressed by the Commission as an all important need. No co-operative organisation can, therefore, afford to be indifferent to the urgency of adequately educating its members without impairing its own inherent interest or even its survival. It thus follows that education of the members, in whose interest the co-operative was founded and who, collectively, exercise supreme authority over it, takes first place; next comes the education of office holders, who are elected by the members to represent them, and of the professional staff employed by the co-operative; finally, but not less important, is the education of a third group of people, namely, those who are potential rather than actual co-operators—the public outside the Co-operative Movement. If our Movement is to make headway in enlarging its membership, the public must be much better informed, and in greater detail, about the over-all organisation, methods, achievements and future plans, than has been done in the past, and every co-operative organisation has to adapt its educational instructions and activities to different or particular groups of people in order to make the most effective impact on them.

In an attempt to give a lead and encouragement to such efforts, the larger part of this issue is, therefore, devoted to articles dealing with some general and specific aspects of educational activities undertaken by ICA member organisations in various parts of the world. If they allow the reader to catch perhaps a little more than just a superficial glimpse of the great variety and the still wide open field of education, the selected articles will have served their purpose: to rouse his imagination and to show the Co-operative Movement’s constant vigilance in keeping the flame of education burning, assuring it a bright outlook for the future, for without this, the Movement inevitably runs the risk of ceasing to exist.

*edit.*

# Co-operative Education

by **Dr L. Sieber**  
Secretary for Education, ICA

## I. The ICA and Co-operative Education

Education as such can never be an end in itself, but it is an indispensable instrument providing mankind with the know-how required for getting things done—things ranging from the toddler's efforts to communicate by means of the simplest monosyllabic word, to ambitious plans to improve (or destroy, as the case may be) life on this planet. Hence, education is closely related to the aims whose pursuance it is to serve; in fact, its whole orientation is determined by the awareness, or at least expectation, of such a purpose.

The same applies, quite naturally, to the ICA, whose policy and practice are determined by a major aim specified in the first Article of its Rules, where it says that "The International Co-operative Alliance, . . . seeks . . . to substitute for the profit-making régime a co-operative system organised in the interests of the whole community and based upon mutual self-help".

As pointed out in the following Article II "Co-operatives and Adult Education", any efficient co-operative action (and particularly such an ambitious one as reshaping the socio-economic system) is unthinkable without collective discipline—which, of course, is neither instinctive nor self-propagating, but develops only gradually, requiring growth systematically cultivated by co-operative education.

Therefore, the obvious conclusion is that the educational activities of the ICA must be determined by the long-term aim quoted above. But this might immediately seem to sound paradoxical; for, how can such a "maxi-aim" be realistically pursued by an organisation whose mini-staff and mini-funds represent only a fraction of the facilities available to any average national organisation affiliated to it?

In this context, it is, indeed, necessary to take stock of what the ICA's actual possibilities and limitations are in terms of the facilities available for its educational work. These can be practically summarised as follows:

- (a) the Education Department at the London Headquarters;
- (b) the Education Centre attached to the New Delhi Regional Office for South-East Asia;
- (c) the Education Centre attached to the Moshi Regional Office for East and Central Africa;
- (d) occasionally, the various institutions made available for certain schemes by member organisations;
- (e) a very limited budget, as a result of which practically all the ICA's educational schemes have to be roughly self-financing.

The above list makes it easy to compare the ICA's possibilities with those of

its average national member organisations. Accordingly, such a comparison is likely to portray the ICA's possibilities as follows:

(i) in the *quantitative* respect, incomparably *inferior* to those of the affiliated national organisations in terms of all facilities, such as institutions, staff, equipment and resources;

(ii) in the *qualitative* respect, partly *inferior* to those of the affiliated national organisations (no *direct* contact between educational and economic operation, for the ICA does not carry out any business activities) but, at the same time, also partly *superior* to the possibilities of member organisations, especially in the sense of having wider international contacts, access to UN Agencies, a broader view of world development within as well as outside the co-operative movement, etc.

In view of the aforesaid possibilities and limitations, determining the extent to which the ICA can meet the actual requirements with a realistic programme, one of the main *principles* underlying and characterising the ICA's educational activities must be that these should certainly not seek to replace the efforts made in the field of education and training by the affiliated organisations at national levels, but rather concentrate on:

(a) *guiding* them, organisationally as well as intellectually, towards greater international awareness and involvement;

(b) *co-ordinating* between and amongst the affiliated national organisations and their educational efforts for mutual benefit (exchange of experience and elimination of overlapping);

(c) *liaising* between national member organisations and international agencies, such as UNESCO, ILO, FAO.

In accordance with the above situation and considerations, the educational activities carried out by the ICA at present include mainly the following:

(a) High-level *annual seminars*, regularly

organised (e.g. Denmark 1968; Czechoslovakia 1969; USA and Canada 1970; USSR 1971) for discussing themes of the broadest interest to co-operative representatives from countries of various socio-economic systems, to help in the "crystallisation" and "cross-fertilisation" of ideas important for the intellectual progress of the international co-operative movement.

(b) *Training schemes* for assisting *developing countries*, organised mainly by the ICA's Regional Offices in New Delhi and Moshi, comprising, on the one hand, *national* courses and seminars, conducted by the movement of the country concerned, with ICA's educational methodological, organisational, technical or financial aid; and on the other hand, *international* events, as conferences, seminars, training courses, workshops, etc., organised mainly on a regional basis and located either in one of the beneficiary developing countries or in an aid-giving advanced country.

(c) Holding various *international conferences* on basic problems, such as the one at Jongny-sur-Vevey (November/December 1970) or the regular pre-Congress Education Conferences (1969 at Hamburg and 1972 at Warsaw).

(d) Newly introducing *short-term specialised* — mostly regional — *study-conferences* for high-level, policy-making co-operative representatives, concentrating on studying a fairly narrow field of problems in depth, for the purpose of practical application in future policy. Activities of this kind are yet to be developed, because it will most probably be this particular field in which the ICA's educational work can be directly relevant to advanced countries.

(e) Co-operating with various UNESCO Departments and the Co-operative Divisions of the ILO and FAO, either on joint projects or in order to participate in their regular programmes in various fields as, for example, adult education; study tours for workers', student and youth leaders; functional literacy; vocational

training; man and his environment; the Second UN Development Decade; International Education Year; International Book Year; use of mass media of communication; rural sociology and agricultural education; social sciences; natural sciences; project for setting up an International University; and enlightenment of the consumer. Also, taking part in the consultations on the draft programmes and budgets of some Specialised Agencies of the UN.

For the future, it appears to be of increasing importance that the ICA's educational activities should be further developed, both quantitatively and qualitatively. Hence, apart from expanding the scope of the activities carried out at present and, depending mainly on financial possibilities, it is envisaged to make some progress especially in the following directions:

(a) As recommended by the ICA/UNESCO Conference at Jongny in 1970, to convene meetings of the principals of national co-operative colleges and training centres active in the international field, at 2 to 3 year intervals, with the aim of ascertaining whether they could develop into a more or less institutionalised advisory body, similar to an auxiliary committee, to advise the ICA's Authorities on the systematic guidance and policy in the field of co-operative education, both for advanced and developing countries. As a matter of fact, this question will be studied at the International Conference on Co-operative Education, to be held in Warsaw on the eve of the 25th ICA Congress.

(b) Further exploring "the idea of setting up, under the auspices of the International Co-operative Alliance and in close association with its Secretariat", an international "co-operative education centre and training institute"—"an old project of which the Authorities of the Alliance have more than once signified their approval", as pointed out in the Report of the ICA Commission on Co-op-

erative Principles (p. 32) to the 23rd Congress in Vienna in 1966. "Such an institute, with an international staff recruited from the most eminent co-operative educators of the world, is" objectively "needed to produce leaders capable of spearheading the accelerated development of co-operation" in the international field. It is to be hoped that this idea will materialise in the not too distant future, within the framework of the Henry J. May Foundation, as referred to in the Rules of the ICA in Article 4e, according to which the ICA should develop "the activity of the Henry J. May Foundation, Permanent Centre of International Co-operative Study".

(c) Gradually developing into a kind of "clearing-house", promoting international exchanges of educational literature, documentation, syllabi, curricula, as well as other study materials, in order to enable the educational activities of member organisations in all parts of the world to benefit from the great wealth of knowledge, information and experience accumulated in the national co-operative movements of other countries.

It is obvious that the ICA by itself could achieve nothing in the respects just indicated without being able to rely on continuing collaboration with all of its member organisations, as well as educational institutions at various levels, or without keeping abreast of the latest developments in the educational sphere outside the co-operative movement—hence, the particular importance of contacts with UNESCO.

It is to be hoped that the ICA will be enabled to serve its member organisations in the respect outlined here, because the necessary help is sure to be forthcoming if the affiliated national organisations and their education leaders realise that they themselves stand to benefit from being more "internationally-minded" than used to be sufficient before the world embarked upon the epoch of the "scientific and technological revolution".

## II. Co-operatives and Adult Education

The Co-operative Movement is not only an economic approach to the solution of mankind's problems, but at the same time a social and philosophical one, advocating a specific form of behaviour as a method of mobilising the enormous potential human resources for the benefit of improving the general living conditions of Man as an individual, as well as collectively.

Hence, the co-operative philosophy is neither an expression of any "sectarian" interests, nor merely a policy of one single international organisation—the ICA and its affiliated organisations. On the contrary, it is a method and an approach applicable in most spheres of human activity, at all levels of technical, intellectual, social and economic progress, under one sole condition, namely, that the voluntary and collective discipline, which is the essential prerequisite of its practicability, is sensitively cultivated by systematic and appropriate *education* for co-ordinated and organised *activity*, based on a profound *understanding* of the questions "why" and "how".

The word "activity" is very important in this context. Indeed, any national or international concept of mankind's economic, social and cultural progress and development is bound to be unrealistic if it overlooks the requirement that Man must be not only the *beneficiary* of improvement efforts made by governments and other institutions, but also an *active instrument* in the process of bringing about changes for the better. This applies to developing as well as to industrialised countries.

Such a necessity of things being done not only *for* the people, but *with* them, and particularly *by themselves*, is being realised to an increasing extent by governments, by inter-governmental agencies of the United Nations system, as the ILO, FAO, UNESCO, UNIDO, and even by the ECOSOC itself.

Of course, it is a difficult task to enthuse wide sections of the population for well-organised and disciplined—though completely free and voluntary—self-help activities in the fields where work has to be done to benefit the individual more or less indirectly, through progress being achieved first by the community to which he belongs.

It is no mere coincidence, therefore, that educationalists must be amongst the first to realise that efforts for development and progress will only be successful if social and economic movements, which harness people's own energies and initiatives, are enabled to play their natural role of serving as powerful means of functional education, which forms an integral and essential part of the "life-long integrated education" process indispensable in the modern society.

Furthermore, the effort to reshape the economic system on the basis of the Co-operative Principles requires a different discipline from those of either individual or governmental enterprises. Co-operation as a form of mutual aid appeals to other motives than man's selfish or self-regarding impulses or obedience to duly-constituted authority. *Collective self-discipline* is not a wild or self-propagating, but a *cultivated growth*. Co-operation requires of those, who would practise it effectively, the acceptance of new ideas, new standards of conduct, new habits of thought and behaviour, based on the superior values of co-operative association. No co-operative institution, therefore, can be indifferent, in its own interest and for its own survival, to the need for educating its members, elected officers, professional employees, as well as the general public outside the Movement's membership, in appropriate ways.

In other words, efficiently organised but democratically directed joint activities of fairly large voluntary groups of adults are unthinkable without proper education and training. Really wide-scale education



activities are indispensable for encouraging people to make the efforts required for economic and social development and progress, by showing them a practical way of self-help towards liberation from both poverty and ignorance.

This is undoubtedly the reason why mass movements of various kinds play an essential role, in numerous countries, in the development of the systems and in the elaboration of the methods of adult education. Participation of this kind in the development of adult education has proved effective, because it is based on the contribution of leaders and educators drawn from the rank and file and hence aware of the problems and aspirations of their own social environment.

From this it follows that a very important task for all national as well as district and local-level co-operative organisations is to ensure that the public authorities draw heavily on the experience of such organisations and obtain their participation in the discussion, development, execution and evaluation of adult education activities.

In their efforts to enlighten government authorities about the importance of the role of co-operative education, they may find it helpful to be able to quote the following excerpt from a report recently presented to the Economic and Social Council by the Secretary-General of the United Nations (ECOSOC document No. E/4807 of 27th March 1970), where it is expressly stated that:

“Co-operative education and training . . . already touch millions of individuals in all walks of life. Apart from co-operative colleges and training institutes, which impart a more formalistic kind of training, the co-operative society itself is ideally suited to impart education and training, particularly that of a vocational nature. Through the observance of co-operative principles, many members become sensitized to their social and civic roles in their own communities. Through close involvement in the day-

to-day activities of the society, many others become more fully informed of the implications of co-operative endeavour, and become receptive to the general development goals, leading to further popular participation in economic and social progress. The co-operative society is an effective instrument for helping people to acquire skills required in the modernisation process. Because co-operative training is work-related and is put to immediate and practical use, it provides its own incentives. The co-operative method is flexible and can be applied to many different types of activity. Hence it provides a spectrum of training.”

While the above perhaps applies mainly to developing countries and to rural, less industrialised areas of advanced countries, co-operatives also have other advantages, applicable in all countries, irrespective of their stage of development and socio-economic system.

For example, co-operative enterprises of various kinds serve as feasible models of economic democracy, promoting the interests of the consumer without making them stand in opposition to the interests of the producer. Thus, they function as powerful instruments of practical, work-related education of the public, by gradually transforming social and economic relations in favour of mutual respect, understanding and active co-operation based on self-help. This applies to co-operatives of all types—consumer, producer, agricultural, credit, housing and others.

By mobilising wide sections of the population to organised economic efforts, co-operatives simultaneously become very practical and significant schools of management and self-administration for thousands of “natural leaders”, who work themselves up from grass-root level to become higher-level officers, increasingly capable of exercising important functions in the administration and self-government of the municipality or even the State.

A significant aspect of these po-

tentialities is that they apply also to women. This is because, on the one hand, co-operatives depend so much for their membership and their staff on the female population, both urban and rural, while, on the other hand, they are organisations bringing direct benefit to the family as a whole, thus providing for all of its members material incentives for participation in co-operative work, including educational activities. This further means that the co-operative methods are also comprehensible and attractive for the younger generation from a relatively early age; consequently, the co-operative movement's present and potential role in the education of youth and youth leaders should be duly taken into account and appreciated by governments and public institutions responsible for educating and training young people.

Adult education enables co-operatives to undertake various measures in consumer protection. For example, the economically weak average consumer is at a disadvantage when obliged every day to do business with the powerful production and distribution sectors; he (or she, as mostly the housewife is involved) also has insufficient knowledge of the market situation and trends, price formation, quality differences, etc. In such a situation, consumer co-operatives strive to inform, educate and train consumers, thus enabling them to use their knowledge to obtain the best value for their money. This, in turn, influences the shaping of the market, which is obviously a factor of great importance for the people's standard of living in general.

In agriculture, with modernisation, new methods and advanced technology accompanying the "green revolution", adult education has become all the more necessary. The farming population has been given increased motivation, and the importance of functional education of the type available through agricultural co-operatives continues to grow.

In a similar way, co-operatives of other types educate their members and the

general public to resort to economic self-help in production, farming, marketing, housing, transport, banking and many other essential fields of human needs and activities.

The above examples may suffice to illustrate the essentially functional character of adult education ensured by co-operatives, because experience clearly shows, as recognised by UNESCO, that "the adult is only ready for training if he knows that he will be able to find in what is offered to him an answer to his own problems in his specific situation". Therefore, "effective education cannot be limited to the transmission of knowledge and skills, but must help the individual to understand his environment and act upon it".\* But little will be achieved if a person is only taught to act individually; on the other hand, by learning to combine forces with others in an organised manner, on a co-operative basis, for effective pursuance of a commonly agreed aim, each will be able to achieve far more successful results.

In co-operatives, moreover, functional education pursues significant objectives which are not confined to the economic sphere; it also embraces the social and ideological fields, involving basic attitudes to human relations, activities and behaviour.

For all the above reasons, co-operative leaders should be fully aware of the great importance of the role which co-operatives play in the field of adult education. They should also realise that the battle for the acceptance of co-operative ideas has to be fought not only in the economic sphere, but also in the *intellectual* field, in mutual harmony. They should then apply such a realisation in practice in their day-to-day activities in the co-operative movement as well as outside it, by striving for a favourable legislative, organisational and socio-economic climate to be created in the countries, regions, districts or localities concerned for enabling

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\*Quotations from UNESCO's official documentation.

co-operatives to develop to the full their significant educational role, for which they

are ideally suited, for the benefit of the entire community.

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# Relationship between Adult Education and the Co-operative Movement

by **Dr Koji Fujisawa\***

Professor, Co-operative College, Tokyo

Discussions at the Third International Conference on Adult Education, which was organised by UNESCO and held in Tokyo from 25th July to 7th August 1972, proved that the relation between adult education and the Co-operative Movement was very close in several respects. Many delegates referred to the Movement or to co-operative societies in connection with their adult education programmes, but when they talked about collaboration with non-governmental organisations, such as trade unions, youth movements and others, the co-operative form of association was sometimes omitted. This indicates that, generally speaking, many leading educationists do not yet fully realise the importance of the Co-operative Movement in the field of adult education.

There were, in fact, two particularly significant aspects reflected throughout the discussions. First, it was frequently pointed out (or rather complained about) that adult education meetings, whatever their

programme, were usually attended by well educated people, while those who really needed instruction did not come. However, conferences or meetings of co-operative associations are, no doubt, in themselves a kind of adult education, and members learn a great deal by simply attending them. These meetings mostly consider specific matters which seem relevant to the members, and it is here that economic motivation is the strongest incentive. This factor makes it easier to assemble co-operative members than is usually the case where people are expected to assemble for purely educational purposes. Hence, the meetings convened to consider the economic activities of co-operatives could provide the best opportunities for educational programmes to be included, not only by co-operative associations themselves, but also by other adult education organisations. Thus, co-operatives can demonstrate to other organisations how to overcome the difficulty mentioned above, and by doing so, they help their own members' education at the same time.

The second important aspect was

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\*The Author and Mr Y. Okamoto, Japan, represented the ICA at this Conference.

connected with the fact that the main emphasis was put throughout the Conference on the need for adult education to be recognised as an integral part of *life-long education*. This, of course, is nothing but a matter of common sense in the sphere of adult education; but here I cannot help recalling the fact that the Rochdale Society provided its members with "knowledge" in addition to food, clothes and other daily necessities. What the Rochdale Pioneers aimed at was certainly something more than co-operative education in its narrower sense, namely, concentrating on how to develop the economic activities of the Movement. They themselves played a leading role in general adult education. One could say: "Yes, indeed they did; but this is no longer necessary nowadays, when the public school education system has been so well developed." However, such an objection is not justified. In every country, whether developing or developed, the emphasis on life-long education obviously stems from situations showing that physical and technical innovation has been too rapid to allow people, even University graduates, to keep abreast of it by school education alone. In this context, the whole present system of adult education may

rightly be considered, perhaps with some exaggeration and in the comparative sense, to be as insufficient as it was in the days of the Pioneers. Here lies the reason why I should like to recommend to co-operative associations and present-day co-operators to follow the Pioneers. In other words, we should be more positive and active in collaborating with other educational organisations, as well as in executing our own educational schemes, which must be far wider in scope than purely utilitarian co-operative education.

The advantageous situation of the co-operative associations is, of course, based on their being economic organisations functioning as a kind of enterprise. At the same time, it must be realised that this economic orientation occasionally threatens the originally human and democratic movement to be deflected from its right course towards a somewhat capitalistic way of management. Nowadays, it is becoming more and more difficult to maintain a proper balance between these two aspects of the Co-operative Movement. In such a situation, our broader contribution to adult education in general must, I believe, in the long run, benefit our Movement itself.

## CONGRESS PROCEEDINGS

The official report of the proceedings of the Scarborough Co-operative Congress, 1972, has now been published. This report, in booklet form, includes the President's Address given by Mr Alfred Wilson, and a complete record of the debates, resolutions and voting.

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# Education and Training in Agricultural Co-operation in the Western State of Nigeria

by **Dr Adeniyi Osuntogun**

Lecturer at the University of Ife, Ile-Ife, Nigeria

An efficient educational programme plays a major role in co-operative development. Education is intimately bound up with the growth of rural co-operatives which is instrumental in the agrarian development in developing countries. Broadly speaking, there are three aspects of co-operative education: education of the members in co-operative principles; education of the Board of Directors in co-operative conduct; and education of the officials in co-operative techniques.

In the first place, the success of a co-operative society is based on its individual members, each of whom has equal rights and duties; the general policy of the society and its economic and financial operations, however, are dependent on the members' spirit of solidarity and mutual aid. Secondly, it is based on the loyalty and practical knowledge of its elected directors who work on a voluntary basis. Finally, the success of the co-operative depends on the enthusiasm and ability of all categories of its employees, managers, book-keepers and other skilled and unskilled workers. It is therefore necessary that all these people should be trained for the roles they have to play, especially, as the increasing importance of agricultural co-operation in the economy and the growing complexity

of modern life make personal and professional demands bigger. In addition, there is also a need for education of the public about the co-operative aims and purposes, without which not only the extension of the movement and the increase in its membership would be more difficult, but educational activities would be up against an indifferent or even hostile atmosphere. In a democratic country, the loss of public support, especially in matters of legislation and administration would be damaging to co-operative development.

In view of the outlined role of education in co-operative development, this study is undertaken to review and evaluate the performance of the various agencies that engage in co-operative education in Western Nigeria. Such an appraisal will be useful, if suggestions for necessary improvements are made.

The major means of promoting co-operative education in Western Nigeria are the meetings of societies, the Co-operative Union and the Co-operative College. The first two concentrate mainly on informal education, while the latter engages in formal education. Other avenues for co-operative education include the Universities which teach Agricultural Co-operation as part of their Agricultural Economics

courses and occasional courses organised by Overseas Co-operative Institutions, such as the Plunkett Foundation for Co-operative Studies and the International Co-operative Alliance.

### Meetings of Societies

General meetings of the Unions and Societies are held from time to time, but, according to the bye-laws of the societies, such meetings should be held at least quarterly. The bye-laws further stipulate that not less than 10 per cent of the annual surplus shall be credited to the Education Fund. The general meetings of societies are often used as a forum for spreading co-operative and adult education, with member education programmes aiming at explaining the objectives and operations of the society and the responsibilities of its members. In addition, the meetings of the societies offer the members the opportunity of learning how to express their thoughts and ideas clearly and concisely. They also become better acquainted with financial

reports and their significance. With the help of these methods, the members' ability to supervise effectively the affairs of the co-operative is constantly improved.

If the general meetings are held frequently, this may guarantee a continuous education of the members at the grass-root level. A major weakness of this type of co-operative education is, however, that, in some societies, the programming of education is left to the Secretaries who have invariably had very little, if any, training in co-operation. Of all the Marketing Unions visited in the Ondo Province by the writer in 1969, only one had a full-time Education Secretary, whose main duty was to organise and supervise membership education at the society level; and a survey of rural co-operatives in the Ife area conducted by him in 1972 indicates that none of the Marketing Unions has a full-time Education Secretary. Thus, in most Unions, the planning and execution of co-operative education in the primary societies are left entirely in the hands of amateurs.



Annual General Meeting of a Primary Co-operative Society

### **The Co-operative Union of Western Nigeria**

The Co-operative Union of Western Nigeria in Ibadan is the apex co-operative organisation in the State. One of its objectives is the promotion of co-operative education and propaganda. It conducts its educational programme for the general public through its Public Relations Department, which is responsible for issuing press releases on all co-operative matters and editing and publishing feature articles on co-operation in the daily papers. In addition, it has the responsibility for producing and distributing the quarterly co-operative magazine "The Western Nigerian Co-operative News". In order to achieve effective communication amongst co-operators and members of the public, a Literature Committee exists within the Co-operative Union, which has the task of exploring modern channels of communication and of producing suitable audio-visual materials on co-operation. It has published pamphlets, leaflets, bulletins and posters on co-operation, as well as organised film shows, radio and television programmes on co-operatives.

The Union employs field secretaries, who conduct extension work and whose duty is also to organise new societies. The methods employed include personal contact with chiefs and elders, followed by group meetings and study groups. When a group of people forms a new co-operative society, it is handed over to the Staff of the Co-operative Government Department for development and subsequent registration for a period of about six months, during which the members of the new society receive membership education aimed at improving their knowledge and skill necessary for successful operation. The field secretaries also extend their operation to youth clubs and educational institutions. As a result, clubs for young co-operative farmers have been established in some schools. In addition, the Union plans to organise an annual co-operative education scheme for the committee members of primary and secondary

societies. The training is to be conducted during the agricultural off season in the local area for each Marketing Union.

The weak financial position of the Union forms the main handicap for the efficient operation of its educational programme. Although it is expected to be financed by member societies through the contribution of annual subscriptions, affiliation fees, share capital, deposits, audit and supervision fees, yet, since its inception, these have formed a very small proportion of the Union's income. Grants and subsidies from the Government, on the other hand, account for the bulk of its income. Both members' contributions and government assistance, however, are not sufficient to pay for the tasks allocated to the Union. Thus, the "Western Nigerian Co-operative News" had to be wound up because of lack of funds and its place has been taken recently by a mimeographed monthly called the "Co-operative Newsletter".

The Union has been unable to implement the majority of its educational plans mainly because of financial difficulties. For instance, it has transferred co-operative education of committee members to the societies under the supervision of the local Staff of the Co-operative Department. As most of the societies are organisationally and financially ill-equipped to carry out the planned education programme, no effective steps have been taken to educate the committee members. Also, the transfer of the running of the Co-operative College in Ibadan to the Co-operative Union has been delayed because of the latter's inadequate financial resources.

Despite its weaknesses, the Union has achieved some measure of success. It has played a major role in the drive for co-operative membership. The increase in the number of societies from 445 in 1952 to 2,146 in 1967 and the increase in membership of the movement from 30,190 to 87,003 during the same period have been

due largely to its education and publicity activities.

### **The Co-operative College at Ibadan**

The institution entrusted with the organisation of formal co-operative education in the State—the Co-operative College—has its origin in the Co-operative Staff Training School which was established in 1943. The first formal course lasted two months and was accommodated at the Agricultural Department at Moor-Plantation, Ibadan. The duration of the basic course was later fixed at six months. The Mission of the International Bank for Reconstruction and Development (1954) recommended that the Staff Training School should be expanded and that the duration of the basic training course should be increased from six to ten months. Following these recommendations, the Government of Western Nigeria earmarked the sum of £70,000 for the establishment of a residential co-operative training institute. In July 1957, the School was upgraded to the status of

College and its name was changed to “Co-operative College”.

The scope and variety of the courses at the College were considerably improved and widened, and the sessions were extended to an academic year, at the end of which Certificates in Co-operative Studies were issued to successful students. Another stage in the development of the College came in 1963, when the Government voted a sum of £140,000 to house it on the present site which was designed to accommodate a hostel and boarding facilities for about 150 students, class-rooms, a library and a studio with audio-visual and other necessary equipment.

The training programme of the College can be divided into two main categories—basic academic courses leading to the award of a diploma, and shorter seminars and refresher courses. The basic academic course is intended for co-operative inspectors, auditors, managers and cashiers of secondary societies and other employees of apex organisations.



Graduation Ceremony in 1972 at the Co-operative College, Ibadan



The minimum qualification for this course is the West African School Certificate or the General Certificate of Education, Ordinary Level. The subjects taught include History and Principles of Co-operation, Co-operative Law and Practice, Book-keeping and Accounts, Auditing, Business Management, Duties of Inspectors, Secretaries and Committees, Economics of Co-operation, Principles of Communication and Extension, Social Psychology, Statistics, General Economics, and Commercial Law. Six weeks of the course are devoted to practical training, during which the students are assigned to

co-operative stores in villages, and excursions are also arranged for this purpose. Special syllabi and shorter courses are planned for newly recruited Assistant Registrars of co-operative societies having university degrees but no previous training in co-operative studies. The duration of the special refresher courses for employees of the various branches of the Co-operative Movement and of the Trade Unions is one week, whereas that of the courses on membership education varies from two days to about three months. Table I gives further information on the courses held at the College from 1967 to 1971.

TABLE I  
*Courses offered by the Co-operative College at Ibadan*  
1967/68—1970/71

<i>Courses</i>	<i>Number of Participants</i>			
	1967/68	1968/69	1969/70	1970/71
(a) Basic academic course in Co-operative Studies	55	35	115	90
(b) Field Secretaries, Inspectors and Auditors: refresher courses	—	52	62	68
(c) Assistant Co-operative Officers and Assistant Registrars of Co-operative Societies: week-end course	—	3	9	—
(d) Co-operative information and membership course	—	168	72	51
Total Number of Participants	55	258	258	209

At present, the College has a Staff of eleven teachers, all of whom are drawn from the Government's Senior Co-operative Staff. Seven of them are university degree holders who have received co-operative training either at the College or abroad. In addition, other specialists are invited to give lectures in their various fields of specialisation. These guest speakers

are usually drawn from officials of other Ministries and from chief executives of apex organisations, such as the Co-operative Bank, the Association of the Nigerian Co-operative Exporters and the Co-operative Supply Association.

The College has played a prominent role in the dissemination of co-operative education amongst co-operators and the

public. It discharges efficiently its responsibility for the planning and production of audio-visual aids and materials for the education of members and for publicity programmes. Furthermore, the College provides educational materials for other Government Departments, especially the

Community Development Department.

Since its inception, the College has trained students not only from the Federation of Nigeria but also from other West African Countries, as can be seen from Table II.

TABLE II

*Co-operative College at Ibadan: Statistics of Students' Population (Basic Course) 1943—1971/72*

Year	NIGERIA					OTHER COUNTRIES					Total
	Western State	Northern States	Eastern State	Mid-Western State	Lagos State	West Cameroon	Ghana	Sierra Leone	Gambia	Liberia	
1943	3	—	2	2	—	1	—	—	—	—	8
1944	9	2	6	2	—	—	5	—	—	—	24
1945	13	—	7	1	—	—	—	—	—	—	21
1946	12	2	4	3	—	—	—	—	—	—	21
1947	6	1	11	4	—	—	—	—	—	—	22
1948	5	3	9	1	—	—	—	—	—	—	18
1949	4	—	3	1	—	—	—	—	—	—	8
1950	8	3	9	5	—	—	—	5	—	—	30
1951	8	—	7	3	—	—	—	6	—	—	24
1952	—	—	—	—	—	—	—	—	—	—	—
1953	32	2	14	2	—	1	—	—	2	—	53
1954	16	4	16	5	—	2	—	1	—	—	44
1955	19	—	10	3	—	2	—	—	—	—	34
1955/56	20	—	6	4	—	3	—	—	—	—	33
1956/57	17	—	16	8	7	4	—	—	—	—	52
1957/58	36	—	8	8	—	5	—	—	—	—	57
1958/59	27	—	5	6	1	10	—	—	—	—	49
1959/60	22	—	7	8	8	7	—	—	—	—	52
1960/61	25	—	5	3	1	3	—	—	—	—	37
1961/62	18	—	11	1	1	10	—	—	—	—	41
1962/63	33	—	—	5	8	2	—	—	5	—	53
1963/64	39	—	—	6	4	4	—	—	—	—	53
1964/65	24	—	—	5	5	24	—	—	—	—	58
1965/66	8	—	—	9	12	12	—	—	—	—	41
1966/67	24	—	—	13	7	11	—	—	—	—	55
1967/68	25	—	—	19	8	—	—	—	3	—	55
1968/69	19	2	—	1	3	2	2	2	2	2	35
1969/70	44	1	38	8	21	—	—	—	3	—	115
1970/71	58	1	18	3	10	—	—	—	—	—	90
1971/72	43	4	32	23	22	—	—	—	3	—	127
TOTAL	617	25	244	162	118	103	7	14	18	2	1310

The College is at present administered by the Government, but the Co-operative Movement is expected to take over the running of the College in the near future. Even though the College has contributed a great deal towards co-operative education, it has done very little (if anything) in the field of co-operative research. According to the Government Policy Paper on Co-operatives, the College should not only arrange basic and specialised refresher courses but should also "study new problems confronting the movement and be able to give technical advice when consulted". Unlike the Northern States Co-operative College which is attached to Ahmadu Bello University, the Western Nigeria Co-operative College has no connection whatsoever with the State University.

### **Conclusions and Recommendations**

This study highlights the performance of the main agencies which are promoting co-operative education in Western Nigeria. At the level of the societies, it has been discovered that the greatest weakness lies in leaving the administration of membership education entirely in the hands of Secretaries who, in some instances, are not well equipped for the job. Finance poses a major problem to a more efficiently run operation of the educational programme by the Co-operative Union of Western Nigeria. The Co-operative College, on the other hand, has achieved a good deal in co-operative education, but it has not undertaken research, neither has it broken new ground. It is expected not only to produce good students but also to create fresh ideas, stimulated by well conceived and organised research undertaken by the teaching staff.

Co-operative education can, in fact, only succeed if it begins in the local societies, and it is therefore recommended

that more attention should be paid to the education of ordinary members. In order to ensure the efficient operation of such a system, it is suggested that each local Union should employ a full-time Education Secretary to take charge of the planning and supervision of membership education in the primary societies. Such officers should have formal training in co-operative studies and should be given, from time to time, the opportunity to attend refresher and other short courses in order to be well informed of the latest developments in co-operation and particularly education.

Study tours to successful co-operative societies, such as the Owo Co-operative Produce Marketing Society, should also be encouraged for both ordinary and Committee members as well as officials of other societies.

There is a need for a sound capital structure in order to ease the financial problems of the Co-operative Union of Western Nigeria. Means of achieving this may include an increase in the minimum shareholding, introduction of non-voting shares and encouragement of savings amongst the members.

It is recommended that the Co-operative College should be attached to the State University so that both the College and the whole Co-operative Movement may enjoy the benefit of University extension services, research work, teaching materials, exchange of ideas and teaching of the senior members of the staff. Such advantages are enjoyed in advanced countries. For example, in the United States, the International Co-operative Training Centre is attached to the University of Wisconsin and, in Canada in Nova Scotia, the Coady International Institute is part of the St. Francis Xavier University.



# Co-operative Management Education and Training in Canada

by **Olaf Turnbull**

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A general statement about co-operative management education and training runs the risk of reflecting the writer's bias and is subject to the interpretation of the reader. In order to provide a better basis for communicating what must essentially be an interpretative analysis of the present situation regarding management development in Canada, it is proposed to break down the statement into the following aspects:

1. The environment in which management development must take place;
2. Awareness of need;
3. Philosophy and method;
4. The stage of development and future plans;
5. The role of the ICA.

## **The Environment**

The development of management training in Canadian co-operatives has been primarily an evolutionary process. If one is to understand that evolution and keep it in proper perspective, the environment and the culture within which the development has taken place must also be understood.

Many of the people who are providing leadership in today's co-operative movement in Canada acquired their co-

operative philosophy from fathers and grandfathers who were pioneers in the advancing frontiers of the nation. Success on the frontier embraced the self-reliant, resourceful individuals who learnt rapidly in the relentless, demanding school of experience. Formal schooling ceased at an early age, for the skill, and knowledge of, survival not available in books had to be acquired through the act of living and coping with the environment.

Beliefs and notions of the past die slowly, particularly those that stem from a colourful era of Canadian heritage. The notion that the end of formal schooling meant the end of formal training prevailed for many years and has only recently begun to give way to the concept of learning as a lifetime process. The use of theory in solving problems, advocated by the academics, is not yet widely understood or accepted by the average person in Canada.

In the early years of Canadian economic development, co-operatives were established by people who were prepared to take direct action in providing themselves with goods and services and, in this way, have some influence over economic factors that affected their lives. Co-operatives were small and boards of direct-

ors and managers learnt mainly from experience. Competing businesses were also small and were conducted mainly by independent operators who, generally speaking, were also learning by experience. In this situation, margins were flexible and there were usually opportunities for economies within business operations. Co-operative control was in the hands of the members who lived in the same community and could participate directly in the decisions that guided the co-operative's activities.

The pattern of small, local competing business units was broken when the search for increased returns on the part of profit motivated business led to increased sizes of business organisations, an integration of services and, finally, a steady build-up of economic power designed to control the cost of production inputs, as well as the ultimate price to the consumer.

This had a profound effect on local co-operatives. Many ceased operations, because they were unable to meet the demands of a changing situation. Others gave up their best leadership to take on the task of setting up secondary service organisations. In addition to venturing into unknown business territory, central boards of directors and management were faced with the task of developing a delegate system of democracy with all of the inherent problems of participation and understanding. Also, if the expanding co-operative business system was to survive and prosper, management upgrading was needed at the local business level. Much of the task of providing this ingredient fell to central co-operatives. On-the-job supervision and advice were the main methods adopted, supplemented by director and management conferences and short training courses.

When the business community was made up of many small, single-purpose units, the manager was expected to know the business and to make the necessary operational decisions. With the emergence of large, complex, integrated business

entities, there also emerged a concept of management that placed the manager in the role of co-ordinator of a management system that emphasised specialisation, shared responsibility and research.

Canadian co-operative legislation clearly places responsibility for management with the board of directors. This would logically mean that the board of directors in each co-operative is responsible for engaging a manager, supervising his performance and arranging opportunities for his development in the rapidly expanding management field. The reality of the situation is that the board of directors of the majority of Canadian co-operatives is chosen by co-operators from amongst their own ranks. Seldom do these choices include people from the business community who are involved in sophisticated management activities. In many successful Canadian co-operatives, the manager finds himself in the position of adviser and trainer of his board. In many circumstances, this would be a totally unacceptable situation but, within the prevailing co-operative philosophy, many co-operative managers have carried out these potentially conflicting roles with sincerity and great wisdom.

Regardless of other implications of board-management relations in Canadian co-operatives, guidance and policy support for the development of senior management have been slow in maturing. A good deal of the upgrading that has been pursued by senior co-operative management has been business upgrading taken together with managers from private profit business. Upgrading in co-operative terms is not readily available, nor has it attained a noticeable priority rating.

In most Canadian co-operatives, more training opportunities have been provided for lower management levels through training departments, co-operative training institutions and universities. As promotions take place within organisations, the amount of formal management training will be gradually increased

even for senior management.

Notwithstanding a few notable exceptions, Canadian co-operatives have been followers of private profit business over the years, often being reluctantly rushed into making drastic changes in order to meet new competitive conditions—changes which private business may have been studying and planning for many months. Hampered in a business sense by a duality of purpose (economic and social) and lacking access to, and control of, the same level of funds available to profit corporations, Canadian co-operatives have failed to develop a dynamic of their own. For the most part, co-operatives are hard pressed to keep pace with the private business sector—a situation which places extreme pressure on management people and reduces the probability that such a dynamic will emerge.

If Canadian co-operatives are to develop a dynamic of their own and change their image from followers to leaders, training at all levels, with particular emphasis on senior management training, is essential. Other ingredients in addition to training that make up a dynamic, creative, innovatory organisation include: clearly stated objectives related to creativeness and growth; supporting research; sufficient resources allocated to the task; and leadership.

Some recruiting from outside the co-operative movement for broader management skills has taken place over the years, but, for the most part, this has been on a very cautious basis in deference to the objective of maintaining a co-operative character in expanding business operations.

Other important aspects of the Canadian environment include the strong regional orientation of Canadians and their social and economic institutions. Four regions are involved, two with provincial boundaries and two of a multi-provincial nature. Provincial loyalty is often added to local allegiance acting as a brake on regional consolidation. The pres-

ent stage of evolution of the Canadian co-operative movement must be said to be strongly regional, with residual local and provincial loyalties coupled with a limited but slowly growing concern for a national perspective.

### **Awareness of Need**

Awareness is a vital factor in planning for progress in any field. The development of management training in the co-operative movement in Canada has been more a matter of the evolution of pressures leading to gradual changes than a process of establishing theories and evolving plans based on theoretical models.

Upper levels of co-operative management, preoccupied with problems of competition and an inherent resistance to change within the co-operative system, have had little time to devote to their own personal development. A number of co-operatives has made special courses available to senior management but, for most organisations, this has not been part of a planned management training programme. Often it has been a token recognition of the vital area of management upgrading.

Some central co-operatives in Canada find themselves in active competition with multi-national and other giant corporations whose management teams are receiving the benefits of available research and training. This is undoubtedly the key factor in the recent upsurge of awareness and concern for management development programmes.

The same evolutionary process applies to the development of training programmes within the co-operative movement. With two or three notable exceptions, personnel with a doctorate have not been engaged by Canadian co-operatives to head management training divisions or co-operative training institutions. In general, this means that many co-operatives have not recruited the calibre of people for training activities who could provide strong support to management in pursuing development goals. However, there are

some training people in co-operative organisations who are in the process of improving their own capabilities by pursuing post-graduate programmes, and their influence is being felt throughout the co-operative movement.

### **Philosophy and Method**

Sufficient leadership and other resources have been directed towards the development of co-operative education and training in Canada to provide for the evolution of a solid basis of philosophy and method.

Initially, co-operative education and training were regarded as a process of exposing individuals to a given body of knowledge. Co-operative training institutions in Canada quickly adopted the philosophy and methods of the rapidly developing science of adult education and made a substantial contribution to that development. Education and training methods began to focus on the individual as a learner. Changes in knowledge, skills and attitudes became the measure of individual growth.

Presently emerging from the Canadian co-operative education and training scene is a concept identified as "Human Resource Development". This concept treats the individual as being all important and attempts to identify and put into perspective all of the factors that have a bearing on his behaviour. The objective is to obtain optimum performance from each individual in fulfilling his role in the co-operative. In addition, this concept treats the co-operative as a living, growing organism that can and should develop the capacity and skill to guide and support the development process for each individual expected to contribute to the dynamics of that organisation.

In practice, a co-operative consulting body works with each individual and his supervisor in clarifying the former's role; in assessing the individual's capabilities, problems and requirements; in arranging appropriate learning experiences; and in evaluating the progress.

To this must be added, particularly at upper management levels, supporting elements for reaching optimum performance, such as appropriate structure, clear policies, adequate resources, information (through research, etc.) and many others.

### **Stage of Development and Future Plans**

A great need for the upgrading of management in local co-operatives was recognised by boards of directors and managements of central co-operatives as soon as the latter became well established. In most cases, specialised staff was recruited to provide management advice and assistance to local co-operative managers.

From this beginning, a few central co-operatives have developed their own training departments which do a good deal of in-service training. The Western Co-operative College was used extensively for lower and middle management training in its initial years. In recent years, there has been a tendency on the part of training-conscious central co-operatives to strengthen their internal training resources in order to carry out that level of training themselves. What also emerged was the use of the Western Co-operative College as a consulting institution for training. In addition to providing a wide range of training services to co-operatives which have no training department, the Co-operative College's personnel now work with the existing training departments and their supervisors in developing programmes for individuals. The College's residential facilities are being used for specialised training courses, as and when needed.

Assuming that progress in management development can be measured in terms of formal structures and the level of resources allocated for the purpose, a recent survey indicates that Canadian co-operatives are at various stages of development. The trend is towards increased emphasis on comprehensive training programmes within major central co-operatives.

In the past, the Co-operative Union

of Canada has acted as a co-ordinating body for the development of training in co-operative administration and business. Conferences of senior officers and trainers and support for the development of the international Association of Co-operative Educators (ACE) have been the main activities in this respect. The Western Co-operative College has been mainly a West-Canadian institution, but has provided considerable training resources to the co-operatives in the Atlantic Provinces and in Ontario. Typically, the development of a national centre for co-operative education and training is an evolutionary process as opposed to a process of establishing a goal and directing the resources towards reaching the objective. It is perhaps safe to predict that the Western Co-operative College will soon become the national education and training institution and will maintain a close affiliation with the Co-operative Union of Canada.

#### **Assessment of the Role of the ICA**

If co-operatives are to meet the challenges of multi-national corporations, mobilisation of co-operative resources on a worldwide basis will be necessary. This approach applies to the management development field as well as to other aspects of co-operative operations. The ICA is the appropriate organisation to provide leadership in this regard, recognising that the process will be evolutionary in nature. An example of the beginnings of such a process is the "Co-operative Insurance Services", a Canadian co-operative, becoming a member of a United States management development organisation. Management seminars, studies, conferences and congresses, as, for instance, the

1972 ICA Congress, the main theme of which deals with Co-operatives and Multi-national Corporations, help to focus attention on the value of co-operation amongst co-operatives in the field of management development.

Actively promoting a high level of training for the world co-operative movement, by circulating information on what is being done in various countries and providing leadership in the development of theoretical concepts and evolutionary processes in relation to management development in co-operatives represent appropriate activities for the ICA.

#### **Conclusion**

In the past, evolutionary processes have served the needs of the co-operative movement quite well. In our world of today and tomorrow, changes are and will be taking place much too rapidly to proceed blindly without a chartered course and a reliable compass.

Presently in Canada, there is no excuse for co-operatives to attempt to move into the future without adequate management development programmes and out of step with the "handmaidens" of sound modern management, research and shared responsibility. Training resources, such as sound philosophy and methods, forward looking training institutions, innovative and imaginative training personnel are available. History will record how readily and effectively these tools are grasped by the Canadian co-operative movement and the contribution this will make to the maintenance of a dynamic, responsive and responsible co-operative system.



# Pedagogical Activities of the Norwegian Co-operative Institute at Sandvika

by **H. G. Lindbom**

Within the general framework of the activities of the Co-operative Institute, attention is drawn to its relation with the local Co-operative societies and to the division into three main inter-related pedagogical methods of the Institute, namely: central theoretical instruction; practice periods; and also "situation-orientated" education.

## **Central Theoretical Instruction**

This type of instruction is given to employees of local societies in lectures, discussions, group-work and individual study forms, dealing with subjects of general and basic interest to them. The problem areas which form part of the central theoretical instruction, relate, on the one hand, to the philosophy underlying the forms of activity involved in the daily management of the local co-operative societies and, on the other hand, to the main conditions for those activities. The theoretical instruction is not directly based on the more specific management situation of the societies, but is rather an introduction into, and evaluation of, general systems and ways of thinking within co-operation, business economy, leadership, marketing, personnel management, etc.

## **Practice Periods**

These are integrated into, and co-ordinated

with, the central theoretical instruction, which means that the students work in carefully selected local societies. The work which the students carry out will, however, primarily be of an "education centred" kind, where the type of work is decided by the Co-operative Institute in co-operation with the respective local society. The practice periods will thus act as a pedagogical bridge between the theoretical points of view, which the College represents and puts forward through its central instruction, and the realities of life in the local societies' daily activities. These periods are followed up by the Institute with theoretical sessions, where experience is being exchanged and theory is confronted with reality in a critical evaluation.

## **"Situation-orientated" Education**

This method of instruction is decisively different from the two above-mentioned ones. Whereas both the theoretical instruction and the practice periods are focused on the individual, showing the framework within which he would be best educated, the "situation orientated" instruction and educational attention concentrate on the over-all situation, in which a local co-operative society may find itself as regards physical, technical, economic and inter-human factors, and in which

each individual's knowledge and attitude are only a part of these. Furthermore, while the theoretical instruction and practice periods may be looked upon as pedagogical tools to increase the individual's understanding of relevant problems, the situation-orientated instruction deals with the total organisation of a certain society, where not only the general level of knowledge of the employees, but also the conditions for the development of the society itself, are the central aim. The difference may thus be seen in the following way: the situation-orientated education has the local societies, not individuals, as students. This fact, however, does not imply that the individual employees in the local societies will not be given instruction according to the principles mentioned in the first two forms of education. On the contrary, it is a pre-condition that individual instruction will have to be an important part of the total development of the society.

As the situation-orientated instruction forms an essential part of the reorganised educational activities of the Co-operative College, some implications should be mentioned. It is, first of all, necessary to emphasise that this instruction does not imply that the teachers or instructors at the College will also be acting as consultants to the local society as regards conducting the everyday business. It must be made quite clear that the Co-operative College is neither interested nor adequately qualified to undertake such consultative tasks

which today are the responsibilities of other departments in the central wholesale organisation. The special competence of the Institute is of a "business-pedagogical" kind; however, this does not include only the instruction and education of individuals, but also, and this is the crucial point, an evaluation of the organisational and human *pre-conditions for learning*. It is within this sphere that much of the traditional business pedagogics faces new tasks and possibilities, and it is equally within this sphere that the Co-operative Institute has to justify itself.

Based on this background, the relation between the various departments of the central organisation and the Co-operative Institute will quite naturally be regarded as complementary and mutually interdependent, but not competent in questions pertaining to the systems which should be applied in carrying out the daily activities of the local societies. This is the responsibility of the individual societies and the central organisation; therefore, an introduction into, and evaluation of, these systems must be part of the central theoretical instruction and the practice periods.

The questions which the Co-operative Institute is competent to solve are questions of the following kind: "How qualified are the local societies to introduce new and better systems and methods?" or "what kind of efforts should the local society undertake in order that these changes may be realised in the most expedient way?"

# UNCTAD III—The Implications for the Co-operative Movement

by **Graham Alder**  
Assistant for UN Affairs, ICA

In his report on the Third Session of the United Nations Conference on Trade and Development (UNCTAD III), held in Santiago, Chile, from April 13th to May 22nd, 1972, the Secretary-General of UNCTAD was unable to conceal his disappointment about the meagre achievements of the Conference.

“It seemed reasonable to expect that this session . . . would seize the opportunity to instil into international economic relations the dynamism required to attain the objectives and targets of the International Development Strategy. This opportunity was by no means fully used”, he said and went on to attribute most of the blame to the rich industrialised countries which could have agreed to “new trade and aid policies which could have been of great benefit to the Third World while having only a marginal impact on their own economies”.

Others were less diplomatic, and it was commented in an independent report<sup>1</sup> that the rich countries only went to Santiago to satisfy their consciences, which are satisfied all too easily, and continued that

“They have an almost total lack of imaginative sympathy with the poor — an inability to grasp the problem from their point of view”.

During the Conference, Robert McNamara, President of the World Bank, also made some comments regarding the responsibility of the rich. He pointed out that, in order to attain the international target of 0.7 per cent of their G.N.P. in official aid, it would only cost 5 per cent of the amount they are expected to *add* to their wealth by 1980.

Barbara Ward, the well-known British Economist, remarked that the rich imposed upon themselves an annual bill of \$24,000 million in subsidies and tariffs “to preserve their people from the terrible risk of lower food prices”. The “heart-rending difficulties” which resulted were their excuse for doing “next to nothing about the infinitely more real and heart-rending problems of the poor”.

However, although the progress made during the Conference was only limited, it was important, because the tensions and conflicts existing between the rich and the poor became crystallised and the lack of achievement had stimulated a

<sup>1</sup>“End of an Illusion — Verdict on UNCTAD III”, *World Development Movement*, London, 1972, p.2.

deep reflection in the Third World on what future course of action to take.

The Conference was also important for the Co-operative Movement which, through its trading activities, is inextricably bound up with world trading patterns.

### The Conference

The first session of UNCTAD was held in 1964 and was based on two linked premises. The first was that existing world trading patterns discriminated against less developed countries (LDCs) and, in the words of Gunnar Myrdal, "... international trade—and capital movements—will generally tend to breed inequality, and will do so the more strongly when substantial inequalities are already established".<sup>2</sup> The second premise was that it is both necessary and right to interfere with established trading patterns in order to assist LDCs to develop and to put world trade on a sounder footing.

The participants in that Conference accepted these premises, but little was achieved by way of practical concessions. Although the limited application of the Generalised System of Preferences was a result of the Conference's second session, held in New Delhi in 1968, this was an isolated achievement.

Many had hoped that the third session would result in a break-through but others were not so hopeful, as the rich countries were preoccupied with their own problems, namely, inflation, the breakdown of the Bretton Woods Agreement and the enlargement of the EEC. Although the Conference adopted some forty resolutions, many, which were adopted unanimously, had already been diluted by tortuous compromise and others were rendered ineffective, as the majority of the rich countries voted against them and UNCTAD has no power to enforce their implementation. The numerical advantage of the "Group of 77"<sup>3</sup> obscures the realities of power.

### The Issues

The Group of 77 had met in Lima, Peru, in 1971 to hammer out a common set of proposals and draft resolutions to submit to this Conference, as they had much to gain by forming a united front. Unfortunately, they were not able to achieve total unity, a consequence of the many differences existing *between* the LDCs.

*The Least Developed Countries.* Special assistance was proposed for twenty-five countries with incomes of less than \$100 per head, illiteracy rates of over 20 per cent and with less than 10 per cent of their G.N.P. by the manufacturing industry. Although Resolution 62 (III) adopted by the Conference stated that special measures were needed which "would be supplementary to the general measures applicable to all developing countries . . .", there is no guarantee that the rich countries will not merely transfer their existing aid allocations to the least developed countries without increasing the total amount.

*Aid.* The International Development Strategy of the United Nations has set a target of 0.7 per cent of G.N.P. for official aid and 0.3 per cent of G.N.P. for private investment, but many countries have refused to accept, or have not attained, the first figure. The Conference reaffirmed the target, but it does not look that it will be achieved in the foreseeable future.

The "quality" of aid, i.e., the terms for which it is given is probably of greater importance, as much aid takes the form of loans with hard terms of repayment and is frequently tied to purchases from the donor country, for example, expensive machinery, when labour-intensive tools would do more to solve unemployment. Again, no real progress was made.

*Monetary Matters.* The U.S. devaluation of 1971, coming on top of the import surcharge, was seen almost exclusively as an affair of the rich countries, yet it had very serious consequences for the

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<sup>2</sup>Gunnar Myrdal, "The Challenge of World Poverty", *Allen Lane The Penguin Press*, 1970, p. 279.

<sup>3</sup>The "Group of 77" refers to the less developed countries; since UNCTAD I, these increased to 98.

poor countries. The value of their reserves was cut and their import costs increased. However, their interests were hardly considered. Therefore, they want to have a greater say in any new monetary system, and it was proposed that a "Board of Twenty" be created in the International Monetary Fund (IMF), including 9 members of the Group of 77. Again, this does not necessarily mean that they will have real power, but at least their voice will have a better chance of being heard.

*The Link.* Probably more hopes were held out for agreement on the proposal for the link than for any other proposal. The suggestion is to create a link between the Special Drawing Rights (SDRs), issued by the IMF, and development finance. SDRs are credited to a country's account in proportion to its holdings in the IMF; consequently, the more it has, the more it gets. The proponents of the link see as its main advantage that it would be a painless way of giving aid, since rich countries would not be asked to surrender existing wealth. The link proposals were turned down amidst a furore on the last night of the Conference, as the delegates from the rich countries refused to accept increasingly modest proposals until an agreement was reached on a form of words which were the result of much compromise. The adopted Resolution 84(III) requests the IMF to "... pursue its consideration of all aspects of proposals for a link between Special Drawing Rights and the provision of resources for development finance . . ." and to present studies required "... for decisions that are necessary for the possible implementation of a viable scheme; . . .". In fact, there is already a great deal of evidence supporting the feasibility of the link. Since the Conference, there has been some softening of attitudes towards the link and it may be implemented relatively soon.

*Trade.* Although it often seems as if LDCs depend upon aid, in fact, they obtain

the majority of their foreign exchange earnings from trade, and increased trade is necessary for them to develop by their own efforts. Historically, the existing world trading system has its origin in the colonial era, but this pattern has changed to more subtle forms of economic domination. In essence, the economies of LDCs were geared to supplying raw materials to the industrialised coloniser, a process which inevitably created distorted economies. Although most LDCs have achieved political independence, many still rely on selling commodities — cocoa, coffee, sugar, rubber, bananas, sisal, copper, etc. — to the industrialised countries in a situation where prices fluctuate wildly on world markets. They have yet to achieve full economic independence.

In addition, poor countries have also experienced a decline in their share of world trade from 30 to 18 per cent between 1950 and 1970. In an effort to remedy this situation, many countries have diversified their economies to enable them to produce goods which give them a competitive advantage; textiles are a good example for this.

However, rich countries have reacted by erecting trade barriers. Naturally, many governments are under considerable pressure from groups representing domestic manufacturing interests, being afraid of the effect of competitive imports on declining industries; again, textiles are a good example. But many see this as a myopic reaction, since the needs of both rich and poor countries would be better served by the implementation of imaginative adjustment assistance measures within rich countries. These would give incentives to the declining industries to switch their resources to areas where they would be more competitive.

Again, little practical progress was made to solve these trade problems, although a long delayed cocoa agreement may be signed soon. It was also agreed that the Group of 77 will be represented at the international trade negotiations to be held under the auspices of the General

Agreement on Tariffs and Trade (GATT) in 1973, but it remains to be seen whether the Group will gain any advantage from this.

*Invisibles.* Positive progress was made in one area of invisibles (trade not involving an exchange of goods), namely, in insurance. Many developing countries pay large sums abroad in premiums; the development of domestic insurance industries, including co-operative insurance, saves foreign exchange and mobilises small savings. Only Britain, the centre of the world's insurance industry, voted against the proposals on insurance.

*Multi-national Corporations.* This issue, which is under discussion in the co-operative movement, was also debated at the Conference. The multi-national corporations are often richer and more powerful than many poor countries (for instance, IBM has a turnover exceeding the combined budget of all black African States) and can have far-reaching influence over economic and political affairs. For example, they tend to foster a privileged elite amidst poverty and use capital-intensive machinery, which is inappropriate in areas of high unemployment. Still fresh in the minds of the delegates in Santiago were the revelations concerning the activities of the International Telegraph and Telephone Company in Chile, which was reported to have considered illegally preventing the election of Chile's President, Dr S. Allende, for fear that he might nationalise its assets. Of course, when he discovered the plot, he did just that. UNCTAD is to carry out a study on the role of Multi-national Corporations.

*Resolution on Co-operatives.* It is refreshing to note that, for the first time, the Conference delegates recognised the role of co-operatives by adopting Resolution 38 (III) on "The Role of the Co-operative Movement in Trade and Development", which states that ". . . the co-operative sector plays an important role

in the development of nations, because of its principle of self-help, democracy and solidarity, . . .". It goes on to say that co-operatives are ". . . capable of stimulating people's direct participation in creating progress . . . and of achieving a more equitable distribution of income and wealth". Unfortunately, this recognition did not extend to the provision of funds, but co-operatives will be able to exploit this new awareness of the value of the movement.

### **The Co-operative Movement in Trade and Development**

By bringing into focus the conflicts endemic in the present world trading system, UNCTAD III also drew the parameters within which co-operatives engaged in trade must operate. Furthermore, it provided pointers to the kinds of action which co-operatives can take to expand trade in both rich and poor countries and, of course, between them. It is, however, difficult for any organisation to break into international trade against the established firms, but it can be done.

There are three broad areas within which co-operatives can develop their trading activities and assist in the development of the Third World: ways in which co-operative movements in LDCs can organise themselves internally to improve their capacity to export; ways in which co-operatives in industrialised countries can expand trade with co-operatives in LDCs; and ways in which all co-operative movements can influence governments and international organisations to assist co-operative trade. Naturally, these concepts are separable only analytically; in practice, they are interdependent.

*Within Co-operative Movements of LDCs.* In many studies,<sup>4</sup> seminars and conferences, the problems facing co-operatives wishing to export have been ana-

<sup>4</sup>See Walter Eisenberg, "International Co-operative Trade Collaboration", *Review of International Co-operation*, Vol. 62, No. 2, 1969.

lysed. Briefly, co-operatives require an efficient and strong internal marketing structure, experienced personnel, services, such as market intelligence and market analysis, and, of course, finance and have to be able to offer quality, reliability and acceptable packaging.

*Action by Co-operatives in Industrialised Countries.* Most co-operatives engaged in international trade buy from established private traders who can guarantee the conditions noted above. These co-operatives do so with good reason, as they have a responsibility to their members to obtain goods at an acceptable quality and price. However, they should also be actively searching for opportunities to trade with co-operatives and, when all other things are equal, to give them preference. In a debate at the 24th Congress of the ICA, a delegate recalled the words of a previous Director of the Alliance, who said that "the acid test of international co-operation as an economic system lies not in the ideal but in the commercial sphere". This is still true.

*Co-operatives and Governments.* In LDCs, there is no doubt that governments can assist in creating a favourable environment for co-operative trade. As well as providing facilities, financing, import-export licences, etc., it is important for them to maintain a consistent long-term policy which enables trade to develop within a stable framework.

The actions, which governments in the rich countries should take, have been discussed within the context of UNCTAD III. They are a radical change in world trading patterns, more aid on better terms and a reduction of the barriers preventing transfers of technology and organisational skills. It is in pressing for these aims, so disappointingly unfulfilled by the Conference, that co-operative organisations in industrialised countries could also usefully contribute to world development. One of the reasons why the governments of the

rich countries were able to reject the demands of the poor at Santiago was that there was little informed public opinion in their own countries pressing them to act. Opinion polls have shown that a great deal of public apathy is due to ignorance, but when people have the facts, they support development issues. The education of members is essential so that co-operatives can make governments aware of their concern.

In the past few years, the co-operative movement has given various forms of assistance to co-operatives in LDCs, but it is increasingly being realised that these efforts can only reach their full potential when bottle-necks imposed by governments have been removed. Therefore, influencing governments to take action should be an integral part of co-operative development assistance activities.

UNCTAD III failed to advance the prospects of the Third World because UNCTAD is an institution composed of nation-states, each of which acts in what it conceives to be its "national interest". The definition of the rich countries of this vague concept is exceedingly short-sighted, principally because there are powerful protectionist forces which influence government policy in many countries. They are primarily composed of manufacturing interests which are better organised and have larger resources than groups representing consumers, for example. Consequently, many important interests and viewpoints are all but excluded from UNCTAD, seriously limiting its value. If the needs of these groups and organisations cannot be satisfied through the existing institution, it will have to adapt itself by finding new channels for the expression of organised group pressures.

The co-operative movement is a major example of an organisation, which links groups in many countries having complementary interests and yet cannot fully exploit the potential of these links, because governments are the final arbiter of trade and aid policies. Consumer co-

operatives in industrialised countries would serve their members better if they could buy goods from co-operatives in LDCs more cheaply; both buyer and seller would gain. At the moment, alignments of this kind are often restricted by trade barriers erected by rich countries, and textiles provide an excellent example of goods which are seriously affected in this way. The links created by trade could also be the basis for various kinds of technical assistance, and indeed an example of this is already in operation in Asia, where the Japanese co-operative movement buys maize from Thai co-operatives and also provides them with finance and expertise to assist in production.

Co-operatives could also exploit sectoral alignments across national boundaries to promote development and their own self-interest. Banking, insurance, farmers' and consumers' co-operatives in developed countries could work together in two ways: first, they could collaborate in aided-trade agreements, as in the example given above, and it should be possible for

European consumer co-operatives to buy in bulk from the LDCs. A related point is that co-operatives will be far more effective in assisting development if this assistance were integrated with their central concerns, such as trading, rather than being seen as a separate charitable function. Secondly, co-operatives could use their joint influence to urge governments and international organisations to recognise the legitimate claims of the co-operative movement and of voluntary organisations. The complexity of such activities should not be underestimated, but neither should they be used as excuses for inaction.

The lessons of UNCTAD III are clear. The rich countries are relatively indifferent to the plight of the poor, and it is, therefore, the responsibility of the co-operative movement to play a leading part in demonstrating that peoples' organisations should have a greater role in the development process, thus helping to overcome some of the bottle-necks created by governmental action.



# Future Tasks of Public and Co-operative Economy

by **W. P. Watkins**

The 9th Congress of Public and Co-operative Economy, the general theme of which forms the title of this article, was probably the most impressive yet held. This was not simply due to its setting in the magnificent City Hall of Vienna or to the prodigies of organisation performed by its hosts, the Austrian Working Group for the Study of Collective Economy, but rather to the evidence it gave of widening international interest in problems of public and co-operative economy and to the high level of many speeches and the specially prepared statements contributed by the delegates.

As befits a country, in whose economy various forms of public and co-operative economy play important roles, the Congress was held under the high patronage of the Austrian Federal President, Franz Jonas. In his absence through indisposition, the Congress was declared open by the Federal Chancellor, Dr Bruno Kreisky, who gave the keynote by emphasising in his speech the pioneer role which public and co-operative enterprise might play in the conservation of the world's resources, the protection of the environment and the reinforcement of democracy. The opening ceremony was attended by Federal Ministers, members of the City Administration of Vienna, Ambassadors and members of the Diplomatic Corps, parliamentarians and municipal adminis-

trators, representatives of international organisations, trade unions, universities and research institutions. Dr Robert Kohler, a member of the ICA Executive, conveyed greetings on behalf of the Alliance at a later session. Altogether, the Congress brought to Vienna over 1,300 persons from 30 countries (including the host country). Just under 1,000 of these were delegates and other fully qualified participants. What was most notable was the increased participation from Asia, Africa and the Americas alongside of the representatives of the original nucleus of European countries.

As is well known, those Congresses are held under the auspices of the International Centre of Research and Information on Public and Co-operative Economy (CIRIEC), founded some twenty years ago by the late Professor Edgard Milhaud. It is the Council of this organisation which fixes the date and decides the theme of each Congress. By choosing the "Future Tasks of Collective Economy" as the theme and in arranging for it to be treated against the background of growing public concern all over the world about the pollution of man's physical and mental environment, as well as the need to apply some kind of brake to the reckless exhaustion of some of the world's irreplaceable mineral resources, the Council probably made the most valuable single contribu-

tion to the success of the Congress.

Such a theme concentrated attention, less than in some preceding congresses on the internal structures and efficiency of public and co-operative enterprise, but more on the roles it might play and the missions it might fulfil in leading society away from disastrous courses in pursuit of purely material abundance and technical progress. In short, the delegates were obliged to consider ends as well as means, together with the meta-economic values which elevate human life above mere acquisitiveness. In choosing such a background, the Council took a considerable risk that discussion might exhaust itself in speculative vagueness. Fortunately, the proceedings were so planned that, while there was no prospect of completely covering the whole field, discussion could be centred upon certain concrete problems and practical measures which would come within the scope of public and co-operative enterprise in the immediate future.

After the formalities of greeting and inauguration, the working sessions of the Congress, conducted throughout in plenary, were opened by Lord Kennet with a paper on "Our Concern for the Future of Mankind". Lord Kennet, who had been the Minister responsible for environmental questions in the British Government previous to the 1970 general elections, outlined the present dangers which menace the future well-being, even the survival, of the human race, the forces available to combat them and the strategy to be adopted. This he did in simple, non-technical but not over-simplified language which could be understood without difficulty by so diversified an audience.

The discussion on his paper was followed by the presentation by Professor Henri Janne of the intellectual and moral aspects of the future welfare of mankind. In this paper, he discussed the characteristics and drawbacks of the contemporary "neo-capitalistic consumers' society", typical of the advanced industrial nations, together with the need for collective econ-

omy, if it is to make headway against the prevailing drift, to support its economic enterprises by its own research and by appropriate systems of communication and education, untainted by capitalistic aims and motives.

The discussion led naturally to the paper by Professor Helmut Frisch which introduced the third phase, namely, the problem of how the considerations mooted by the two preceding papers were to be brought to bear on the plans drafted by governments and non-governmental organisations for future economic and social development. Professor Frisch called attention to the disparity between "private wealth and public poverty" and to the difficulties in reconciling, not only the aims of economic with environmental planning, but also apparently incompatible aims within the economic field itself. He showed how indicative planning could serve as a guide to government, collective enterprise and private initiative in forecasting the effects and mutual inter-actions of their aims and proposals.

Under the standing orders of the Congress, National Sections of CIRIEC have the privilege of submitting to the Congress specially prepared statements, not exceeding a quarter of an hour in length on any question figuring in the agenda. Several of these at Vienna were of comparable value to the main papers in provoking thought, notably those presented by the French, German and British representatives. Space will not permit of summarising them all in these columns and readers are referred to the double number (Nos. 3 & 4, 1972) of the "Annals of Public and Co-operative Economy" which will contain a full report of the Congress proceedings, including the text of the papers and statements. Reference may be made, however, to two of them. One was the statement which was the farewell to the Congress of Professor Gerhard Weisser, one of the German founders of CIRIEC, who was unfortunately prevented from appearing at Vienna.

Looking to the future, Professor Weisser uttered a warning against romantic utopianism or any mixture of realistic prognosis with specious promises about the future. He was equally emphatic in wishing to protect society against standardisation, which might lead to servitude, and to encourage in the economic field a plurality of different types of undertaking. The true objective of collective economy is to preserve and extend, if possible, freedom of choice, not total socialisation. Another was the powerful plea made by Professor W. A. Robson, one of the foremost British authorities on public administration, for parity of consideration between environmental and economic planning. He deplored the priority so often given to economic planning, with the result that economic decisions were taken before their consequences for physical planning had been properly taken into account. He urged that economic and physical planning should not occupy separate fields but be integrated so that the demands of the workplace, the home and the place of recreation could be kept in a healthy equilibrium.

Looking back on the proceedings of the Congress as a whole, one seems able to point to the emergence of certain generally recognised conclusions. To begin with, the indiscriminate encouragement or even tolerance of capitalistic private enterprise, as a method of economic growth, involves too many nuisances and positive dangers to be acceptable any more as economic policy. Private enterprise needs to be counter-balanced and counteracted, not simply by State legislation and control, but by collective enterprise, both governmental and voluntary. Here the Co-operative Movement can find an essential role, both economic and educational, as befits its dual nature. The dangers of unregulated capitalism are increased by the growth in scope and influence of multi-national companies, capable of eluding the grasp of national governments, for which forms and methods of international control have yet to be devised. Their extension can bring

about, not merely distortions of economic development, but also a weakening of the effectiveness, and therefore the authority, of parliamentary democracy. Democracy is obliged in any event to fight battles, not always successfully, against the conditioning effects on the public mind of mass media constantly employed for propaganda and advertisement, as well as against traditional systems of education, based on beliefs which modern sociology and psychology have exploded, which leave the younger generation frustrated and helpless before the problems of the contemporary world, instead of fitting young people to shoulder their collective responsibilities as human beings, workers and citizens. Cultural pursuits and facilities must be decommercialised if passive consumption is to be replaced by creative and critical democracy.

The proceedings of the Congress culminated in the adoption with unanimity of a Resolution which summarised the present world situation and the future tasks of public and co-operative economy in the following paragraphs:

#### 1. *The World Situation Today*

The resources in and underneath the soil are limited. They are being exhausted and will be exhausted still more rapidly with the growth of population and the expansion of consumption. The multiplication of nuisances, in particular the pollution of air and water, represents a danger of which world-public opinion is at last aware. Social costs, especially those of the fight against pollution, are rising and will rise even more.

Political democracy, based on respect for human rights, is very far from embracing the majority of countries in the world. In the regions where it exists, it is threatened by the inadequate fitness of public authorities for the tasks confronting them and by the sense of frustration amongst the less fortunate peoples. Also, large numbers of the younger generation have grown restless, impatient and indignant with the shortcomings and injustices of the world of today.

Several private multi-national enterprises are able to constitute a permanent source of abuses. They set different States in competition with one another, so that they may gain special advantages, and evade the strictest regulations laid down by national legislation.

The distribution of incomes remains,

and threatens to continue, to be characterised by unjustified inequalities.

In education, equality of opportunity has not yet been established.

Moreover, publicity and the employment of mass media result in the conditioning of human beings.

Finally, while leisure time will certainly be increased, there is no certainty that it will be employed for the development of man's highest faculties.

## 2. *The Future Tasks of Public and Co-operative Economy*

The tasks to be accomplished in the immediate future—especially the infrastructure and protection of the environment—are such that the action of governments, public enterprises and the Co-operative Movement must, of necessity, assume a role of increasing importance in social life.

It is undeniable that the vital problems of the individual are incapable of solution without the help of public and co-operative economy.

The Congress considers that it is necessary:

To foresee the speed with which new substitute materials, technical processes and series of products will be introduced.

To develop scientific research in the social field and organise education for young people and adults with the assistance of the trade-union and co-operative movements, especially with regard to problems of productivity, marketing and management. This education will aim, not simply at professional advancement, but provide a thorough training at once cultural, moral and

democratic.

To promote the active and creative employment of leisure.

To establish democratic control over the mass media and adequate protection for consumers.

To avoid the dehumanisation and deterioration of urban development.

To combat the abuses of private multi-national companies through agreements between governments and active competition on the part of public and co-operative undertakings.

To institute international ownership in both the public and co-operative sectors.

To assert the distinctive character of the collective sector which will set the example of a new type of society.

To protect consumers more effectively through appropriate legislation and through the diffusion of the idea of collective economy and education for self-help.

To apply planning methods, conceived within the framework of democratic politics and respect for human rights, and worked out in collaboration with major groupings—notably the trade union and co-operative organisations—which must not only be given the mission of harmonising action to promote the three fundamental objects of economic policy: growth, full employment and equitable distribution of incomes, but also extend into new political and social areas, especially those relating to permanent education and the employment of leisure.

The production of collective wealth must increase proportionally faster than hitherto. This is fundamental to human welfare and civilisation.

# Annotated List of Books Received at the ICA Library

## **ADVISORY COMMITTEE ON OVERSEAS CO-OPERATIVE DEVELOPMENT**

### **Farmer Co-operatives in Developing Countries.**

32 pp; photos; tabs. Washington D.C., A.C.O.C.D., 1971? Price: \$1.00.

*This report is aimed not at experts, but at people generally interested in development problems. It discusses the role of agricultural co-operatives, shows their current limitations, and suggests ways of broadening the possibilities of their operations.*

### **ARVIDSSON, R. and DANDAPANI, S.**

#### **Sale, a Profile. An Introduction to Sales Management in Retailing.**

118 pp; index; bibliogr; photos. New Delhi, ICA, 1972.

*A handbook on the techniques of selling goods in shops and supermarkets, specially written with South-East Asia in mind; there are chapters on layout, display, sales, hygiene, etc.*

## **CENTRAL COUNCIL FOR AGRICULTURAL AND HORTICULTURAL CO-OPERATION**

### **Agricultural Co-operative Organisations in Denmark, the Irish Republic, and Norway.**

16 pp; list of organisations. London, C.C.A.H.C., 1972.

*This study completes a survey carried out by the C.C.A.H.C. of organisations in various countries of Europe. Under standard headings, the study gives a short review of aspects of agricultural co-operatives.*

## **CENTRE NATIONAL DE LA COOPERATION AGRICOLE**

### **Agricultural Co-operatives and their Committees (Occasional paper no. 36).**

40 pp; tabs (mimeo). London, Plunkett Foundation, 1970.

*A study of the character, functions and training of members of agricultural co-operative committees in France.*

### **DIGBY, Margaret**

#### **Das Genossenschaftswesen in Großbritannien.**

229 pp; bibliogr; index; tab; map. Frankfurt/Main, Deutsche Genossenschaftskasse, 1971.

*A study of all types of co-operatives in the United Kingdom, tracing the history, present position and future possibilities, by the former Secretary of the Plunkett Foundation.*

### **ENGELHARDT, Werner W.**

#### **Der Funktionswandel der Genossenschaften in industrialisierten Marktwirtschaften.**

127 pp; bibliogr; index. Berlin, Duncker & Humboldt, 1971.

*A theoretical study of the growth process of co-operatives of all types of industrialised economies.*

## **FOOD AND AGRICULTURE ORGANISATION OF THE UNITED NATIONS**

### **Manual on Fishermen's Co-operatives.**

124 pp; bibliogr; tabs. Rome, FAO, 1971. Price: £1.20.

*The first five chapters of this book deal with the principles underlying the general management of co-operatives. The next two discuss various problems related to marketing and supply co-operatives. The four appendices contain case studies of fishing co-operatives in different parts of the world.*

### **GUNAWARDANA, Lionel**

#### **Amalgamation of Primary Co-operatives—The Japanese Experience.**

106 pp; tabs; photos (mimeo). New Delhi, ICA, 1972.

*This work deals with the amalgamation of primary agricultural co-operatives in Japan and the problems and procedures for carrying these out.*

### **HASSELMANN, Erwin**

#### **Geschichte der deutschen Konsumgenossenschaften.**

740 pp; index; tabs; bibliogr; illus. Hamburg, Coop Verlag and Frankfurt/Main, Fritz Knapp Verlag, 1971.

*The history of the consumers' co-operative movement in Germany, from the first society founded in 1845 through the growth and consolidation, the war years and the rebuilding of the movement in the Federal Republic of Germany after 1945.*

### **HEUSER, Manfred**

#### **Die Volksbanken in den EWG-Ländern. Ihre Aufgaben und geschäftspolitischen Möglichkeiten bei der Lösung mittelständischer Finanzierungsprobleme.**

194 pp; tabs; bibliogr. Marburg, Eukerdruck, 1971.

*A comparative study of the activities of popular and co-operative Banks (excluding agricultural credit organisations) in the countries of the EEC.*

### **HUDDLESTON, Norman R.**

#### **Considerations for Organisation and Operation of Limited Resource Co-operatives.**

120 pp; illus; bibliogr. Auburn, Alabama, Auburn University, Co-operative Extension Service, 1970.

*A manual which examines co-operatives as a means of helping poor farmers improve their economic position.*

## **INTERNATIONAL LABOUR OFFICE**

### **International Directory of Co-operative Organisations—**

### **Répertoire international des organisations coopératives—**

### **Repertorio internacional de organizaciones cooperativas.**

xv + 256 pp; text in Engl., French and Span. Geneva, ILO, 1971. Price: £2.00/\$5.00.

*This new edition lists, as before, the most important co-operatives in a large number of countries, and also has basic statistics; it now lists government departments and organisations concerned with co-operatives.*

### **'T KINT, Jacques and GODIN, Michel**

#### **Les sociétés coopératives.**

340 pp; Brussels, Maison Ferdinand Larcier, 1968.

*A detailed study of co-operative legislation in Belgium.*

### **KRIESEL, Herbert et al.**

#### **Agricultural Marketing in Tanzania—Background Research Policy Proposals.**

138 pp; tabs; graphs; bibliogr. Washington D.C.(?), USAID(?), 1970.

*A comprehensive study of the marketing and pricing system, and the organisation and management of the marketing boards and co-operatives, with a plan for improving their efficiency.*

**LEVI, Yair**

**Trade Unions and Co-operatives. Common Roots and Relationships in Past and Present Times.** 18 pp; charts (mimeo). Tel-Aviv, Afro-Asian Institute for Co-operative and Labour Studies in Israel, 1971.

*A pamphlet which traces the common ancestry of trade unions and co-operatives, shows the present position and discusses future prospects of collaboration.*

**LOMBARD, C. Stephen**

**The Growth of Co-operatives in Zambia 1914-1971 (Zambian Papers no. 6).**

40 pp; bibliogr; notes; tabs. Manchester, Manchester University Press, 1971. (Published on behalf of Univ. of Zambia); Price: £1.44.

*In 1970, reviews were made of various co-operative sectors in Zambia to establish the current position. Though co-operatives had not been successful in all spheres, they were still considered one of the best tools to develop agriculture.*

**NATIONAL CO-OPERATIVE DEVELOPMENT CORPORATION**

**Co-operative Agricultural Marketing and Processing (Policy circulars), Vol. II.**

472 pp; tabs. New Delhi, NCDC, 1970.

*A collection of policy circulars, brought out as reference tools for those concerned in formulating and implementing programmes in marketing and processing in India.*

**SYULEMEZOV, Stoyan**

**The Agricultural Producers' Co-operatives and the International Co-operative Movement.**

134 pp. Sofia, Sofia Press, n.d.

*A collection of descriptive articles on the agricultural co-operative movements in the planned economy countries.*

**U.S. DEPARTMENT OF AGRICULTURE, FARMER CO-OPERATIVE SERVICE**

**Recruiting, Training and Developing Workers for Farmer Co-operatives.**

44 pp; bibliogr. Washington, D.C., U.S. Department of Agriculture, 1971.

*This publication "brings together principles, ideas, and experiences in personnel administration suitable for co-operative business firms of any kind or size".*

**VOLLMER-RUPRECHT, Guenter**

**Housing Co-operatives. A Method of Self-help.**

55 pp; Bonn, Friedrich-Ebert Stiftung, 1968.

*The author outlines the history, structure and function of housing co-operatives in the Federal Republic of Germany; against this background are his reflections of the possibilities in this field for developing countries.*

A.L.

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**Regional Office and Education Centre for**  
**South-East Asia**

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**International Co-operative Alliance**  
**Regional Office for East and Central Africa**

**Regional Director: Mr Dan Nyanjom**  
**PO Box 946, Moshi, Tanzania. Tel. 2616.**

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## Affiliated Organisations

**Algeria:** Société Coopérative Musulmane Algérienne d'Habitation et d'Accession à la Petite Propriété, 6 et 8 rue du Cercle Militaire, Oran. Tel. 205-00; 237-75; 368-64; also at - 21 rue Edgar Quinet, Algiers, and 9 rue Mathurin-Régnier, 75 Paris 15e.

**Argentina:** Federación Argentina de Cooperativas de Consumo, Avda. Suárez 2034, Buenos Aires. Tel. 28-5381/3.

Intercoop, Editora Cooperativa Limitada, Humberto 1°, 2318—1° P.-A., Buenos Aires. Tel. 99-3193.

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

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

Asociación de Cooperativas Argentinas, 25 de Mayo 35, Buenos Aires.

Confederación Cooperativa de la República Argentina Ltda. (COOPERA), Rivadavia 5126, 3° Piso, of. "D", Buenos Aires.

**Australia:** Co-operative Federation of Australia, President's Office: 50-54 Ferry Street, South Brisbane, Queensland 4101. Tel. 4-5083. Secretariat: 569 Wellington Street, Perth, Western Australia 6000. Tel. 21-0191.

**Austria:** "Konsumverband" Zentralverband der österreichischen Konsumgenossenschaften, Theobaldgasse 19, A-1061 Vienna VI. Tel. 57-75-38.

Membership (1967): 476,200; turnover: retail trade: Sch. 4,646 mill. (thereof consumers' societies: Sch. 3,895 mill.; department stores: Sch. 713 mill.; other retail trade: Sch. 38 mill.); wholesale society (G.Ö.C.): Sch. 1,821 mill.; own production: consumers' societies: Sch. 472 mill.; G.Ö.C. and subsidiaries: Sch. 415 mill.

Bank für Arbeit und Wirtschaft A.G., Seitzergasse 2-4, Vienna 1.

Zentralkasse der Konsumgenossenschaften, Theobaldgasse 19, Vienna VI.

Österreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, 1, Bösendorferstrasse 7/11, 1010 Vienna. Tel. 65-71-63; 65-13-25.

1969: Affiliated organisations: 301 (comprising 189 societies and 112 associations); membership: 146,767; dwellings administered: 310,124 (comprising 136,462 societies and 173,662 associations); balance at 1968: 45.2 milliard Sch. (divided as to societies 22.2 milliards, associations 23 milliards).

Österreichischer Raiffeisenverband, Seilergasse 16, Vienna 1. Tel. 52-69-34.

**Bangladesh:** Bangladesh Samabaya Union Ltd., 9/D- Motijheel Commercial Area, 8th floor, Dacca 2. Tel. 255846.

Provincial Fishermen's Co-operative Society Ltd., Iqbal Road, Patharghata, Post Box 27, Chittagong. Tel. 80587; 85967.

**Belgium:** Fédération belge des Coopératives (FEBECOOP), 26-28 rue Haute, Brussels 1. Tel. 13-28-60; 11-83-50.

Affiliated consumers' societies: 21; membership: 300,000; turnover (1968): Frs. 4,180 mill.; shops: 1,409; Wholesale society turnover (1968): Frs. 1,272 mill.

Société Coopérative d'Assurances "La Prévoyance Sociale", P.S. Building, 151 rue Royale, Brussels 3. Tel. 18-80-80.

Premiums (1966): Frs. 1,903 mill.; reserves: Frs. 6 milliards; insurance funds, life: Frs. 20 milliards.

Fédération Nationale des Coopératives Chrétiennes, 135 rue de la Loi, 1040 Brussels 4. Tel. 35-60-90.

(1967): 1,250 shops; turnover: Frs. 1,430 mill.; Savings Bank: 2,050 branches; 500,000 members; deposits: Frs. 12 milliards; Insurance Society: 290,000 policy holders; premiums: Frs. 450 mill.; reserves: Frs. 1,300 mill.

L'Economie Populaire, 30 rue des Champs, 5300 Ciney (Namur). Tel. (083) 228-01.

Branches (1970): 466; membership: 98,456; turnover: F.B. 1,319,000,000; savings deposits: F.B. 380 mill. + 340 mill. CEP (Private Savings Bank, Ltd.); capital and reserves: F.B. 208 mill.

L'Institut Provincial de Coopération Agricole, 42 rue des Augustins, Liège. Tel. Liège 32-36-52.



**OPHACO** (Office des Pharmacies Coopératives de Belgique), 602 *Chaussée de Mons, Anderlecht-Brussels*. Tel. 22-56-90.

Union of 28 co-operative societies owning 360 pharmacies, 68 optical departments and counters, 7 drug stores, 14 wholesale depots. Turnover (1963): Frs. 1,250 mill. Surplus distributed to 400,000 members: Frs. 95 mill.

**Centrale des Caisses Rurales du Boerenbond Belge (CERA)**, *Minderbroedersstraat 8, 3000 Leuven*. Tel. 016/279.31.

**Bulgaria**: Central Co-operative Union, *Rue Rakovski 103, Sofia*. Tel. 7-83-11; 8-03-11.

Central Union of Productive Co-operatives, *Boulevard Dondoukov 41, Sofia*. Tel. 88-45-90.

**Cameroon (West)**: West Cameroon Co-operative Association Ltd., *P.O. Box 135, Kumba, Meme Division, West Cameroon*. Tel. Kumba 251.

**Canada**: Co-operative Union of Canada, *111 Sparks Street, Ottawa 4, Ont.* Tel. 232-9657.

A federation of English-language co-operative organisations, organised in 1909.

**Conseil Canadien de la Coopération**, *Case postale 58, Station N, Montréal 129*. Tel. (514) 866-8048.

**Ceylon**: See "Sri Lanka".

**Chile**: Cooperativa Sodimac Ltda., *Casilla 3110, Santiago de Chile*. Tel. 734023.

Cooperativa de Empleados Particulares Ltda., *Teatinos 601, Casilla 424, Santiago de Chile*. Tel. 82935.

Instituto de Financiamiento Cooperativo, IFICOOP, Ltda., *Agustinas 853, Oficina 547, Casilla 1118, Santiago de Chile*. Tel. 398253.

Unión Cooperativa de Seguros (Ucoseg) Ltda., *Moneda 1040, of. 704-705, Santiago de Chile*. Tel. 81295; 65100.

Unión de Cooperativas de Consumo y Servicios de Chile Ltda. ("U-Coop"), *Agustinas 1141, 7° Piso, Casilla 14439, Santiago de Chile*. Tel. 715256.

**Colombia**: Cooperativa Familiar de Medellín Ltda., *Calle 49, No. 52-49, Medellín*. Tel. 45-00-55; 41-71-13; 41-53-78.

**Congo, Democratic Republic of**: See "Zaire".

**Cyprus**: Co-operative Central Bank Ltd., *P.O. Box 1447, Nicosia*. Tel. 62921; 62677; 63311.

Cyprus Turkish Co-operative Central Bank Ltd., *P.O. Box 791, Nicosia*. Tel. 4257.

Vine Products Co-operative Marketing Union Ltd., *P.O. Box 314, Limassol*. Tel. 2331; 2872; 4582.

**Czechoslovakia**: Ustredni Rada Druzstev, *Tesnov 5, Prague 1*. Tel. 621-54; 647-51.

**Denmark**: De samvirkende danske Andels-selskaber (Andelsudvalget), *Vester Farimagsgade 3, DK-1606 Copenhagen V*. Tel. (01)12-14-19. Representing 30 national organisations, comprising: consumers' societies, agricultural production, marketing and purchase societies, other production and marketing societies, insurance societies, banking societies. Membership: 750,000 individual members.

Det Kooperative Faellesforbund i Danmark, *Kronprinsensgade 13, 1114 Copenhagen K*. Tel. (01)12-22-62.

Affiliated societies (1963): 634; total sales: D.Kr. 1,582 mill.; employees: 12,500; comprising consumers', workers', artisans', productive and housing societies, etc.

Faellesforeningen for Danmarks Brugsforeninger (FDB), *Róskildevej 65, Albertslund*. Tel. (01)64-88-11.

Affiliated societies (1969): 1,742; members: 839,000; turnover: 4,032 mill. D.Kr.; wholesale turnover: 2,198 mill. D.Kr.; own production: 741 mill. D.Kr.

**Finland**: Suomen Osuuskappojen Keskus-kunta (S.O.K.), *Vilhonkatu 7, 00101 Helsinki 10*. Tel. 90-650-611.

Affiliated societies (1971): 259; members: 593,933; whole-sale turnover: Fmk. 2,195 mill.; own production of SOK: Fmk. 337 mill.

Yleinen Osuuskappojen Liitto r.y. (Y.O.L.), *Vilhonkatu 7, 00101 Helsinki 10*.

Affiliated societies (1971): 259; members: 593,933; turn-over of societies: Fmk. 3,457 mill.; total production of the affiliated societies: Fmk. 55 mill.

Kulutussosuuskuntien Keskusliitto (K.K.), r.y., *PL 740, 00101 Helsinki 10*. Tel. Helsinki 10491.

Affiliated societies (1970): 75; members: 574,733; turn-over: Fmk. 2,133.9 mill.; own production: Fmk. 274.8 mill.

Keskusosuusliike O.T.K., *P.O. Box 120, 00101 Helsinki 10*. Tel. 71-13-22; 70731.

Affiliated societies (1970): 75; turnover: Fmk. 1,330.8 mill.; own production: Fmk. 431.9 mill.

Pellervo-Seura, Central Organisation of Farmers' Co-operatives, *Simonkatu 6, Helsinki K*. Tel. 61046.

Affiliated organisations (1963): 10 central organisations; 1,102 societies.

**France**: Fédération Nationale des Coopératives de Consommation, *F.N.C.C., 89 rue la Boétie, 75 Paris VIII*. Tel. 225-99-98.

Affiliated societies (1970): 315; membership: 3,400,000; shops: 8,300; turnover: NF. 6,100 mill.

Société Générale des Coopératives de Con-sommation, *61 rue Boissière, 75 Paris XVI*. Tel. 553-88-22.

Fédération Nationale des Sociétés Coopératives Ouvrières de Production du Bâtiment, des Travaux Publics et des Matériaux de Construc-tion, *88 rue de Courcelles, 75 Paris VIII*. Tel. 622-40-48; 622-45-20.

Confédération Générale des Sociétés Coopératives Ouvrières de Production, 88 rue de Courcelles, 75 Paris VIII. Tel. 622-07-81/2.

Banque Française de Crédit Coopératif, 88 rue de Courcelles, 75 Paris VIII. Tel. 227-48-03.

Confédération Nationale de la Coopération, de la Mutualité et du Crédit Agricoles, 129 Bd. St. Germain, 75 Paris VI. Tel. 033-93-31.

Caisse Nationale de Crédit Agricole, 91-93 Boulevard Pasteur, 75 Paris XV. Tel. 273-90-00.

Fédération Nationale des Sociétés Coopératives d'Habitation à Loyer Modéré (H.L.M.), 20 rue de Richelieu, 75 Paris 1er. Tel. 266-4520.

Confédération des Coopératives de Construction et d'Habitation, "L'Habitation", 3 ave. du Coq, 75 Paris 9e. Tel. 742-45-79; 874-67-62.

Confédération des Organismes de Crédit Maritime Mutuel, 18 bis, Avenue Hoche, 75 Paris VIII. Tel. 267-14-50.

**Gambia (The):** The Gambia Co-operative Union Ltd., P.O. Box 505, Bathurst. Tel. 581.

**German Democratic Republic:** Verband Deutscher Konsumgenossenschaften (VDK), Stresemannstrasse 128, 108 Berlin.

**Federal Republic of Germany:** Bund deutscher Konsumgenossenschaften G.m.b.H., Besenbinderhof 52, (2) Hamburg 1. Tel. (0411)284-4001.

Affiliated societies (December 1969): 115; membership (end of 1969): 2,235,000; turnover (1969): D.M. 4,827 milliards.

Großeinkaufs-Gesellschaft deutscher Konsumgenossenschaften m.b.H., Besenbinderhof 52, (2) Hamburg 1. Tel. (0411)284-4310.

Total turnover incl. subsidiaries (1969): D.M. 2,462 milliards.

Gesamtverband gemeinnütziger Wohnungsunternehmen e.V., Bismarckstrasse 7, 5000 Cologne 1. Tel. 52-31-81.

Volksfürsorge Lebensversicherung Aktiengesellschaft, An der Alster, (2) Hamburg 1.

Volksfürsorge Deutsche Sachversicherung Aktiengesellschaft, Steinstrasse 27, (2) Hamburg 1.

Deutscher Raiffeisenverband e.V., Adenauerallee 127, 53 Bonn. Tel. (0-22-21) 1061.

**Ghana:** The Alliance of Ghana Co-operatives Ltd., Post Office Box 2068, Co-operative House, Liberty Avenue, Accra. Tel. 25560.

**Greece:** Pan-Hellenic Confederation of Unions of Agricultural Co-operatives (S.E.S.), 56 El. Venizelou Street, Athens 142. — Membership suspended.

**Guyana:** Guyana Co-operative Union Ltd., Ministerial Buildings, High Street and Brickdam, Georgetown.

**Haiti (W.I.):** Caisse Populaire Dominique Savio, 57 Rue Rigaud, Pétion-Ville.

**Hungary:** National Council of Consumers' Co-operative Societies (SZOVOSZ), Szabadság tér 14, Budapest V. Tel. 113-600; 112-800.

National Council of Industrial Co-operatives, Pesti Barnabás 6, Budapest V. Tel. 188-800; 188-806.

National Co-operative Council, Szabadság tér 14, Budapest V. Tel. 113-600; 112-800.

National Council of Agricultural Co-operatives, Akadémia utca 1-3, Budapest V.

**Iceland:** Samband Isl. Samvinnufélaga, Reykjavík. Tel. 17080.

**India:** National Co-operative Union of India, 72 Jorbagh, New Delhi 3. Tel. 611123; 611343; 619328.

**Iran:** Sepah Consumers' Co-operative Society, Avenue Sevvom Esfand, Rue Artèche, Tehran. Tel. 332015; 332019.

Credit and Housing Co-operative Society of Iran, 20-22 Shahabad Avenue, Tehran.

Central Organisation for Rural Co-operatives of Iran, 357 Pahlavi Avenue, Tehran. Tel. 64210.

Consumers and Services Co-operative Society for the Ministry of Labour and Social Affairs Employees, Ministry of Labour and Social Affairs, Tehran.

**Ireland:** Irish Agricultural Organisation Society Ltd., The Plunkett House, 84 Merrion Square, Dublin 2. Tel. 64783/4-6.

National Organising and Advisory Body for Agricultural Co-operatives. Affiliated societies: 333; membership: 127,000; turnover (1967): £152 mill.

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

**Israel:** General Co-operative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., P.O.B. 303, Tel-Aviv. Tel. 46111-35. Affiliated societies and companies (1963): 1,855 in all branches.

"Merkaz" Audit Union of the Co-operative Societies for Loans and Savings, 44 Rothschild Bd., P.O. Box 75, Tel-Aviv. Tel. 65085.

"Haikar" Audit Union of Agricultural Societies of the Farmers' Federation of Israel, 8 Kaplan Street, P.O.B. 209, Tel-Aviv. Tel. 250881.

"Bahan" Audit Union of Agricultural Co-operative Societies in Israel, 47 Nahmani Street, P.O.B. 622, Tel-Aviv. Tel. 614933.

**Italy:** Lega Nazionale delle Cooperative e Mutue, *Via Guattani 9, 00161 Rome*. Tel. 868-141/2-4. Confederazione Cooperative Italiane, *Borgo Santo Spirito 78, 00193 Rome*. Tel. 653-875; 565-605; 565-614.

Associazione Generale delle Cooperative Italiane, *Via Parma N. 22, 00184 Rome*. Tel. 462-659; 471-846.

**Jamaica (W.I.):** Jamaica Co-operative Union Ltd., *14-16 Barry Street, Kingston*. Tel. 24737.

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

Zenkoku Nogyokyodokumiai Chuokai (Central Union of Agricultural Co-operatives), *5, 1-chome, Otemachi, Chiyoda-ku, Tokyo*.

Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fisheries Co-operative Associations), *Sankaido Building no. 9-13, 1-chome, Akasaka, Minato-ku, Tokyo*.

National Federation of Forest Owners' Co-operative Associations, *11-35 Nagato-cho, 1-chome, Chiyoda-ku, Tokyo 100*.

**Jordan:** Jordan Co-operative Organisation, *P.O.B. 1343, Amman*. Tel. 23101/3.

**Kenya:** Kenya National Federation of Co-operatives Ltd., *P.O.B. 9768, Nairobi*. Tel. 21486.

**Korea:** National Agricultural Co-operative Federation, *75, 1st Street, Chung-Jong-Ro, So-daemun-ku, Seoul*. Tel. 73-0021; 75-2681.

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

Co-operative Central Bank Ltd., *29 Leboh Ampang, P.O. Box 685, Kuala Lumpur*. Tel. 26531/4.

Co-operative Bank Malaysia Ltd., *140 Jalan Ipoh, Peti Surat 1024, Kuala Lumpur*. Tel. 299677; 299679.

Sarawak Co-operative Central Bank Ltd., *Kuching, Sarawak*.

Malaysian Co-operative Insurance Society Ltd., *36 Jalan Ampang, P.O. Box 817, Kuala Lumpur*. Tel. 87915/6.

Angkatan Kerjasama Kebangsaan Malaysia Berhad (ANGKASA), *Bangunan Kerjasama, 140 Jalan Ipoh, Kuala Lumpur*.

**Malta:** Farmers' Central Co-operative Society Ltd., *New Building, Middleman Street, Marsa*. Tel. Cent 24896.

**Mauritius:** Mauritius Co-operative Union, *Co-operation House, Dumat Street, Port Louis*. Tel. Port Louis 822.

**Netherlands:** Coöperatieve Vereniging U.A., Centrale der Nederlandse Verbruikscoöperaties, "CO-OP Nederland", *Postbus 6008, Vierhavensstraat 40, Rotterdam 7*. Tel. (010) 235180.

Association of Enterprises on a Co-operative Basis, *Bloemgracht 29, Amsterdam*. Tel. 62303.

**Nigeria:** Co-operative Union of Western Nigeria, Ltd., *c/o Co-operative Buildings, New Court Road, Ibadan*. Tel. Ibadan 24399; 24446.

Lagos Co-operative Union Ltd., Co-operative Office, *147 Broad Street, Lagos, W. Nigeria*. Tel. 58920/85.

Mid-Western Nigeria Co-operative Federation Ltd., *Private Mail Bag 1021, No. 4 Murtala Mohammed Road, Benin City, Mid-Western State*. Tel. Benin 594.

**Norway:** Norges Kooperative Landsforening, *Revierstredet 2, Oslo 1*. Tel. (47-2)20-62-90.

Affiliated societies (1970): 753; membership: 406,000; turnover of local societies: Kr. 3,500 mill.; of N.K.L.: Kr. 1,149 mill.

Norske Boligbyggelags Landsforbund (NBBL), *Trondheimsveien 84-86, Oslo 5*. Tel. 33-32-42.

**Pakistan:** West Pakistan Co-operative Union, *5 Court Street, P.O.B. 905, Lahore 1*. Tel. 54203.

Karachi Central Co-operative Bank Ltd., *14 Laxmi Building, Bunder Road, Karachi 2*. Tel. 36185.

Karachi Central Co-operative Consumers' Union, *Iqbal Market and Cold Storage, Soldier Bazar, Karachi*. Tel. 70917.

Karachi Co-operative Housing Societies' Union, *Shaheed-e-Millat Road, Karachi 5*. Tel. 40244.

Karachi Co-operative Union Ltd., *Co-operative House, Shaheed-e-Millat Road, Karachi 5*. Tel. 230289.

Fishermen's Co-operative Society Ltd., *Fish Harbour, West Wharf, P.O. Box 5328, Karachi*. Tel. 229101; 224457.

Sind Baluchistan Provincial Co-operative Bank, Ltd., *Provincial Co-operative Bank Bldg., Serai Road, P.O. Box 4705, Karachi 2*. Tel. 32361; 37290; 34736.

**Peru:** Cooperativa de Seguros "INCA" Ltda., *No. 181, Av. Brasil 1360, Apartado 10159, Lima 21*.

Cooperativa de Seguros del Perú, *No. 170, Maximo Abril 542, Lima*. Tel. 46769.

Banco Nacional de las Cooperativas del Perú, *Av. Tacna 411, Apartado 4895, Lima*. Tel. 276569.

**Philippines:** Central Co-operative Exchange Inc., *P.O.B. 1968, Manila*. Tel. 7-60-09.

Grains Marketing Co-operative of the Philippines "Gramacop" Inc., *107-D Arellano Street, Calocan City*. Tel. 23-91-40.

**Poland:** Central Agricultural Union of "Peasant Self-Aid" Co-operatives, *Kopernika 30, Warsaw*. Tel. 26-39-69; 26-10-81.

Central Union of Building and Housing Co-operatives, *Ul. Marchlewskiego 13, Warsaw* Tel. 20-90-29.

"Spolem" — Union of Consumer Co-operatives, *Grazyny 13, Warsaw*. Tel. 45-32-41.

Central Union of Work Co-operatives, *Surawia 47, Warsaw*.

Supreme Co-operative Council, *Ul. Jasna 1, Warsaw*. Tel. Warsaw 26-72-21; 27-13-26.

**Portugal:** UNICOOPE - Uniao Cooperativa Abastecedora, S.C.R.L., *Avenida Almirante Reis, 127-4°, Dt., Lisbon 1*. Tel. 315843.

**Puerto Rico:** Co-operative League of Puerto Rico, *458 Fernando Calder Street, Box 177, Roosevelt*. Tel. 766-2592; 766-1382.

**Romania:** Uniunea Centrala a Cooperativelor de Consum, "Centrocoop", *Strada Brezoianu 31, Sectorul 7, Bucharest*. Tel. 16-00-10; 13-87-31. 1969/70: Associated 1,728 Consumers' Co-operatives in 39 District Unions; membership: 7 mill.; 28,000 retail shops; of which 8,100 public catering units; 7 processing and marketing enterprises; 18 production enterprises; 17 building enterprises; 20,400 servicing units; 18 educational centres.

Central Union of Handicraft Co-operatives, "UCECOM", *46, Calea Plevnei Street, Sector VII, Bucharest*. Tel. 13-16 48.

Uniunea Nationala a Cooperativelor Agricole de Productie, "Uncap", *25 Bd. Gheorghe Gheorghiu-Dej, Bucharest*.

**Singapore:** Singapore Co-operative Union Ltd., *Post Box 366; Office and Library: 3-J/K Clifford House, Singapore 1*.

**Sri Lanka:** Co-operative Federation of Ceylon, *P.O. Box 1669, Co-operative House, 455 Galle Road, Colombo 3*. Tel. 85496.

**Sweden:** Kooperativa Förbundet, *S-104 65 Stockholm 15*. Tel. International: 46-8-449560; National: 08-44-90-60.

Affiliated retail societies (1970): 232; membership: 1,605,500; total turnover of consumer societies: Kr. 8,100 mill.; turnover of K.F.: Kr. 6,649 mill. (thereof Kr. 4,835 mill. to affiliated consumer societies); K.F.'s own production: Kr. 3,102 mill.; total capital (shares, reserves and surplus) of K.F.: Kr. 1,105 mill. and of affiliated retail societies: Kr. 1,332 mill.

Hyresgästernas Sparkasse- och Byggnadsför-  
eningsars Riksförbund (H.S.B.), *Fleminggatan 41, Fack, S-100 21 Stockholm 18*. Tel. 54-05-40.

1972: Affiliated Building Societies: 94; with individual members: 350,000; number of flats administered by local societies: 315,000; value of real estate: Kr. 16,936 mill.

Svenska Riksbyggen, *Hagagatan 2, P.O. Box 19015, S-104 32 Stockholm 19*. Tel. (08)34-05-20.

Folksam Insurance Group, *Folksam Building, Stockholm 20*. Tel. 22-01-00.

Lantbrukarnas Riksförbund, *S-105 33 Stockholm 3*. Tel. (08)14-16-00.

Kooperativa Gillesförbundet, *S-104 65 Stockholm 15*. Tel. (08)44-90-60; (08)44-95-60.

**Switzerland:** Coop Schweiz, *Thiersteinallee 14, CH 4002 Basle*. Tel. (061)35-50-50.

Affiliated societies (1970): 276; retail outlets: 2,451; membership: 899,320; Coop-total turnover: Frs. 3,432.3 mill.; Coop-retail turnover: Frs. 2,893.0 mill.; Coop Schweiz, wholesale turnover: Frs. 1,743.5 mill.

Verband ostschweiz. landwirtschaftlicher Genossenschaften (V.O.L.G.), *Schaffhauserstrasse 6, Winterthur 8401*.

Verband sozialer Baubetriebe, c/o SBHV., *Sihlpostfach, Zürich*.

Genossenschaftliche Zentralbank, *Aeschenplatz 3, CH 4002 Basle*. Tel. (061) 23-84-00.

CO-OP Lebensversicherungs-Genossenschaft Basel, *Aeschenvorstadt 67, CH 4002 Basle*.

**Tanzania:** Co-operative Union of Tanganyika Ltd., *National Co-operative Building, P.O. Box 2567, Dar-es-Salaam*. Tel. 23077; 23344; 23347.

**Thailand:** Co-operative League of Thailand, *4 Pichai Road, Dusit, Bangkok*. Tel. 811414.

**Turkey:** Türk Kooperatifcilik Kurumu (Turkish Co-operative Association), *Mithatpaşa Caddesi 38, Yenisehir, Ankara*. Tel. 12-43-73.

**Uganda:** Uganda Co-operative Alliance, *P.O.B. 2215, Kampala*. Tel. 56984/6.

**U.S.S.R.:** Central Union of Consumers' Co-operative Societies of the U.S.S.R., "Centrosoyuz", *Tcherekassky per no. 15, Ilyinka, Moscow*. Tel. 221-7253.

Consumers' societies (1970): 14,868; members: 59,637 mill.; shops: 369,700.

**United Kingdom:** Co-operative Union Ltd., *Holyoake House, Hanover Street, Manchester M60 0AS*. Tel. (061) 834-0975.

Affiliated retail societies (1971): 303; membership: 11.3 million; share capital: £142 million; retail sales: £1,203 million.

Co-operative Wholesale Society Ltd., *P.O.B. 53, New Century House, Corporation Street, Manchester M60 4ES*. Tel. (061) 834-1212.

Co-operative Insurance Society Ltd., *Miller Street, Manchester 4*. Tel. (061) 832-8686. Assets (1964): £369 mill.

Scottish Co-operative Wholesale Society Ltd.,  
*Centenary House, 100 Morrison Street, Glasgow*  
C.5. Tel. (041) 429-2100.

Affiliated societies (1967): 153; sales: £89,008,059;  
reserves and insurance funds: £9,474,291; total resources:  
£23,139,384.

Co-operative Bank Ltd., *P.O. Box 101, New*  
*Century House, Manchester M60 4ES.*

**U.S.A.:** Co-operative League of the U.S.A.,  
*1828 L Street, NW, Washington, D.C. 20036.*  
Tel. (202) 872-0550.

**Uruguay:** Centro Cooperativista Uruguayo,  
*Dante 2252, Montevideo.* Tel. 41-25-41;  
40-90-66.

**Yugoslavia:** Glavni Zadruzni Savez FNRJ,  
*Terazije 23/VI, Belgrade.* Tel. 30-947/9.

**Zaire:** Centrale Générale des Coopératives  
Angolaises, *B.P. 6039, Kinshasa 1.*

**Zambia:** Eastern Province Co-operative Market-  
ing Assoc. Ltd., *P.O.B. 108, Chipata.* Tel. 439;  
485.

National Co-operative Development Committee,  
*P.O. Box 3579, Lusaka.* Tel. Lusaka 51744.

## INTERNATIONAL ORGANISATIONS

Organization of the Co-operatives of America,  
*G.P.O. Box 4103, San Juan, Puerto Rico 00936.*  
Tel. 765-8520.

Nordisk Andelsförbund (Scandinavia), *3 Axel-*  
*torv, Copenhagen V, Denmark.* Tel. 15-15-33.

International Co-operative Bank Co. Ltd.  
(INGEBA), *Dufourstrasse 54, P.O.B. 711, CH*  
*4002 Basle, Switzerland.* Tel. (061)23-58-27.

International Co-operative Petroleum Associa-  
tion, *28 West 44th Street, New York, N.Y. 10036,*  
*U.S.A.* Tel. LA 4-4455.

Sociedad Interamericana de Desarrollo de  
Financiamiento Cooperativo (SIDEFCOOP), *Ca-*  
*silla de Correo 4311, Buenos Aires, Argentina.*

International Co-operative Housing Development  
Association (ICHDA), *Suite 1007, 1012-14th*  
*Street, N.W. Washington, D.C. 20005, U.S.A.*  
Tel. 202-737-3420.

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# Foreword

The present special number of the "Review of International Co-operation" is intended to mark the enlargement of the European Economic Community's membership from six to nine countries through the admission of Denmark, the Irish Republic and the United Kingdom on January 1, 1973.

The Common Market in its enlarged form offers great possibilities for co-operative movements to advance the cause of the common man by providing appropriate and efficient service to their members. The papers contained herein deal with various sectors of co-operative movements. In addition to bringing together factual information under one single cover, these articles provide insights into some of the problems and the exciting possibilities which present themselves with the gradual disappearance of national economic barriers. A historical review acts as a back-drop and gives perspective to the subsequent papers.

There are, in my view, three urgent tasks to which co-operative movements in the Common Market must address themselves.

First of all, efforts are required to ensure that an effective institutional mechanism exists through which views of the co-operative movement are presented to the Authorities of the Common Market and become a part of the policies formulated by them.

Secondly, the process of structural reforms initiated some years ago must continue and be accelerated in order to attain increasing rationalisation and concentration of economic power; the securing and training of efficient managerial personnel will have to be continued with greater vigour.

Thirdly, there is within the context of the enlarged Community a greater possibility of giving practical shape to the new Principle, "Co-operation among Co-operatives", added by the ICA's Commission on Co-operative Principles. More intensive exchange of experience at policy-level, joint schemes in the field of trade, finance, etc., will call for far-sightedness and for establishing the relevance of the long-term against the short-term, motivated by a desire to co-operate with sister movements in other countries.

Finally, beyond the Common Market lies the world which has considerable interest in the co-operative movements of the Common Market, and the ICA symbolises these strong global ties. It is to be hoped that the success of the co-operative movements in the Common Market countries will, ultimately, help to strengthen these ties through the ICA.

It is my hope that the present issue will help in generating more thinking among co-operators on a number of complex challenges which face movements in the enlarged Common Market.

Dr S. K. SAXENA,

*Director, ICA*



# The Co-operative Movement in the Common Market Countries

by **W. P. Watkins**

The nine countries of the European Economic Community formed the cradle of the world Co-operative Movement. These were the countries, where mankind first had to grapple with the problems of life and labour of the machine age and where working people and others, who cared about their material and spiritual well-being, were driven to seek new forms of association to promote and defend it under totally unprecedented conditions.

The social groups whose interests were jeopardised by the industrial revolution, initiated under capitalist leadership, were the self-employed artisans and the wage-paid workers in industry and the peasants, recently emancipated from traditional land tenures but lacking the capital necessary to adapt their farming to a market economy, in agriculture. The former two groups, dependent as they were on the purchasing power of money incomes for the necessities of life, also had common interests as consumers. The latter group, in addition to its urgent need of financial support, was dependent on the commodity markets for its income and the industrial markets for the equipment and chemicals it was using more and more in cultivating the soil. All these groups were in weak bargaining positions. Lacking capital, they were unable to take advantage of the boom conditions, and they suffered severe deprivation, even semi-starvation, in the slump situations which alternated under the new industrial system. They had

nothing to hope for from the captains of industry, who were indifferent, or from the governments which neglected them. Hence, their recourse to Co-operation and the specific forms which Co-operation assumed.

## Basic Types of Co-operative

The emergence of definite and unmistakable co-operative forms was discernible by the middle of the 19th century. It was everywhere preceded by a generation or longer of experiment and learning by trial and error. A kind of climax of economic depression and social unrest, aggravated by a succession of bad harvests, was reached in the 1840's. It is more than a mere coincidence that the definitive pattern of a consumers' co-operative appeared in Great Britain at Rochdale in 1844; that, in France in 1848, wage-earners' co-operative productive associations were first started with state support; that, in Germany in 1849, the first artisans' Credit Bank (People's Bank) was initiated by Hermann Schulze at Delitzsch, while F. W. Raiffeisen began the practical efforts which resulted in the type of rural credit society which bears his name. These three basic co-operative forms, i.e., the Consumers' Co-operative, the Workers' Productive Co-operative and the Credit Co-operative, were supplemented some thirty years later by a fourth—the Agricultural Processing-cum-Marketing Co-operative—the pattern for which was set

by the Dane who established the first co-operative dairy.

With cheapening travel and communications, news of successful co-operation and knowledge of Co-operative Principles spread fairly rapidly over Europe in the third quarter of the 19th century. Success encouraged imitation, but co-operative pioneers in the different countries did not copy slavishly. They adapted the original patterns to suit differences of national custom and circumstances. Thus, Luigi Luzzatti, while inspired by Schulze-Delitzsch, adopted in his Italian People's Banks methods and practices more congenial to the Banks' membership than those accepted in Germany. British co-operators modified the constitution of their workers' productive societies, first inspired by French example, and evolved the type known as co-operative co-partnership because of the admission of non-worker shareholding. In Belgium, the pioneers of consumers' co-operation assigned a smaller role to cash dividends on purchases than to the provision of collective services and benefits, based on the institution of the *maison du peuple* (people's house). The rules of the first Irish co-operative dairy were adapted by Horace Plunkett from the model rules for a consumers' co-operative published by the British Co-operative Union.

### **Legal Status**

In the second half of the 19th century, the development of parliamentary democracy brought about increased sensitiveness on the part of statesmen and politicians to the needs and aspirations of the working population, both urban and rural. Legislation was passed to protect the co-operative form of association and distinguish it from the commercial company. The British Industrial and Provident Societies' Acts of 1852 and 1862 were followed by corresponding enactments in France and Germany in 1867 and in Belgium in 1873. Towards the close of the 19th century, governments went even further by seeking

to alleviate the lack of capital retarding the progress of certain forms of Co-operation through special arrangements and even specialised institutions providing credit and central banking facilities.

### **Federation**

Meanwhile, the various types of co-operative society, their confidence in the future growing with business success and legal protection, were consolidating their strength and increasing the scope of their operations by establishing organisations of the second degree, that is, unions and federations of co-operative societies. Broadly speaking, there were two main groups of objectives. The first group consisted of mutual support and consultation in overcoming common difficulties, both external and internal to the Co-operative Movement, as well as the propagation of true Co-operative Principles and the maintenance of the highest possible standards of efficiency and co-operative practice through the provision of common technical and educational services. The second group consisted of common commercial and financial services, such as a wholesale purchasing agency for consumers' societies, a central Bank for credit associations, a specialised Bank for workers' productive agricultural or housing co-operatives. There is no need here to do more than recall how much these federal institutions have contributed, not only to the stability of the primary co-operatives, but also to the extension of the sphere of operations of the Movement as a whole through "vertical" development in successive fields or stages of business activity.

The differences between these two groups of objectives resulted generally in the establishment of twin federations with a more or less identical membership; the one for trade, production or finance, the other for non-commercial purposes. They tended, as they developed, to embrace all the co-operatives of one given type (or representing the same economic interest) in a given country. In Germany, for example,

the Movement developed in four main branches: artisanal, agricultural, consumers' and housing. Each of these has its apex national federation. Admittedly, the oldest of these federations, founded in 1854, was originally, as its title stated, "A Union of Industrial and Economic Co-operatives Based on Self-help", and these were artisanal, credit and consumers' co-operatives. Half a century later, however, the consumers' societies withdrew in order to establish their own apex federation. The principal exception to the general rule in the Common Market countries today is in Italy, where the Co-operative League, founded in 1886, comprises co-operatives of all types, grouped in their special sub-federations. The same holds good for the two younger Italian national Unions, the Confederation and the Association.

### **Growth to 1914**

The outbreak of war in 1914 ended forty years of peace in Western Europe. That period had seen the growth in every one of the nine countries of well-defined co-operative economic sectors. Naturally, these varied considerably from country to country in composition and also in degree of consolidation. In Great Britain, the overwhelming predominance of consumers' co-operation over industrial and agricultural co-operation and the virtual non-existence of co-operative credit and housing had no parallel in any other country. In all countries with regions of heavy metallurgical and concentrated textile industries, however, consumers' co-operation was strong, at least in proportion of membership to population and in its competitive influence in local foodstuffs markets. On the other hand, the numbers of workers' productive societies had tended to shrink, except in France and Italy, where the efforts of co-operators to remedy weaknesses had been supplemented by the financial and administrative measures of governments favourable to this type of co-

operative association. Agricultural co-operation was naturally strongest in those countries which had followed Denmark and France in opting for peasant proprietorship to replace the ancient feudal land tenures. Denmark was conspicuous as an agricultural country which co-operative marketing and purchasing enabled to live prosperously by its export trade with its industrialised neighbours, notably, free-trading Great Britain. Holland and France were also successful in using Co-operation to promote agricultural and horticultural exports.

In most co-operative sectors, the forms called basic in an earlier paragraph grew up, supported by secondary or variant forms of considerable originality. The rapid expansion of industry and commerce led to accelerated urban development and increased the demand for low-cost housing, which could best be supplied by housing co-operatives having affinities with both consumers' and credit societies. Endemic under-employment in the young Italian Kingdom had encouraged the formation in the northern provinces of co-operative societies for collective land-renting, associated with more or less co-operative farming, as well as of labour-contracting societies engaged in land-drainage and other earth-moving projects. On the Mediterranean and Atlantic shores of Italy, France and Spain, fishery societies were gaining a foothold.

War-time economy in both belligerent and neutral countries between 1914 and 1919 revealed that co-operatives were capable of discharging functions of public importance greater than the ordinary services their members expected of them. Faithfully observing their own principles, they won the support of the consuming public for honest dealing and gained the respect of governments anxious to control prices and ensure the fair distribution of commodities in short supply. Despite heavy material damage in the combat areas and the financial strains due to inflation, the Co-operative Movement emerged from the war with enhanced prestige and influence.

## **Political Difficulties**

Unfortunately, the political consequences of the First World War and the post-war treaties were not so favourable. Reckless economic nationalism first brought on world-wide depression and then paralysed the mutual help necessary for recovery. The weakness of parliamentary democracy opened the way to fascist dictatorship based on violence. In Italy in the 1920's and Germany in the 1930's, Co-operative Movements were suppressed or diverted from their proper line of advance. Elsewhere, under pressure from private trading interests, governments restricted the competitive power of co-operative enterprises through inequitable taxation or limitations on the opening of shops. Hopes for the expansion of international co-operative exchanges and the development of inter-co-operative trading relations on local or national levels remained unfulfilled, a few exceptions apart. Co-operators seemed too often intimidated by difficulties and deficient in faith, either in their own principles or in one another. Only in Scandinavia were conspicuous achievements recorded, on the one hand, in counteracting the operations of trusts and cartels and, on the other, in combined action for wholesale trade and production, in which Denmark and Norway were both involved and still whole-heartedly participate.

## **Reconstruction after 1945**

Like the early 1920's, the later 1940's were a period of post-war reconstruction, in which national economies, after being distorted by the demands of warfare or foreign occupation, returned to their normal shape, with co-operative organisations performing their normal functions within them. In Germany, the consumers' co-operative movement, which had been entirely suppressed, had to be rebuilt from the foundations with whatever human, material and financial resources could be salvaged from the chaos of the Nazi era.

In Italy, co-operative organisations recovered their freedom of development after more than twenty years of subjection to the Fascist corporative system. In the Federal Republic of Germany, leaders set aside their former ideological differences, and Consumers' Co-operation became a united movement with one central union and one wholesale society. In Holland also, three groups of societies, which already had a common wholesale enterprise, combined in a national union of consumers' societies. In other respects, new beginnings enabled old errors and weaknesses to be eliminated, but with the passage of time it became clear that this was not nearly enough. Reconstruction could not mean a return to the old normal, but must mean the adoption of a new normal and new standards demanded by changing circumstances, at once economic, social and technical.

For the most part, European co-operators were not prepared for the scope and speed of the transformation. Familiar assumptions became suddenly untrue. The savings and other benefits co-operatives were accustomed to give their members declined in importance, first, in relation to the cut-price and other advantages offered by self-service and other novel methods of merchandising and, second, in relation to the rising incomes and expectations of the wage- and salary-earning classes. The implications for co-operative policy were clear to the wiser amongst co-operative leaders: rationalisation, concentration and consolidation were the only means whereby the Co-operative Movements, whether of consumers or of producers, could effect economies of scale comparable with those of their competitors. For the less wise the only choice was a continuous loss of ground until the weaker co-operatives were liquidated or taken over by stronger neighbours. The process of consolidation was therefore much less rapid than the situation demanded, but quickened after the ICA Congress at Lausanne in 1960 had formulated the needs of the hour and instructed the Authorities of the Alliance to

support the efforts of the affiliated organisations to fulfil them.

### **New Pattern of Co-operative Development**

Within the next decade, the general pattern of contemporary co-operative development clearly emerged in the majority of the nine countries, although not everywhere at the same stage. The primary co-operatives, especially in the consumers' and credit movements, are being steadily incorporated in larger, usually regional, units. An increasing number of functions—purchasing, technical research and advice, planning, training, accounting and auditing, advertising and propaganda—are being centrally organised and directed by secondary organisations. The power of unions or federations, not only to act for, but also to exercise authority over, the primary societies is being extended by constitutional amendments. In some countries, the goal of the process is already in sight, namely, the re-structure of each specific branch of the Co-operative Movement no longer as a loose confederation of co-operative associations, each jealously guarding an unreal independence, but as a cohesive unit, with a uniform policy, capable of concentrating the whole of its resources and striking power as required at any time.

### **Consolidating the Co-operative Sector**

Besides this, there is progress towards greater unity of the whole Co-operative Sector in each national economy, not only through National Co-operative Councils, such as exist in Belgium and France, or joint committees of Co-operative Unions as in the Federal Republic of Germany, but by alliances, such as that between the latter country's agricultural and artisanal co-operative movements. During the last twenty years, inter-co-operative relations in the economic field have developed under the influence and leadership of the Auxiliary Committees of the ICA, notably in the fields of reinsurance, banking, joint international purchasing, and trade in agricultural and horticultural produce.

Although these operations cover a much wider area than the nine countries, the age, strength and experience of their co-operative organisations enable them to play a leading part in initiating and expanding them. A parallel action for the promotion of closer inter-working amongst agricultural marketing and supply co-operatives has been carried on by the European Confederation of Agriculture since the 1950's and yielded practical successes, notably the common export-import organisation "Eurograin".

An instrument for combined action and representation at Community level is already operating—EURO COOP, which has already won official recognition in many important areas and is at work on the legal enactments necessary to enable co-operative organisations to carry on their business in any region of the Community, independently of national co-operative legislation. The way is thus being prepared for co-operatives of all types to join forces in order to demonstrate not merely their technical equality with private enterprise, but also their superiority from the social viewpoint. They may even hope to extend their influence so as to induce their competitors to adopt some co-operative ideas for the benefit of consumers and primary producers throughout the Community. It is essential, however, for co-operators to recognise that the mere increase of the numerical strength of the Co-operative Movements in the EEC will signify very little, unless the mutual understanding and confidence between them, together with public respect for their achievements, are powerful enough to make their numbers tell in the Councils of the Community. Like every other new advance in Co-operation, this demands its appropriate educational preparation and, in particular, a broadening of vision which will bring recognition amongst co-operatively organised producers and consumers that each party has legitimate interests which are fundamentally not opposed, but complementary and interdependent.

## ICA Membership in the EEC

Numbers, membership and trade turnover of Primary Co-operatives enrolled in ICA Affiliated Organisations, based on returns for 1970. Membership to nearest 1,000; turnover to nearest £1,000. (For names and addresses of Organisations, see pp. 239-244 of the Review).

Country	Consumers'	Credit	Agri-cultural Trading	Building and Housing	Workers' Productive and Arisanal	Fishery	Other	Total
BELGIUM	Soc. Mem. 48 T.O. 630 £60,047	795 736	*				27 500 £24,059	870 1,866
DENMARK	Soc. Mem. 1,664 T.O. 863 £250,028	57 14	2,223 325 £606,644	431 162		28 1 £12,730		4,403 1,365
FRANCE	Soc. Mem. 315 T.O. 3,375 £465,350	*	19,471 1,450 £2,651,515	2,074 447	601 34 £143,939	124 34 £15,749	*	22,585 5,340
GERMANY, Fed. Rep. of	Soc. Mem. 138 T.O. 2,105 £600,639	6,362 3,250	8,823 1,800 £3,520,642	2,055 1,461	— — —	— — —	— — —	17,378 8,616
IRISH REPUBLIC	Soc. Mem. — T.O. —	— —	366 148 £250,000	— —	— —	— —	— —	366 148

<i>Country</i>		<i>Consumers'</i>	<i>Credit</i>	<i>Agri-cultural Trading</i>	<i>Building and Housing</i>	<i>Workers' Productive and Artisanal</i>	<i>Fishery</i>	<i>Other</i>	<i>Total</i>
ITALY	Soc. Mem. T.O.	3,638 1,580 £151,174	770 429	5,813 1,074 £195,441	4,183 357	3,547 273 £137,693	570 51 £30,600	237 141	18,758 3,905
LUXEMBOURG*									
NETHERLANDS	Soc. Mem. T.O.	33 444 £67,116	*	*		12 0.5 £6,279			45 445
UNITED KINGDOM	Soc. Mem. T.O.	357 12,056 £1,143,152	*	*	*	26 7 £5,626	*	4 8	387 12,071

\*Denotes Societies existing but not affiliated to ICA.  
Soc.—Societies; Mem.—Members; T.O.—Turnover.

# Co-operatives and Monopolies in the Common Market

by **Dr A. Schöne**

This subject, which offers so many interesting aspects, will be considered here chiefly from the consumer's point of view and limited, as far as Co-operation is concerned, to consumers' co-operatives. Although monopolies are mentioned in the title, what is at issue, however, leaving State trading monopolies aside, are primarily enterprises dominating the market.

The aims and purposes of the Common Market are the continual improvement of the living and trading conditions for the people in the Community. Important prerequisites for such an achievement are, on the one hand, the combination of economic resources and, on the other, lively competition amongst those engaged in economic activities, which are not mutually exclusive; nevertheless, the policy of businessmen is logically directed towards the diminution of competition, to say nothing of eliminating it, if possible. For this reason, the EEC Commission has been charged by the contracting countries with carrying out an active competition policy.

The Commission has the power, which it has already exercised in certain cases, to inflict penalties on cartels or impose conditions. For practical reasons, however, it is not in a position to exercise complete control and is therefore choosing

some specially interesting and typical cases.

Articles 85 and 86 of the Treaty of Rome especially prohibit restrictions on competition and procedural methods and practices directed against the unity of the Common Market by, for instance, dividing the market into sales areas or customer spheres of activity, as well as collective exclusive rights agreements, sales syndicates and total turnover rebate cartels.

On the other hand, agreements are permissible if an adequate proportion of the surplus is devoted to improving production or distribution of goods or to the promotion of technical or economic progress for the benefit of the consumers. Such agreements may be for specialisation, joint advertising, joint brand marks, standardisation, joint purchasing, or agreements on joint research, development and processing of produce.

The Commission has agreed to strengthen the competitive capacity of enterprises by establishing clearly defined procedures and individual agreements. This applies more especially to mergers of small and medium-size enterprises, for whom, in the Commission's view, co-operation offers the only possibility of competing with large enterprises.

As for State trading monopolies, Article 37 of the Treaty of Rome calls for a revision which has, however, not yet been



carried out. Above all, the Commission is anxious to bring about the abolition in France of the monopoly rights on potash, steel slag, matches, gunpowder and explosives and, in Italy, on flints, lighters, salt, cigarette paper and matches. The Commission has also recommended that France and the Federal Republic of Germany should revise the alcohol monopolies, i.e., to abolish any discrimination. In addition, France and Italy must dismantle any discriminatory provisions in their tobacco monopolies.

Obviously, a genuine Common Market for the benefit of the consumers cannot be developed—or only with difficulty—if country frontiers are abolished only to be replaced by other restrictions. Also, power concentrations in important economic spheres can, to a large extent, deny to the consumer the advantages of a wider market.

In recent years, there has been a noticeable increase in the tendency towards concentration. Some time will obviously elapse before a survey can be available, which, in the nature of things, will be difficult to make and will, in any case, be very incomplete.

It is already evident, however, that co-operation between large enterprises in the Common Market is much more advanced than is the case with medium and small enterprises, and that the large concerns are much more anxious to co-operate. This has had the effect of reducing rather than expanding competition, and the consumer has to make the best of it. The special danger in such an economic set-up is that it leaves the way clear for the large enterprises to disregard the government economic policy, or even to oppose it, by following their own price and investment policies and thus cause damage to the whole economy.

In such circumstances, the independent commercial enterprises, amongst which are the co-operatives, are of particular importance in a country's economy, since the task of maintaining competition as

the motive power of economic activity cannot be handed over solely to a "cartel-type" control. It is equally important that there should be enterprises competent to play an active part in the economic processes of trade, production and service.

Today, and especially in the Common Market, co-operatives, in their capacity as consumers' organisations, must, above all, fulfil such a function so as to maintain competition and price stability, since their provisioning role in the years following the last world war has receded more and more into the background. Their function as purveyors of wholesome food-stuffs will, of course, continue in the interests of the consumer, a fact which today is more important than ever in view of the many chemical additives and preserving processes in use.

It was quite natural, therefore, that the consumers' co-operatives were amongst the first to welcome the establishment of the European Economic Community. Already in 1957, the year when the Treaty was concluded, steps had been taken to form a Union of EEC Consumers' Co-operatives. For the last ten years, EURO COOP, the European Community of EEC Consumers' Co-operatives, has had its Headquarters in Brussels.

The statutory principal aims are the official representation of the consumers' co-operatives in the organs of the Community, especially the EEC Commission, and the protection of the consumers' interests, the collaboration in the realisation of a European Economic Community within the meaning of the Treaty of Rome, as well as the promotion and co-ordination of the common interests of the consumers' co-operatives in the Common Market.

It follows therefore that, for practical purposes, EURO COOP has a dual task within the EEC:

1. To represent the economic, health and hygiene interests of the consumers in the appropriate committees and departments of the Commission. Amongst the consumers' organisations in existence at EEC

level, the consumers' co-operatives are specially qualified for this task, as their representatives on the spot are able to argue from a basis of understanding of the trading and production techniques.

In the ten years during which the Secretariat has been in Brussels, EURO COOP has frequently taken a stand against the—from the consumer angle—very protectionist agrarian policy and has repeatedly expressed positive criticism particularly of the agricultural marketing regulations and the import system. It has also made known its views concerning the Commission's important proposals for bringing into line legislation governing food-stuffs.

Finally, EURO COOP has successfully pressed its demands for the strengthening of the Department for Consumer Questions in the EEC Commission for making increased resources for consumer information available by the Commission. Moreover, the Commission has guaranteed to EURO COOP more regular discussions on consumer problems than had hitherto been the case.

2. Consumers' co-operatives should not only promote competition through their economic activities, but should also endeavour to extend the range of goods offered to the consumer.

Their economic collaboration in trade and production within the framework of EURO COOP had already begun in 1964; in trade, first with joint buying of canned fruit and fish under a common brand name, and in production, with a joint biscuit factory. This enterprise was one of the first, if not actually the very first, truly European factory in the EEC.

At that time, there was no co-ordinated legislation governing food-stuffs existing in any country; in fact, none of the internal, common customs boundaries had been dismantled, so that the early stages were fraught with difficulties and might almost be regarded as pioneer stages, since the great variety of conditions obtaining in individual States had to be taken into

account in sending products to the various EEC countries.

In 1971, the first large joint enterprise, the EURO COOP chocolate and confectionery factory in Dortmund, came into production. Certain older factories belonging to members could thus be closed down without any loss of production in this sector.

In our view, it is of paramount importance to maintain the production of the consumers' co-operatives in essential ranges of food-stuffs; for, in the long-run, the production alone—for reasons which do not have to be further explained here—increases considerably the financial strength of these co-operatives.

At the same time, by erecting modern, joint enterprises, the consumers' co-operatives are making a positive contribution to the improvement of factory premises in the EEC, which were in general often quite out-of-date, with not fully used and unproductive facilities. This situation is clearly shown by the building crises in almost all sectors of the food-stuffs industry, such as mills, canning-factories and factories making farinaceous products, etc.

The consumers' co-operatives provide a further incentive to lively competition in a market, which is, to an ever increasing extent, being divided up amongst the large enterprises. Today, powerful concerns and multi-national companies are growing more rapidly through buying up firms and their corresponding share of the market than by turnover growth. Such increasing control of the market works greatly to the detriment of the consumer.

In this situation, consumers' co-operatives alone are in a position to offer a counterbalance by combining their economic potential. This will, however, demand the full weight of their organisation.

To achieve this, they will be obliged to mobilise their full strength which can only be completely exploited by ceaseless, responsible and informed co-operation and

strict adherence to that Principle from which the Consumers' Co-operative Movement began its rapid rise over 100 years ago, and which still remains the driving force in the changing world of today and for the future.

To meet the rising living standards of consumers today, the consumers' co-operatives must expand beyond the classical food-stuffs lines into new fields covering more and more of the non-food sectors, in which the consumers make most of their purchases.

Accordingly, for some years past, the consumers' co-operatives have extended their non-food assortment. Own production, however, should be expanded more than hitherto and new lines introduced, such as soft drinks, milk products, etc.

Trade also should be expanded in new directions and by new products, such as petrol and oil, fuel oil, motor vehicles and

accessories, etc., used-car trade and repairs, refreshments and confectionery at the co-operatives' own filling stations. The consumers' co-operatives should open pharmacies, hotels and restaurants and sell colour television sets in supermarkets, and, above all, be most active in those places where prices showed the greatest tendency to rise. In this way, they could do most to promote competition.

In short, the consumers' co-operatives must endeavour to expand their activities more quickly in the "classic lines" and to protect the consumer wherever possible against unwarranted price increases in production, trade and services. In this way, they could make the greatest contribution to national economic productivity and to raising the general living standards of the community. That is their task today!

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# Consumer Protection in the European Economic Community

by J. M. Wood

There are no specific provisions in the Treaty of Rome for safeguarding the interests of consumers. This is not to suggest that the EEC is unconcerned about consumers—far from it—but the Treaty, like most constitutions, deals with the general rather than the specific.

Article 39, in setting out the objectives of the Common Agricultural Policy, declares one of these to be *the delivery of supplies to consumers at reasonable prices* (a remarkably vague generality!). Article 86, which deals with the rules governing competition, defines certain practices which are deemed to amount to improper exploitation, including *the limitation of production, markets or technical development to the prejudice of consumers*. Article 36 permits restrictions to be placed on imports *in order to protect the health of the consumer*.

The general objectives of the Treaty are by implication in the interests of consumers. Article 29 states that, in carrying out the tasks entrusted to it, the Commission shall be guided by the need for avoiding serious disturbances in the economies of Member States, and of ensuring rational development of production and *an expansion of consumption* within the economy. Articles 2 and 104 refer to continuous

and balanced expansion, a general raising of the standard of living, a high level of employment and a stable level of prices.

The modern consumer movement has tended to make a somewhat negative approach to its task. It has sought to protect the consumer against exploitation by powerful trading and industrial organisations by utilising the greater power of the State: it has provided suitable means of redress for the grievances of consumers; it has made available information and educational facilities designed to create a more rational approach to consumption. But, as Professor J. K. Galbraith has pointed out in "The Affluent Society": "It is the increases in output in recent decades, not the redistribution of income, which has brought the greatest material increase, the well-being of the average man." The EEC seeks to harness modern technology for the benefit of all its citizens, and in so far as it is successful in attaining the objectives of a high level of employment, a stable level of prices and a general raising of the standard of living, then consumers will be the beneficiaries.

It is to be noted, however, that thoughtful people are having misgivings about the desirability of pursuing economic objectives regardless of their social con-

sequences. The President of the Commission, Dr Sicco Mansholt, has expressed his concern over the consequences of the rapid increase in the world's population, the extravagant use of limited natural resources and the damage being caused to the environment and ecological balance. These are matters in which consumers are vitally interested but, as Dr Mansholt has warned, a non-polluting production system and a "recycled" economy would entail a sharp reduction in material welfare and free choice of goods. Are consumer organisations prepared for this kind of thinking?

The Treaty of Rome is not the constitution of a supra-national state, but of an economic community. Whatever visions the founding fathers may have had, the EEC is only a rudimentary political structure, but because economic power may be as much abused as political power, we should look for those "checks and balances" which are so important for the maintenance of essential freedoms.

The Commission, which plays a vital role in the EEC, is highly bureaucratic by nature and is subject to all the dangers inherent in this form of administration. The Council of Ministers exercises overriding powers, but it still reflects national aspirations and rivalries, and is little concerned with consumer affairs.

The European Parliament has residual powers, but it is not democratically elected and does not have very much influence over the day-to-day work of the Commission. For years, moves to strengthen the Parliament's powers have been fruitless. A recent study by the Vedel Commission proposes certain reforms, but the problems are substantial. If one of the British Co-operative Members of Parliament is appointed to the European Assembly next year, the possibility of establishing a strong consumer group within the Assembly will certainly be considered. One of the means by which public attention may be drawn to consumer affairs is by means of written questions

from members of the Assembly.

The Economic and Social Committee, which is a large consultative body of a widely representative character, does not include any consumers in its membership, although provision is made for the appointment of representatives of "the general interest". The constitution of the EEC should be amended, so that consumers have at least as much influence as farmers and commercial interests.

Until 1968, there was no Division within the Commission identified with consumers, but, in April of that year, such a Division was set up within Directorate A (General Competition Policy) of Directorate-General IV (Competition). The Head of the Division is Mr Léon Klein, who is working conscientiously and enthusiastically in the consumer interest, but without substantial resources.

The harmonisation of legislation, for which provision is made in Articles 100 to 102 of the Treaty, is being carried out under the general programme of the Commission on the elimination of technical obstacles to trade of 28th May 1969, and raises problems connected with the protection of the consumer's health, defence of his economic interests and the provision of information. In the field of foodstuffs, work is being done on a wide variety of products, such as coffee and tea, yeasts, sauces, bakery goods, confectionery, beer, ice-cream, children's foods and starches. Other fields covered include pesticide residues, DDT, irradiated foodstuffs and additives to animal feedingstuffs. In defending the interests of consumers, attention is paid to the naming of products, their composition, standards of purity and additives. All this work is being carried out in an essentially pragmatic manner, product by product. Other matters being dealt with are textile denominations, and the construction and use of motor vehicles.

*The basic purpose of the Treaty provisions for the approximation of laws is not specifically consumer protection, but the removal of obstacles to competition. The*

Council is authorised, by a unanimous decision, to approve directives for the approximation for such legislation and administrative provisions of Member States, as directly affect the establishment or operation of the Common Market. Here again, we have the basic preoccupation with competition as the means of achieving the objectives of the Treaty of Rome. But perfect competition is nowhere to be found in capitalist or mixed economies, and consumers will ask anxiously whether the EEC is capable of controlling the great multi-national companies which hold dominant positions in the economy. Co-operators also need to ask whether their own enterprises are capable of achieving such co-ordination and efficiency within the enlarged Community that they present powerful countervailing power in the supply of a wide range of consumer goods.

Although the purchasing power of the consumers in the six Community countries has increased considerably since the Treaty of Rome became operative, there are still considerable differences in the prices of comparable products recorded in the member countries' retail trade. The differences revealed by a survey carried out by the Statistical Office of the European Communities in November 1970 vary from as little as 8 per cent in recreation, entertainment, educational and cultural categories, to 35 per cent in the case of clothing, and as much as 72 per cent in pharmaceutical and therapeutic preparations. These price differences reflect the conditions of competition peculiar to each market, the characteristics of each market, and disparities in turnover taxes. For instance, the tax on a radio set varies from 8 per cent in Luxembourg to 33.3 per cent in France, and the tax on detergents from 4 per cent in the Netherlands to 23 per cent in France. The problems involved in harmonising retail prices to the advantage of all consumers in the EEC are going to be very difficult to solve.

An outstanding feature of the work of the Commission is the presence in

Brussels of numerous pressure groups representing industrial and commercial interests. Some of these groups enjoy official recognition and are consulted in the early stages of the preparation of draft directives. Consumers sought to emulate these pressure groups by establishing in 1962 a Consumers' Contact Committee, composed of four separate elements:

1. Consumer Co-operatives;
2. Trade Unions (Free Trade Unions and Christian Trade Unions);
3. Consumer Unions; and
4. Family Organisations.

The Community of European Consumer Co-operatives played an important role in the Consumers' Contact Committee, the Secretariat being provided originally by the former Belgian SGC and, latterly, by the French FNCC. Despite a great deal of hard work, particularly by Mr J. Semler-Collery of FNCC, the Contact Committee encountered serious difficulties: it lacked adequate resources; it had no office at the seat of power in Brussels; and, after an unsuccessful attempt to obtain financial and other assistance from the Commission, it was dissolved early in 1972. The result is that Mr Léon Klein now has to consult five separate, unco-ordinated groups on consumer affairs.

Responsibility for the co-operative contribution to consumer protection within the EEC has now been assumed by EURO COOP, which has set up a specialist working group for the purpose. The accession of three new Member States with well-developed co-operative sectors should greatly strengthen EURO COOP's influence on behalf of consumers. It is understood that the Commission has now made a financial grant to EURO COOP and has accepted it as a genuine consumer organisation.

It is unlikely that consumer interests will have a very significant influence on the policies of the EEC for many years to come,

except in the general area of economic policy leading to "an accelerated raising of the standard of living" of the people. In these circumstances, the domestic consumer policies of the Member States will continue to be of the utmost importance. Mr Léon Klein is to be congratulated on the excellent survey of these policies which he presented to an important Conference of Weights and Measures Inspectors in Bournemouth, England, on 28th June 1972.

The content of consumer protection assumes a common pattern throughout the EEC, although the details vary considerably from one country to another. There are usually three main elements, consisting of public authorities, semi-public bodies, and voluntary organisations. Central and local government authorities provide the basic legal protection and co-operate to varying degrees with semi-public and voluntary organisations which, in some instances, are supported by public

funds. Semi-public bodies are concerned with comparative tests of consumer goods, standardisation, advertising, packaging and consumer information. Voluntary organisations include consumer unions, housewives' groups, trade unions and consumer co-operatives. The extent to which these bodies co-ordinate and centralise their activities for greater efficiency varies considerably.

One of the most useful exercises, which consumer organisations could carry out in the enlarged EEC, would be a close study of the information obtained by Mr Klein in order to draw up an ideal programme of consumer protection, information and education, based on the best in existing practices, which could be presented to each national government and to the Commission. This is one of the ways in which the maximum advantage could be derived from a judicious combination of national and Community provisions in the interests of 256 million consumers.

# Agricultural Co-operatives and the EEC

by **J. A. E. Morley**

There is no single, universally-held view about the Common Agricultural Policy (CAP) of the EEC. Opinions regarding it not only differ between those outside the Community, who look upon the CAP as protectionist, and those inside, who see it as defensive, but there is also a wide range of attitudes amongst Member States, amongst the various interests in those States, and amongst the separate institutions of the Community. The most clearly defined of the views concerning the aims and objects of the Common Agricultural Policy is, of course, that emanating from the Commission itself. Embodied in a document, known as the Mansholt Plan, the policy of agricultural reorganisation, which the Commission proposed, was at first strongly criticised by Member States. Now, after much time and discussion, and with many modifications, it is slowly being adopted.

First, the underlying premise of the Mansholt Plan was a reform of the structure of European agriculture, without which it was conceived to be impossible over the long term to secure for the persons engaged in farming an income comparable to that which could be earned by workers in other fields. Secondly, it was thought that, if agreement could be reached amongst Member States as to the kind of structural reform to be fostered and the measures to be adopted for encouraging it, this would be a

further step forward in the direction of removing factors tending to distort competition and to delay the establishment of a truly "common" market.

Evidence that the ideas of the Mansholt Plan are gaining momentum is to be found in the adoption in June 1972 of three important Directives concerned with structural reform: No. 159/72 on the Modernisation of Farms (which includes a provision concerning joint enterprises, to which we shall refer later), No. 160/72 on Aids to Persons giving up Farming, etc., and No. 161/72 on the Provision of Information Services and Training Facilities. Other parts of the policy are still a long way from winning general acceptance, however, as can be seen from the fact that a fourth measure, a draft Regulation for the establishment of "producers' groups", which first saw the light of day in 1967, could not be approved by the Council of Ministers, but was deferred by it for further consideration in October 1972. The general belief at the time of writing is that it will not be approved even then, but may be adopted after the enlargement of the Community in January 1973. The view taken here—and one clearly cannot make any progress without taking a view one way or the other—is that this piece of EEC legislation will eventually be passed, possibly after some further revision, and possibly, too, in the



form of a Directive rather than in that of a Regulation.

Alongside it, we shall need to consider two other EEC Regulations. The first is Regulation No. 1696/71 for the common organisation of the markets for hops. The other—of special interest, because it represents almost the first attempt by the EEC to legislate in connection with the commercial aspects of production—has recently been revised and consolidated under the title of Regulation No. 1035/72 for the common organisation of the market in fruit and vegetables, including the establishment of “producers’ organisations” in this field.

EEC legislation is, to a considerable extent, as might be expected, a highest common factor or, to use the Community term, a “harmonisation” of the legislation of individual Member States. But it also has an independent outlook, which emerges quite clearly in the enactments we shall be studying. Whereas, in most individual Member States, there has in the past been a definite legislative bias to encourage the setting up by producers of bodies with a co-operative type of constitution, the EEC legislation is concerned with “producers’ organisations” and “producers’ groups”—terms which have a definite meaning, but are devoid of any co-operative connotations. The main conditions for their recognition are twofold: first, that the membership is to consist of producers and, second, that those producers shall have undertaken to make use of the marketing facilities provided by the “organisation” or the “group” for the disposal of the whole of the product in respect of which they became members. In other words, the bodies concerned have been defined in respect of the function of preparation for market or marketing which they have to perform, not in respect of their internal constitutions. Highly significant, from the co-operative point of view, is the fact that nothing is said either about the division of votes amongst the members or about the distribution of profits, each of which could just as well be

on the basis of members’ financial investment in the enterprise as on the basis of their participation in it as providers of produce. The official point of view, in so far as such a thing exists, seems to be that the EEC interest lies in bringing producers together to conduct a combined marketing operation and that it is not concerned with how they organise themselves to do so. In many cases, it is pointed out, the bodies claiming recognition and, consequently, becoming eligible for aid will be co-operative bodies. This is likely to be true in sectors where the existing co-operatives are already strong, more uncertain in the sectors where co-operation is less well developed. In particular, such a system would appear to permit a commercial enterprise, whose main interests lay outside agriculture, but which had acquired an agricultural interest in order to provide itself with the necessary qualifying status to form, in conjunction with other producers drawing upon EEC and Member State financial assistance, an “organisation” or a “group”, to which it had contributed most of the investment and over which, accordingly, it exercised paramount control. Another consequence, which this legislation foreshadows, is that producers generally may be led to assume that there is no particular merit in adopting a co-operative form of constitution, seeing that EEC and Member States’ grant aid does not recognise this as having any relevance. No doubt, such a point of view would be completely unjustified, but it is unfortunately true that many citizens, not only farmers, allow governments to do their thinking for them.

The main difference between the existing “Producers’ Organisations” Regulation and the Regulation proposed for “Producers’ Groups” is that the former provides only for setting-up grants for newly formed bodies, whereas the latter provides for capital grants during an initial period after formation as well. (“Producers’ Organisations” also have an intervention role in the market, which “Producers’

Groups" do not have.) As already mentioned, the former operate in the fruit and vegetable sector, while the latter are to operate in the general agricultural sector, where the expectations for their development are very ambitious; it is understood that the EEC Authorities calculate that, after five years, 40 per cent of the agricultural produce in the existing Community will be marketed under "group" disciplines, involving a total investment of some £700 million, of which some £50 million (a quarter of the total aid) will have been contributed from the Guidance Section of the European Agricultural Guidance and Guarantee Fund. In view of the uncertainty still surrounding the draft "Producers' Group" legislation, one need only note, without commenting upon, its financial proposals, although it is perhaps unlikely that these will be substantially modified in the final version. They fall into three categories: (i) a setting-up grant in the first, second and third years; (ii) an investment aid, involving an interest subsidy on money borrowed for capital purposes, or a capital grant in lieu thereof; and (iii) a loan guarantee. This assistance is not obligatory, but Member States giving it will be able to reclaim 25 per cent of the cost from the European Fund, which they cannot do on any other aid given. In any case, the giving of supplementary aid outside this Regulation, while not absolutely precluded, is discouraged and likely to become progressively more difficult.

The Regulations so far discussed are all concerned with the organisation or grouping of producers to supply themselves with facilities and outlets for marketing. Besides these, however, there is, as already mentioned, a Directive concerned with the modernisation of farms, Article 12 of which allows grants to be given to recognised groups whose aims are mutual aid between farms, a more rational pooling of agricultural equipment, or joint farming. Member States are responsible for defining the legal form of these "production groups" who will be quite separate from the organisations for

marketing, though they may often be closely associated with them. This Directive will only begin to be applied by Member States in 1973.

What is one to make of this policy, briefly outlined above, for the development of "organisations" and "groups" for marketing purposes in the European Economic Community? One's first reaction must be one of wonder, not that the policy has moved forward so slowly, but that it has been able to make any progress at all. For, looking at the details of the various Regulations, one's overwhelming impression is that they have been devised to create a new system, rather than to utilise an existing system which, in certain sectors of the agricultural economy in certain States, was already highly developed. Presumably, a root-and-branch approach was thought by the Commission to be necessary in the overriding interest of harmonisation; one may question whether it needed to have been quite so drastic. The attitude of the agricultural co-operatives to these proposals, as expressed by their representative organ in the Community, has been modified over the years. Initially one of shocked surprise, it has more recently turned to grasp the possibilities of adjusting the proposed Regulation to existing organisations, and existing organisations to the proposed Regulation, so as to avoid a conflict between a new style of producers' groups and an old system of producers' co-operatives, which would have been so undesirable. In the long run, the challenge to traditional ideas may well be judged beneficial.

However that may be, the pattern of development of agricultural co-operation in the EEC will be affected only marginally by its legislation. A much more potent influence for change exists in the commercial opportunities of the Common Market, which intensify the need for regional, national and, finally, international groupings of co-operatives. In order to facilitate this process, attention is being given to the formulation of a supra-national EEC statute for co-operatives

(it being out of the question to harmonise the individual national laws), under which agricultural co-operatives of an international character, particularly federations, would be able to register themselves. In the meanwhile, it is, of course, open to co-operatives to place themselves on an international footing as fully as many private businesses have already done, though they are likely to move in this direction more slowly. For, members of co-operatives are not mere shareholders, and their Boards of Directors will always be cautious about surrendering their responsibility for making decisions in the members' interest to bodies too far away from their control.

While agriculture will strive to maintain its independence, the tide of progress in Western Europe is continually eroding the barriers between production, processing and distribution in the food industry, of which agriculture is a part, and bringing about a closer integration between these various sectors. Indeed, the justification heard more and more often in modern times for co-operation amongst, or grouping of, agricultural producers is that such a development is necessary in the interests of

consumers and their suppliers, who will no longer be satisfied to receive the diverse and incalculable production of countless independent small producers, but absolutely require that these producers should organise themselves into a coherent marketing force. How this relationship between the various sectors—whether by domination of one of them or agreement between them, whether under an organic form of constitution or contractually—will result, is a question which will have to be settled during the next decade and is of vital interest to all the parties concerned, namely, producers, processors and distributors, the last including a vast network of consumers' co-operatives. It is a problem of which the EEC Commission was already conscious when it propounded the solution of producers' groups, and one on which it is known to be working. Indeed, various hints have been dropped from time to time that the next draft Regulation to appear will be one dealing with the question of the relationship of producers' groups with processing organisations. If past experience is any guide, it can be sure of a warm reception!

# Effects of the EEC's Agricultural Policy on the Raiffeisen Co-operatives

by **Dr F. B. Hausmann**

The entry into the European Economic Community and the establishment of the common agricultural market resulted in substantial changes for the agricultural economy of the Federal Republic of Germany, which naturally had a decisive influence on the development of the co-operative societies. These changes could be felt in different fields. In the first place, one must point to the fact that the German agricultural markets after integration within the EEC were no longer dependent on national conditions, but on those of the larger market. Until then, the German agricultural markets were, practically without exception, subsidised markets which could quite easily be navigated through the import-locks. German agricultural policy, the main aim of which was to adjust and secure the income of farmers, quite understandably began with import policy.

In the Common Market, totally different relations exist between domestic production and consumption. Only with a very few markets there remained an import gap for the Community, whilst in a number of other fields of production the limits of self-support were reached or even passed. This means that, besides the manifold trade and political consequences, the import-lock had at the same time to lose its effectiveness.

Interventions in the domestic markets and expansion of the export gained increasing importance. The scope for political decisions on prices became narrower and the emphasis of the agricultural policy shifted to some extent to an immediate promotion of agricultural concerns.

With the merging of the national markets, the control of agricultural policy passed at the same time from the national States to the appropriate institutions of the Community. Thus, agricultural policy is no longer just a national matter, but it is nowadays a Community matter. This means that decisions concerning agricultural policy frequently show signs of political compromise and have to be taken under many kinds of pressures.

This fact became most apparent when, in 1967, during the shortening of the planned transitional period, the EEC grain prices were harmonised. What had been predictable, really occurred in the Federal Republic, namely, a lowering of the agricultural price level. This sensitive cut, rendered bearable by a temporary levelling of incomes, had to hasten the process of restructuring which had already reached an advanced stage in German agriculture. The number of agricultural concerns declined more rapidly than in previous years. Thus,

the number of those with an area below 15 hectares decreased between 1960 and 1970 annually by 3.6 per cent (from 1949 to 1960, only by 2.2 per cent). In 1971, even 9.4 per cent fewer concerns were counted in this category than in 1970. The number of concerns above 15 hectares, however, shows an upward trend. Between 1960 and 1970, they increased annually by 1.9 per cent (from 1949 to 1960, by 1.0 per cent). In 1971, there were 2.5 per cent more concerns in this category than in 1970.

The reduced number of farmers, whose main livelihood consisted in farming, inevitably resulted in the dwindling membership of the co-operative societies. Thus, the total number of memberships attributable to the agricultural field between 1960 and 1970 fell from about 1.3 to 1.2 million.

At the same time, however, the proceeds from agricultural sales and thus the volume of turnover of the co-operatives had risen substantially. In 1962/63, agriculture made DM 24,400 million and, in 1970/71, DM 32,700 million from the sales of its products. The co-operative societies could not only follow this enormous increase in turnover, both in quantity and value, but increased their turnovers even to a much greater extent. In 1962/63, DM 13,600 million and, in 1970/71, DM 21,400 million were altogether turned over between co-operative societies and agriculture, which means that the share of the co-operatives in agricultural purchases and sales has risen from 40.1 to 46.0 per cent during the same period.

From these figures it is obvious that the co-operatives not only held, but even strengthened their position, and this at a time when competition became much more acute as a result of the Common Market.

How was it possible to achieve this success? The co-operatives considered themselves forced to adapt to the changed conditions of competitiveness. As in other economic spheres, the co-operative societies were striving for concentration. Also, the rising turnovers were made by an ever decreasing number of co-operatives and

thus their number dropped from 21,000 in 1960 to 12,300 in 1972. This process of concentration is by no means completed.

The co-operatives also benefited from the vertical consolidation resulting from their classical structure. In all important commodities, as is well known, the primary co-operatives have merged into central co-operative societies and these, in turn, established joint federal central offices. The central co-operatives look after agreements outside their own regions, co-ordinate supply and demand and try to bring about more favourable market results by concentration. Last but not least, this integration also contributes towards mutual support and economic security. In order to increase their strength, several central offices have united on a regional basis.

The activities of the co-operative societies can be illustrated even further by the example of several sections.

On the *grain market*, for instance, the co-operatives were able to increase their efficiency by modernising and developing their collecting, processing and storage equipment. Considerable investments were necessary and even very urgent, as agriculture was changing over to combines and was delivering almost the entire harvest immediately after threshing.

For the *fruit and vegetable markets*, the Community established a new marketing regulation which affected production and marketing simultaneously. Certain marketing agencies became producers' organisations, which bring the production in line with the market's demands, facilitate marketing and shall, under certain circumstances, also carry out certain measures to relieve the market. In the Federal Republic, these were essentially co-operative societies which took over these functions when accepting the new status.

More than 70 per cent of sales proceeds of agriculture are derived from animal production, which necessitates a greater exchange of goods and brought about an increase in cost in the purchase of feedingstuffs. The *compound feed pro-*

duction in the Federal Republic, for example, increased between 1964/65 and 1969/70 from 6.1 to 9.0 million tons. The co-operative societies built efficient, large feed mills and manufacture there at present over one-third of the German production.

In the case of *livestock and meat*, a significant change occurs from live to slaughtered marketing. The co-operatives erected slaughter-houses in the producers' regions and occasionally even ventured into the processing field.

The *milk market*, where the co-operative societies have always held the largest part of the market, has been considerably liberalised within the framework of the EEC. In spite of that, or because of it, we are occasionally threatened with a surplus which has to be disposed of by intensified sales efforts and exports.

The co-operatives were able to make a considerable contribution to the efficiency of dairy farming, because they frequently succeeded in adapting the traditional dairy

structure and in realising the concentration, accelerated by State aid.

These examples of the co-operatives' economic activities do not by any means give us enough evidence of the effects of the Common Market. The co-operatives, moreover, were not only interested in strengthening their own competitiveness but also in co-operation beyond the borders. Together with the co-operative organisations of the other EEC countries, a joint Organisation, the Committee of the Agricultural Co-operatives in the EEC (COGECA), has been founded, which was, or will be, also joined by the three new countries. Within the framework of this Organisation, which collaborates closely with the European farmers' unions (COPA), an exchange of experiences and voting in connection with all arising problems of the Common Market are taking place. This co-operation, which could evolve from the already existing international organisations, has proved exceptionally fruitful.

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# Co-operative Banking and Financing in the Enlarged Community

by **Dr Walter Hesselbach**

The upheavals which the monetary system of the western world has had to suffer again and again during the past four years and which centred in particular around the countries of Europe, should not blind us to the fact that, since the most important currencies regained convertibility in 1958, the money and capital markets have achieved an international character and a degree of integration, such as had not been seen since before the First World War. The huge volume of the Euromoney market, the tidal movements of which can, within the space of a few days, cause uproar amongst central bank governors and ministers of finance and provoke monetary crises, is the most spectacular sign of these intimate links amongst European capital markets. Loans are raised and securities dealt in across the frontiers and, for a long time now, the big multi-national enterprises have not been alone in seeking to raise money abroad—medium-sized and small companies also resort to the services of foreign banks to an increasing extent. Wage and salary earners, too, make use of this internationalised banking system in a sense, by using “Eurocheques” to draw money abroad, virtually everywhere in Europe, and these facilities already extend into a number of neighbouring countries outside Europe.

The close links amongst European capital markets have been greatly strengthened by the growing integration of commodity markets and the resulting creation of larger economic areas. This process will gain further strength and will be accelerated as a result of the enlargement of the Common Market on January 1, 1973 by the incorporation of the United Kingdom, Denmark and the Irish Republic. The Europe of the Nine comprises Western Europe’s most important financial centres, except for Switzerland which, because of its special position, still remains a vital part of the European banking and financial system even without formal membership of the Common Market. With its plan to create a monetary union, which has already been approved in principle by the new members, the EEC aims at a more advanced stage of integration and is establishing a situation that will deeply affect and change the work and structure of the banking systems, nationally minded as most of them still are today.

European banks have already begun to react to this gradual merger of markets by thinking along other than national economic lines. Over and above the establishment of traditional foreign links by way of correspondent banks, an increasing num-

ber of representative offices and subsidiaries have been opened or foreign interests acquired during the last few years. This breaking down of national boundaries has been marked most conspicuously by the groupings of major, and even medium-sized, French, Belgian, German, Italian and British banks, formed in recent years on the basis of co-operation agreements, which, though comparatively loose for the time being, do not seem to exclude close links, and indeed capital tie-ups, in the long term.

These trends are of a kind which banks working on co-operative and commonweal economy principles cannot ignore. The advancing integration requires new initiatives and, at the same time, offers them wider scope for the banking and general economic business the groups behind these banks expect of them.

Having regard to the fact that they frequently work on similar basic principles and have common aims, the trade union banks must be counted amongst these banks, a fact also reflected in their common membership of the International Co-operative Alliance (ICA). It has been evident for years that many trade union and co-operative banks have been working on increasingly similar lines, and in particular have been extending the scope of their business in the direction of all-purpose banks. Even more frequently, however, they concentrate on business where the work is of a very varied character and can be traced back to the original objects and history of these banks, which were founded for many different reasons. The fore-runners of many trade union banks, the savings and burial funds of individual workers' associations, were founded in the first instance for practical reasons. They were to give organisations of wage and salary earners or their individual members directly certain economic advantages. By foregoing dividends, they were to be in a position to pay their depositors higher interest rates, or to grant members and their institutions cheaper credits, or to lend them money from funds provided by their own

fellow workers which would not normally have been available to them at all. This was the idea underlying especially the establishment of institutions backed by consumer organisations, such as co-operative societies, as well as of the rural "loan societies" and credit co-operatives.

Apart from this function of acting as bankers to their founder organisations, exclusively or largely concerned with managing and investing funds and capital from sources within their own field, a number of European trade union banks, especially the German trade union banks of the 20's, were more or less ideologically motivated. What drove them in particular was the fear that, in certain situations, trade union funds and workers' savings deposited with private banks could be used against the interests of workers. There was also another consideration: trade union-owned banks should support the aims of workers' organisations in the economic field. It was felt that, by systematically consolidating workers' economic institutions and financially supporting them, it would be possible to influence socially and economically both economic developments and the economic order itself— notions which, though in a modified form, are acquiring fresh topicality in social economy thinking today.

In their internal banking organisation and in their legal form, trade union banks generally show very little difference from other credit institutions. They were founded as joint stock companies as a rule, a legal form particularly suitable for banking owing to its flexibility in relation to capital matters. Banks closely connected with co-operatives, on the other hand, usually have the legal form of a co-operative society. In many cases, the scope of business of trade union and co-operative banks is limited by their Articles. If their business is not expressly confined to the founders, reducing their role to that of bankers to these institutions, it is provided in some cases that they shall "primarily" exercise such functions. As previously mentioned, however, banking practice has frequently



led to an expansion of business; in fact, in a number of cases, the Articles have been adjusted accordingly. Particularly with the big trade union banks, established after the Second World War, such as the German Bank für Gemeinwirtschaft and the Austrian Bank für Arbeit und Wirtschaft, purely private enterprise business predominates, although the banks always remain conscious of the objects of commonweal economy established by the founders.

These institutions also have a correspondingly wide range of depositors, whilst the original trade union and co-operative banks confine their depositors more or less to their founders and to economic institutions closely connected with them. If the funds managed in these cases were predominantly trade union funds, this created special liquidity problems. These problems increasingly lost importance, however, as the banks grew and established increasingly close links with other commercial banks. In their lendings, these banks deal not only with consumer or agricultural co-operatives and the enterprises associated with them, or the trade unions, but in most cases, and to a growing extent, they also do business with public authorities, particularly local authorities, as well as with private companies in industry and trade.

This increasingly "all-round" character of the banking business has been most marked with the trade union banks. This applies particularly to the Bank für Gemeinwirtschaft A.G. (BfB), an institution founded jointly by German trade unions and consumer co-operatives, which today, after no more than twenty years of business, with a consolidated balance sheet of more than DM 20,000 million, is one of the major commercial banks in the Federal Republic. Apart from its two traditional jobs—acting as banker to its founders and promoting the enterprises of the commonweal economy sector—the BfB is engaged in every sector of banking business and is developing new additional fields of

service through its links with the "Volksfürsorge" insurance companies and the sale of travel facilities "across the counter". The bank feels that, in the commonweal economy, it should primarily offer favourable conditions to wage and salary earners and promote inter-bank competition. The development of new forms of savings and the adoption of new methods of providing housing finance help wage and salary earners to save and to accumulate assets. The business policy of the Bank für Arbeit und Wirtschaft A. G. in Austria is governed by similar principles.

As a rule, the banks linked to consumer co-operatives maintain the character of bankers to their principals to a larger extent. In the field of agriculture, small-scale crafts and both small- and medium-sized industrial enterprises, the regional co-operative banks, small as they mostly are, occupy an important place in all the countries of the European Community, and they are particularly important for agricultural development. In the Federal Republic of Germany, the co-operatives are organised around a powerful central bank, the Deutsche Genossenschaftskasse, with a balance sheet total of DM 11,000 million.

The enlargement of the European Community involves the entry of countries with well-established co-operative movements, which have also set up their own banks. They include first of all the Co-operative Bank Ltd. in England and the Andelsbanken A.m.b.A. in Denmark. The Co-operative Bank was formerly part of the English Co-operative Wholesale Society as a banking department, but is now a legally independent institution. It primarily acts as banker to consumer co-operatives and their enterprises, but offers a full range of banking services to the general public. The Scottish Co-operative Wholesale Society's banking department offers similar services in Scotland.

Closer co-operation of European trade union and co-operative banks—which would have to include not only the institutions within the EEC but also those

in Switzerland, Austria and Sweden—can, in spite of their often very different jobs, rest on their common objects for the benefit of workers and their organisations or of the members organised in co-operatives. There is scope for this kind of co-operation in a number of fields. Credit and capital are being procured across the national frontiers to a growing extent and, in the long term, raising foreign loans might also become of interest to co-operative bankers. The increasing interdependence of commodity markets and the international co-operation of consumer co-operatives, which may well materialise, are also likely to affect the business of the banks associated with them. Co-operation in the field of savings would also be feasible, providing facilities for deposits and withdrawals on savings accounts at all the banks included in the scheme. This is similar to the agreement the Bank für Gemeinwirtschaft has already concluded with the Yugoslav Bank for Foreign Trade, which enables Yugoslav workers in the Federal Republic to make use of their savings in either country on presentation of the joint bi-lingual savings book issued by the German bank.

Spreading the idea of commonwealth economy to the European Community as a whole is a major task for trade union and co-operative banks. Promoting competition in the larger European economic area presupposes in the last analysis close co-operation amongst these credit institutions if they are to maintain their market position in the face of the growing strength of international banking groups. This co-operation will be based on the character and independence of the individual banks and banking organisations, but it will not exclude capital tie-ups. The Bank für Gemeinwirtschaft, for example, has fortified its long standing, close co-operation with the Bank für Arbeit und Wirtschaft through reciprocal token hold-

ings, and has 50 per cent holdings in Hollandse Koopmansbank Lippmann Rosenthal N.V., the Bank of the Dutch trade unions, and in the Banque de l'Union des Coopérateurs Luxembourgeois S.A. (UCL), the Luxembourg trade union Bank. Both these institutions can also be considered all-round banks, with UCL's business, in contrast with most of the banks domiciled in Luxembourg, being largely confined to the home market.

A number of co-operative and trade union-co-operative banks, including several from countries overseas, have set up the Internationale Genossenschaftsbank A.G. (INGEBA) in Basle in order to strengthen their international co-operation. The bank, which was originally set up in 1957 as a co-operative association with a limited sphere of business, changed, in March 1965, its status into that of a joint stock company and accepted many more co-operative and trade union banks as shareholders, thus developing into a genuine commercial bank. INGEBA's business is to support in particular co-operatives and co-operative associations and institutions as well as other sectors of the economy in building up and strengthening their business and in rationalising production and sales. At the end of 1971, the bank's capital of Sfr. 55 million was held by 38 co-operative organisations and 21 banks in 23 different countries. INGEBA's work, as well as the co-operation of trade union and co-operative banks in the Banking Committee of the International Co-operative Alliance, proves that these banks are already engaged in carrying out the transition to the enlarged market of the European Community that is arising, to the profit and benefit of their members and of workers as a whole, as well as in spreading the idea of co-operation and commonwealth economy internationally.

# Industry and Trade in the Enlarged European Community —Consequences for the Consumers' Co-operatives

by R. Volkers

In the past few months, 1972 has rightly been celebrated as an important year for the further development of European integration, even though Norway's "No" to the EEC was a bitter disappointment for all convinced followers of a close economic and political union in Western Europe. However, with the entry of the United Kingdom, Denmark and the Irish Republic into the EEC of the Six and the Free Trade Agreement for industrial products with the remaining EFTA countries, i.e., Sweden, Finland, Iceland, Austria, Switzerland and Portugal, all gates have been opened with the purpose of eliminating important trade obstacles by 1977, thus achieving an even closer co-operation in Western Europe. Immediately after the referendum in September of this year, Norway announced her intention to conclude as quickly as possible a free trade agreement with the EEC.

## **Starting Point: the EEC of the Six**

Within the Community of the Six—as well as in EFTA—there were no longer any customs duties existing in the *industrial sector* since 1968, and all restrictions on quantities in the exchange of goods have also been removed. With regard to other countries, a common customs tariff is being

applied. The desired harmonisation of various legal regulations has been, however, slow and this is the reason why distortions of competition and obstacles are still in evidence. Instances of a serious nature can be found, amongst others, in diverse laws and regulations on food, in different transport charges and taxes, or in national regulations concerning the labelling of goods, which are directly affecting trade. Even more urgent is the gradual building up of a monetary and economic union in order to guarantee a troublefree merging of national economies. Even today, the EEC of the Six is not a finished creation, but is constantly developing.

For the *agricultural sector*, the EEC has issued many marketing directives which cover about 90 per cent of agricultural products. By means of complicated price, intervention and import controls, the directives are to bring about free trade between the Member States, to guarantee a minimum income for producers and to regulate imports from other countries. These aims could, however, only be reached hitherto to a limited extent, as considerable production surpluses entailed in part a sharp drop of prices and high sums for financing from EEC's agricultural fund.

Yet, in spite of all difficulties and obstacles which still exist, the following can be stated:

1. The customs union has favoured the exchange of goods within the EEC and led to a partial regrouping and reorganisation of the purchase of incoming goods. In 1970, almost half of all imports came from the EEC countries compared to only 36 per cent ten years previously. This diversion of the movement of goods and the expansion of EEC purchases had been foreseen by the founders of the EEC and brought about through the creation of internal, common preferences without, of course, wanting exclusion from the world markets (from 1960 to 1970, the EEC import from outside countries was doubled and the exchange of goods within the EEC quintupled).

2. Industry and trade of the six EEC partners were, on the whole, successfully geared to the new dimensions of the Common Market. This development is accompanied by a distinct increase in large enterprises, by mergers, take-overs and capital investments, and that, above all, in industry, but still relatively timidly in trade. The concentration of enterprises was accomplished so far mainly on a national basis or by companies from other countries, and to a lesser degree by concerns from other Member States.

In the field of food industry and industry concerned with commodities, such as coffee, tea, tobacco, wines and spirits, of particular interest to consumers' co-operatives, the USA is playing an influential part in mergers, apart from the large European concerns of Nestle and Unilever. Edible fats, tinned foods, frozen foods, instant coffee, biscuits, washing powders and cosmetics are sections of the market strongly influenced by multi-national corporations.

3. It is important to state that the progress and problems of the common EEC agricultural policy must be seen in the light of the circumstances of the difficulties of the national agricultural policy in the member countries (difficulties which, after all, have

also been encountered in countries outside the EEC). Therefore, to find a common denominator for the various interests has not always succeeded. It is, however, a fact that the purchasing system for agricultural products has become much wider and more easily accessible and the range of trading accordingly more international. The food industries of the EEC Member States have successfully entered into competition with domestic productive enterprises.

4. The large market of the EEC has forced industry and trade to take intensified modernisation, rationalisation and specialisation measures in order to survive the competition facing them. Furthermore, at first the larger market permitted frequently rational large-scale mass production and maximum utilisation of production techniques. This process, though not carried out in one single step, is evident in all EEC countries. It then becomes a question of freedom for competition to what extent the consumer is benefiting from the realised rationalisation gains—a question which hitherto could not always be answered satisfactorily.

### **New Rules for the Exchange of Goods**

The enlargement of the EEC and the free trade agreements with the rest of the EFTA countries will have considerable consequences for the business and political orientation of industry as well as trade. The most important new regulations for the exchange of goods are as follows:

From April 1st, 1973, reduction of customs duties in five steps to 20 per cent between the new members and the Community. By July 1st, 1977, complete exemption from duties is to be achieved. The adjustment of their customs tariffs to the customs tariff applying to other countries will be run down in four steps: 40 per cent on January 1st, 1974; 20 per cent each on January 1st, 1975 and 1976; and 20 per cent on July 1st, 1977.

The tariff reduction for industrial products between the rest of the EFTA

countries and the EEC will be made at the same pace and on the same dates. (In Austria, a 30 per cent tariff reduction has already been in operation since October 1st, 1972.) However, it is left to the countries with free trade agreements to decide on the amount of customs duties to be fixed for outside countries; but the original regulations are applied in order to block possible loop-holes for duty-free imports from other countries. Exemption from duties within the present EFTA countries remains essentially as it is.

With regard to agricultural products, the new member States will apply the common EEC agricultural regulations both internally and for outside countries as from February 1st, 1973. Certain transitional measures have been taken for the adjustment of agricultural prices. For all products, for which a fixed price exists (amongst others, sugar, grain, dairy produce), the new Member States will adjust the prices to the common EEC price level within a transitional period of five years, expiring on December 31st, 1977, and by establishing six steps. In order to correct price differences existing during this transitional period, a system of compensation will be used in the exchange of goods.

In the free trade agreements of the EEC with the remaining EFTA countries, agricultural products were not in general included (apart from a few exceptions for Iceland and Portugal). These countries will accordingly be treated as outside countries.

### **Consequences of the extended Integration**

#### *(a) For Purchasing*

As already mentioned, since the founding of the EEC, the exchange of goods amongst the six partner States has been considerably intensified, whereby markets in other countries lost some of their importance (relatively, not absolutely), i.e., with regard to both industrial and agricultural products. There, important changes in supply made themselves immediately felt affecting even the trade of the EEC consumers' co-operatives. With the gradual liberalisation of

trade in the whole of Europe, enterprises and thus also consumers' co-operatives have to assume a new attitude towards buying. This implies, for instance, that Scandinavian, Austrian or English suppliers, who previously were not able to compete because of the customs barrier, will become of interest to German or French buyers, and vice versa. Purchases by industry are widening and the scope of trade is becoming even more international. Even the buyer in the food trade must look across national frontiers more than ever before in order to make use of the chances offered to him. At the same time, his position vis-à-vis the suppliers is bound to become still stronger (with all the positive consequences for the purchasing conditions), as the competition amongst suppliers should increase even further after the enlargement of the EEC.

French competition in the German market, for instance, has been considerably intensified during the last few years in the fields of chemistry, car industry, precision mechanics and clothing, as well as of the food industry and that concerned with tea, coffee, tobacco, wines and spirits. Italy has come to the fore with leather goods, stockings, toys, cars, spirits, jewellery, refrigerators and washing machines, and the Netherlands with all kinds of food-stuffs. Denmark will certainly make every effort to recapture traditional food markets. Great efforts of industry are also noticeable on the part of the other countries to get a firmer foothold on the Continent. Prospects seem to be very good for the very efficient English food and chemical industries, the Swiss watch- and clock-making industry, and the Danish manufacture of meat and milk products, to mention only a few examples. This also applies, conversely, to EEC industry in the enlarged European Market.

It must be borne in mind that the concentration of trade will continue with a partial involvement of international capital. In future, industry will have to deal with large trading groups of subsidiaries, department stores, voluntary chains and pur-

chasing co-operatives, as well as of consumers' co-operatives, so that it will be faced with an even more concentrated buying force than it faces at present. The struggle for limited space in the shop and, particularly, for finding a way into the central assortment of a trading group altogether will have to be fought with great strength, that is, in addition to conditions, advertising and sales promotion, and new and attractive products.

Here, the European consumers' co-operatives start from a vantage point. They hold a strong market position and are accustomed to international co-operation. Within the framework of INTER-COOP, the experts of the national movements, split-up according to the various types of goods, have been successfully making joint purchases for several years in order to achieve better terms by combining their orders. In some sections, joint purchasing has been upset by separating the EEC and EFTA. There are, however, better prospects for agreements on more common articles and more joint suppliers in future.

#### *(b) For Selling*

Because of increased competition from their EEC competitors, some industrial concerns had to get off their soft cushions, but had, at the same time, gained an enlarged home market with improved sales chances. By way of systematic export care and advertising, adaptation and rationalisation of the production programmes, establishment of sales branches and manufacturing plants in other EEC countries, industry seeks to open its market and to enlarge it. This is going to be even more intensified in the enlarged Community with about 300 million people; everything points to it. The only survivors will be those who succeed in adapting themselves to the changing demands of their customers.

The increased competition of American companies has, above all, repeatedly proved to Western European enterprises that many concerns are inadequate in size and equipment for the new dimensions of

the European market. This has rapidly advanced concentration and co-operation. Researching, planning, buying, producing, advertising and selling are jointly undertaken, and coupled with these are a more intensified specialisation and division of labour, making a complete utilisation of the capacities and thus the advantages of mass production possible. The other side of the coin is concentration, the growth of enterprises through acquisition, financial participation and the erection of new plants. American concerns, such as Esso, Ford, General Motors, ITT, General Electric, IBM, etc., occupy front positions, with investments going into many millions; but also European concerns, as Unilever, Nestle, Siemens, BP or Philips, for instance, are prominent. Recently, Japanese concerns have also begun to increase their investments in Western Europe.

This tendency towards co-operation and concentration will undoubtedly continue and embrace practically all branches of industry, trade and services. There can be no doubt that the strength of the multinational corporations does not harm the consumers and competition, but contributes to the improvement of economic efficiency—and should be welcomed. The national and EEC cartel authorities are called upon to make their influence felt accordingly.

The members of INTER-COOP manufacture many food-stuffs and consumer goods, with an annual turnover of about \$2,000 million: thus, the promotion of co-operation in production for the increased utilisation of industrial mass production represents an important partial aim of INTER-COOP. In certain spheres, an exchange of goods is already taking place, but a close co-operation is noticeably handicapped by trade obstacles still existing in Europe. Thus, until now, greater progress in the form of specialisation in production can only be seen in Scandinavia and in the EEC. What is certain is that the enlarged EEC offers many possibilities of increasing the mutual exchange of goods

and of making use of even closer forms of co-operation in production. In buying as well as in production, the co-operatives will have to pool their resources in order to survive a concentrated competition.

### **Obligations towards the Outside World**

In recent years, the enlargement of the Common Market has been discussed inside as well as outside the countries concerned in an extremely lively manner. This is only too understandable, as, in view of the close involvements in world trade of the West European countries (with an added share of over 40 per cent in the volume of world trade), there is hardly a country left which is not in some form or other affected by the consequences of the European consolidation and which fears the disadvantages for its own foreign trade. It will be in the interest of the European Community itself to conduct an open policy towards outside countries and to support all liberalising efforts by GATT and the world trade conferences. The numerous agreements of association,

trade and preference of the EEC with other countries, particularly the developing countries, will not suffice alone to guarantee a trouble-free further development of world trade.

Trade and industry are within the sphere of interest of free trade and protectionism. A large part of their purchases comes at present, and will come in the future, from outside countries, amongst others, from the Far East, the USA or Eastern Europe. These connections have to be built up even further—and this is also expressed in the preamble to the Treaty of Rome. On the other hand, it is quite certain that the existence of the EEC and EFTA has already had important consequences for the economy and the consumer. The enlargement of European integration means a renewed revolutionary change. The co-operatives of Europe have to play their part in this development, both as consumers' organisations and as economic concerns. The close international co-operation is the path leading to this aim.

# Co-operative Insurance and the Common Market

by **Raymond Lemaire**

By nature, and particularly because of the extent of certain risks, insurance is international. It had not to wait for the Treaty of Rome to become it.

A large store is on fire, an oil-tanker sinks, a hurricane devastates a region, a large commercial airplane crashes, and insurance companies all over the world share the indemnification costs. But this system of sharing out costs across borders—borders which, moreover, extend beyond those of the Common Market—is in fact systematically put into practice only by means of reinsurance. Barriers exist in all other fields.

The Treaty of Rome aims at eliminating such barriers amongst the now nine members of the European Economic Community, that is, within a market of 253 million people. How? And how far have we got in 1972?

## **The Treaty of Rome and Insurance**

This Treaty, signed on the 25th March 1957 and in force since the 1st January 1958, sets up the Common Market and establishes two great principles directly relevant to insurance:

(1) Freedom of establishment, by virtue of which any national or enterprise from a member country whose activities conform to his country's legislation is free to exercise these activities in any other member country.

(2) Freedom for the provision of

services, which enables any national or enterprise from a member country to provide services to nationals or enterprises from any other member country without necessarily being established in that country.

These principles are of consequence not only for insurance companies but also for brokers and agents. However, 15 years after the signing of the Treaty, we must admit that no general policies have as yet been defined in a permanent way and that, therefore, none of the principles set forth in the Treaty of Rome have so far been put into practice. Why? Such delays are obviously caused by the complexity of the problems to be solved. In fact, if we examine the two principles set forth in the Treaty of Rome, we shall find the following obstacles to their application:

### *(a) Freedom of establishment*

It is clear that, if put into practice, this principle would entail that all insurers within the Common Market would be subject to uniform legislative provisions. At present, however, the control systems vary considerably from country to country. The same can be said of legislation in general, especially—and this is of great importance—of taxation systems. To these obstacles must be added others of a more practical nature, such as the matter of solvency margins and the option, where life insurance is



concerned, to include them or not in the mathematically assessable reserves.

*(b) Freedom for the provision of services*

After almost total stagnation, an agreement seems about to be reached for freeing co-insurance operations. But here also several problems must be solved, such as a preliminary co-ordination of taxation measures (taxes on contracts) and of methods for assessing technical reserves. There is also the matter of freedom of establishment for agents, a matter on which a general policy has been tentatively outlined, but on which companies and brokers have different views, the latter wishing to establish a distinction to their advantage between brokers and agents.

A unified Europe, as far as direct insurance is concerned, emerges slowly, but it shall emerge.

Once completed, the indispensable harmonisation of legislative provisions will make it possible to put into practice the two great principles of the Treaty of Rome. But in order to carry out its activities within a market as large as the EEC, an enterprise must have at its disposal considerable financial means. A European scale becomes necessary. How do insurers, and in particular co-operative insurers, react when confronted with this prospect?

**Financial Importance of Insurance within the EEC**

We find it useful to indicate, by means of the table below, the considerable development of insurance within the EEC and its financial impact.

**Reaction of Insurers not belonging to the Co-operative Movement**

Those societies which have understood that, quite soon, the conditions for their expansion and prosperity will be fundamentally different, are organising themselves accordingly. They have opted for international, or multi-national, expansion.

One of three types of solution is adopted, as the case may be:

(1) Agreements for collaboration are concluded between a society from one of the EEC countries and a society from each of the remaining EEC countries. In some cases, the collaboration is close, in others, it is less so, but the object is invariably to establish the presence of the group in the whole of the Community.

(2) Mergers. This has recently been the case in France. It was the solution adopted by the large groups of both nationalised and non-nationalised societies, such as Drouot, Gan, etc.

(3) Straightforward take-overs by public bid. This course of action has

<i>EEC Countries</i>	<i>Population (end of 1970) (in millions)</i>	<i>Encashments* (Life &amp; others)</i>	<i>Assets* (Life &amp; others)</i>	<i>Number of local Societies</i>
Germany, Fed. Rep. of	61·68	3,400	6,180	248
United Kingdom	55·53	2,150	11,330	354
France	50·77	1,970	2,970	293
Netherlands	13·02	690	2,120	372
Belgium	9·68	380	960	224
Italy	54·50	820	1,310	141
Denmark	4·89	220	740	323
Irish Republic & Luxembourg	3·26	100	360	30
<b>EEC TOTAL</b>	<b>253·33</b>	<b>9,730</b>	<b>25,970</b>	<b>1,985</b>

\* In millions of £

recently been followed by large British enterprises in Belgium. These operations are not always carried out smoothly, but they are carried out. And one may ask whether those enterprises which do not adopt a strategy compatible with the new competition prospects will not see their scope restricted to that of merely local concerns.

### Position of Co-operative Insurance

In the preceding table, we showed the financial impact of insurance within the EEC. It is interesting to examine the figures corresponding to co-operative insurance and determine its relative importance.

Only 18 of the 1,985 insurance societies operating within the EEC are co-operative societies and as such affiliated to the ICA. But although they constitute only a little less than 1 per cent of the total number of societies, they account for 3.3 per cent of total encashment and 4.7 per cent of total assets.

If we compare the figures of these 18 co-operative societies with those corresponding to the different countries of the EEC, we can see, for instance, that their encashment is not much less than that of Belgium, which equals the total encashment of Denmark, the Irish Republic and Luxembourg combined; and that their total assets almost equal the total corresponding to Italy.

We must add that, in some cases, co-operative societies dominate a large sector of their national market, the figures being then much higher than the 3.3 per cent and 4.7 per cent mentioned above.

In two countries, France and Italy, the establishment of co-operative insurance societies has been comparatively recent and they have not had time to expand to the same extent as those in other countries, thus reducing the proportion of co-operative participation in the total of insurance operations within the EEC.

After showing the relative importance of co-operative insurance within the Common Market, it would be un-

thinkable to suggest the courses of action open to co-operative insurance societies without studying them in collaboration with the Insurance Committee of the ICA.\*

The Insurance Committee of the ICA was created 50 years ago. Sixty-nine societies from twenty-six countries in five continents are affiliated to it. The total encashment of its members was approximately £1,000 million in 1970, 35 per cent of which corresponded to insurance co-operatives within the EEC.

We wish the Insurance Committee to participate in our analysis of the situation, because we believe that all its members, and not only those from the EEC countries, are interested in establishing an increasingly closer collaboration amongst themselves. Let us add that, for some years now, the vast majority of its members has been actively co-operating with each other.

The Insurance Committee has successively created:

An *International Reinsurance Bureau*, thanks to which more than 500 agreements have been subscribed by 35 companies in 23 countries.

A *Development Bureau*, whose aim is to promote co-operative insurance in those countries where it does not exist as yet. Study teams visit such countries regularly for this purpose.

A Society, *Allnations*, whose objective is to help find the necessary financial support to constitute the share capital indispensable for the establishment of new societies.

To these main achievements we must add the periodical organisation of seminars, joint research activities and personnel exchanges.

But the world changes. The creation of the EEC—and, perhaps in the near future, of other common markets—brings, as a result, in the capitalist world, agreements and mergers, by virtue of which enterprises operating on a continental scale emerge.

\*Since this article was written, the ICA Insurance Committee has changed its name to "International Co-operative Insurance Federation".

Should not these facts make us re-examine our philosophy and our traditions, if not our rules, in order to adapt them to a world where the idea of absolute national sovereignty is becoming obsolete?

Dr Bonow affirmed some years ago that "co-operators must choose between collaboration at an international level or economic decline". Those members of the ICA who operate in EEC countries will undoubtedly work out adequate agreements, if they want to avoid being relegated to the role of purely local societies. But would it not be possible to conceive of a collaboration on a larger scale, on an ICA scale, on a world scale?

It is in this sense that the ICA Insurance Committee must become a true Federation, whose members would show their commitment to a common idea by inscribing on their policies the same motto: "WORLD CO-OP", for instance. All those insured by our companies would thus know that they are covered by a world organisation.

In addition to this symbolic way of

manifestation of belonging to a world organisation, several practical measures can be taken within the same framework. For, if it is impossible—and, at present, even unthinkable—to envisage a merger of our 69 societies into one, which would then be larger than even the largest of capitalist concerns, we can nevertheless find alternatives to this premature solution which would still guarantee the efficiency of our movement.

Without actually merging, our societies can adopt a system of mutual representation, which would enable them to underwrite, in their own country, large sums covering considerable risks in the name of their partners. This would ensure for each of them a larger share of the market. And other measures could also be taken by the Federation's Committee.

Committees, appointed by the Executive Committee, are at present studying the matter, and we can expect concrete results. Let us hope that the Warsaw Congress will steer the co-operative movement towards even greater solidarity.

# Book Reviews

## **Das Genossenschaftswesen in Großbritannien (Co-operation in Great Britain)**

*By Margaret Digby. Translated from English by Dr Erwin Hasselmann. Deutsche Genossenschaftskasse Publications, Vol. 9, Frankfurt am Main, 1971. 229 pp. Price: DM 56.80.*

The Deutsche Genossenschaftskasse aims to provide, in its publications, factual information concerning the position and development of co-operative societies at home and abroad, and also to indicate the problems facing them at the present time and in the future. The present Volume 9, concerning the Co-operative Movement in Great Britain, continues the series on co-operative movements in the countries adjacent to the Federal Republic of Germany. Thus, the EFTA countries, of which Switzerland (Vol. 6) and Austria (Vol. 7) have already been considered, have secured an advantage over the EEC countries, represented so far only by the Netherlands (Vol. 3). This is certainly not because the co-operative movements in the EFTA countries are so highly developed.

Great Britain was the first country in which the modern type of co-operative was formed and worked successfully. From the outset, the stress was mainly on consumers' organisations—contrary to what was the case in the Federal Republic of Germany. It is not surprising, therefore, that almost half the book is devoted to consumers' societies.

In chapter I, the author surveys the evolution of the modern co-operative idea in England and the development of the English Co-operative Movement. Chapter II supplements this with a survey of British co-operative legislation which, contrary to that in the Federal Republic of Germany, is far-reaching and flexible and leaves many problems to be settled according to the rules.

In chapter III, the author deals with consumers' societies. After more than a hundred years of successful progress, resulting in a membership of 13 million—or nearly a quarter of the total population of Britain—the consumers' co-operatives have reached a crisis in their development. Hidebound by tradition, such as rigid adherence to local autonomy, the movement has been inhibited from creating a union of co-operative enterprises. The future of the British consumers' movement can only be assured by centralisation and firm management along similar lines to those taken by the German consumers' co-operatives.

The agricultural movement (chapter IV) differs much more from the European type than does the consumers' movement. The main reason is that, in the middle of the 19th century, the large estates were divided up into leasehold farms, and it was usual for the landowners, rather than the tenants, to supply the initial capital required for the farm. The farmer could obtain short-term credit from the joint stock banks. Contrary to the situation in the Federal Republic of Germany, there was no great problem of indebtedness and usury and, consequently, no real incentive for the formation of credit co-operatives. In addition, in the middle 1800's, the English farmers found, in the rapidly growing towns, a ready-made market which did not call for any system of distribution on co-operative lines. Not until 1930 were there any marketing co-operatives in which the produce was, to some extent, controlled by marketing officials, a special feature of market regulation.

From the outset, the agricultural co-operative movement was based on the supply of agricultural requirements, of which the share today is 63 per cent of feedingstuffs, 15 per cent of fertilisers and 10 per cent of agricultural machinery. Now, the supply co-operatives are

increasingly taking over marketing for their members and are becoming General Purpose Societies. In contrast to the situation in the Federal Republic of Germany, the primary societies themselves were forced to become viable concerns, as no strong supply and marketing wholesales were established.

In chapter V, the author deals with small co-operative groups, such as industrial and productive societies, fishery and housing societies. It is surprising that, in Great Britain, there is no industrial movement as there is in the Federal Republic of Germany. Nor are there industrial credit co-operatives or artisanal purchasing societies worth mentioning.

The book ends with a short chapter on the influence of the British Co-operative Movement on the Commonwealth and an estimate of the future outlook for the Movement. The book—of which an English version is not yet available—is especially valuable for the over-all survey of the co-operative movement in a country which will be an important member of the Common Market.

Dr Hans-Karl Penning

### **Quienes son los dueños de América Latina? (Who owns Latin America?)**

*By Pablo Steele. Instituto Cooperativo Interamericano, Panamá, 1972. 204 pp. Price: \$1.00.*

Who owns Latin America? For Father Steele there seems to be no doubt at all: the first part of his book is an attempt at showing how Spanish colonisation opened the way for the more subtle but no less oppressive and paternalistic domination of the U.S. He has lived for almost 25 years in Latin America and describes with sympathy and understanding the plight of the

Latin American nations, caught in an economic system that does not correspond to the needs of the great majority of their population, and hindered in their efforts towards true independence by vested interests and political institutions which, in practice, if not in theory, reinforce the existing structures.

The solution he proposes (but he is fully aware that it can only be a partial solution) is the promotion of co-operation. For co-operation is not only, in many cases, a viable alternative from a purely economic point of view, it is also a system that provides that which, as Father Steele stresses, is most lacking, and most necessary, in Latin America: an education that is not simply a passive accumulation of knowledge but a tool that will enable individuals to participate in the activities of the community and the solution of its problems. Without this kind of education, the people of Latin America will continue to be "owned", either by those in power in Latin America itself or by the modern version of the Spanish colonisers.

The book contains a short history of the co-operative movement and analyses the applicability of its principles, especially of those emphasised by the Antigonish school, in Latin America; it makes many valuable suggestions on the ways of establishing co-operatives, particularly credit co-operatives, in countries so different from those in which co-operation first emerged, and on the way in which educational efforts should be conducted; and, although it also contains some rather strange psychological digressions, it provides a good picture of what co-operation is mainly up against in Latin America: a long tradition of dependence, lack of self-confidence and fatalism.

C.B.

# Annotated List of Books Received at the ICA Library

## **BENECKE, Dieter W.**

**El movimiento cooperativo en Chile: sus características y su desarrollo.**

64 pp; tab. Santiago, Instituto Latinoamericano de Investigaciones Sociales, 1972.

*This booklet outlines the origins and problems of the Chilean co-operative movement, and includes the full text of all relevant legislation.*

## **CENTRAL UNION OF SAVINGS AND CREDIT CO-OPERATIVES**

**Savings and Credit Co-operatives in Poland.**

57 pp; tabs; photos. Warsaw, C.U.S.C.C., 1972.

*Credit societies have existed for over a hundred years in Poland. Today, they provide banking and credit facilities for people in rural areas, with services for medium- and short-term loans for agricultural production.*

## **2nd INTERNATIONAL CONFERENCE ON CO-OPERATIVE THRIFT AND CREDIT**

**Report of the Conference, held in Paris, September 21st-28th 1970. (Also available in French.)**

228 pp; photos. Paris, Caisse Centrale de Crédit Coopératif, 1972. The Conference papers are obtainable from the publishers.

*The theme of the Conference was "Thrift and Credit Co-operation as a Basis of Development"; this volume contains the verbatim report of the deliberations.*

## **INTERNATIONAL CO-OPERATIVE ALLIANCE**

**Co-operative Management for the 1970's. Report of the 39th Seminar, Madison, Wisc., USA, September 8-18, 1970 (ICA Studies and Reports No. 8).**

47 pp; bibliogr; diags. London, ICA, 1972. Price: £0.50.

*This paper summarises the proceedings, conclusions and recommendations made at the Seminar.*

## **KLATZMANN, Joseph and ILAN, Benjamin Y., LEVI, Yair (Editors)**

**The Role of Group Action in the Industrialisation of Rural Areas.**

599 pp; index; tabs. New York, Praeger Publishers, 1971.

*An edited version of papers given at a CIRCOM symposium held in 1969; the role of co-operatives is discussed in many of the contributions.*

## **KNAPP, H. and RAUTER, A. E.**

**Akzente: Konsumgenossenschaftliche Verbraucherpolitik.**

65 pp; tabs. Vienna, Konsumverband, 1972.

*Two essays on consumer problems. The main paper, by Dr. Rauter, deals with the changing market and the higher standards demanded by consumers, the need for protection of the consumer, and the work of co-operatives in this field.*

## **KOOPERATIVA FÖRBUNDET**

**This is an Introduction to the Swedish Co-op Group KF/Konsum. (Also in German.)**

No pag.; photos; diags. Stockholm, KF, 1972.

*An illustrated brochure on the work of Kooperativa Förbundet and the consumer co-operative societies in Sweden, with references to oil, insurance, housing and travel co-operatives.*

## **KOWALAK, Tadeusz (Editor)**

**The Co-operative Movement of Poland — Selected problems.**

78 pp. Warsaw, Supreme Co-operative Council, 1972.

*Five essays on the history, organisation, educational and research activities of the whole Polish co-operative movement.*

## **KURUKULASURIYA, G.**

**Co-operation: Its Rise and Growth in Ceylon.**

320 pp; tabs. Colombo, Co-operative Federation of Ceylon, 1971.

*A detailed history of the movement in Ceylon; the earliest type of co-operative was the agricultural credit society; the movement subsequently developed other activities for the farming community.*

## **MESZAROS, Sándor**

**The Co-operative Movement in Hungary.**

169 pp; bibliogr (mimeo). Budapest, Hungarian Co-operative Research Institute, 1972.

*A survey of activities of co-operatives in the following spheres in Hungary: consumer, marketing, farming and industrial.*

## **NEPTUNE, Robert**

**California's Uncommon Markets. The Story of the Consumer Co-operatives 1935-1971.**

163 pp; index; tabs; photos. Richmond, Cal., Associated Co-operatives Inc., 1971.

*A history and description of consumer co-operatives in the area around the San Francisco Bay; here consumer societies have done very well, and this book outlines the reasons for the successes.*

## **OBRA SINDICAL "COOPERACION"**

**La cooperativa: empresa del futuro.**

129 pp; photos; maps. Barcelona, O.S.C., 1971.

*A book written for the general reader on what co-operatives are and do, and how to join or start one, with reference to Spanish practice.*

## **PEREZ I. BARO, Albert**

**Les cooperatives a Catalunya.**

123 pp. Barcelona, Institut d'Estudis Catalans, 1972.

*A history of the co-operative movement in Catalonia which concentrates on the years before the civil war.*

## **PLUNKETT FOUNDATION FOR CO-OPERATIVE STUDIES**

**Agricultural Co-operation in the United Kingdom. Summary of Statistics 1970-71.**

24 pp; tabs. Oxford, Plunkett Foundation, 1972.

*The figures have been compiled from reports mainly covering the year 1970; the statistics are arranged both on a geographical basis and on a division of activities of the societies.*

### **ROSE, B. J. and BEURET, Kristine**

**Consumer Co-operatives in America**

(1) **The Member and the Society**

(2) **Ideas that Work. (Co-operative College papers no. 15.)**

88 pp; tabs; Loughborough, Co-operative Union Education Department, 1972.

*The emphasis in the two parts of this Paper is laid on the economic and social role of co-operatives, and the recruitment, status and education of members.*

### **SIMO, Tibor**

**The Career of an Experiment.**

202 pp; tabs; graph (mimeo). Budapest, Co-operative Research Institute, 1971.

*"An experiment of independent enterprise-like rational farming in specialised vine and fruit growing co-operative societies in Hungary."*

### **YEN-SUNG, Chen**

**The Chinese Co-operative Movement of the Past Sixty Years.**

39 pp; photos. Taipei, Co-operative League of the Republic of China, 1972.

*This booklet gives a historical account of the co-operative movement in Taiwan, its relations with the régime and with farming associations.*

A.L.



**International Co-operative Alliance**  
**Regional Office and Education Centre for**  
**South-East Asia**

**Regional Director: Mr P. E. Weeraman**  
**PO Box 3312, 43 Friends Colony**  
**New Delhi 14, India. Tel. 631541 ; 632093.**

**International Co-operative Alliance**  
**Regional Office for East and Central Africa**

**Regional Director: Mr Dan Nyanjom**  
**PO Box 946, Moshi, Tanzania. Tel. 2616.**

## Affiliated Organisations

**Algeria:** Société Coopérative Musulmane Algérienne d'Habitation et d'Accession à la Petite Propriété, 6 et 8 rue du Cercle Militaire, Oran. Tel. 205-00; 237-75; 368-64; also at - 21 rue Edgar Quinet, Algiers, and 9 rue Mathurin-Régnier, 75 Paris 15e.

**Argentina:** Federación Argentina de Cooperativas de Consumo, Avda. Suárez 2034, Buenos Aires. Tel. 28-5381/3.

Intercoop, Editora Cooperativa Limitada, Humberto 1°, 2318—1° P.-A., Buenos Aires. Tel. 99-3193.

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

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

Asociación de Cooperativas Argentinas, 25 de Mayo 35, Buenos Aires.

Confederación Cooperativa de la República Argentina Ltda. (COOPERA), Rivadavia 5126, 3° Piso, of. "D", Buenos Aires.

**Australia:** Co-operative Federation of Australia, President's Office: 50-54 Ferry Street, South Brisbane, Queensland 4101. Tel. 4-5083.  
Secretariat: 569 Wellington Street, Perth, Western Australia 6000. Tel. 21-0191.

**Austria:** "Konsumverband" Zentralverband der österreichischen Konsumgenossenschaften, Theobaldgasse 19, A-1061 Vienna VI. Tel. 57-75-38.

Membership (1971): 556,300; turnover: retail trade: Sch. 7,434 mill. (thereof consumers' societies: Sch. 6,367 mill.; department stores: Sch. 1,019 mill.; other retail trade: Sch. 48 mill.); wholesale society (G.O.C.): Sch. 2,906 mill.; own production: consumers' societies: Sch. 909 mill.; G.O.C. and subsidiaries: Sch. 527 mill.

Bank für Arbeit und Wirtschaft A.G., Seitzer-gasse 2-4, Vienna 1.

Zentralkasse der Konsumgenossenschaften, Theobaldgasse 19, A-1061 Vienna VI.

Oesterreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, 1, Bösendorferstrasse 7/11, 1010 Vienna. Tel. 65-71-63; 65-13-25.

1969: Affiliated organisations: 301 (comprising 189 societies and 112 associations); membership: 146,767; dwellings administered: 310,124 (comprising 136,462 societies and 173,662 associations); balance at 1968: 45.2 milliard Sch. (divided as to societies 22.2 milliards, associations 23 milliards).

Oesterreichischer Raiffeisenverband, Seilergasse 16 Vienna 1. Tel. 52-69-34.

**Bangladesh:** Bangladesh Jatiya Samabaya Union, "Samabaya Sadan" (1st floor) 9/D-Motijheel Commercial Area, Dacca 2. Tel. 255846.

Provincial Fishermen's Co-operative Society Ltd., Iqbal Road, Patharghata, Post Box 27, Chittagong. Tel. 80587; 85967.

**Belgium:** Fédération belge des Coopératives (FEBECOOP), 26-28 rue Haute, 1000 Brussels. Tel. 13-28-60; 11-83-50.

Affiliated consumers' societies: 21; membership: 300,000; turnover (1968): Frs. 4,180 mill.; shops: 1,409; Wholesale society turnover (1968): Frs. 1,272 mill.

Société Coopérative d'Assurances "La Prévoyance Sociale", P.S. Building, 151 rue Royale, 1030 Brussels. Tel. 18-80-80.

Premiums (1966): Frs. 1,903 mill.; reserves: Frs. 6 milliards; insurance funds, life: Frs. 20 milliards.

Fédération Nationale des Coopératives Chrétiennes, 135 rue de la Loi, 1040 Brussels. Tel. 35-60-90.

(1967): 1,250 shops; turnover: Frs. 1,430 mill.; Savings Bank: 2,050 branches; 500,000 members; deposits: Frs. 12 milliards; Insurance Society: 290,000 policy holders; premiums: Frs. 450 mill.; reserves: Frs. 1,300 mill.

L'Economie Populaire, 30 rue des Champs, 5300 Ciney (Namur). Tel. (083) 228-01.

Branches (1970): 466; membership: 98,456; turnover: F.B. 1,319,030,000; savings deposits: F.B. 380 mill. + 340 mill. CEP (Private Savings Bank, Ltd.); capital and reserves: F.B. 208 mill.

L'Institut Provincial de Coopération Agricole, 42 rue des Augustins, Liège. Tel. Liège 32-36-52.

**OPHACO** (Office des Pharmacies Coopératives de Belgique), 602 *Chaussée de Mons, Anderlecht-Brussels* 7. Tel. 22-56-90.

Union of 28 co-operative societies owning 360 pharmacies, 68 optical departments and counters, 7 drug stores, 14 wholesale depots. Turnover (1963): Frs. 1,250 mill. Surplus distributed to 400,000 members: Frs. 95 mill.

Centrale des Caisses Rurales du Boerenbond Belge (CERA), *Minderbroedersstraat 8, 3000 Leuven*. Tel. 016/279.31.

**Bulgaria:** Central Co-operative Union, *Rue Rakovski 99, Sofia*. Tel. 7-83-11; 8-03-11.

**Cameroon (West):** West Cameroon Co-operative Association Ltd., *P.O. Box 135, Kumba, Meme Division, West Cameroon*. Tel. Kumba 251.

**Canada:** Co-operative Union of Canada, *111 Sparks Street, Ottawa 4, Ont.* Tel. 232-9657.

A federation of English-language co-operative organisations, organised in 1909.

Conseil Canadien de la Coopération, *Case postale 58, Station N, Montréal 129*. Tel. (514) 866-8048.

**Ceylon:** See "Sri Lanka".

**Chile:** Cooperativa Sodimac Ltda., *Casilla 3110, Santiago de Chile*. Tel. 734023.

Cooperativa de Empleados Particulares Ltda., *Teatinos 601, Casilla 424, Santiago de Chile*. Tel. 82935.

Instituto de Financiamiento Cooperativo, IFICOOP, Ltda., *Agustinas 853, Oficina 547, Casilla 1118, Santiago de Chile*. Tel. 398253.

Unión Cooperativa de Seguros (Ucoseg) Ltda., *Moneda 1040, of. 704-705, Santiago de Chile*. Tel. 81295; 65100.

Unión de Cooperativas de Consumo y Servicios de Chile Ltda. ("U-Coop"). *Agustinas 1141, 7° Piso, Casilla 14439, Santiago de Chile*. Tel. 715256.

**Colombia:** Cooperativa Familiar de Medellín Ltda., *Calle 49, No. 52-49, Medellín*. Tel. 45-00-55; 41-71-13; 41-53-78.

Instituto Nacional de Financiamiento y Desarrollo Cooperativo (Financiacoop), *Carrera 13, No. 27-00, Edif. Bochica, piso 2°, Int. 9, Aptdos Aéreo 12242, Bogotá*. Tel. 81-06-00.

**Congo, Democratic Republic of:** See "Zaire".

**Cyprus:** Co-operative Central Bank Ltd., *P.O. Box 1447, Nicosia*. Tel. 62921; 62677; 63311.

Cyprus Turkish Co-operative Central Bank Ltd., *P.O. Box 791, Nicosia*. Tel. 4257.

Vine Products Co-operative Marketing Union Ltd., *P.O. Box 314, Limassol*. Tel. 2331; 2872; 4582.

**Czechoslovakia:** Ustredni Rada Druzstev, *Tesnov 5, Prague 1*. Tel. 621-54; 647-51.

**Denmark:** De samvirkende danske Andels-selskaber (Andelsudvalget), *Vester Farimagsgade 3, DK-1606 Copenhagen V*. Tel. (01)12-14-19. Representing 30 national organisations, comprising: consumers' societies, agricultural production, marketing and purchase societies, other production and marketing societies, insurance societies, banking societies. Membership: 750,000 individual members.

Det Kooperative Faellesforbund i Danmark, *Kronprinzengade 13, 1114 Copenhagen K*. Tel. (01)12-22-62.

Affiliated societies (1963): 634; total sales: D.Kr. 1,582 mill.; employees: 12,500; comprising consumers', workers', artisans', productive and housing societies, etc.

Faellesforeningen for Danmarks Brugsforeninger (FDB), *Róskildevej 65, Albertslund*. Tel. (01)64-88-11.

Affiliated societies (1969): 1,742; members: 839,000; turnover: 4,032 mill. D.Kr.; wholesale turnover: 2,198 mill. D.Kr.; own production: 741 mill. D.Kr.

**Finland:** Suomen Osuuskauppojen Keskus-kunta (S.O.K.), *Vilhonkatu 7, 00101 Helsinki 10*. Tel. 90-650-611.

Affiliated societies (1971): 259; members: 593,933; whole-sale turnover: Fmk. 2,195 mill.; own production of SOK: Fmk. 337 mill.

Yleinen Osuuskauppojen Liitto r.y. (Y.O.L.), *Vilhonkatu 7, 00101 Helsinki 10*.

Affiliated societies (1971): 259; members: 593,933; turn-over of societies: Fmk. 3,457 mill.; total production of the affiliated societies: Fmk. 55 mill.

Kulutusosuuskuntien Keskusliitto (K.K.), r.y., *PL 740, 00101 Helsinki 10*. Tel. Helsinki 10491.

Affiliated societies (1970): 75; members: 574,733; turn-over: Fmk. 2,133.9 mill.; own production: Fmk. 274.8 mill.

Keskusosuusliike O.T.K., *P.O. Box 120, 00101 Helsinki 10*. Tel. 71-13-22; 70731.

Affiliated societies (1970): 75; turnover: Fmk. 1,330.8 mill.; own production: Fmk. 431.9 mill.

Pellervo-Seura, Central Organisation of Farmers' Co-operatives, *Simonkatu 6, Helsinki K*. Tel. 61046.

Affiliated organisations (1963): 10 central organisations; 1,102 societies.

**France:** Fédération Nationale des Coopératives de Consommation, F.N.C.C., *89 rue la Boétie, 75008 Paris*. Tel. 225-99-98.

Affiliated societies (1970): 315; membership: 3,400,000; shops: 8,300; turnover: NF. 6,100 mill.

Société Générale des Coopératives de Consommation, *61 rue Boissière, 75 Paris XVI*. Tel. 553-88-22.

Fédération Nationale des Sociétés Coopératives Ouvrières de Production du Bâtiment, des Travaux Publics et des Matériaux de Construction, *88 rue de Courcelles, 75008 Paris*. Tel. 622-40-48; 622-45-20.

**Confédération Générale des Sociétés Coopératives Ouvrières de Production**, 88 rue de Courcelles, 75008 Paris. Tel. 622-07-81/2.

**Banque Française de Crédit Coopératif**, 88 rue de Courcelles, 75008 Paris. Tel. 227-48-03.

**Confédération Nationale de la Coopération, de la Mutualité et du Crédit Agricoles**, 129 Bd. St. Germain, 75006 Paris. Tel. 033-93-31.

**Caisse Nationale de Crédit Agricole**, 91-93 Boulevard Pasteur, 75 Paris XV. Tel. 273-90-00.

**Fédération Nationale des Sociétés Coopératives d'Habitation à Loyer Modéré (H.L.M.)**, 20 rue de Richelieu, 75 Paris 1er. Tel. 266-4520.

**Confédération des Coopératives de Construction et d'Habitation**, "L'Habitation", 3 ave. du Coq, 75009 Paris. Tel. 742-45-79; 874-67-62.

**Confédération des Organismes de Crédit Maritime Mutuel**, 18 bis, Avenue Hoche, 75008 Paris. Tel. 267-14-50.

**Gambia (The)**: The Gambia Co-operative Union Ltd., P.O. Box 505, Bathurst. Tel. 581.

**German Democratic Republic**: Verband Deutscher Konsumgenossenschaften (VDK), Stresemannstrasse 128, 108 Berlin.

**Federal Republic of Germany**: Bund deutscher Konsumgenossenschaften G.m.b.H., Besenbinderhof 43, (2) Hamburg 1. Tel. (0411)284-4001.

Affiliated societies (December 1969): 115; membership (end of 1969): 2,235,000; turnover (1969): D.M. 4,827 milliards.

**Grosseinkaufs-Gesellschaft deutscher Konsumgenossenschaften m.b.H.**, Besenbinderhof 43, (2) Hamburg 1. Tel. (0411)284-4310.

Total turnover incl. subsidiaries (1969): D.M. 2,462 milliards.

**Gesamtverband gemeinnütziger Wohnungsunternehmen e.V.**, Bismarckstrasse 7, 5000 Cologne 1. Tel. 52-31-81.

**Volksfürsorge Lebensversicherung Aktiengesellschaft**, An der Alster, (2) Hamburg 1.

**Volksfürsorge Deutsche Sachversicherung Aktiengesellschaft**, Steinstrasse 27, (2) Hamburg 1.

**Deutscher Raiffeisenverband e.V.**, Adenauerallee 127, 53 Bonn. Tel. (0-22-21) 1061.

**Ghana**: The Alliance of Ghana Co-operatives Ltd., Post Office Box 2068, Co-operative House (Adabraka), Liberty Avenue, Accra. Tel. 25560.— Membership suspended.

**Greece**: Pan-Hellenic Confederation of Unions of Agricultural Co-operatives (S.E.S.), 56 El. Venizelou Street, Athens 142. — Membership suspended.

**Guyana**: Guyana Co-operative Union Ltd., Ministerial Buildings, High Street and Brickdam, Georgetown.

**Haiti (W.I.)**: Caisse Populaire Dominique Savio, 57 Rue Rigaud, Pétion-Ville.

**Hungary**: National Council of Consumers' Co-operative Societies (SZOVOSZ), Szabadság tér 14, Budapest V. Tel. 113-600; 112-800.

National Council of Industrial Co-operatives, Pesti Barnabás 6, Budapest V. Tel. 188-800; 188-806.

National Co-operative Council, Szabadság tér 14, Budapest V. Tel. 113-600; 112-800.

National Council of Agricultural Co-operatives, Akadémia utca 1-3, Budapest V. Tel. 113-600; 112-800.

**Iceland**: Samband Isl. Samvinnufélaga, Reykjavík. Tel. 17080.

**India**: National Co-operative Union of India, 72 Jorbagh, New Delhi 3. Tel. 611123; 611343; 619328.

**Iran**: Sepah Consumers' Co-operative Society, Avenue Sevjom Esfand, Rue Artèche, Tehran. Tel. 332015; 332019.

Credit and Housing Co-operative Society of Iran, 20-22 Shahabad Avenue, Tehran.

Central Organisation for Rural Co-operatives of Iran, 357 Pahlavi Avenue, Tehran. Tel. 64210.

Consumers and Services Co-operative Society for the Ministry of Labour and Social Affairs Employees, Ministry of Labour and Social Affairs, Tehran.

**Irish Republic**: Irish Agricultural Organisation Society Ltd., The Plunkett House, 84 Merrion Square, Dublin 2. Tel. 64783/4-6.

National Organising and Advisory Body for Agricultural Co-operatives. Affiliated societies: 333; membership: 127,000; turnover (1967): £152 mill.

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

**Israel**: General Co-operative Association of Jewish Labour in Eretz-Israel "Hevrat Ovdim", Ltd., P.O.B. 303, Tel-Aviv. Tel. 46111-35.

Affiliated societies and companies (1963): 1,855 in all branches.

"Merkaz" Audit Union of the Co-operative Societies for Loans and Savings, 44 Rothschild Bd., P.O. Box 75, Tel-Aviv. Tel. 65085.

"Haikar" Audit Union of Agricultural Societies of the Farmers' Federation of Israel, 8 Kaplan Street, P.O.B. 209, Tel-Aviv. Tel. 250881.

"Bahan" Audit Union of Agricultural Co-operative Societies in Israel, 47 Nachmani Street, P.O.B. 622, Tel-Aviv. Tel. 614933.

**Italy:** Lega Nazionale delle Cooperative e Mutue, *Via Guattani 9, 00161 Rome*. Tel. 868-141/2-4. Confederazione Cooperative Italiane, *Borgo Santo Spirito 78, 00193 Rome*. Tel. 653-875; 565-605; 565-614.

Associazione Generale delle Cooperative Italiane, *Via Parma 22, 00184 Rome*. Tel. 462-659; 471-846.

**Jamaica (W.I.):** Jamaica Co-operative Union Ltd., *14-16 Barry Street, Kingston*. Tel. 24737.

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

Zenkoku Nogyokyodokumiai Chuokai (Central Union of Agricultural Co-operatives), *8-3, 1-chome, Otemachi, Chiyoda-ku, Tokyo*.

Zenkoku Gyogyo Kyodokumiai Rengokai (National Federation of Fisheries Co-operative Associations), *Sankaido Building no. 9-13, 1-chome, Akasaka, Minato-ku, Tokyo*.

National Federation of Forest Owners' Co-operative Associations, *11-35, Nagato-cho, 1-chome, Chiyoda-ku, Tokyo 100*.

**Jordan:** Jordan Co-operative Organisation, *P.O.B. 1343, Amman*. Tel. 23101/3.

**Kenya:** Kenya National Federation of Co-operatives Ltd. *P.O.B. 9768, Nairobi*. Tel. 21486.

**Korea:** National Agricultural Co-operative Federation, *75, 1st Street, Chung-Jong-Ro, So-daemun-ku, Seoul*. Tel. 73-0021; 75-2681.

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

Co-operative Central Bank Ltd., *29 Leboh Ampang, P.O. Box 685, Kuala Lumpur*. Tel. 26531/4

Co-operative Bank Malaysia Ltd., *140 Jalan Ipoh, Peti Surat 1024, Kuala Lumpur*. Tel. 299677; 299679.

Sarawak Co-operative Central Bank Ltd., *Kuching, Sarawak*.

Malaysian Co-operative Insurance Society Ltd., *36 Jalan Ampang, P.O. Box 817, Kuala Lumpur*. Tel. 87915/6.

Angkatan Kerjasama Kebangsaan Malaysia Berhad (ANGKASA), *Bangunan Kerjasama, 140 Jalan Ipoh, Kuala Lumpur*. Tel. 299677; 299679.

**Malta:** Farmers' Central Co-operative Society Ltd., *New Building, Middleman Street, Marsa*. Tel. Cent 24896.

**Mauritius:** Mauritius Co-operative Union, *Co-operation House, Dumat Street, Port Louis*. Tel. Port Louis 822.

**Netherlands:** Coöperatieve Vereniging U.A., Centrale der Nederlandse Verbruikcoöperaties, "CO-OP Nederland", *Postbus 6008, Vier havensstraat 40, Rotterdam 7*. Tel. (010) 235180  
Association of Enterprises on a Co-operative Basis, *Bloemgracht 29, Amsterdam 3*. Tel. 62303

**Nigeria:** Co-operative Union of Western Nigeria, Ltd., *c/o Co-operative Buildings, New Court Road, Idaban, P.M.B. 5101*. Tel. Ibadan 24399; 24446.

Lagos Co-operative Union Ltd., Co-operative Office, *147 Broad Street, Lagos, W. Nigeria*. Tel. 58920/85.

Mid-Western Nigeria Co-operative Federation Ltd., *Private Mail Bag 1021, No. 4 Murtala Mohammed Road, Benin City, Mid-Western State*. Tel. Benin 594.

**Norway:** Norges Kooperative Landsforening *Revierstredet 2, Post Box 451, Sentrum, Oslo 1* Tel. (47-2)20-62-90.

Affiliated societies (1970): 753; membership: 406,000; turnover of local societies: Kr. 3,500 mill.; of N.K.L.: Kr. 1,149 mill.

Norske Boligbyggelags Landsforbund (NBBI) *Trondheimsveien 84-86, Oslo 5*. Tel. 33-32-42.

**Pakistan:** West Pakistan Co-operative Union Ltd., *11 Masson Road, P.O.B. 905, Lahore*. Tel. 54203.

Karachi Central Co-operative Bank Ltd., *14 Laxmi Building, Bunder Road, Karachi 2*. Tel. 36185.

Karachi Central Co-operative Consumers' Union, *Iqbal Market and Cold Storage, Soldier Bazaar Karachi*. Tel. 70917.

Karachi Co-operative Housing Societies' Union, *Shaheed-e-Millat Road, Karachi 5*. Tel. 40244.

Karachi Co-operative Union Ltd., *Co-operative House, Shaheed-e-Millat Road, Karachi 5*. T 230289.

Fishermen's Co-operative Society Ltd. (FISCOS) *Fish Harbour, West Wharf Road, P.O. Box 53, Karachi*. Tel. 229101; 224457.

Sind Baluchistan Provincial Co-operative Bank, Ltd., *Provincial Co-operative Bank Bldg., Serai Road, P.O. Box 4705, Karachi 2*. Tel. 32361; 37290; 34736.

**Peru:** Cooperativa de Seguros "INCA" Ltda. No. 181, *Av. Brasil 1360, Apartado 10159, Lima 21*.

Cooperativa de Seguros del Perú Ltda., No. 17 *Maximo Abril 542, Lima*. Tel. 46769.

Banco Nacional de las Cooperativas del Perú Ltda., *1 Av. Tacna 411, Apartado 4895, Lima* Tel. 276569.

**Philippines:** Central Co-operative Exchange Inc., *P.O.B. 1968, Manila*. Tel. 7-60-09.

Grains Marketing Co-operative of the Philippines "Gramacop" Inc., 107-D Arellano Street, Caloocan City. Tel. 23-91-40.

**Poland:** Central Agricultural Union of "Peasant Self-Aid" Co-operatives, *Kopernika 30, Warsaw*. Tel. 26-39-69; 26-10-81.

Central Union of Building and Housing Co-operatives, *Ul. Marchlewskiego 13, Warsaw*. Tel. 20-90-29.

"Spolem" — Union of Consumer Co-operatives, *Grazyny 13, Warsaw*. Tel. 45-32-41.

Central Union of Work Co-operatives, *Surawia 47, Warsaw*. Tel. 28-51-86.

Supreme Co-operative Council, *Ul. Jasna 1, Warsaw*. Tel. Warsaw 26-72-21; 27-13-26.

**Portugal:** UNICOPE - Uniao Cooperativa Abastecedora, S.C.R.L., *Avenida Almirante Reis, 127-4º, Dt., Lisbon 1*. Tel. 315843.

**Puerto Rico:** Co-operative League of Puerto Rico, *458 Fernando Calder Street, Apartado 707, GPO San Juan*. Tel. 764-2727.

**Romania:** Uniunea Centrala a Cooperativelor de Consum, "Centrocoop", *Strada Brezoiianu 31, Sectorul 7, Bucharest*. Tel. 16-00-10; 13-87-31. 1969/70: Associated 1,728 Consumers' Co-operatives in 39 District Unions; membership: 7 mill.; 28,000 retail shops: of which 8,100 public catering units; 7 processing and marketing enterprises; 18 production enterprises; 17 building enterprises; 20,400 servicing units; 18 educational centres.

Central Union of Handicraft Co-operatives, "UCECOM", *46, Calea Plevnei Street, Sector II, Bucharest*. Tel. 13-16-48.

Uniunea Nationala a Cooperativelor Agricole de productie, "Uncap", *25 Bd. Gheorghe Gheorghiu-Dej, Bucharest*.

**Singapore:** Singapore Co-operative Union Ltd., *Post Box 366; Office and Library: 3-JJK Clifford House, Singapore 1*.

**Sri Lanka:** Co-operative Federation of Ceylon, *P.O. Box 1669, Co-operative House, 455 Galle Road, Colombo 3*. Tel. 85496.

**Sweden:** Kooperativa Förbundet, *S-104 65 Stockholm 15*. Tel. International: 46-8-449560; National: 08-44-90-60.

Affiliated retail societies (1971): 216; membership: 1,665,552; total turnover of consumer societies: Kr. 3,698 mill.; turnover of K.F.: Kr. 6,744 mill. (thereof Kr. 806 mill. to affiliated consumer societies); K.F.'s own production: Kr. 3,270 mill.; total capital (shares, reserves and surplus) of K.F.: Kr. 1,077 mlli. and of affiliated retail societies: Kr.1,291 mill.

Hyresgästernas Sparkasse- och Byggnadsförningars Riksförbund (H.S.B.), *Fack, S-100 21 Stockholm 18*. Tel. 54-05-40.

1972: Affiliated Building Societies: 94; with individual members: 350,000; number of flats administered by local societies: 315,000; value of real estate: Kr. 16,936 mill.

Svenska Riksbyggen, *Hagagatan 2, P.O. Box 19015, S-104 32 Stockholm 19*. Tel. (08)34-05-20.

Folksam Insurance Group, *Folksam Building, Stockholm 20*. Tel. 22-01-00.

Lantbrukarnas Riksförbund, *S-105 33 Stockholm 3*. Tel. (08)14-16-00.

Kooperativa Gillesförbundet, *S-104 65 Stockholm 15*. Tel. (08)44-90-60; (08)44-95-60.

**Switzerland:** Coop Schweiz, *Thiersteinerallee 14, CH 4002 Basle*. Tel. (061)35-50-50.

Affiliated societies (1970): 276; retail outlets: 2,451; membership: 899,320; Coop-total turnover: Frs. 3,432.3 mill.; Coop-retail turnover: Frs. 2,893.0 mill.; Coop Schweiz, wholesale turnover: Frs. 1,743.5 mill.

Verband ostschweiz. landwirtschaftlicher Genossenschaften (V.O.L.G.), *Schaffhauserstrasse 6, Winterthur 8401*.

Verband sozialer Baubetriebe, c/o SBHV., *Sihlpostfach, Zürich*.

Genossenschaftliche Zentralbank, *Aeschenplatz 3, CH 4002 Basle*. Tel. (061) 23-84-00.

CO-OP Lebensversicherungs-Genossenschaft Basel, *Aeschenvorstadt 67, CH 4002 Basle*.

**Tanzania:** Co-operative Union of Tanganyika Ltd., *National Co-operative Building, P.O. Box 2567, Dar-es-Salaam*. Tel. 23077; 23344; 23347.

**Thailand:** Co-operative League of Thailand, *4 Pichai Road, Dusit, Bangkok*. Tel. 811414.

**Turkey:** Türk Kooperatifçilik Kurumu (Turkish Co-operative Association), *Mithatpasa Caddesi 38, Yenisehir, Ankara*. Tel. 12-43-73.

**Uganda:** Uganda Co-operative Alliance, *P.O.B. 2215, Kampala*. Tel. 56984/6.

**U.S.S.R.:** Central Union of Consumers' Co-operative Societies of the U.S.S.R., "Centrosoyuz", *Tcherkassky per no. 15/17, Moscow*. Tel. 221-7253.

Consumers' societies (1970): 14,868; members: 59,637 mill.; shops: 369,700.

**United Kingdom:** Co-operative Union Ltd., *Holyoake House, Hanover Street, Manchester M60 0AS*. Tel. (061) 834-0975.

Affiliated retail societies (1971): 303; membership: 11.3 million; share capital: £142 million; retail sales: £1,203 million.

Co-operative Wholesale Society Ltd., *P.O.B. 53, New Century House, Corporation Street, Manchester M60 4ES*. Tel. (061) 834-1212.

Co-operative Insurance Society Ltd., *Miller Street, Manchester 4*. Tel. (061) 832-8686. Assets (1964): £369 mill.

Scottish Co-operative Wholesale Society Ltd.,  
*Centenary House, 100 Morrison Street, Glasgow*  
C.5. Tel. (041) 429-2100.

Affiliated societies (1967): 153; sales: £89,008,059;  
reserves and insurance funds: £9,474,291; total resources:  
£23,139,384.

Co-operative Bank Ltd., *P.O. Box 101, New  
Century House, Manchester M60 4ES*. Tel.  
061-834-1212.

Plunkett Foundation for Co-operative Studies,  
*31 St. Giles', Oxford*. Tel. 0865-53960.

**U.S.A.:** Co-operative League of the U.S.A.,  
*1828 L Street, NW, Washington, D.C. 20036*.  
Tel. (202) 872-0550.

**Uruguay:** Centro Cooperativista Uruguayo,  
*Dante 2252, Montevideo*. Tel. 41-25-41;  
40-90-66.

**Yugoslavia:** Glavni Zadruzni Savez FNRJ,  
*Terazije 23/VI, Belgrade*. Tel. 30-947/9.

**Zaire:** Centrale Générale des Coopératives  
Angolaises, *B.P. 6039, Kinshasa 1*.

**Zambia:** Eastern Province Co-operative Market-  
ing Assoc. Ltd., *P.O.B. 108, Chipata*. Tel. 439;  
485.

National Co-operative Development Committee,  
*P.O. Box 3579, Lusaka*. Tel. Lusaka 51744.

## INTERNATIONAL ORGANISATIONS

Organization of the Co-operatives of America,  
*G.P.O. Box 4103, San Juan, Puerto Rico 00936*.  
Tel. 765-8520.

Nordisk Andelsforbund (Scandinavia), *3 Axel-  
torv, Copenhagen V, Denmark*. Tel. 15-15-33.

International Co-operative Bank Co. Ltd.  
(INGEBA), *Dufourstrasse 54, P.O.B. 711, CH  
4002 Basle, Switzerland*. Tel. (061)23-58-27.

International Co-operative Petroleum Associa-  
tion, *28 West 44th Street, New York, N.Y. 10036*,  
U.S.A. Tel. LA 4-4455.

Sociedad Interamericana de Desarrollo de  
Financiamiento Cooperativo (SIDEFCOOP), *Ca-  
silla de Correo 4311, Buenos Aires, Argentina*.

International Co-operative Housing Development  
Association (ICHDA), *Suite 1007, 1012-14th  
Street, N.W. Washington, D.C. 20005, U.S.A.*  
Tel. 202-737-3420.