

International Co-operative Alliance

11, Upper Grosvenor Street, London, W.1.

REPORT

of the

NINETEENTH CONGRESS

at

PARIS,

6th to 9th September, 1954.

334(100)(063)

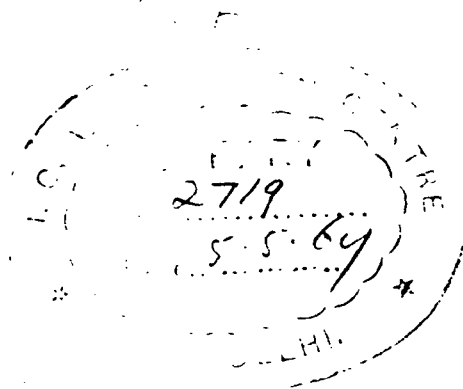


TABLE OF CONTENTS.

	Page
Committees of the I.C.A.—	
The Executive	v
The Central Committee	v
Congress Committee.....	vi
Past Congresses.....	vi
Guests and Delegates present at the Congress.....	vii
Opening of the Congress.....	1
Welcome from the French Co-operative Movement, by Mr. Marcel Brot	2
Inaugural Address of the President, Sir Harry Gill.....	2
Reception of Guests.....	4
Addresses by:	
Mr. N. Lamming, International Labour Office.....	4
Mr. M. Veillet-Lavallée, Food and Agriculture Organisation.....	6
Miss P. Harris, United Nations Educational, Scientific and Cultural Organisation	7
Mr. R. Hewlett, International Federation of Agricultural Producers	8
Mr. P. Vasseur, International Chamber of Commerce	9
Professor E. Milhaud, International Centre of Research and Infor- mation on Collective Economy	9
Mrs. C. Cook, International Co-operative Women's Guild.....	10
Greetings from :	
Mr. R. A. B. Leaper, International Federation of Young Co-operators	11
Mr. T. N. Maxwell, New Zealand Produce Association	11
Amendments to Standing Orders	12
Amendments to the Rules	12
Appointment of Congress Committee	13
Appointment of Tellers	13
Report of the Central Committee on the Work of the International Co-operative Alliance, 1951-1954	14
Discussion on the Report of the Central Committee.....	41
Reply to the Discussion	73
Discussion on Reports of Auxiliary Committees	76
Resolutions on the Report of the Central Committee:	
Membership of the I.C.A.	42
Peace	82
Motions of Affiliated Organisations:	
The Removal of Legislation restricting Technical Progress within the Field of Retail Distribution.....	89
Membership Status of "Centrocoop," Roumania	94

	Page
Address of the French Minister of Labour, Mr. L. P. Aujoulat.....	98
Report on the Future Policy of the I.C.A.	101
Discussion on the Report	111
Amendments to the Rules of the I.C.A.	127
Election of the Central Committee.....	133
Paper and Resolution on "International Co-operative Trade, the Possibilities of Practical Collaboration between National Organisations and its Development by the Alliance," by Mr. J. Roos, Holland	135
Discussion on the Paper and Resolution	158
Paper and Resolution on "Co-operative Development in Under-developed Countries, with special reference to the Activities of Inter-Governmental Organisations," by Mr. W. P. Watkins, Director, I.C.A.....	177
Discussion on the Paper and Resolution	191
I.C.A. Jubilee Triennial Prize:	
Third Award—Tribute to the late Dr. Georges Fauquet, by Mr. Ch.-H. Barbier	221
Announcement concerning the Fourth Award.....	226
Recommendation from the Education Conference	227
Votes of Thanks	227
Date and Place of Next Congress	229
Close of the Congress	229
Appendices to the Report of the Central Committee:	
Reports of Auxiliary Committees:	
Appendix I. International Assurance Committee	232
Appendix II. International Banking Committee	236
Appendix III. Committee of Representatives of Workers' Productive and Artisanal Societies	237
Appendix IV. International Committee on Agricultural Co-operation	238
Appendix V. International Committee on Housing	241
Appendix VI. International Committee on the Rationalisation of Commodity Distribution	246
Appendix VII. International Co-operative Petroleum Association	252
Appendix VIII. List of Gifts to the new I.C.A. Headquarters.....	255
Appendix IX. Donations to I.C.A. Fund for Italian Flood Relief, 1951-1952	256
Appendix X. Aid for the Flooded Areas of Great Britain, Belgium and the Netherlands, 1953.....	257
Appendix XI. Organisations affiliated to the I.C.A.	259
Appendix XII. Membership Subscriptions for the Years 1951, 1952, and 1953	261

INTERNATIONAL CO-OPERATIVE ALLIANCE.

Founded 1895.

President :

Sir HARRY GILL.

Vice-Presidents :

M. BROT, I. S. KHOKHLOV.

Members of the Executive :

CH.-H. BARBIER, M. BONOW, M. BROT, G. CERRETI, J. J. A. CHARBO, H. A. COWDEN,
G. DAHRENDORF, J. M. DAVIDSON, A. A. DREJER, I. S. KHOKHLOV,
W. SERWY, N. P. SIDOROV, R. SOUTHERN.

Director :

W. P. WATKINS.

General Secretary :

Miss G. F. POLLEY.

Members of the Central Committee :

Argentina	B. Delom.
Austria	A. Korp, A. Vukovich.
Belgium.....	J. Papart, W. Serwy, J. Lambert.
Bulgaria	P. Takov.
Canada	B. Melvin.
Czechoslovakia.....	P. Drocar, Mrs. B. Machacová-Dostálová, J. Nepomucky, J. Ploskonka, V. Sekac, L. Smrcka. <u>A. Zmrhal.</u>
Denmark	J. Th. Arnfred, A. A. Drejer, L. Fabricius, T. Pedersen.
Finland	L. Hietanen, M. Mustonen, O. Stadius, U. Takki, Y. Kallinen, J. Laakso.
France	M. Brot, A. Charial, A. J. Cleuet, E. Couvrecelle, A. Cramois, M. Degond, G. Gaussel, P. Ramadier, M. Catelas, G. Heitz.
Germany	<u>G. Dahrendorf,</u> E. Hasselmann, C. Schumacher, H. Meins, H. Everling, F. Klein.
Great Britain	J. W. Blower, J. M. Davidson, G. R. Douglas, R. G. Gosling, C. McAleese, G. L. Perkins, P. Robinson, R. Southern, H. Taylor, C. R. Westlake.
Greece	P. Roussos.
Holland	J. J. A. Charbo, J. Roos, H. A. Bastiaans.
Iceland	V. Thor.
India ✓.....	R. G. Saraiya. ✓
Israel	J. Efter, Z. Onn.
Italy	O. Bardi, G. Cerreti, I. Curti, V. Grazia, A. Sbandati, G. Tolino, P. Foresi, L. Malfettani, L. Montagna, Miss L. R. Sanseverino.
Norway	S. Nilssen, P. Søiland.
Roumania	V. Hulduban.
Sweden	C. A. Anderson, S. Apelqvist, M. Bonow, A. Gjöres, A. Johansson, A. Oerne, N. Thedin.
Switzerland	Ch.-H. Barbier, H. Küng, H. Rudin, A. Vuilleumier.
U.S.A.	E. Burrows, H. A. Cowden, M. D. Lincoln, A. J. Smaby, J. Voorhis.
U.S.S.R.	I. P. Akhremchik, Mrs. M. I. Gorelovskaya, I. S. Khokhlov, K. Khudaiberduev, A. P. Klimov, I. S. Krayushin, S. F. Malikov, V. I. Vaino, L. A. Rukhadze, N. P. Sidorov.
Yugoslavia	M. Voutchkovitch.

THE CONGRESS COMMITTEE

President :

Sir Harry Gill

Vice-President :

Mr. M. Brot

Members :

Central Committee : Dr. C. Schumacher, Mr. R. Southern,
Mr. N. Thedin

Delegates : Mr. F. Baart, Mr. W. Kehl, Mr. L. Woodcock,
Mr. S. F. Malikov

PAST CONGRESSES.

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

GUESTS AND DELEGATES PRESENT AT THE CONGRESS.

Government Representatives :—

- Mr. L. P. Aujoulat**, French Minister of Labour.
Mr. Larchevêque, French Ministry of Agriculture.
Mr. E. Waerum, Danish Ambassador to France.
Mr. Corley Smith, Counsellor to the British Embassy in Paris.
Mr. Silkin, Assistant Labour Attaché to the British Embassy.
Mr. Alberto Basevi, Director of the Department of Co-operation, Italian Ministry of Labour.
Dr. B. N. Arnason, Co-operative Department, Government of Saskatchewan.
Mr. M. Weisz, European Labour Adviser, Foreign Operations Administration, USRO, Paris.

Representatives of International Organisations :—

- Mr. D. Blickenstaff**, United Nations Information Centre in Paris.
Mr. N. Lamming, International Labour Organisation.
Miss P. Harris, United Nations Educational, Scientific and Cultural Organisation.
Mr. M. Veillet-Lavallée, Food and Agriculture Organisation of the United Nations.
Mr. P. Vasseur and Mrs. M. Psimenos, International Chamber of Commerce.
Mr. R. Hewlett, International Federation of Agricultural Producers.
Professor Edgard Milhaud, International Centre of Research and Information on Collective Economy.
Mr. G. P. Speckaert, Union of International Associations.
Mrs. Cecily Cook, International Co-operative Women's Guild.

Personal Guests :—

- Lord Rusholme**, Former President of the I.C.A.
Mr. Maurice Colombain, Former Chief of the Co-operative Section of the I.L.O.

Delegates of Constituent Members of the I.C.A.

Argentina.

Federación Argentina de Cooperativas de
Consumo, Buenos Aires Ponce, A.

Austria.

~~W~~Konsumverband " Zentralverband der
österreichischen Konsumgenossenschaften,
Vienna Haar, S.
Heiss, L.
Korp, A.
Krämer, Frau F.
Leodolter, A.
Pimeisl, F.
Sagmeister, O.
Vukovich, A.

Allgemeiner Verband für das Landwirtschaft-
liche Genossenschaften in Oesterreich,
Vienna Vukovich, A.

Belgium.

Société Générale Coopérative, Brussels Ancion, Mme. C.
Bouilly, J.
Heyman-Coulon, Mme. F.
Huysens, A.
Huysens, R.
Keirsbulck, M.
Lemaire, H.
Mouvet, F.
Nachez, G.
Papart, J.
Roger, J.
Serwy, W.
Van de Moortele, G.
Vandersmissen, J.
Van Rossem, V.

Fédération Nationale des Cooperatives
Chrétiennes, Brussels Devogel, A.
Eerdekens, J.

L'Institut Provincial de Coopération Agricole,
Liège Mahu, H.

"L'Economie Populaire", Ciney Chaput, Ch.
Van Dormael, J.

Bulgaria.

Central Co-operative Union, Sofia..... Gueorguiev, P. V.
Takov, P. P.

Canada.

Co-operative Union of Canada, Ottawa Melvin, W. B.

Czechoslovakia.

Ustredni Rada Druzstev, Prague Buresova, Mrs. M.
Capek, M.
Droppa, A.
Hederlingova, Mrs. M.
Hrasky, J.
Jirka, I. L.
Kovac, J.
Kucera, O.
Kudelka, P.
Machacova, Mrs. B.
Marik, M.
Nepomucky, J.
Novak, S.
Pistek, J.
Podlipny, J.
Ruzicka, F.
Smrcka, L.
Styriakova, Mrs. P.
Sukova, Mrs. K.
Vlcek, L.
Zmrhal, A.

Denmark.

De samvirkende danske Andelsselskaber,
Copenhagen Arnfred, J. Th.
Bo-Jensen, A.
Christiansen, N.
Efholm, M.
Fabricius, L.
Groes, E.
Johannsen, V. H.
Lillelund, M. F.
Nielsen, E.
Pedersen, C.
Schmidt, B.
Sorensen, T.

Det kooperative Faellesforbund i Danmark,
Copenhagen Dalgaard, F.
Flotkjaer, A.
Jensen, E.
Nielsen, K.
Norgaard, P.
Pedersen, Th.
Villumsen, W.

Egypt.

Société Coopérative des Pétroles, Cairo Mohamed Zaky Aly.

Finland.

Kulutusosuuskuntien Keskusliitto, Helsinki Aro, E.
Ertimo, E.
Haapala, E.
Halme, K.
Heinimo, P.
Jalava, J.
Kallinen, M.
Kallinen, Y.
Kiiskinen, R.
Laakso, J.
Peltonen, O.
Piila, Miss L. M.
Piiainen, J.
Pärnänen, Miss E.
Roine, E.
Stor-Rank, E. A.
Suortti, S.
Takki, Mrs. L.
Takki, U.

Yleinen Osuuskauppojen Liitto, Helsinki Hietanen, L.
Lahdenpää, V.
Loppi, V.
Mustonen, M.

France.

**Fédération Nationale des Coopératives de
Consommation, Paris** Ardhuin, J.
Baert, J.
Bayard, A.
Beaujon, J. M.
Berthet, A.
Bouly, G.
Boure, G.
Bricout, E.
Brissaud, A.
Brot, M.
Bugnon, E.
Burette, F.
Catelas, M.
Cleuet, A. J.
Colin, L.
Condery, L.
Couvrecelle, E.
Couvrecelle, M.
Darzat, E.
Decloquement, A.
Degond, M.
Delhay, E.
Dutilleul, L.
Gastal, M.
Gaussel, G.
Grouard, Ch.
Heitz, G.
Hirschfeld, A.

France—(continued).

Fédération Nationale des Coopératives de Consommation, contd.	Langard, M. Lebon, G. Leclercq, R. Luparia, J. Machut, F. Morand, A. Nègre, G. Orsini, R. G. Penichoux, R. Ponard, E. Pruchon, R. Racamond, J. Sève, A.
Confédération Générale des Sociétés Coopératives Ouvrières de Production, Paris	Antoni, A. Harasse, N.
Fédération Nationale de la Coopération de la Mutualité et du Crédit Agricoles, Paris.....	Flavigny, P.
Caisse Nationale de Crédit Agricole, Paris	Cramois, A.
Fédération Nationale de la Coopération Agricole, Paris.....	Babb, P. Reymond, P.
Fédération Nationale des Sociétés Coopératives d'Habitations à Loyer Modéré, Paris.....	Dunand, E. Robert, L.

Germany.

Zentralverband deutscher Konsumgenossen- schaften, Hamburg	Aust, J. Backeberg, H. Beyer, Frau L. Biesinger, J. Borgner, G. Brauer, M. Büschelberger, O. <u>Dahrendorf, G.</u> Deling, W. Elberding, E. Ellenbeck, C. A. Everling, H. Finkensiep, R. Flügge, W. Franck, J. Frauenschläger, Frau W. Frederiksen, H. Fritsch, A. Gründer, Frau M. Gurk, B. Hanser, F. Hansmann. Hasselmann, E. Heng, F. Hegen, E. Hoff, W. Huber, O.
---	--

Germany—(continued).

Zentralverband deutscher

Konsumgenossenschaften, contd.	Keppke, O. Kern, H. Kirch, A. Kirsch, W. M. Klein, F. Kock, Frau M. Maurer, Frau L. Meins, H. Meyer, A. Münch, A. Oldewurtel, G. Paulig, O. Pentzien, P. Petsch, K. Philipp, M. Postelt, W. Reichelt, K. Riedl, Frau E. Ritter, F. Rogmann, W. Röder, L. Schlack, P. Schlobohm, W. Schmidt-Leithoff, O. Schotte, H. Schumacher, C. Schweer, Frau C. Sommer, M. Stoye, C. Weiszhaar, H. Wiederkehr, C. Wiehem, H. Wolff, C.
-------------------------------------	--

Gesamtverband gemeinnütziger Wohnungs- unternehmen, Cologne.....	Bodien, E. Brecht, J.
---	--------------------------

Great Britain.

Co-operative Union	Allen, Mrs. M. Blower, J. W. Corina, J. Douglas, G. R. Flanagan, J. D. McAleese, C. Marshall, R. L. Richardson, B. Southern, R. Sugar, A. L. Taylor, H. Westlake, C. R.
--------------------------	--

Societies—

Addlestone and District	Bush, G. Bush, Mrs. M.
Balfron and District.....	McCallum, Mrs. M.
Belfast.....	West, Mrs. I.

Great Britain—(continued).

Beswick	Day, W. Farrell, T. W.
Birkenhead and District.....	Douglas, Mrs. M. S.
Birmingham	Christmas, C. Longden, Mrs. A. Ravenhill, E. J. H. Scrivens, Mrs. M.
„ —Ten Acres and Stirchley	Ewan, Mrs. M.
Blackpool.....	Diggle, F. Machin, E.
Brighton Equitable	Cree, S. Cree, Mrs. A. Offord-Best, Mrs. E.
Bristol	Delaney, Mrs. L. M. Summers, G.
Bury	Kirkman, Mrs. A.
Cardiff.....	Chappell, Mrs. A.
Clydebank.....	Buchanan, W. Gray, Mrs. Greer, Mrs. Timney, Mrs. J.
Cowlairs	Brown, D. S. Hamilton, R.
Darlington	Taylor, H. Taylor, Mrs. M. M.
Derby	Tapping, A. J.
Dreghorn	Smith, Mrs. J. N.
Eccles and District.....	Kershaw, W. Worthington, L.
Enfield	Stanford, Mrs. G. E. Wiltshire, G. H.
Failsworth	Lister, Mrs. A.
Folkestone	Offer, Mrs. E. Offer, L.
Gateshead	Pearson, Mrs. R.
Glasgow—Scottish Co-operative Wholesale....	Aitchison, J. Davidson, J. M. Greig, J. S. Steel, H. M. Stirling, J. A.
„ United Baking Society	Johnston, Mrs. J. Johnston, R. Lang, J.
„ South	Bain, Mrs. E. Bell, Mrs. A. Oakes, A. Shankland, Mrs. C. Smith, Mrs. A.
„ St. George	Newell, Mrs.
Grays	Bissett, Mrs. E. Thorogood, Mrs. M.
Greenfield	Hobson, Mrs. M. A. Hobson, W. G.
Greenock.....	Hardstaff, J. W. S. Johnstone, Mrs. C. Kennedy, Mrs. J. Smith, A. A.
Haslemere and District.....	Elliott, Mrs. E. M.

Great Britain—(continued).

Kilmarnock Equitable.....	Malcolm, R.
Kirkcaldy and District	Davidson, Mrs. M.
Lancaster and District.....	Broadbent, Mrs. L. Robinson, Mrs. S.
Leicester.....	Perkins, A. R. Strickson, A.
Leith.....	Peggie, J. Samuel, Mrs. J.
Lennoxtown	McKenzie, Mrs. M. Sloss
Lincoln	Garton, Mrs. E. A.
Liverpool	Stewart, Mrs. R.
Lockhurst Lane	Jackson, Mrs. W.
London.....	Barnes, P. R. Barnes, Mrs. P. R. Collins, Mrs. A. H. Collins, G. H. Cornillie, Mrs. F. M. Cox, Mrs. E. Shopland, H. W. Shopland, Mrs. H. W.
„ Royal Arsenal	Coleman, J. C. Douglass, Mrs. L. E. Durham, G. S. Prior, A. L.
„ South Suburban	Brooker, Mrs. E. M. Knight, C. J. Knight, Mrs. C. J. Robinson, Mrs. E. S. White, C. C.
„ Women's Co-operative Guild.....	Howell, Mrs. S. J. Ridealgh, Mrs. M. Stuart, Mrs. C. C. I.
„ Workers' Travel Association	Green, E.
„ Co-operative Permanent Building ...	Ashworth, H. Cessford, E. P. Coventry, W. F. Dunham, C. J. Powdrill, R. A. B. Score, H. L.
Manchester—Co-operative Wholesale Society ...	Afford, H. Cooke, L. Gosling, R. G. Kassell, S. L. Robinson, P. Williams, Lord Wood, N.
„ Co-operative Insurance Society ...	Dinnage, R.
„ Co-operative Press.....	Fulker, C. Hoskins, F. J. Hoskins, Mrs. F. J. Jackson, A. Millar, Mrs. M.

Great Britain—(continued).

Manchester—Co-operative Press, contd.	Richardson, W. R. Richardson, Mrs. W. R. Wilson, D.
Manchester and Salford.....	Cooper, Mrs. F. Lyon, A. Yarwood, Mrs. E. A.
Middlesbrough	Hewitson, Mrs. M. E.
Nantymoel.....	Thomas, Mrs. B.
Nottingham	Forsyth, C. Th. Leeman, F. W. Wigman, G. H.
Nuneaton	Bamforth, F. Birkin, Mrs. L. Orton, Mrs. E. A.
Oldham Industrial	Tootill, F.
Paisley Manufacturing	Mitchell, Mrs. A. M. S. Smith, Mrs. H.
Pendleton	Wooley, J.
Peterborough and District	Allen, Mrs. M. Jarvis, Miss B. E. A.
Plymouth.....	Westlake, Mrs. D. M. S. Westlake, Miss F. M.
Pontycymmer	Crocombe, Mrs. E. M.
Port Glasgow.....	McAleese, Mrs. H.
Prestwich	Mather, Mrs. E. L. M.
Renfrew Equitable	Vallance, A.
Ripley.....	Bramley, Mrs. N.
Rugby	Green, S. W. J. Hodson, Mrs. I. O.
Scunthorpe	Bassindale, Miss J. Cottingham, Mrs. L. E. Coulthard, Mrs. F. Ford, Mrs. Jones, Mrs. H. Leaning, Mrs. L. Sutton, Mrs. M. Wilson, Mrs. M.
Sheffield and Ecclesall	Shaw, J. Tetlow, H. C.
St. Rollox	McElwain, S.
Stockport	Wood, Mrs. N.
Stockton.....	Hendy, Mrs. H. M.
Thornliebank	Lonsdale, Mrs. McKenzie, Mrs. M. S.
Vale of Leven	Vattance, Mrs. C.
Watford	Goose, H. J.
Wellingborough Industrial	Ainge, Mrs. D. Wooding, Mrs. S.
Wigston	Corina, J. G.
Wolverhampton.....	Edwards, E. J. Lewis, Miss C. M. Lewis, S. H.
Walsall and District	Adams, Mrs. L. Chilton, Mrs. M. Green, Mrs. G. Gwinnett, Th. Harrington, Mrs. L. Hemmings, Mrs. B.

Holland.

Centrale der Nederlandse Verbruiksoöperaties,
Rotterdam

Alders, J.
Baart, F.
Bastiaans, H. A.
Bekkering, J. J.
Blöten-Baars, Mrs. M.
Charbo, J. J. A.
de Moei, W. L. P. M.
Frietema, H. J.
Metman, W. M.
Roos, J.
Stok, H.
Stuyvenberg, Prof.
Van Netten, J. F.
Viergever, Th. J. W.

Iceland.

Samband Isl. Samvinnufjelaga, Reykjavik.....

Einarsson, E.
Grondal, B.

Israel.

General Co-operative Association of Jewish
Labour in Eretz-Israel "Hevrat Ovdim,"
Tel-Aviv.....

Efter, J.
Guelfat, Y.
Namir, M.
Zabarsky, A.

Italy.

Confederazione Cooperativa Italiana, Rome.....

Avenati, C.
Baruffaldi, T.
Beretta, P.
Cenciarini, M.
Compiani, G.
Filippini, A.
Ghidelli, S.
Laddomada, A.
Malfettani, L.
Menghi, V.
Mondini, E.
Prada, M.
Rosselli del Turco, C.
Sanseverino, Mlle. L. R.
Stasi, M.

Italy. (continued).

Lega Nazionale delle Cooperative e Mutue,
Rome

Amadei, G.
Baldi, V.
Balducci, Mme.
Ballardini, Mlle. M.
Banchieri, G.
Bardi, F.
Bentini, E.
Bernardi, G.
Bernardini, V.
Bianchi, E.
Boschetti, A.
Briganti, W.
Brini, I.
Brini, Mme. L.
Caffa, Mlle. F.
Camerlenghi, C.
Cavalera, G.
Ceci, L.
Cerreti, G.
Cerreti, G. (Jun.)
Cerrina, Mlle. N.
Ceseri, M.
Cinelli, R.
Cislighi, M.
Coltelli, P.
Crisanti, Mlle. L.
Curti, I.
Danti, B.
Debolini, D.
Degli Esposti, R.
Di Cianni, F.
Di Giovanni, E.
Formicola, A.
Franceschelli, V.
Fumagalli, Mlle. N.
Galuppo, G.
Geminiani, G.
Grazia, V.
Guarducci, Mlle. M.
Losi, L.
Magnani, A.
Marcellino, G.
Melandri, E.
Milillo, V.
Panizzo, B.
Prampolini, Mlle. A.
Rossi, S.
Salvarani, O.
Sgarbi, A.
Spezia, M.
Spinelli, O.
Tolino, G.
Zanfagnini, U.

Japan.

✓ Nippon Seikatsu Kyodokumiai Rengokai, Tokyo	Tanaka, S.
✓ Zenkoku Shido Nogyo Kyodokumiai Rengokai, Tokyo	Aoki, K.

Norway.

Norges Kooperative Landsforening, Oslo	Brandsnes, T. Haugen, R. Hovind, C. O. Høoen, L. Semmingsen, R. Skjervagen, P. Søiland, P. Vik, T.
--	---

Roumania.

Uniunea Centrala a Cooperativelor de Consum "Centrocoop", Bucharest	Lunga, Mme A. Mateesco, C.
--	-------------------------------

Sweden.

Kooperativa Förbundet, Stockholm	Ahlberg, Mrs. S. Anderson, C. A. Andersson, B. Apelqvist, S. Björklund, E. Blomberg, N. W. Bonow, M. Cederqvist, A. Ekman, G. Elldin, H. Eriksson, E. Eronn, L. Friberg, K. A. Gjöres, A. Gustafsson, S. Hjalmarson, H. Jansson, C. E. Johansson, A. Jonsson, A. Jönsson, J. E. Källén, K. Kéler, G. Lindskog, C. Lundqvist, A. Lustig, E. Nilsson, Miss I. Odhe, Th. Örne, A.
--	---

Sweden—(continued).

Kooperativa Förbundet, contd.....	Sohlenius, H. Stille, R. Stolpe, H. Thedin, N. Wahlstedt, U.
Hyresgästernas Sparkasse-och Byggnadsföreningars Riksförbund, Stockholm.....	Kypengren, S. Thufvesson, H.

Switzerland.

Verband schweiz. Konsumvereine, Basle	Barbier, Ch.-H. Bleile, W. Blum, W. Boson, M. Dietiker, H. Faucherre, H. Gauer, J. Giroud, Frl. A. Gnaedinger, W. Güller, W. Handschin, H. Herzog, E. Kehl, W. Kurz, Frau H. Küng, H. Loss-Frey, Frau E. Maurer, W. Nicod, W. Rudin, H. Rüfenacht, O. Verdon, H. Vuilleumier, A. Wyss, Frl. A. Ziegler, Frau G. Zulauf, E.
---	--

U.S.A.

The Co-operative League of the U.S.A., Chicago	Ashelman, S. Benston, Miss M. Biederman, C. E. Booker, R. Bogardus, H. Bogardus, Mrs. M. Carlson, D. Crews, C. Culbreth, H. Doss, B. Forbes, B. Guster, H. Heckathorn, H. D. Jackman, J. Jacobson, G. W.
---	--

U.S.A.—(continued).

Co-operative League of the U.S.A., contd. Koski, J. W.
Kyle, J. K.
Lincoln, M. D.
Liukku, J.
Marble, A. W.
Patterson, R. T.
Richards, H.
Rohde, E.
Rohde, Mrs. M.
Rondeau, F. F.
Smaby, A. J.
Smaby, Mrs. A.
Stahl, S.
Stough, W. E.
Thunell, H.
Voorhis, J.
Wieting, C. M.
Woodcock, L.
Yates, H. B.

Yugoslavia.

Glavni Zadruzni Savez FNRJ, Belgrade Popovitch, V.
Raos, A.

U.S.S.R.

"Centrosoyus," Moscow Afonin, N. T.
Akhremchik, I. R.
Aleinikova, V. N.
Belov, N. I.
Bokov, G. A.
Evdokimov, A. S.
Galakhova, E. A.
Galkin, A. I.
Gorelovskaya, Mrs. M. I.
Grycschenko, G.
Junusov, K. H.
Kornilova, V. H.
Kravushin, T. S.
Kulikov, S. N.
Malikov, S. F.
Mikhailova, Z. S.
Mitjurina, Mrs. E. I.
Mukke, M. I.
Osipov, M. G.
Petrov, V. I.
Tajurskii, R. S.
Taratunin, A. L.
Timofeev, D. S.
Vaino, V. I.
Zagulina, V. S.
Zakharova, V. I.

Proceedings
of the Nineteenth Congress
of the
International Co-operative Alliance

FIRST SESSION

Monday, 6th September, 1954

Opening of the Congress

The beautiful red and gold Concert Hall of the Palais de Chaillot provided a dignified setting for the 19th Congress of the International Co-operative Alliance which was attended by 611 delegates of affiliated Co-operative Organisations in 24 countries, and was honoured by the presence of representatives of the French and other National Governments, also of International Organisations with which the I.C.A. has relations.

Not a few of those present could remember the last and the third occasion on which the I.C.A. Congress met in Paris—it was in 1937—and could look back over the intervening years with all the perils, struggles, the servitude and liberation those years had brought to their Nations and to their Co-operative Movements.

The Palais de Chaillot, though one of the most recent buildings in Paris, already had co-operative and international associations. In its construction and decoration, French Workers' Co-operative Productive Societies had played an important part, while in 1951 the Assembly of the United Nations met in the same Hall to debate the issues of world peace and international collaboration as the co-operators of the world themselves were about to do. The atmosphere created as the delegates assembled encouraged the hope that the 19th Congress would manifest that on the neutral terrain of Co-operation, men and women of all nations could be united in the cause of peace.

Welcome from the French Co-operative Movement.

Mr. M. Brot, President, Fédération Nationale des Coopératives de Consommation: In the name of the Co-operators of France, I extend a very cordial welcome to you all; you have come from many countries, from all parts of the world, from Consumers', Producers', Agricultural, Housing Organisations—we welcome you in the most fraternal manner.

The last time Congress met in Paris was in 1937. At that Congress a number of important questions were discussed and we examined the conditions necessary for the development of international exchange, general and co-operative. The great political, social and economic upheavals which have followed that Congress make it necessary for the same problem to be considered anew at the Congress which we are now opening. The place of Co-operation in the different economic spheres, too, is still under discussion.

In 1937 France had made a bold step forward in social progress; then the Second World War broke upon us, and we Co-operators of the world were cut off from one another and we passed through a dreadful period. Freedom eventually triumphed; the flame of the I.C.A. now burns brightly again and we firmly hope that the aspirations which we cherished at the end of the war may yet be realised, although up to now their realisation has been prevented by the extremely difficult world conditions.

Three years ago this hall in which we are meeting was the scene of the Assembly of the United Nations, and from the rostrum from which I am speaking, the President of the French Republic, scorning traditional rules of diplomacy, addressed an appeal to all the Great Powers which were represented to work together for peace. To-day it is not the representatives of Governments who are meeting here, but the representatives of millions of men and women the world over. I hope this Paris Congress will be a great manifestation of the goodwill of the people of all nations, races and creeds—a manifestation that they can, as indeed they must, reach understanding and organise themselves for peace.

On behalf of all French Co-operators, I welcome you in a truly fraternal spirit.

The President: We thank Mr. Brot for the cordial welcome he has given us in the name of all French Co-operators, and we appreciate that it is he who gives this welcome, which is in such harmony with all Mr. Brot's work for the Alliance.

Inaugural Address of the President, Sir Harry Gill.

Sir Harry Gill: This morning we open our 19th Congress in Paris, one of the most beautiful cities in Europe, amidst surroundings which it would be difficult to surpass. We meet in a country whose Co-operative Organisations have always played a full part in the work and activities of the I.C.A. and have produced many outstanding co-operative leaders. On the cultural side, particularly, the World Co-operative Movement owes much to distinguished French writers who have made so great a contribution to co-operative literature.

Our last Congress met three years ago in Copenhagen, and the intervening period has probably been the most eventful one in the history of the Alliance.

in sufficient quantity to raise the standard of living everywhere. Unless the distribution is right, you again fail in your objective. Then there is a third thing, perhaps even more fundamental, and that is the question of peace itself."

The present Director-General of the I.L.O., David A. Morse, in his report to the International Labour Conference in June this year, has stated the position in terms which cannot fail to make an equal appeal to co-operators: "The issues of peace and social progress are inextricably interwoven at the present time. . . . The reality, and not only the promise, of better living conditions, especially in the vast under-developed areas of the world, is an essential element in strengthening the cause of peace, just as the establishment of peace is necessary to the continuing long-term improvement of social conditions throughout the world."

The work which the I.L.O. is undertaking in the field of co-operation constitutes one of its contributions to these objectives of peace and social progress, and we sincerely appreciate the interest which the International Co-operative Alliance displays in this work. Without losing sight of long-standing functions such as research, studies and information, our efforts in the co-operative field during recent years have largely been devoted to the practical task of providing various countries with technical assistance at their request. You are all aware that Governments in many countries attach marked importance to co-operation as an element in their plans and measures to promote economic and social progress for their peoples. The I.L.O. has been increasingly called upon by Governments to furnish help and guidance, and the practical response to these requests has become an integral part of our activities.

Since your last Congress the I.L.O. has implemented, or is in the course of implementing, technical assistance projects in the field of co-operation in a number of countries including Burma, Ceylon, India, Pakistan, Philippines, and Thailand; Egypt, Iran, Iraq, and Syria; Guatemala, Haiti, and El Salvador; Gold Coast, Malaya, and Sarawak; while further activity—either in continuation of existing projects or as new projects—is being planned for 1955. In addition to furnishing experts to work in given countries for varying periods and providing fellowships for study abroad, our programme has included the arrangement of training courses in Denmark, in conjunction with U.N. and F.A.O. and in collaboration with the Danish authorities and Co-operative Organisations, also regional training courses for Asian co-operative leaders in Lahore, Pakistan.

It is, therefore, of particular interest to us that this Congress is to discuss, among other things, a paper on co-operation in under-developed countries in relation to the work of the International Inter-Governmental Organisations. If your deliberations give rise, as I have no doubt they will, to ideas conducive to strengthening and reinforcing this work, I am sure that the I.L.O. will study them with keen interest.

On behalf of the Director-General, therefore, I extend best wishes for a successful Congress; also, in the knowledge that the International Co-operative Alliance is now entering on its 60th year, I convey his congratulations upon its achievements during the past, and his hope that it will have many fruitful constructive years ahead.

Mr. M. Veillet-Lavallée, Secretary-General, Food and Agriculture Organisation: I wish to convey to you, in the name of the Director-General of the F.A.O. and my own, sincere and cordial good wishes for your 19th Congress, also for the success of the work to which the International Co-operative Alliance has devoted itself for almost sixty years.

The F.A.O. takes a very keen interest in your activities, because they are extremely important. We know, as you do, that Co-operative Societies are the most democratic means of assuring the progress which is so necessary to agriculture. In this field, our aims are precisely those which were formulated by the Alliance in September, 1951, when it stressed the need to direct man's energies towards the maximum satisfaction of the needs of the consumer. In our own working programme, therefore, the development of the Co-operative Movement has a place, though unfortunately limited by the modesty of our resources.

In the first place, our work involves the organisation of international technical meetings. These aim at bringing together specialists in certain fields of co-operative activity, in order to give them the opportunity to meet one another to exchange information and opinions, and thus to define the principles by which to guide the future development of the Co-operative Movement. These meetings have a regional character. Two of these were devoted to Asia and the Far East, a third to the Caribbean, and each meeting has been the subject of a printed report.

We also publish studies on certain aspects of Co-operation, particularly for the under-developed countries, of which I would specially mention our study on the "Bailie School at Chantan," which is a remarkable example of the efforts made to form leaders of Rural Co-operatives; a report entitled "The Use of the Revolving Capital Plan by Co-operative Associations," published only in English, on the methods applied in the United States and Canada to enable a Co-operative to develop its capital resources by delaying, on the basis of a pre-established plan, the repayment of sums which it owes to its members; a report on "Co-operative Savings, Co-operative Credit and Co-operative Trading in the Under-developed Countries," the title of which is self-explanatory. Two other reports are being prepared: one on the commercialisation of agricultural products, the other on co-operative methods applied to soil utilisation.

In the third place, we are using our resources under the Technical Aid Programme to place co-operative specialists at the disposal of Governments which request this service. We have so far sent experts to seven countries, where they have worked in regular contact with one of our officials who is himself a specialist in Co-operation, Mr. Gretton.

But since co-operative progress is only possible when related to the general level of knowledge, our programme also includes international centres for the improved training of leaders of Rural Co-operatives. One of these study courses took place in Cyprus in 1952 for the benefit of Middle Eastern countries. There is a similar Centre at present in the University of Porto Rico, in which 25 representatives of the Caribbeans are taking part. To increase the effectiveness of these Study Centres the F.A.O. has granted bursaries to seven co-operative leaders from Jordan and Thailand, to enable them to study on the spot Co-operative Organisations in Canada, France, India, Indonesia, Italy, Japan and the United States.

None of this activity can be conceived, however, without the collaboration of Co-operative Organisations, National or International, and I would stress what great services we receive from the Alliance, particularly through its publications, in which we find so much valuable information.

Unfortunately, I cannot take more time to develop and comment on the facts which I have passed over so briefly, but if I have succeeded in convincing you of the importance which we attach to the Agricultural Co-operative Movement and to the activity of your Alliance, I shall have accomplished the express task entrusted to me by the Director-General.

Miss P. Harris, UNESCO: I am particularly happy to attend your Congress because three years ago I had the pleasure of meeting at Copenhagen many delegates who are here to-day. It is very encouraging to note the steady increase since the Copenhagen Congress in constructive collaboration between our two Organisations in a wide educational field in which our aims run parallel. Let me give you a few examples. The main point of contact between the I.C.A. and UNESCO in 1951 was through the participation of the Co-operative Movement in UNESCO's work for adult education, which has since been very much intensified. The representative of the Alliance has continued to make a valuable contribution to the work of the Consultative Committee on Adult Education, which has led to the tangible result, amongst others, of three Co-operative Seminars organised with UNESCO's support: the International School at La Brévière in 1952, the Special School for Women in 1953, and the Regional School in the Caribbean which will shortly be held in Haiti.

There are also other ways in which UNESCO has benefited from co-operative participation in its work or from utilising the machinery of the Alliance. In collaboration with our Social Science Department, the Alliance has been preparing studies on the part played by co-operation in education for citizenship, with special reference to rural communities. UNESCO's Youth Section has extended its contacts with groups of young co-operators, has taken part in some of their meetings and has received valuable aid from co-operative youth officers. In conjunction with the Voluntary International Aid Section of UNESCO, a number of Co-operative Organisations have begun to participate in the Gift Coupon Scheme which has been specially worked out by UNESCO to enable such bodies as National Co-operative Movements to send gifts of educational material to fellow-members in less fortunate countries. A small start has been made, and we hope to see a rapid increase on these lines, since this scheme seems to us one form of action which should make a much wider appeal to co-operators as it becomes better known.

I should like to say a few words about the progress made by the Alliance and UNESCO in regard to the question of the exchange of workers. In addition to the contribution which the Alliance itself and its representatives have made to working out our plans and carrying out operations, we have been fortunate enough to obtain the direct co-operation of many national affiliates under the Study Tour Scheme for workers in Europe initiated in 1952. Co-operative Movements organised six study tours in 1952, six in 1953, and nine in the current year. I refer here only to groups sponsored directly by Co-operatives. Many co-operators have participated in other groups, and a total of some six or seven hundred people have actually

travelled under the scheme, while many more co-operative members or employees have participated at some point. We wish here to place on record our deep appreciation of this total contribution, and we look forward to its continuation as UNESCO is able to extend its work on the exchange programme to other regions and other types of activity.

Time does not allow more than this brief mention of common activities which have produced results. There are many more possibilities, I believe, for such useful co-operation between the Alliance and UNESCO, particularly in the work for under-developed countries, which you are to discuss later this week. On the points mentioned, the participation of the Co-operative Movement in UNESCO's programme has been matched, I think, by the advantages which the Movement and its members have derived from our joint activities. It is this two-way process which I should like particularly to emphasise, because it is the joint nature of this effort, to my mind, which gives our work an added value through the links which it creates and the sense of common achievements which it arouses. In a Co-operative Congress it may sound odd to underline the value of co-operation, but in the relations between the Non-Governmental Organisations and UNESCO, as within your own Movement, much of the effectiveness of our work is dependent on this feeling of individual effort for common constructive purposes. I should, therefore, like to express from the side of UNESCO our appreciation of the close working relations which have been built up between our two Organisations.

It is in the spirit of this mutual aid, which we hope to see still further extended as the years go by, that I bring you the greetings of UNESCO and the best wishes of the Director-General for the success of your Congress.

Mr. R. Hewlett, I.F.A.P.: It is a great pleasure to me to bring you the greetings of the International Federation of Agricultural Producers and of the farmers which it represents on the occasion of the 19th Congress of the I.C.A. Owing to some particular circumstances, including my own absence from Paris during the past week, I am, unfortunately, unable to make the formal statement which is usually given on these occasions; but I should not like to miss this opportunity of saying a few words to a gathering of co-operators from all over the world.

I should like to emphasize in general terms how much our two Organisations have in common. We are interested in the same wide economic questions, and our member Co-operatives have the same problems with which to deal. If I.F.A.P. is not based exclusively on Co-operatives, Co-operatives form a large and influential part of its membership, and I.F.A.P. as a whole is convinced of the value of co-operation as a method of solving the problems which face agricultural producers. Moreover, several Farmer Co-operatives are members both of the Alliance and of the I.F.A.P. It is clear, therefore, that we have every reason to work closely together.

The questions which interest both agricultural producers and consumers are too many to enumerate here, but in general it can be said that there is an urgent need for better understanding between them. The position

which exists in many countries between producers and consumers is not so much the result of basic conflict as of misunderstanding and misinformation on both sides. It should be one of the first tasks of our two World Organisations, each believing in co-operation, to show that the co-operative attitude and co-operative methods can do much to solve these problems.

Once again, I should like to express to you, on behalf of the International Federation of Agricultural Producers, our very best wishes for the success of the I.C.A. and of this Congress.

Mr. P. Vasseur, International Chamber of Commerce: I am happy to convey greetings to you on behalf of the International Chamber of Commerce. There is no doubt that on many technical problems we are in agreement; the solutions which we propose are very different, but we have common aims. The struggle against economic nationalism and for access to all the riches of the earth, the development of production and the multiplication of trade to help to raise the standard of life of the masses—these are things which are important, and it is very important that in this world, with its tendency to disintegrating commercial, social and moral standards, two International Organisations which, like ours, represent economic strength, should be able to help each other, to follow each other's work, and to combat these evils together. We organise research and undertake statistical investigations into the cost of distribution. We work for the simplification of customs and other formalities, and what we have done for the improvement of the GATT Agreement shows the efficacy of our work together.

In his address the President referred to South-East Asia. There is a great deal of work to be done in that region by men of goodwill, who must help the twelve hundred million human beings who are struggling with great difficulty in the economic field. We, too, have made a study of this problem, and we shall consider it further at the Congress which we are to hold in Tokyo in May next, which we hope you will attend. All creative forces must be applied to the task of doing away with destitution and helping to restore human dignity. That is why, on behalf of the I.C.C., I wish your Congress every possible success in its work for the betterment of mankind.

Professor Edgard Milhaud: On behalf of the International Centre of Research and Information on Collective Economy, I should like to express our thanks to the I.C.A. for its invitation to attend this Congress, which gives us the possibility not only of following the important work which your Congress is going to do, but also of addressing the representatives of the co-operators of the world and conveying to them our greetings and our homage. We know that the Co-operative Movement is occupying a more and more important place in the economic and social life of the world, and we are aware of the prodigious extent of co-operative achievements. The co-operative principle has penetrated into a wide variety of fields and into very many different spheres of application. The moral values which co-operation embodies and puts into practice, and to the development of which it is contributing, are very important. In all these respects the Co-operative Movement is unequalled, and it is also unequalled in the unswerving determination of the co-operative élite that, over a century, parallel with the development of co-operative economy there should be disseminated through education the ethical principles of co-operation and the development of a co-operative civilisation, which is the foundation of peace itself.

Well aware of the work of co-operation in the world to-day, and in the world of to-morrow, and of its importance in the transition from one to the other, the International Centre presents to the Congress and to the I.C.A. its most sincere wishes for their success.

Mrs. Cecily Cook, International Co-operative Women's Guild: In bringing greetings to this great gathering, which is significant of the world-wide scope of co-operation and of its essential importance in the countries represented, I am conscious of the responsibility which rests upon those for whom I speak, the members of the I.C.W.G. We are, by comparison with the International Co-operative Alliance, a young organisation, and we know that everywhere our membership, whether counted by countries or by persons, is in no sense commensurate with the size of the Co-operative Movement. We know that Consumers' Co-operatives form a large part of the membership of the I.C.A., and we know that it must receive support from the housewives in each country; but we also know that in some countries there is at the moment no Women's Co-operative Guild or similar organisation. This we deplore and we greatly desire to remedy this deficiency.

I think that everyone here will know that the work of the National Guilds is to educate women who take part in co-operative activity, in the social and spiritual values of co-operation, which are additional to its economic advantages. To this end the Guild seeks to foster studies of the principles of co-operation and to integrate those principles into national and international life. Within national boundaries our member organisations work to extend the power and influence of their National Co-operative Movements; at international level the International Guild seeks to co-ordinate and to make more widely known the aims of co-operation through the work of co-operative women. The efforts of the Guilds, national and international, need encouragement and assistance.

In this connection I wish to express to the I.C.A. the thanks of co-operative guildswomen for the Seminar which was held in France last year, when for the first time co-operative women from different countries had an opportunity to meet and to discuss in detail some of their problems. Following that Seminar, further consideration has been given by the Guild to certain issues, and we hope to go forward during the next three years with increased efforts to serve the ideals which you and we desire to foster. We hope that such activities may continue to develop. We believe that the I.C.A. and its national members can assist the Guild in this, and so help to increase the active participation of women in co-operative work. We appreciate the establishment of the Liaison Committee of the I.C.A. and the I.C.W.G., and we hope that by this means the work of the Guild can become of greater value to international co-operation. We also wish to express our sincere thanks for the help given by the I.C.A. in connection with our own Guild Congress, and for this practical demonstration of interest in our work.

Finally, we wish the Alliance a successful Congress and express the hope that co-operative women will go back to their national organisations with a burning faith in the ideals of human brotherhood which are the basis of co-operation. The deliberations of the Congress will inspire us all to greater efforts to help to extend the Co-operative Movement started

by the Rochdale Pioners in areas in which under-privileged people still live in conditions of poverty and disease. The women co-operators who are members of the I.C.W.G. desire that their work shall contribute to that end. We wish to help the I.C.A. in establishing a co-operative world where in peace and prosperity the people of all nations may have satisfaction and happiness.

The President: I am sure that you would desire me to express to our fraternal delegates and guests our appreciation and thanks for their presence this morning. It would be invidious to mention any particular Organisation, but I am sure you will appreciate, from the list of Organisations represented, the wide ramifications of the activities and work of the International Co-operative Alliance. To all our guests I would say that we greatly appreciate their presence and we thank those who have spoken for their greetings and good wishes.

The following letter of greetings from **Mr. R. A. B. Leaper**, the President of the International Federation of Young Co-operators, was read:—

“The International Federation of Young Co-operators extends to all the delegates at the Congress of the International Co-operative Alliance greetings which are both warm and loyal. We are happy that young co-operators from six of our national organisations in three continents are able from the Visitors' Gallery to witness the proceedings of this Congress. We feel that we are indeed putting into practice one of the objects of the Federation, which is ‘To follow the policy laid down by the International Co-operative Alliance.’

“We pledged ourselves at our 1954 International Youth Conference to do all in our power to extend the real interest of more children and young people in the aims and practices of co-operative organisations. In this task we hope earnestly for the sympathy and practical co-operation of every delegate to this Congress.

“Because we are concerned very much with to-morrow, we cannot help but remember that one of the objects in our Constitution is ‘To provide means of collaboration between young co-operators in all countries in order to serve the cause of peace between all peoples and to further Rochdale principles on a world-wide basis.’ This objective we, as co-operators of to-morrow, share with the co-operators meeting here, and we welcome the opportunity of sending this greeting to the Congress as a recognition that young people have a special rôle to play in school co-operatives, youth clubs and children's groups which is a very important aspect of the contribution of co-operatives towards solving the social and economic problems of young men and women.

“In greeting delegates to this Congress we hope that in years to come the members of the International Federation of Young Co-operators will follow in your footsteps in working for an International Co-operative Alliance grown ever stronger and more effective.”

A telegram was read from **Mr. T. N. Maxwell**, London Manager of the New Zealand Produce Association, sending fraternal greetings and best wishes for a successful Congress.

Amendments to Standing Orders.

The President: Our first business is to adopt the Standing Orders governing the Procedure of the Congress, with the amendments proposed by the Central Committee. Those amendments have been framed for the better guidance of the Congress and to enable us to make the best use of the time at our disposal. The Standing Orders, with the amendments proposed by the Central Committee, are set out in the Agenda and I move their adoption at this stage in order that they may apply to our proceedings at this Congress.

The motion was seconded from the floor.

Mr. D. S. Timofeev, U.S.S.R.: The Congress is a great event in the life of the International Co-operative Alliance; it gives co-operators of all countries the opportunity to meet one another, to express their views on questions of interest to them, and to discuss the future activities of the I.C.A. It is of particular importance that the Standing Orders should give this opportunity for the exchange of opinions and that they should correspond to the wishes of co-operators. The practice in the past has shown that delegates to Congress have been able to express their views and to discuss the activities of the Alliance; Congress has been carried on in a proper way, and there have been no objections on the part of the National Co-operative Organisations. The old Standing Orders proved satisfactory at the Congresses of 1948 and 1951, but for some reason it is now suggested that those Standing Orders, which were democratic and responded to the needs of co-operators, are out of date and must be amended. Amendments have been brought forward not because the National Organisations wanted them but because they were desired by the officers of the Alliance.

I want to point out that the purpose of the amendments is not to widen the powers of delegates or to ensure a more democratic basis for our proceedings, but to limit the democratic rights of delegates. I would also point out that the Executive at their last meeting rejected a Soviet proposal that Co-operative Organisations not members of the I.C.A. should be invited to Congress as guests, although such a proposal would, I am sure, have pleased most of the delegates. In the opinion of the Soviet delegation, the former Standing Orders have proved quite satisfactory and we therefore suggest that the amendments presented by the Central Committee be rejected.

The President: Before the vote is taken I wish to point out that those amendments have been brought forward in the interests of Congress. Under the new Standing Orders everybody will be treated alike, and therefore they are democratic in my understanding of the word.

The President put the amendments to the vote by show of hands, and declared the new Standing Orders adopted.

Amendments to the Rules of the I.C.A.

The President: It is also necessary to take at this juncture two of the proposed Amendments to the Rules. They are an amendment to Article 24 dealing with the question of emergency resolutions, and a new Article which

constitutes the Congress Committee. The amended Article 24 lays down that all emergency resolutions must reach the General Secretary by noon on the first day of Congress. They will then be considered by the Congress Committee who will determine whether they are bona fide emergency resolutions or otherwise and report to Congress. The new Article provides for the constitution of the Congress Committee and for its functions. On behalf of the Central Committee, I move that the Amended Article 24 and the proposed new Article dealing with the Congress Committee be adopted.

The motion having been seconded from the floor, **The President** put these two amendments to the vote by show of hands and declared them **adopted**.

Appointment of Congress Committee.

The President: Following the decision just taken, we have now to appoint the Congress Committee. The matter is one for Congress to decide, but the Central Committee at its meeting yesterday decided to make a recommendation, in the hope of saving the time of Congress.

The new Article provides that the Congress Committee shall consist of the President and two Vice-Presidents, three members of the Central Committee, and three delegates appointed by Congress. The Central Committee recommends that its three members shall be Mr. C. Schumacher (Germany), Mr. R. Southern (Great Britain), and Mr. N. Thedin (Sweden), and that the three delegates to be appointed from the floor of Congress shall be Mr. F. Baart (Holland), Mr. W. Kehl (Switzerland), and Mr. L. Woodcock (U.S.A.).

There is one other name which the Central Committee desires to put forward. As the second Vice-President, Mr. Khokhlov, of the U.S.S.R., is not present, the Central Committee suggests that Mr. S. F. Malikov, U.S.S.R., should be elected a member of the Congress Committee. Are you prepared to accept these recommendations.

The recommendations were accepted.

Appointment of Tellers.

The President: Congress has now to appoint Tellers, and again the Central Committee has a proposal to make which is simply in the form of a recommendation.

The General Secretary: The Central Committee recommends as Tellers: Mr. J. Roger (Belgium), Mr. E. Jensen (Denmark), Mr. A. Bayard (France), Mr. R. Finkensiep (Germany), Mr. A. L. Sugar (Great Britain), Mr. Th. J. W. Viergever (Holland), Mr. R. Haugen (Norway), Mr. V. Franceschelli (Italy), and Mr. N. I. Belov (U.S.S.R.).

The recommendation was adopted.

Report of the Central Committee on the Work of the International Co-operative Alliance 1951 to 1954.

The New Headquarters.

Some Expansions in Personnel and Work.

The new Headquarters were officially opened by the President of the Alliance, Sir Harry Gill, on the 11th November, 1953, at the time of an Executive meeting, but the Secretariat had been installed since August of the previous year.

The Alliance has received from member Organisations many gifts which have beautified and enriched and, at the same time, have imparted to its Headquarters a unique international atmosphere which is most impressive.

The accommodation and the amenities which the House affords for the Secretariat are almost incomparably better, in spite of the fact that it was deemed necessary to let the two upper floors, first because they were not immediately essential, secondly to help with the high maintenance costs. In the Report to the last Congress it was estimated that the necessary alterations to the House and its equipment would cost no less than £10,000. The final figure was between £23,000 and £24,000.

Arrangements have been made for the amortisation of the price of the lease, £35,000, by annual deposits with the Co-operative Permanent Building Society of approximately £309; and for the systematic depreciation of the asset in the Balance Sheet "Alterations and Additions to the Property."

The more ample accommodation has facilitated an expansion both in the personnel of the Secretariat and its work, notably by the organisation of the Library, the appointment of a librarian and a second assistant for economic research. With a view to the desirability of assuring, as far as possible, the international character of the Secretariat these two posts, and that of Principal Assistant for the Publications Department which had become vacant, were made known to all National Organisations, but, although a certain number of applications came from other countries, all the appointments were made from Great Britain. Nevertheless, the staff, which now numbers 17, is by no means wholly British, and for the past two years first the Norwegian Union and secondly the Swedish Union have arranged for one of their highly qualified assistants to work at Headquarters. This arrangement, which it is hoped to continue, has proved mutually very satisfactory. But the long-standing need for the enlargement of the Secretariat and the expansion of its work is by no means yet satisfied, and can only be met gradually as financial resources are increased.

Effect is also being given to an idea which was originally agreed to in 1939, and arose again in 1952, on a study of relations between the Alliance and its member Organisations. It is the organisation of **Conferences of Specialists** in the different branches of co-operative activity. The first of these Conferences, in November, 1953, was for **Film Experts**, who met for an exchange of views and experiences regarding methods of film distribution, the advantages of international exchange and production. Some practical results of the Conference have already been noted, and, on the recommendation of the Conference, the question of Visual Aids to Co-operative Education is to be discussed at the Education Conference at Paris.

A Working Party of Librarians was arranged at Headquarters in April of this year to discuss the organisation of co-operative libraries, the exchange of co-operative literature, indices and accession lists, also the classification of co-operative literature with special reference to the amendment of the universal decimal classification system. Several practical recommendations were formulated which will be communicated to affiliated Organisations with a view to securing wider collaboration both amongst librarians and for the joint study of problems of interest affecting library activities.

For a Conference of Bakery Experts in May the Executive accepted an invitation from Kooperativa Förbundet for the meeting to take place in Örenäs, near Malmö. An important Agenda of technical problems was discussed, including bakery machinery and the new high frequency infra-red baking process; qualities and mixing of flour; mixing of dough; vitamising of bread; advantages of centralisation and decentralisation of bread baking.

All who took part in these different Conferences of Specialists were agreed upon the value of their first exchanges, equally upon the importance of further meetings at convenient intervals for the study of common problems and, where possible, the establishment of closer collaboration. Similar opportunities will be afforded in the future to other groups of specialists within the National Movements.

Membership.

There are still many well-developed Co-operative Organisations, as well as younger Movements, outside the ranks of the Alliance. Eight new members have been admitted during the last three years. They are:—

Brazil. Centro Nacional de Estudos Cooperativos, Rio de Janeiro.
(Cultural Institute.)

Japan. Nippon Seikatsu Kyodokumiai Rengokai, Tokyo. (Union of Consumers' Societies.)

Zenkoku Shido Nogyo Kyodokumiai Rengokai, Tokyo. (Federation of Agricultural Co-operatives.)

New Zealand. Hutt Valley Consumers' Co-operative Society, Lower Hutt. (Primary Society.)

France. Fédération Nationale des Sociétés Coopératives d'Habitations à Loyer Modéré, Paris.

Gold Coast. Gold Coast Co-operative Federation, Accra.

Sweden. Hyresgästernas Sparkasse- och Byggnadsföreningars Riksförbund, Stockholm. (Association of Tenants' Savings and Building Societies.)

Nigeria. Co-operative Union of Eastern Nigeria and the Cameroons, Aba.

The Gold Coast Federation, the Centro Nacional de Estudios Cooperativos and the Union of Eastern Nigeria and the Cameroons are the first Organisations of their respective countries to come into the Alliance.

The affiliation of the two Japanese Organisations meant the re-establishment of relations with Co-operatives in Japan which were interrupted in 1940 when the former Central Union of Co-operative Societies withdrew for political reasons.

The Alliance now has in membership Co-operative Organisations in 35 countries comprising 117 million individual members; the types of Societies and their individual members are as follows:—

	Number of Societies.	Individual Members.
Consumers' Societies	42,327	60,898,142
Workers' Productive and Artisanal	9,699	806,032
Agricultural	64,284	17,483,667
Housing and Building	3,787	1,511,992
Credit	254,881	31,308,766
Others	3,445	4,909,415
Insurance	56	with 41,916,928 insured persons

It will be remembered that the last Congress approved a definition of **genuine co-operative principles** which was to be applied by the Executive under Article 8 of the Rules to all Organisations applying for admission, but should not apply to Organisations already affiliated. That was, in fact, a recognition that some Organisations already affiliated did not observe the principles.

Recently reported changes in the status of some affiliated Organisations caused the Executive, in November last, by a majority vote to ask the Policy Sub-Committee to study whether the new interpretation of Article 8 and the fact that it only applied to new applicants really corresponds to the present situation; in particular whether a fundamental change in the status of a member on the national plane should not have some consequence regarding the status of such member in the I.C.A.

Having studied this question the Policy Sub-Committee, in a statement to the Executive at their meeting in Brussels in February, emphasised that, when deciding not to apply the new definition of the requirements of the Rules governing admission to present members of the Alliance which did not fulfil all the conditions, the Authorities recognised an existing situation, but that this did not exempt the Organisations concerned from respecting the Rules; in the opinion of the Sub-Committee, should an affiliated Organisation at any time voluntarily or involuntarily effect a change which meant that it no longer complied with the statutory conditions of membership, such Organisation would make itself liable to the application of Articles 13 (a) and 11 (c) of the Rules.*

* ARTICLE 13 (a): Every organisation affiliated to the I.C.A. shall have the following obligations:—

(a) To observe the aims and policy of the I.C.A. and to conform in its activity to the Principles of Rochdale as defined in Article 8.

ARTICLE 11 (c): Membership of the I.C.A. shall cease—

(c) By resolution of the Central Committee: any organisation which acts contrary to the interests or rules of the I.C.A., or whose activity is inconsistent with the objects of the I.C.A., shall be excluded from membership.

The Executive approved the statement of the Sub-Committee in the following text for submission to the Central Committee, not as a new interpretation of Article 8 of the Rules, but as a logical and essential addition to the definition of genuine co-operative principles approved by the Congress at Copenhagen:—

“ Should an affiliated Organisation at any time voluntarily or involuntarily effect a change which means that it no longer complied with the statutory conditions of membership, such Organisation would make itself liable to the application of Articles 13 (a) and 11 (c) of the Rules.”

The question was subjected to a long discussion in the meeting of the Central Committee at Florence, but eventually the recommendation of the Executive was accepted by a majority vote. It was agreed, however, that its application should be deferred pending its consideration and final decision by Congress.

Apart altogether from the conditions governing membership the question of relations and inter-working between the Authorities of the Alliance and its affiliated Organisations has been under examination. It arose on the action taken by affiliated Organisations to give effect to the Resolutions of the Copenhagen Congress which, on the whole, was regarded as quite inadequate. The discussion revealed, amongst other things, the existence of a serious ignorance within the National Movements about the Alliance—what it is; what are its aims; what it does. The Officers were instructed to study the question and suggest how relations might be improved and information about the Alliance disseminated.

Their Report was built up on the Provisions of Article 12 of the Rules which gives the members the right “ To receive from the Secretariat all appropriate services, advice, etc. ”, and Article 13 which defines the Obligations of members towards the Alliance. Measures suggested for improving the position included the appointment by each National Movement of a responsible representative to act with authority as Liaison Officer; the inclusion in Reports of National Organisations to their Congresses of a section on the I.C.A. and its activity to be introduced for discussion by a member of the Central Committee; greater attention to the international aspect and significance of International Co-operative Day; also the organisation of International Conferences of Specialists for the exchange of experiences and ideas.

The measures suggested for improving relations, and at the same time for making the Alliance better known within the National Movements generally, were approved and conveyed to the member Organisations.

The Committees of the I.C.A.

Both the number of Committees and their work have increased considerably during the last three years, as this section of the Report indicates.

The **Central Committee** now has 99 members, representatives of affiliated Organisations in 24 countries. Since its statutory meeting at Copenhagen immediately following the Congress the Committee has met at Reykjavik in July, 1952; Cannes in May, 1953; Florence in April, 1954. It will meet again on the eve of the Paris Congress.

The Executive held a very brief meeting at Copenhagen following its election. It met four times in 1952—at Amsterdam in January, Berne in April, Reykjavik in July, Vienna in October; three times in 1953—Geneva in February, Cannes in May, London in November. During the present year meetings have been held at Brussels in February, at Florence in April, at London in July, and its last meeting will take place at Paris on 4th September.

The composition of the Executive underwent a change in 1952 when Mr. Ch.-H. Barbier was elected to the vacancy created by the resignation of Dr. Max Weber on his election to the Swiss Federal Council.

The Policy Sub-Committee, formerly elected by the Central Committee, became a Sub-Committee of the Executive after the last Congress, having as its members Mr. Brot, Dr. Bonow, Mr. Cerreti, Mr. Dahrendorf and Mr. Serwy. It has met as required for the drafting of the final statement on the Future Policy of the I.C.A. to be submitted to Congress by the Central Committee.

The Executive Sub-Committee, re-appointed in 1952, has as members the President, Mr. Brot, Mr. Cerreti, Mr. Charbo, Mr. Davidson, Mr. Serwy and Mr. Southern. It has held several meetings to deal with questions concerning the Secretariat and Headquarters.

An Inter-Co-operative Trading Sub-Committee, consisting of the President, Mr. Dahrendorf, Mr. Davidson and Mr. Drejer, was appointed by the Executive in 1953 in the special circumstances created by the decision, taken by its Board in 1951, to close the International Co-operative Trading Agency as a trading concern. The task of the Sub-Committee was to consider, in the light of the known import and export business of the National Wholesale Societies and their international relations, whether the possibility and the need existed for a new International Trading Organisation.

When the recommendations formulated by the Sub-Committee were considered early this year the Executive and Central Committees were already in possession of the Congress Paper of Mr. Roos on "International Co-operative Trade: the Possibilities of Practical Collaboration between National Organisations and its Development by the Alliance." Considering the recommendations of the Sub-Committee side by side with the draft resolution on Mr. Roos's Paper, the Executive were of the opinion that except in one respect they were satisfactorily covered by the resolution. They, therefore, proposed to the Central Committee that no action be taken on the recommendations. At the same time, they made some amendments to the draft resolution including a new final paragraph which brought into the resolution the one important point of the Sub-Committee's recommendations which its original text did not cover. In this form the resolution was accepted by the Central Committee.

Auxiliary Committees.

The Auxiliary Committees on the whole have shown more activity than in the years preceding the Copenhagen Congress.

The International Co-operative Petroleum Association, whose very favourable report is presented in Appendix VII, met at Reykjavik in July, 1952; London in July, 1953; Amsterdam in October, 1953. It will meet again at Paris.

Meetings of the **International Co-operative Assurance Committee** for practical reasons have not always synchronised with those of the Executive and Central Committee, and in any case are not very frequent. Meetings took place at Reykjavik in July, 1952; Cannes in May, 1953. The Triennial Conference, representative of all the Co-operative Insurance Societies in membership of the Alliance, will be convened at Paris.

The Report presented in Appendix I indicates the growing importance of the activities of the Assurance Committee.

The **International Co-operative Banking Committee** has only met once since Copenhagen, as mentioned in its Report in Appendix II, but a Banking Conference will be convened at Paris.

The **Auxiliary Committee on Agricultural Co-operation**, which was constituted at Copenhagen, has held meetings at Amsterdam in January, 1952; Berne in April, 1952; Vienna in October, 1952; and its Sub-Committee met in London in November, 1953. Its Report is submitted in Appendix IV.

The **Committee of Representatives of Workers' Productive and Artisanal Societies** experienced a set-back by the resignation of its former Secretary immediately after the Copenhagen Congress, but the appointment of a new Secretary at Cannes in May, 1953, promises a more active future for the Committee. A Conference representative of all the affiliated Workers' Productive and Artisanal Societies will be convened at Paris and the Committee submits its Report in Appendix III.

The constitution of a **Housing Committee** was the sequence of the Resolution on Housing adopted by the Congress at Prague in 1948, and the recommendations to the Central Committee from the Conference of representatives of Co-operative Housing and Building Societies which was convened at Copenhagen in September, 1951, with the approval of the Executive and Central Committee.

The Committee has held meetings at Vienna in October, 1952; Copenhagen, July, 1953. Since the latter date Sub-Committees have met to deal with the special problems of Housing Finance and the Joint Production of and Trade in Building Materials. A Conference of representatives of all affiliated Housing and Building Societies will be convened at Paris.

The Report of the Committee is presented in Appendix V.

Another new Committee is the **Liaison Committee of the I.C.A. and I.C.W.G.**, whose members are the President, Director and General Secretary of the Alliance; the President, Vice-President and Secretary of the Guild. Its constitution followed a desire expressed by the I.C.W.G. for closer relations with the Alliance. Its purpose is to keep the I.C.A. informed about the activities of the Guild and its relations with other International Organisations; to co-ordinate the work of the I.C.W.G. as a Category B Consultant of the Economic and Social Council with the work of the I.C.A. in the United Nations; to promote a better understanding of the I.C.A., and its work, amongst women co-operators in all countries.

Meetings of the Liaison Committee are arranged periodically; so far it has met on three occasions—April, 1952; January, 1953; March, 1954—always in London.

Committee on the Rationalisation of Commodity Distribution.

This Committee was constituted at the end of 1951 in accordance with the resolution adopted by the last Congress and presents a very full Report of its work in Appendix VI.

Meetings of the Committee and its four Sub-Committees have taken place at: London-December, 1951; Rudesheim-April, 1953; Stockholm-August, 1953; London-November, 1953. No further meetings will be convened before Congress.

Finance.

The finances of the Alliance are second only in importance to its principles, but perhaps their modest limitations have been more glaring in the period since the Second World War by reason of the growing number of amply financed International Organisations which are concerning themselves with the promotion of co-operation as one of the surest means of raising the economic and social standards of the world population, especially in under-developed countries.

Amendments to the Rules approved by the Zürich Congress in 1946 included new higher scales of subscription designed to assure the Alliance a minimum income of £20,000. The Amendment approved by the Copenhagen Congress provided for a 20 per cent increase in those scales, the result of which has been to raise the income from £23,723 in 1948 to £29,218 in 1953.

Other sources mentioned in the Rules from which the Alliance should derive income, namely, sale of its publications, gifts and legacies, do not come into the picture. On the contrary, its journals have always been a heavy liability, but, as the issue of publications is one of the Methods by which the Alliance seeks to attain its Objects, the burden they impose upon its resources must be accepted until such time as interest in them is sufficient to make them self-supporting.

The maintenance of the new Headquarters is obviously a much higher item of expenditure than the rent of the former offices and related expenses. A general examination, however, of the financial position indicates that with its present income, and with the present internal and external spending power of the £ sterling, the Alliance can just meet the expenses of the Secretariat and carry through its present programme of work. But there is nothing to spare for new activities.

The Balance Sheets for 1951, 1952 and 1953, which with the Income and Expenditure Accounts are given in Appendix XII, show a balance of Assets over Liabilities of £71,393. 19s. 4d. at the end of 1953, but only a small portion of these are liquid assets.

The funds available to the Alliance will continue to be used with that degree of prudence which has always been the policy and practice of its Authorities.

Publications.

The development of the I.C.A.'s publications has been retarded, partly by a change of personnel, but still more by the need for economy. High costs of printing and paper, coupled with reduced spending on publications by the National Co-operative Movements most affected by rising prices and diminishing profit margins, handicapped every effort to expand the periodical publications and increase their circulation. On the other hand, the general financial situation of the Alliance made caution imperative, for it did not permit of locking up considerable sums in books or brochures, no matter how useful their contents, with a restricted circle of readers and a comparatively slow sale. The programme for periodicals and special publications has, therefore, been restricted, with few exceptions, to the absolutely necessary minimum. Nevertheless, it has been possible to venture in new directions, as well as to revive some services which had lapsed.

The *Review of International Co-operation* has been limited to 24 pages for each normal monthly issue. The transfer of the printing of the English and German editions to the "Dico" Co-operative Printing Society, Amsterdam, in 1952, resulted in an annual saving of between £800 and £900, but unfortunately this coincided with a fall of nearly 10 per cent in the circulation of the English edition, due to heavy cancellations of subscriptions by British Societies whose educational funds had been reduced. The same tendency continued, although it was less marked, in 1953, but appeared to be arrested by the spring of 1954. The decline has been partly counter-balanced by the increase of individual subscriptions from other countries, notably the U.S.A. The total circulation of the English edition is just under 2,000.

The German edition has also declined in circulation by about 100 and is now just under 1,500. The French edition, on the other hand, is approaching 700.

With the issue of January, 1953, the *Review* appeared in a new type and format which have been generally approved. One issue each year has been produced as a double number devoted to a single theme—Co-operation in Agriculture in 1952, Co-operative Housing in 1953. These double numbers have attracted favourable attention and have sold well, particularly in 1953, when 900 copies of the French edition were ordered in advance through a special effort by the Belgian S.G.C.

The editorial policy of the *Review* is still, as always, to make it serve as the official organ of the I.C.A.—a forum for discussion of problems of importance to the International Co-operative Movement, and a chronicle of co-operative development throughout the world. The number of articles which are reproduced in national co-operative periodicals indicate that these objects are being achieved with some success. It should be recognised, however, that with an increase in size the *Review* could be much more effective, but this is fundamentally a financial, that is, a circulation, problem. The Alliance still urgently needs the active help of the National Organisations in English, French and German-speaking countries in making the *Review* better known and read amongst their members.

Cartel has continued to appear as a quarterly in English and French. It has just under 700 regular subscribers for the English and just over 200 for the French edition. This review follows closely and critically every significant development, not only in cartel organisation and policy but in restrictive practices generally and, especially in the last two years, national legislation designed to control them in the public interest. It circulates amongst universities, government departments, economic and market research institutes as well as among Co-operative Organisations and individual co-operators. It enjoys a high reputation for the accuracy and authority of its contents.

News Services. The *Co-operative News Service* and the *Economic News Service* are issued once a month in the form which has been customary for many years. The very considerable amount of material which is reproduced by many of the national co-operative journals indicates that they serve a useful purpose. To enhance their usefulness occasional supplements to the *Economic News Service* are issued on subjects of outstanding current interest, as well as a monthly supplement to the *Co-operative News Service* recording additions to the I.C.A. Library.

In 1953 the *Digest of the Co-operative Press* was re-introduced to provide a conspectus of opinion on problems of general importance to co-operators which find expression in the journals of the Movement. Lengthy quotations from the *Digest* and requests for extra copies indicate that its re-appearance has been appreciated. This applies particularly to a *Digest* on "Consumers' Information" which carried a supplement containing material assembled in connection with the I.C.A. Seminar for Women Co-operators.

The tendency is growing amongst the editors of European national co-operative journals to obtain information about other National Movements directly from the journals of the latter or from correspondents, who are sometimes those who supply material to the I.C.A. Some editors thus obtain their information more quickly than through the News Service, but this does not apply to co-operative journals published outside of Europe, or to news of extra-European Movements desired for European journals. These facts provoke the question whether the form and method of the Co-operative News Service need adaptation to a new situation.

Copyright Articles. First experiments were made in 1953 with a new service which has been demanded for many years by editors of co-operative journals; it is the periodical supply of topical articles, written at the request of the I.C.A., which retains the copyright. This service, the income from which more than covers the expenses incurred, may be regarded as a step towards an International Co-operative Press Agency which has been so long advocated.

Special Publications.

The Report of the 18th Congress was published in English, French and German editions. An abbreviated report, *Copenhagen Congress in Brief*, published in English and French editions shortly after the Congress, had a wide distribution.

Statistics of Affiliated Organisations, 1938, 1946-1949, Volume VI, was published in 1951, in one trilingual edition.

International Co-operation, Volume IV, containing Reports of 35 Organisations in 18 countries on their activities during the period 1937-1949, was published in 1953 in English and French editions.

International Handbook to European Co-operative Legislation, prepared by Dr. Laszlo Valko, with financial and technical aid from the I.C.A. and a number of affiliated Organisations, was completed in 1953. As the I.C.A. could not undertake publication for budgetary reasons, the author arranged for publication in the spring of 1954 by the press of the State College of Washington, U.S.A., with full acknowledgment of the part played by the Alliance in its preparation.

The Jubilee History of the I.C.A., by Dr. Henry Faucherre, has been received in the final German typescript and is being translated.

A brochure, *The I.C.A.: Its Aims and Work*, also revised editions of the *I.C.A. Directory of the Co-operative Press* and *Catalogue of Co-operative Films* will be issued in connection with the Paris Congress.

Economic Research.

At the time of the Copenhagen Congress, the Economic Research Section of the Secretariat had been reconstituted and at work for little more than a year. Since the spring of 1952 its work has developed in three main directions—the production of *Cartel* and the *Economic News Service*; the drafting of special memoranda on economic questions for the information of the Executive and other Committees; independent research into economic developments of significance for co-operative business policy.

For the publication of *Cartel*, a considerable documentation has been accumulated on the development of monopolistic organisations and national legislation affecting them. This proved of great value in the preparation of memoranda and oral evidence placed before the Restrictive Business Practices Committee appointed by the U.N. Economic and Social Council. The quality of these papers earned tributes from the U.N. Secretariat and individual members of the Committee.

Memoranda have been prepared for the Executive on International Commodity Agreements, a topic under discussion by the International Federation of Agricultural Producers and by the United Nations; also on the effects and legal status of Retail Price Maintenance.

The effects of recent changes in the pattern of consumers' demand on the trade of National Consumers' Co-operative Movements were studied in a series of seven articles in the *Review* during 1952-53. Other long-term research projects in hand concern the changing relationships between wholesaler and retailer in distributive trading, and the efficiency of Consumer Co-operative Societies of varying sizes in different countries.

Statistics.

Statistics of Affiliated Organisations have now been collected annually for 28 years and the last of the printed volumes—Volume VI covering the years 1938, 1946-1949—was published at the end of 1951.

In the years between the publication of the printed volumes the data are summarised in articles in the *Review of International Co-operation* and also circulated in the form of stencilled tables, generally as supplements to the *Co-operative News Service*. The latest figures to be published in this way are those for 1952, which appeared in May of this year.

These statistical surveys of the International Co-operative Movement, although they only refer to Organisations in membership with the Alliance, are extremely valuable, especially when it is remembered that the series now covers the period since 1924.

Nevertheless, the extremely limited circulation of the last volume, even amongst the affiliated Organisations whose activities are recorded, gives cause for consideration whether the series should be continued in its present form or whether the need for statistical information could be adequately met by a less elaborate publication.

Peace.

Resolutions of the 18th Congress and Declarations for International Co-operative Day.

In the Peace Resolution, carried on a card vote by the 18th Congress, delegates proclaimed their unbroken belief that real and lasting peace can be assured by the universal application of the fundamental principles of co-operation and they reiterated the prerequisites for peace formulated in the Declaration of the I.C.A. for the 28th International Co-operative Day.

In February, 1952, this Resolution was circulated to affiliated Organisations with the request of the Executive that it be brought to the notice of their respective Governments as the official Peace Policy of the I.C.A., and be used in the same sense on all suitable occasions.

The resolution was sent in the name of the I.C.A. to the United Nations Organisation and acknowledged.

Several Organisations reported, subsequently, on their action concerning the Resolution, which indicated that its text had been published in their journals, had been brought to the knowledge of co-operators at meetings and, in certain cases, had been sent to the National Government. In addition, some Organisations declared that they continued to support all genuine efforts towards peace. There is, of course, no means of assessing the result of the action taken in the different countries.

The second Peace Resolution, passed at Copenhagen, in which the Congress approved the attitude adopted by the Authorities of the Alliance in refusing to associate the I.C.A. in any action for peace with movements influenced by political ideas and instructed the Authorities to maintain this attitude, did not call for action, but the Executive urged affiliated Organisations to bear in mind its full significance.

The 29th International Co-operative Day was observed in September, 1951, just prior to the Congress. On this occasion the Declaration of the I.C.A. proclaimed, as on many previous occasions, its belief in the principles of co-operation as a foundation for social progress and international peace, and continued:—

“The I.C.A. advocates the diffusion of economic power amongst the many through the co-operative system and its rule of one member, one vote, while opposing the concentration of economic power through cartels and monopolies, and in the hands of a few whose activities are not subject to control of any kind.

“The I.C.A. urges its affiliated Organisations to fight for the repeal of all unfair legal and fiscal disabilities, imposed on co-operative enterprises, which hamper the common people in safeguarding their welfare through their own voluntary democratic institutions.

“The I.C.A. maintains that peace and security depend upon the subordination of national policies to world needs, so that the energies of mankind can be directed to the maximum satisfaction of consumers' wants; the full employment of human capacities in peaceful production; and the equitable use of the world's natural resources. The Alliance, therefore, re-affirms its support of the United Nations Organisation and pledges its whole-hearted collaboration in working for just and peaceful solutions of the economic, social and governmental problems of our time.

“The International Co-operative Alliance declares that the conditions under which free and independent Co-operative Movements flourish and bear fruit are indispensable for the preservation of world peace. In order to maintain these conditions it calls upon all its members to—

“Exercise ceaseless vigilance in defending and extending human rights and liberties;

“Renew their efforts to educate citizens in the full and faithful performance of their democratic duties;

“Press upon their national Governments the urgency of every measure of collaboration through the United Nations Organisation designed to banish the fear of war, want and oppression;

“Mark the 29th International Co-operative Day by an impressive manifestation of their united will to create a world order in which all peoples may enjoy peace in freedom and fraternal goodwill.”

In 1952 for the **30th International Co-operative Day**, in July, the I.C.A. called upon its affiliated Organisations for renewed and greater efforts in support of its own Peace Policy:—

“On the occasion of the 30th International Co-operative Day, the International Co-operative Alliance re-affirms its belief that the more general practice throughout the world of the Principles of Open and Voluntary Association, Economic Justice and Democratic Government, which for more than a century have inspired every successful form of co-operative activity, would constitute a guarantee for peace, as well as for improving the standards of living of all peoples.

In view of the continuing and world-wide fear of war, the International Co-operative Alliance calls upon its affiliated Organisations for renewed and greater efforts in support of its own Peace Policy, and stresses the need for them to promote, on the part of their individual adherents, a better understanding of the conditions prerequisite for peace which were confirmed by the 18th International Co-operative Congress at Copenhagen:—

“That in every country the people shall enjoy the fullest measure of self-expression, self-government, freedom of association, freedom of movement within their own frontiers and beyond them;

“That the standards of living in under-developed countries shall be raised so that the gross inequalities between them and the more advanced countries disappear;

That the endeavour of the United Nations Organisation to improve the health, security and welfare of mankind shall be loyally supported by its member countries;

“That the production of war-materials of every kind in every country shall be brought and kept under effective international control.

“In the name of its 106 million adherents in 33 countries, the International Co-operative Alliance declares again full support for the United Nations Organisations—which it regards as the most powerful existing instrument for peace; faith in the possibilities of the success of the United Nations Organisation; and the hope that the Organs of the United Nations Organisation will do all in their power to promote the development of genuine Co-operative Organisations, especially through their programmes of technical assistance in the under-developed countries.”

In July, 1953, on the occasion of the **31st International Co-operative Day**, the I.C.A. re-affirmed its Peace Policy as defined in the Resolution of the Copenhagen Congress and declared:—

“This Policy, if carried out, would remove the fear of war and assure to all peoples the enjoyment of every democratic right; it would promote economic progress and higher standards of living for the peoples of the under-developed countries; it would influence the members of the United Nations to work harmoniously together in the spirit of the Atlantic Charter; and liberate the world's raw material resources from monopolies and profit-seeking interests.

“In the firm belief that the universal practice of the fundamental principles of co-operative economy would restore equilibrium in world affairs, the I.C.A. appeals to its member Organisations in 34 countries energetically to expand every form of co-operative action in industry, agriculture, commerce and social welfare, while maintaining the genuinely co-operative character of all their institutions.

“The I.C.A., in making this appeal, would remind Organisations that their success depends very largely upon their action in forming their members into real co-operators, conscious of their individual obligations to the Movement.

“ Finally, while it remains convinced that the United Nations Organisations, loyally supported, can become an ever more powerful instrument for economic and social betterment throughout the world, the Alliance strongly appeals to co-operators everywhere to press upon their National Governments the urgency of every measure of international collaboration designed to banish the fear of war, want and oppression.”

The Declarations for International Co-operative Day are given good publicity by the editors of many national co-operative journals and in some cases are the subject of leading articles. In those National Movements where there is an organised observance of the Day, the Declaration is taken as the theme for speeches at public meetings and demonstrations.

I.C.A. Relief Action.

The I.C.A. Relief and Rehabilitation Fund, launched by the Appeal of February, 1943, with a minimum target of £500,000, was conceived as a means by which co-operators of all free nations might contribute towards the rehabilitation of the Co-operative Movements in the war-stricken and occupied countries of Europe.

As soon as post-war conditions permitted, the use of the Fund on behalf of the beneficiaries, namely the Movements in Belgium, France, the Netherlands, Poland and Yugoslavia, was commenced according to their desires and to the following allocations:—

To the Belgian Movement	£35,000
To the French Movement.....	£80,000
To the Netherlands Movement	£35,000
To the Polish Movement	£35,000
To the Yugoslav Movement	£35,000

In 1953 the Committees decided to close the Fund and the balance of the allocations was duly paid over. Details of donations to the Fund have been reported to earlier Congresses.

Italian Flood Relief.

First news of the disastrous flooding of the Po Valley in the autumn of 1951 had already reached the Secretariat and members of the Alliance when an appeal for help came from Lega Nazionale delle Cooperative and Confederazione Cooperativa Italiana. Immediately the President and Officers consulted the Executive and received their unanimous approval to the issue of an appeal to affiliated Organisations to aid the Co-operative Societies victims of the floods in their task of reconstruction, also to the opening of an International Fund by the I.C.A. with a donation of £5,000.*

In April, 1952, following the Executive meeting at Berne, the Director and General Secretary went to Italy, where they first carried out a programme of visits arranged by the two Italian Organisations, in company

*A list of contributions to the I.C.A. Fund and gifts in kind known to have been sent to Italy by affiliated Organisations is given in Appendix IX.

with some of their officials, through the flooded areas and to Co-operative Societies of different types—Consumers', Farmers', Rice-Growers', Fishery, Brick-making—which had suffered heavy losses.

During these days the Officers gained an impression of the great tragedy, national, human and co-operative; of the immense courage and fortitude of the victims both in bearing their losses and sufferings and in facing the task of reparation. While the help offered by the International Co-operative Movement was modest in the extreme, compared with the enormity of co-operative losses, profound appreciation was shown by all the co-operators whom the Officers met of the reality of the spirit of international co-operative solidarity which the action of the Alliance and its members manifested, also of the fact that representatives of the Alliance had come to visit them in their distress.

At a meeting in Rome, which followed, the decision reached was that all the help sent in response to the appeal of the I.C.A.—except some gifts earmarked for one or other Organisation—should be equally shared by the Lega and the Confederazione; that in each Movement the help should go to the most necessitous and deserving Societies of whatever type and, if possible, in a way which would always be a reminder of the act of international co-operative solidarity towards the Italian Co-operative Movement inspired and organised by the I.C.A.

At meetings of the Committees, as well as in writing, Lega Nazionale delle Cooperative and Confederazione Cooperativa Italiana expressed the most sincere gratitude for the real sympathy shown to them and their members, and for the valuable help in the reconstruction of their Societies. They also emphasised the deep impression which the action of the International Co-operative Movement made, not only upon Italian co-operators, but upon the country as a whole.

Aid for Flooded Areas of Belgium, Great Britain and the Netherlands.

At their meeting at Geneva in February, 1953, the Executive considered the question of organising assistance for Co-operative Societies and co-operators affected by the then prevailing flood disaster in Belgium, Great Britain and the Netherlands, and decided that affiliated Organisations be recommended to contribute to relief action through the Red Cross or other national relief organisations.

The response was immediate, and generous gifts in money and kind were sent, a list of which is given in Appendix X.

As soon as the losses in Belgium could be assessed the Société Générale Coopérative informed the Secretariat that, although the losses of its Societies were severe, they were less extensive than in Great Britain and the Netherlands. Therefore, the Society proposed that all contributions from Co-operative Organisations should be sent to the other two countries.

In letters to the Alliance, also personally at the Central Committee meeting at Cannes, the representatives of the British and Netherlands Movements expressed grateful thanks for the action and sympathy of the Alliance and its member Organisations.

The Henry J. May Foundation.

The Annual International Co-operative School has been organised on the lines worked out in 1950 with the object of allowing the participants the maximum time for discussion. The lecturers have been somewhat reduced in number in consequence, but the lecture programme has continued to be based upon the study of the Co-operative Institutions of the country in which the School is held, economic and educational problems of general interest to co-operators everywhere and the international co-operative activity revolving around the I.C.A.

The 22nd School in 1952 was held at the invitation of UNESCO, which met part of the cost, at its Adult Education Centre, established that year at the Château de la Brévière, near Compiègne, France. Limited accommodation prevented more than 52 students from taking part, but 15 countries and three continents were represented. The duration of the School was limited to 11 days, from 2nd to 13th September.

The 23rd School was held at Rheinfelden, near Basle, with the collaboration of the Union of Swiss Consumers' Societies, V.S.K., and the Union of Agricultural Societies of Eastern Switzerland, V.O.L.G., from 5th to 19th September, 1953. The number of participants was 69, from 12 countries.

The 24th School is being organised at Nancy in the fortnight preceding the Congress.

I.C.A. Seminar for Women Co-operators.

A new feature last year in the educational activity of the Alliance was a Seminar for Women Co-operators organised at the Château de la Brévière from 15th to 29th August, at the invitation of UNESCO, which made a substantial subvention towards the travelling costs of the participants.

The usual procedure was followed of giving affiliated Organisations the opportunity to nominate, and 31 students participated from Austria, Belgium, Canada, Finland, France, West Germany, Great Britain, Italy, Norway, Sweden, Switzerland and the U.S.A. The first notable feature of the Seminar was the participation of Canadian and United States women co-operative officials.

The central theme was "Women's Place and Influence in National, particularly Co-operative, Economic and Social Life," which was studied and discussed on the basis of lectures dealing with the Purchasing Power of the Consumer; the Influence of Housewives on the Standard of Commodities; the Participation of Women in the Democratic Control of the Consumers' Co-operative Movement; the Heart of Education—How are we Using our Vital Forces?

The remarkably interesting and full reports on the Seminar which appeared in national journals have clearly shown the importance of this first I.C.A. School for Women. Some practical results, too, have been reported—in one country those responsible for the management of co-operative factories have taken the initiative in the setting up of Women's Councils, whose members will express their opinions upon problems which arise, new productions, etc.; in three other countries the question of the Place of Women in the Movement was on the Agenda of the National Congress this year.

The Executive, having considered the report on the Seminar submitted by the General Secretary, approved the following Recommendations:—

i. That in countries where there is a Women's Co-operative Organisation the National Unions be asked whether in their opinion the present situation of the Women's Organisation is satisfactory from the organisational and functional standpoint; whether the Women's Organisation is receiving adequate recognition at local and national levels.

ii. That the desirability of reviewing their educational programmes be recommended to National Unions, particularly as to whether the present programmes afford full opportunities for women to be given the necessary education and training which can make them equally competent with men to share in co-operative management and control at local and national levels.

iii. That affiliated National Organisations be asked to consider the inclusion of competent women in their delegations to the Auxiliary Conferences on the press, education, and housing which will be convened in connection with the Paris Congress, and that the I.C.W.G. be invited to send a delegate to each of these Conferences.

iv. That every National Union and C.W.S. be asked to give serious consideration to the related problems of consumer education and the standard of goods both produced and sold co-operatively in their countries, as well as to the great service which the Co-operative Movement can render at the present time by selling goods of a guaranteed quality at a fair price.

v. That consumer education and information be one of the subjects to be discussed at the International Conference on Education to be convened at Paris.

The first four Recommendations were embodied in a circular to affiliated Organisations, whose replies will, in due course, be considered by the Executive and Central Committee.

The I.C.A. and the United Nations.

The consultative relations between the I.C.A. and the United Nations, including a number of the associated Specialised Agencies, have been maintained, and in certain directions developed, since the Copenhagen Congress within the framework built up between 1946 and 1950. No radical alteration has since been made in that framework, nor does any appear to be contemplated for the present. Without implying complete satisfaction with the existing machinery of consultation or with the extent to which it is used by the U.N. Secretariat and other authorities, it may be said that the arrangements now in force have enabled practical work to be done of considerable value from the standpoint of the Alliance.

Representation at meetings of the Economic and Social Council at New York or Geneva has been normally entrusted to the permanent I.C.A. representatives at these centres—respectively Mr. Leslie Woodcock and Dr. M. Boson—who have not only acted as Observers, but, under instructions, have presented statements on particular subjects. The same applies to meetings of the International Labour Office at Geneva. For representation at

meetings of the Food and Agriculture Organisation at Rome and of the U.N. Educational, Scientific and Cultural Organisation at Paris, the Alliance is indebted to its Italian and French affiliated Organisations, whose officers have willingly sacrificed time from their other duties for this purpose. On certain occasions, when subjects of special importance to the I.C.A. have appeared on the agenda, the duty of representation has been taken over by the Director.

Contact with the Economic Commission for Europe, and, more particularly, with its Committees and Working Parties dealing with housing problems, has been maintained by the regular representative at Geneva. In the case of the two other Regional Commissions, distance from London and the cost of travel still offer almost insurmountable hindrances to participation in their work. In 1953, when the Economic Commission for Latin America met at Rio de Janeiro, it was possible to arrange for the President of the Brazilian National Centre of Co-operative Studies—Dr. Fabio Luiz Filho—to act as Observer, but the Economic Commission for Asia and the Far East, with headquarters at Bangkok (Siam) has not yet arranged a meeting in any centre where the I.C.A. could call upon an affiliated Organisation to appoint an Observer. Participation is thus limited to correspondence and the study of documents. The two latter Regional Commissions are concerned to a very great extent with the promotion of economic and social progress in under-developed countries, that is, with problems to which Co-operation can offer valuable, and sometimes the best, solutions. The inability to participate fully and regularly in their work is at times a serious handicap to the Alliance in its endeavours to assist the Co-operative Movements in the respective regions.

Economic and Social Council.

Among the numerous questions which figured on the agenda of the Economic and Social Council from its 13th to 16th Sessions, the international control of restrictive business practices was the problem on which the attention of the I.C.A. was chiefly focused. Shortly before the Copenhagen Congress the Economic and Social Council resolved to set up an *Ad Hoc* Committee to study and report upon restrictive business practices tending to hinder international trade and retard the rise in the standard of living. This resolution was entirely in line with the Resolution on Monopolies adopted by the Copenhagen Congress, and in particular para. 4 of Section C, which appealed for renewed study by the United Nations of the extension and activities of international monopoly organisation.

The I.C.A. Executive agreed in January, 1952, that the Congress Resolution should be sent to affiliated Organisations and to the Economic and Social Council, and that the former be requested to supply information on the nature and effect of restrictive practices for incorporation in a memorandum to the *Ad Hoc* Committee.

This memorandum, and subsequently a second memorandum on the internal organisation and procedures of any international authority that might be established to deal with restrictive business practices, were submitted to the Committee. The I.C.A. also took advantage of an open meeting of the Committee, at Geneva in September, 1952, to present an oral statement on the same questions.

The report of the *Ad Hoc* Committee, together with its analysis of governmental measures relating to restrictive business practices, was published in the spring of 1953. Its main feature consisted of draft articles of agreement for the establishment of control over international restrictive practices, based on Chapter 5 of the Havana Charter. It was envisaged that governments would pledge themselves to participate individually and collectively in consultations and investigations designed to establish whether a particular practice had harmful effects on international trade, as well as to comply with the recommendations for remedial action made by the proposed control authority. The Committee proposed that "the paramount authority and the final powers of decision" should rest with a body representative of all participating governments, though some of the duties and powers of this body might be delegated to an Executive Board. It was also suggested that there should be an advisory staff of experts "collectively providing an appropriate balance of experience and familiarity with the economic background of different industries and countries."

The chief recommendations of the *Ad Hoc* Committee's report were considered by the Executive and Central Committees at their Cannes meetings, when the Secretariat was authorised to submit a memorandum to the 16th Session of the Economic and Social Council and to take the floor in order to express the view of the Alliance. This Memorandum, dated 29th June, 1953, expressed general satisfaction with the Draft Agreement "because it corresponds in a very large measure to the recommendations made for some years past by the Congress and other authorities of the Alliance." There were, however, two matters relevant to the Committee's report on which the I.C.A. wished to make its views known. The first concerned the desirability of providing for the registration of restrictive business agreements and other arrangements affecting international trade; the second concerned the right, restricted to member governments under the Draft Agreement, to make complaints to the proposed Organisation. The I.C.A. held that alternative channels should be made available through which affected persons, enterprises and organisations could make their complaints known, and suggested that category "A" Non-Governmental Organisations should be granted this privilege.

When the Report of the Committee was taken up by the Economic and Social Council in July, 1953, it was evident that only a minority of the members desired prompt action. The I.C.A. view that the report provided an adequate basis for immediate action was, nevertheless, re-affirmed by its representative. In the end, a resolution was passed providing for the circulation of the reports to governments, specialised agencies and interested governmental and non-governmental organisations for their comments, and the question, it was decided, should be reconsidered by the Council not later than the 19th Session, which is due to meet in the spring of 1955.

After the Executive had considered the terms of the Council's resolution and the proposals of the *Ad Hoc* Committee, the I.C.A., responding to the invitation of the U.N. Secretary-General, expressed its views in a letter dated 14th January, 1954. This letter confirmed that the I.C.A. was generally satisfied with the provisions of the Draft Agreement; it repeated the suggestions for international registration of restrictive business agreements and wider access to the proposed organisation made in the memorandum of June, 1953; it stated that nothing had caused the I.C.A. "to change its view that

an effective control over restrictive business practices is an urgent necessity," and concluded by expressing regret that "the Council did not feel able to press forward for a speedy implementation of the *Ad Hoc* Committee's proposals at that Session," also the hope that discussion of the proposals would be renewed at "the earliest possible date" and that "their implementation will not be long delayed."

The International Labour Office.

Relations with the I.L.O. have been maintained almost entirely through the Co-operation and Handicrafts Service. The Advisory Committee on Co-operation, set up in 1949, which met only once, was replaced during 1952 by a Correspondence Committee with a membership both larger and more diversified as to nationality. As the new title implies, the members of this Committee are normally to be consulted by correspondence on questions on which they are deemed to be expert, but select panels may be convened from time to time to discuss particular problems with officers of the Co-operation and Handicrafts Service.

Such a Conference was held for the first time at Geneva in December, 1953, and was attended by experts in Co-operation from 12 countries in Asia, Europe, Latin America and the Middle East, together with Observers representing F.A.O., Pan-American Union, I.C.A. and I.F.A.P. Mr. A. Axelsen Drejer (Denmark) presided and other members of the I.C.A. Executive and Central Committees were among the experts. Papers were submitted by the Co-operative Service on the action of the I.L.O. as regards Co-operation; Co-operative Legislation; Organisation of Government Co-operative Services; Inter-Co-operative Relations. The Conference resulted in a number of recommendations indicating directions in which the Co-operation and Handicrafts Service should continue its work of research, analysis and dissemination of information about the subjects discussed. The discussions helped to clarify relations between the Service and the I.C.A. and to reveal fields where collaboration was desirable and possible.

Food and Agriculture Organisation.

In the F.A.O. Secretariat Co-operation is the special concern of the Rural Welfare Branch of the Agriculture Division. Consultative relations with the I.C.A. have not extended far beyond the exchange of information and publications, largely because the interest of F.A.O. in Co-operation has hitherto been almost exclusively from an agricultural standpoint. In regard to its general policy, however, it has displayed an increasing awareness of its need for contact with the Non-Governmental Organisations and for enlisting their active assistance in the discharge of its tasks. Various aspects of the problem of securing more effective representation for N.G.O.'s have been considered by the Council of F.A.O., including the possibility of an amendment to the constitution to permit direct representation of organised producers and consumers in a manner analogous to the representation of employers and workers in the I.L.O. These discussions provided the I.C.A. with an opportunity of bringing itself before the notice of the Council as a world-wide representative, not merely of consumer interests, but also of co-operatively organised agriculturalists. The only practical outcome of the discussions, so far, is the recommendation of the Council, noted by the seventh Conference in November, 1953, that Governments should include

representatives of producers and consumers in their national delegations and that special unofficial meetings should be arranged for these representatives in order to convey information to them and hear their opinions.

At this seventh Conference a meeting was arranged in order that the representatives of Non-Governmental Organisations might express their views on the Agenda to a Committee of Government representatives who would report later to the Conference. In expressing the views of their respective Organisations, the Secretary-General of I.F.A.P. and the Director of the I.C.A. both urged that F.A.O. should apply itself with greater determination to the relief and regulation of the commodity situation and to the fight against malnutrition through improved distribution as well as production.

United Nations Educational, Scientific and Cultural Organisation.

Not merely consultation, but practical working relations in several fields of education have developed between the I.C.A. and UNESCO during the past three years. Much of this practical work lies within the province of the Consultative Committee on Adult Education of which Mr. Ch.-H. Barbier is a member. Although serving in his personal capacity, Mr. Barbier never lost sight of the interests of the Alliance, and when the Committee was reconstituted in 1954 and the I.C.A. was given a permanent seat, he willingly consented to continue as its representative.

For the purposes of this report the various activities of UNESCO may be grouped under: 1, Courses and Seminars; 2, Exchange of Workers; 3, Youth; 4, Gift Coupon Scheme; 5, Research.

1. In 1952 and 1953 UNESCO established a Centre for Adult Education at the Château de la Brévière, Compiègne, France, which was used chiefly for International Conferences and Seminars dealing with general problems of adult education and UNESCO's own programme of action. For these meetings the I.C.A. submitted a statement in 1952 and sent a representative in 1953. The Centre was also offered to consultative Non-Governmental Organisations which desired to hold short courses of their own. Thus the I.C.A. held its 22nd International Co-operative School at La Brévière in 1952, and in 1953 the special Seminar for Women Co-operators. UNESCO gave financial assistance for the School by lodging and boarding the students free, and for the Seminar by grants towards the travelling expenses of the participants. In 1954 the policy of UNESCO was to decentralise its adult educational activities while retaining the collaboration of the N.G.O.'s. The I.C.A. was accordingly offered, and accepted, substantial grants towards the organisation of a Seminar on Co-operation in the Caribbean and towards the travelling expenses of the participants. The Seminar is being organised for the autumn of this year.

2. In order to harness the educational influence of travel to its task of creating international understanding, UNESCO included in its Exchange of Persons' Programme for 1952, 1953 and 1954 the organisation of study-tours for workers in its European member countries, arranged in close collaboration with the N.G.O.'s, whose members were invited to submit projects. The tours must be made by parties of workers with common occupational interests in a given country who visit one or more other countries with the

object of gaining by direct observation knowledge of the living and working conditions, outlook and problems of similar workers in other countries. Projects approved by the UNESCO Selection Committee were subsidised, UNESCO paying the travelling costs of a limited number of participants.

There is no doubt that these study-tours have proved of great benefit, not merely to the participants and the organisations sponsoring them, but also to UNESCO. This, however, was not apparent to those who framed UNESCO's budget for 1953-1954, and it was necessary for the I.C.A. and other N.G.O.'s to intervene to prevent the proposed reduction of the sum allowed from 40,000 dollars to 29,000 dollars. Even so, the amount is almost ludicrously small and should be greatly increased, especially if the scheme is extended to other continents.

The much more difficult problem of the exchange of workers for periods of months instead of days took a more hopeful turn at a joint I.L.O.-UNESCO Conference which met at Geneva in January, 1954. Mr. Barbier, who presided, laid before the Conference a practical scheme for the exchange of saleswomen between Swiss Consumers' Societies and Co-operative Societies in other countries to be put into effect in 1955. This scheme, which was warmly approved by the Conference, offers the best solution yet considered for the linguistic and financial difficulties in the way of workers' exchanges. It also presents an opportunity for the Co-operative Movement to take the lead and set an example for others to follow.

3. For its collaboration with UNESCO with the object of fostering international understanding amongst youth, the I.C.A. Secretariat has been able to enlist the aid of the Youth Officer of the British Co-operative Union. His attendance at Conferences and working parties at UNESCO Headquarters in Paris has manifested the interest of the Alliance and the Movement generally in the education of youth for citizenship, and has contributed to the exchange of ideas and practical suggestions.

4. The UNESCO Gift Coupon Scheme is a system for helping educational organisations with limited financial resources to obtain equipment, e.g., audio-visual apparatus, through money raised by sympathisers in other countries. The advice of the I.C.A. is sought at every stage in the consideration of projects for the benefit of Co-operative Institutions. Those which have benefited are the School of Konsumverband, Austria, and the Gujarat Region Co-operative Institute at Baroda in India. Despite the publicity given to the scheme by the I.C.A., through the *Review* and in other ways, few co-operative projects have yet been put forward for consideration.

5. In the latter months of 1953 the Department of Social Sciences sought the services of the Secretariat for research into the rôle of co-operation in education for citizenship as part of a larger undertaking which UNESCO is to carry out for the Economic and Social Council, with particular bearing upon the life of rural communities. With the assistance of the British Co-operative College, the Extension Department of the St. Francis Xavier University, Antigonish, the I.C.A.'s Finnish members and other interested institutions, this work which UNESCO will subsidise will be carried out in the summer of 1954.

This record of the close collaboration which has developed in the last three years between the Secretariat and various departments of UNESCO would be even more gratifying if it could be paralleled by a similar record on

the national plane. Regrettably, however, very few of the affiliated Organisations have satisfactory relations with the National Commissions which collaborate with UNESCO. An enquiry in October, 1952, revealed that only seven had either representation on the Commissions, or relations with them in other ways. On learning of this situation the Executive strongly expressed the opinion that the National Organisations should make representations to their own authorities, with the support of the Secretariat when that would be helpful. This opinion was later endorsed by the Central Committee. It should be noted that UNESCO itself is very desirous that collaboration on the international level should be completed by collaboration on the national level, and its General Conference of 1952 adopted a resolution recommending that national branches of International Non-Governmental Organisations with consultative status should be closely associated with their respective UNESCO National Committees.

United Nations Authorities and the Co-operative Movement.

During the past three years United Nations Organisations, at the request of National Governments, have played an active part in the promotion of various forms of co-operative enterprise in a number of under-developed countries. The work is carried on by certain Specialised Agencies, notably I.L.O. and F.A.O., as part of their ordinary functions but, in addition, many extra projects have been undertaken under the Expanded Programme of Technical Assistance. These activities are financed by contributions and special grants made by the Governments in membership with the United Nations and directed by the Technical Assistance Board, which consists of a specially appointed Chairman and the Directors of the Specialised Agencies. In the view of these authorities, they alone can assume responsibility for spending the public money voted for Technical Assistance and that responsibility gives them the right to decide what shall be done. Without contesting that view, the Secretariat reported to the Executive in 1953 that, having regard to the special interest of the Alliance in all that was done to promote Co-operation, it did not always receive prompt or adequate information of the various projects and was, therefore, deprived of the opportunity of expressing an opinion and tendering advice, either on the projects or the personnel appointed to carry them out.

The question was raised with the Chairman of the Board and, after discussions with the I.C.A. representative in New York, the offer was made to circulate to the officers executing Technical Assistance projects a statement on the I.C.A., the scope of its activities and the different kinds of service it is prepared to render to them. An appropriate statement was accordingly submitted.

Consultation on Co-operative Development Programmes.

In this connection it may be appropriate to refer to the action taken, in virtue of the Resolution adopted by Copenhagen Congress, to clarify relations between the two United Nations Agencies and the two Non-Governmental Organisations directly interested in the development of co-operation in all parts of the world. Discussions between the executive officers of the four Organisations in 1951 and 1952 indicated that, because of the wide area of common interest, a precise demarcation of spheres of activity was not always desirable or practicable. Sufficient agreement was reached in

principle on mutual consultation and exchange of information to make a special round-table conference unnecessary. Undesirable overlapping has since diminished, while mutual information and consultation between the Secretariats tend to increase.

The I.C.A. and Other Inter-Governmental Organisations.

European Economic Communities.

The importance to the Co-operative Movement of the new Economic Communities established or projected for the unification of European markets has been recognised and discussed by the Central Committee and Executive. Whereas the High Authority for Coal and Steel offers little opportunity for the representation of co-operative interests, the European Conference for the Organisation of Agricultural Markets ("The Green Pool") is of vital concern to the I.C.A.'s affiliated Consumers' and Agricultural Organisations. The Auxiliary Committee for Agricultural Co-operation recommended that the I.C.A. should seek to be represented by observers at the preparatory meetings, and at Cannes the Central Committee, on the proposal of the Executive, adopted a resolution of which the following are the operative clauses:—

"The Central Committee considers it essential that the Consumers' Co-operative Organisations and the Agricultural Producers' Co-operative Organisations affiliated to the I.C.A. shall be associated with the various Conferences which draw up the basis and the form of such a community by the appointment of observers having the same status as the observers of the International Federation of Agricultural Producers and the European Federation of Agriculture;

"Invites the National Co-operative Organisations of the countries concerned to make immediate representations to their respective Governments for such representation and to inform the I.C.A. of the results;

"Decides that, according to the results, the I.C.A. shall formulate its own action or shall come to an understanding with the National Organisation concerned, in order to assure the desired representation at the Conference which will take place in October, 1953."

In December a request for the admission of an I.C.A. observer was sent to the President of the Interim Committee, which is supervising the preparatory work. A final decision on this request is still awaited.

Productivity and Distribution.

The European Productivity Agency set up under the Organisation for European Economic Co-operation recruited in 1953 a team of experts for research into problems of increasing productivity and distribution in Europe. The experts reported to a Conference in Paris in December, at which the I.C.A. was represented by an observer. The discussion of that report gave rise to a number of recommendations, one of which was that the European Productivity Agency, in seeking to improve the efficiency of distribution, should collaborate with various international bodies representing trading interests, including the I.C.A.

Organisation of American States.

Contact and exchange of information have been maintained with this Organisation, which has a Co-operative Section in its Division of Labour and Social Affairs. In 1952 and 1953 this Section established a training centre for leaders of the Co-operative Movement at three points in the Caribbean and South America.

The I.C.A. and Non-Governmental Organisations.

Conference of Non-Governmental Organisations with Consultative Status.

The I.C.A. was represented at Conferences of Non-Governmental Organisations held at New York in December, 1952, and Geneva in June-July, 1953. The Conferences were mainly concerned with reviewing the development of the consultative process, ensuring equitable treatment of the different categories of organisation, plans for the establishment at New York of a Service Centre for Non-Governmental Organisations, and the legal status of International Organisations. They served the useful purpose of enabling the Organisations to exchange experiences on their collaboration with U.N. authorities. While the discussions did not indicate that any radical reforms in the machinery of consultation were necessary, they did reveal that consultation might be employed to a much greater extent and to better purpose by both the governmental and non-governmental sides.

The I.C.A. has also been represented at Conferences held at Paris for organisations in consultative status with UNESCO, which afford a valuable opportunity of discussing the policy and programme of UNESCO, also of making practical suggestions based on the experience of the Organisations.

International Chamber of Commerce.

The Alliance has continued to be represented by Mr. Ch.-H. Barbier at meetings of the I.C.C. Commission on Distribution. The far-reaching changes which are proceeding in both wholesale and retail distribution make this connection particularly valuable, supplemented as it is by the exchange of information between the I.C.A. Economic Research Section and the appropriate department of I.C.C.

Another important topic of common interest to both Organisations is the practice of Resale Price Maintenance. A discussion in the Distribution Commission in 1952 disclosed sharp differences of opinion amongst various national representatives and a statement which was considered too favourable to Resale Price Maintenance was sent back for reconsideration and re-drafting. These differences were not composed before the I.C.C. held its Congress in Vienna in May, 1953, and the statement agreed by the Congress expressed a very balanced opinion on the merits and demerits of the practice.

Meanwhile, on the matter being reported to the I.C.A. Executive, it was decided to obtain the views and experience of the affiliated National Organisations. A memorandum summarising their replies, considered by the Executive in November last, indicated that resale price maintenance was condemned when it resulted in prices being fixed at levels unfair to consumers, when it was enforced by penal sanctions such as stoppage of supplies, and when it interfered with the payment by Consumers' Societies

of the normal dividend on members' purchases. On the other hand, several Organisations saw advantages in the method of "recommended" prices for co-operative products. The Research Section was, therefore, instructed to prepare a more analytical memorandum from the consumers' standpoint for consideration by the Executive in the course of 1954.

The efforts of I.C.C., which have already resulted in considerable success, to secure the adoption by the governments signatory to the General Agreement on Tariffs and Trade (GATT) of simplified customs and consular procedures were supported by the I.C.A.

International Federation of Agricultural Producers.

A regular exchange of documents and general information is carried on between the I.F.A.P. Secretariat and the I.C.A. The two Organisations not only have a certain number of members in common but a similar, though not the same, approach to some important problems of world economy. The I.F.A.P. is concerned particularly with stabilisation through international agreement of the prices of staple agricultural products sold on the world market. In 1952 it appealed to the I.C.A., as well as to the other Consultative Non-Governmental Organisations, for support in its efforts to persuade the Economic and Social Council to examine the possibilities of a general adoption of the method of international price stabilisation, of which existing agreements relating to wheat, sugar, etc., offered examples. A memorandum, prepared on the instructions of the Executive, was circulated for comment to the National Organisations. The observations of seven Organisations were received. At Geneva the Executive voted a resolution expressing its agreement in principle with the conclusion of international agreements for a limited number of products which are subject to speculation and with the creation of "buffer stocks" to supplement them. The Executive considered, however, that it was indispensable, in the negotiation of such agreements, that the consuming countries should be represented in order to guarantee the protection of their interests. This Resolution was adopted by the Central Committee at Cannes with an additional clause emphasising that the participation of all interested countries should be assured without any discrimination as to origin or interests.

The relations of the I.C.A. and I.F.A.P. to Agricultural Co-operation give rise to some differences of opinion which have not yet been solved. It has been asserted more than once by its leaders and officers that Agricultural Co-operation is an integral part of I.F.A.P. The I.C.A., on its side, regards Agricultural Co-operation as an integral part of the International Co-operative Movement. An enquiry addressed in 1952 to the Secretary-General elicited the reply that I.F.A.P. regarded the Agricultural Co-operative Organisations as entirely free to adhere to any international association they chose, and placed no obstacle in the way of any which desired to affiliate to the I.C.A. On the other hand, in the discussion by I.F.A.P.'s Co-operation Committee at Rome in June, 1953, of a statement submitted by the Secretariat outlining I.C.A. policy on Agricultural Co-operation, it was evident that certain members did not appreciate the advantages to be derived from association with Consumers' Co-operation within the Alliance, preferring to regard them as belonging to different, if not opposing, movements.

Obituary.

In a Movement such as ours it is but in the natural order of human life that we have frequently to mourn the loss of respected and valued colleagues from the I.C.A., as well as a great number of men and women co-operators from the ranks of the National Movements.

Since the last Congress several outstanding figures in the International Movement have passed away:—

Mr. Julius Alanen, Finland—former General Manager of the Finnish Co-operative Wholesale Society, OTK, and member of the Central Committee.

Mr. A. B. MacDonald, Canada—former General Secretary of the Co-operative Union of Canada and member of the Central Committee.

Professor H. L. Kaji, India—former President of the All-India Co-operative Union and member of the Central Committee.

Dr. Georges Fauquet, France—former Chief of the Co-operative Section of the I.L.O. and member of the Central Committee.

Mr. René Vaxelaire, France—former Director of the Union des Coopérateurs de Paris and member of the Central Committee.

Mr. H. M. Gibson, Great Britain—former Director of the English Co-operative Wholesale Society and member of the Central Committee.

Mr. K. Cerovsky, Czechoslovakia—former member of the Board of Ustredni Rada Druzstev and member of the Central Committee.

The homage which we pay to the memory of those who are no longer with us must not be merely a passing manifestation. Their work must be carried on, their example made known to the younger generations, and there must be lasting gratitude for their services to the cause of co-operation.

On behalf of the Central Committee,

T. H. Gill,
President.

W. P. Watkins,
Director.

G. F. Polley,
General Secretary.

Discussion on the Report of the Central Committee.

The President: I formally move the adoption of the Report of the Central Committee. We will take it page by page.

The New Headquarters.

Mr. N. Thedin, Sweden: I wish to refer to the work of the Film Working Party which met in London last November. As this was to a certain extent a new venture in the activities of the I.C.A., it may be worth while to say a few words about its objects and the problems which were encountered.

In many countries films play an ever-growing rôle in the educational work of the Co-operative Movement. The film is an excellent means of creating interest in co-operative activities not only in one's own country but in others, and this is a field which lends itself to international co-operation. We can help one another by exchanging film material, thus creating a greater interest in and a greater knowledge of international co-operative work. The Film Working Party found that there was a great interest in and a great need for such collaboration, and we asked the Secretariat of the Alliance to prepare and publish a new International Film Catalogue, in order that we should know what co-operative films exist.

But there are great difficulties in the exchange of films, because in many countries extremely rigorous regulations make their importation from other countries a very difficult and complicated affair. Therefore, we feel that it is essential for the National Co-operative Movements to bring pressure to bear on their respective Governments to ratify the UNESCO Convention on the free exchange of educational material. It is simply preposterous that there should be customs regulations which make it very difficult, in some cases impossible, for us to pursue an educational collaboration of value to everybody. These obstacles must be removed.

There are also possibilities for international co-operation in the production of films; by collaboration we can bring down the costs, and thus obtain more films and more educational material for less money. Even here, however, we have run up against several obstacles, especially in the form of currency restrictions. We have made some experiments in Scandinavia; a few years ago we produced a film, financed by the Co-operative Movements in all the Scandinavian countries, called *Scandinavian Co-operation*; this summer we have made a colour film in the truly co-operative country of Iceland, similarly financed. We feel that this kind of co-operation can be extended to wider circles. Why should not we be able to produce in common, for instance, a film about the problems of the under-developed countries and the rôle which co-operation might play in the solution of those problems? Such a film would do very much to increase interest in these problems on the part of the great mass of our members. It is our hope, therefore, that this Film Working Party can continue its activities and build up constructive collaboration in this field.

Membership of the I.C.A.

Mr. I. S. Krayushin, U.S.S.R., moved the following resolution submitted by Centrosoyus:—

That the Congress should consider—

1. The application of the Co-operative Movement of the Polish People's Republic for its admission into membership of the International Co-operative Alliance.

2. The application of the Central Union of Consumers' Co-operation of the Albanian People's Republic for its admission into membership of the International Co-operative Alliance.

3. The application of the Union of Hungarian Co-operatives of the Hungarian People's Republic for its admission into membership of the International Co-operative Alliance.

4. The application of the Union of German Consumers' Co-operation of the German Democratic Republic for its admission into membership of the International Co-operative Alliance.

In the report of the Central Committee on the subject of membership, it is said: "There are still many well-developed Co-operative Organisations, as well as younger Movements, outside the ranks of the Alliance." In reviewing the recent activity of the Central Committee, it must be pointed out that the Alliance has not made any great progress in widening its membership; only eight new members have been admitted during the last three years, yet co-operators all over the world are trying to develop friendship and mutual understanding, and to strengthen the friendly connections between their Organisations, thus fighting for the maintenance and strengthening of peace and co-operation throughout the world. The Executive and Central Committee, having in mind that one of the objects of the Alliance is to be the universal representative of Co-operative Organisations which observe the principles of the Alliance, should have carried out widespread activity to develop fraternal relations between all Co-operative Organisations, but this has not been done. The leaders of the I.C.A. have followed a despotic policy, aimed at discriminating against Co-operative Organisations in a number of countries and excluding them from membership.

A very important Co-operative Movement which has been treated in this way is that of Poland. Further, the Executive did not accept applications for membership from the Co-operative Movements of Albania, Hungary, Mongolia, and Korea, which comply with the Rules of the Alliance; these co-operative organisations are based on truly democratic and co-operative principles and play a very important part in raising the standard of living in their countries.

It is not possible in the short time at my disposal to give you figures and facts about the development of the Movements in these countries, but it will perhaps be sufficient to give you one example; fifteen years ago, Poland was a country in which one child out of every six died in infancy, and one in every three children born was doomed to starvation and unemployment. To-day Polish children are on the path of progress and well-being. There is no unemployment in the country. The consumption of textiles has increased

greatly, also the consumption of foodstuffs. This shows the great work which has been done by the Co-operative Movement, and it is obvious that the decision of the I.C.A. is not in conformity with the principles on which the Alliance is founded, but is contrary to those principles. The I.C.A. has adopted a new interpretation of Article 8 of its Rules, which is not a just or proper one. It has been stated that the Co-operative Movements in the countries I have mentioned are not free and independent, but are dependent on the State. Not only have the Soviet co-operators protested against the decision of the Alliance; protests have been made at the Co-operative Congress in Great Britain against the decision concerning Poland, and the I.C.W.G. has also protested.

We suggest, therefore, that the 19th Congress must express its disapproval of the decision of the Executive and Central Committee to exclude Poland from the Alliance. We feel that if Congress were to reverse that decision this would be welcomed with great enthusiasm by true co-operators throughout the world.

Mr. D. S. Timofeev, U.S.S.R.: At the meeting of the Central Committee at Cannes in May, 1953, the Soviet delegation proposed that the 19th Congress should be asked to review the Polish application to be restored to membership, also to reconsider the applications of the Co-operative Movements of Albania, Hungary and the German Democratic Republic. Sir Harry Gill recommended the Soviet members to send in their proposition for inclusion in the Congress Agenda; accordingly, on 25th June of this year Centrosoyus sent to the Secretariat the proposal to consider the applications for membership of the Co-operative Movement of the Polish People's Republic, the Central Union of Consumers' Co-operation of Albania, the Union of Hungarian Co-operatives, and the Union of German Consumers' Co-operation of the German Democratic Republic. Soviet co-operators consider that these Organisations must become members of the I.C.A., because their rules and activities fully correspond to the principles of Rochdale; they are on a fully democratic basis; their activity increases every day. The economic development of these countries is continually becoming greater; their commerce and trade are being developed, and there is no reason whatever for refusing to allow their Co-operative Movements to become members of the I.C.A. and to collaborate with the Movements of other countries.

In the last few years the co-operators of Albania, Hungary, Poland and Eastern Germany have been hosts to delegates from many countries, including Great Britain. These foreign delegations have been able to see that the co-operators of these countries are their own masters, and are carrying on truly democratic co-operative work. If the Executive and the Central Committee had wanted to know what the Co-operative Movements in these countries were really like, they could have sent delegations to visit them. That they did not can only be explained by an attitude of cold indifference to these Movements and an unwillingness to see them amongst the members of the I.C.A.

We consider this to be completely unjust, and in supporting the desire of these Co-operative Organisations to become members of the I.C.A. Centrosoyus proposes and submits for your consideration that the 19th Congress shall decide to accept into membership the Co-operative Movements of Poland, Albania, Hungary, and the German Democratic Republic.

The President: We are dealing with the question of membership, which is referred to on pages 15-17 of the Report of the Central Committee. We are also dealing with the resolution on the subject submitted by Centrosoyus which has been circulated with the Agenda. It will be clear from the speeches that what is being discussed is not the Report of the Central Committee but the resolution. It is, therefore, my intention that at the close of the discussion we shall take a vote on the Centrosoyus resolution.

Mr. R. Southern, Great Britain; The question before us, as set out in the resolution standing in the name of Centrosoyus, brings again to this Congress an issue which has been debated on many occasions. At the recent Congress of the British Movement a proposal was on the agenda that Poland should be admitted to the International Co-operative Alliance. The motion was defeated, after a very good debate which showed a division of opinion; and that means that the official policy of the British Movement is against the admission of these Organisations into membership of the Alliance.

You will notice that concern is expressed about applications from several countries. It may be that there is a strong co-operative affinity between those countries, but there is also something else, to which we should not blind ourselves in this Congress. The countries with which we are concerned are Poland, Hungary, Albania and East Germany, and the question of their admission has been taken up by Centrosoyus of the U.S.S.R. It is, therefore, obvious that there is another connection between these countries, other than that of simple co-operative aspiration. There is a basic principle involved, one which was adopted previously at the Copenhagen Congress and which remains unchanged, and that is that the I.C.A. must continue to be the representative world organisation of free and voluntary National Co-operative Movements.

In these days language can take on a double significance, and, just as the word "democracy" has different meanings according to the intentions of the user, so it has come about that in different countries the word "co-operation" has quite different meanings. We in Britain and within the I.C.A. are concerned with the expansion and development of that form of co-operation which springs from the basic principles of the Rochdale Pioneers. Because of that elementary truth the Executive, in the first place, rejected these applications; the Central Committee, to which appeals were made, rejected the appeals; and the last Congress, at Copenhagen, endorsed the policy of the Executive and Central Committee. That is the aspect of the question with which we ought to be concerned to-day.

There are many expressions of sentiment, of regard, of goodwill, of a desire to learn more about each other by an exchange of ideas, freedom of opinion, freedom of travel, and so on. These things, however, are not at issue. The issue is whether or not there shall be organic links between the Co-operative Organisations of these countries and the International Co-operative Alliance in such a way that membership is accorded to them and they shall be entitled to representation and voting power. The intention behind this resolution is that these Organisations shall be allowed to play their full part in the work of the I.C.A. It is a question of organic relationship, and the British Movement takes the view that the previous attitude of the authorities of the Alliance should be maintained because we believe that this is not a simple question of membership but one which involves the future control of

the I.C.A., the question whether or not our World Organisation shall continue the functions for which it was founded.

Mr. I. P. Akhremchik, U.S.S.R.: I should like to explain one of the reasons why the membership of the Alliance consists of the National Organisations of only 35 countries, and why only eight new Organisations were received into membership during the last three years. In 1949, when the Executive accepted a recommendation by the Policy Sub-Committee which amounted to a violation of the Rules of the Alliance, the Soviet representatives were not present and had no opportunity to state their point of view, but after considering the interpretation of Article 8 which was then adopted, they protested against it. The question was discussed at the Executive meetings in Basle and Helsinki, at the Congress in Copenhagen, and the representatives of Centrosoyus repeatedly stated that the Rules as they stood were in full accord with the democratic principles of co-operation, that there was no need for any additional interpretation of Article 8, that the proposed new interpretation was a violation of the Rules and would lead to a limitation of membership.

Since the 18th Congress three years have passed, and what has happened justifies us saying that the view expressed by the Soviet delegation at Copenhagen was correct. In spite of many possibilities, membership has been increased by only eight organisations while, on the basis of the interpretation given to Article 8, membership has been refused to the Movements of Poland, Albania, Hungary, the German Democratic Republic, Mongolia and Korea. The Soviet delegation, in all these discussions, reaffirmed that the new interpretation of Article 8 could not be properly applied; but the authorities of the I.C.A. did not want to correct their mistakes; on the contrary, they insisted on the erroneous interpretation given to the Rules. The new interpretation of Article 8 has now even be extended to apply to Organisations already members of the I.C.A.

In the opinion of the Soviet delegation the 19th Congress must consider this question seriously and correct the error which has been made. We support the truly democratic principles of the I.C.A. and urge that they be applied, so that its membership shall be widened by accepting Co-operative Organisations, regardless of the political régime of their countries. We feel that the Rules as approved by the 17th Congress are in full conformity with the principles of co-operation and of democracy, and that, in the interests of co-operation, the 19th Congress should reject the interpretation of Article 8 which was accepted by the 18th Congress, also the further interpretation suggested by the Policy Sub-Committee with regard to Organisations already in membership, and should instruct the Central Committee and Executive when dealing with applications to be guided by the principles approved at Prague.

Mr. A. Zmrhal, Czechoslovakia: I have read the Report of the Central Committee with care, and am not at all satisfied or in agreement with the decisions taken by the Executive and Central Committee. Under the heading of "Membership" we find a further application of the policy of discrimination and a departure from democratic principles with regard to Organisations which are already members of the Alliance. The proposal is made that if an affiliated Organisation effects a change which means that it no longer

complies with the statutory conditions of membership it renders itself liable to expulsion under the Rules. We cannot agree to this proposal which has not been discussed. Applications for membership have been refused, although the Rules provide that the I.C.A. is to be the universal representative of Co-operative Organisations of all types. We must not carry out this discriminatory policy; we must no longer exclude the Co-operative Organisations of the people's democracies. So far as existing members of the Alliance are concerned, the Czech Co-operative Movement has been in existence since 1900 and was represented at the Congress in Paris that year. It is a truly democratic Co-operative Organisation which has always carried out its obligations conscientiously.

If there is any doubt about the question of the membership of an Organisation, we should study on the spot what the conditions really are, and on the basis of such a study a proper decision could be based. So far, the Co-operative Organisations in the people's democracies have not been given the opportunity to defend their position, and this new proposal, which is meant to apply to existing members, constitutes a further discrimination against them. The time has come for the Executive, the Central Committee and Congress to see the error of their ways; to accept our advice and to abandon this policy of discrimination. It should be the aim of the Alliance to include the Co-operative Movements of all countries.

Mr. S. Novak, Czechoslovakia: From this report we see that meetings of the Central Committee have been held once a year, apart from those held before and after Congress. The tasks before the Committee have been responsible ones, and their fulfilment was often difficult, and therefore shortcomings in the activities of the I.C.A. have been rightly criticised. Important problems have often been dealt with only superficially, without a proper study of their substance. What is even more deplorable is that it has been difficult for members of the Committee to exercise their influence in the Alliance. To a considerable extent responsibility for decisions is being transferred to Sub-Committees, the number of which is continually increasing. The I.C.A. has many important tasks, and not only its member organisations, but also others, are looking for the fulfilment of these tasks.

The Agenda of this Congress includes the problem of the development of international co-operative trade, also the problem of assisting Co-operation in the under-developed countries. It also includes the question of a systematic fight against restrictive practices and other obstacles to the development of the Co-operative Movement in a great many countries; and the problem of the participation of the I.C.A. in the fight for peace. To discharge these tasks, the I.C.A. requires the greatest activity on the part of the representatives of the National Organisations and of the officers elected at this Congress. We, therefore, propose that the Central Committee should meet at least twice a year, and that the Congress shall so instruct the President.

Dr. L. Malfettani, Confederazione Cooperative Italiana: The resolution now under discussion raises once again the problem of the admission into the Alliance of Movements in Eastern Europe, and makes it necessary to

re-examine the whole question. It was fully discussed at Copenhagen, when there was a majority vote against the admission of these Organisations. We must not, however, shirk our duty to re-examine the question, which is of the utmost importance in the life of the Alliance, since circumstances may change as time passes and as policy develops.

The Movement of my country was for a time outside the Alliance for reasons which are well known, and it is only in recent years, with the return of opportunities for free co-operative development, that it has again become a member. In our opinion, therefore, we should ascertain if the position of the Co-operative Movements concerned has changed, especially with regard to the conditions under which they work and their relationship with their authorities; if we see that they acquire independence and freedom, then we should reconsider the whole matter. But so far as we know, the conditions in these countries have not changed and the atmosphere in which co-operation has to work remains as it was. We see no signs of any developments which might justify a change in our views, and it is with the deepest regret that I have to agree that we cannot admit these Movements into our international co-operative family. On behalf of the C.C.I. therefore, I have to oppose the resolution.

Mr. E. J. H. Ravenhill, Great Britain: On behalf of the Birmingham Co-operative Society, I wish to support the resolution, which asks Congress to consider the application of four Co-operative Organisations for admission into the I.C.A. Objections to this have been raised, we understand, on political grounds; if this is so it might be said that the objections are based on political prejudice. It is surely a fundamental principle of Co-operative practice not to enquire into or interfere with the political beliefs of members of our Movement. In every country, certainly in England, in accepting members into our Societies we raise no questions of race, creed, or colour; we accept all those who are prepared to trade with us, and it is their trade which allows an Organisation like this to function.

It is alleged that these Co-operative Organisations are under the influence of their respective Governments. Surely we must accept the fact that every Co-operative Movement is subjected to the political system under which it lives. In Britain we live under a capitalist-controlled Government, and its attitude towards co-operation and working-class organisations generally is well known. It seems to me that the best arrangement is where the co-operative and political systems work in agreement, and we understand this applies in the countries now asking for membership. In the case of Poland, many delegations have visited that country, and they cannot be wrong in the statements which have been made. The latest delegation was from the English Co-operative Women's Guild, a very powerful organisation. That delegation had the opportunity of studying the position at first hand, and as a result the Guild Congress passed a resolution in favour of the re-admission of Poland into membership of the I.C.A.

We understand that in 1949 the Polish Federation of Consumers informed the General Secretary of the I.C.A. that it had changed its name to the Union of Consumers' Co-operatives. It is said that enquiries were undertaken and certain publications were accepted as authentic, but it is clear that no effort

was made to check the accuracy or otherwise of the material which was obtained, and by a majority of 7 to 4 the Polish Co-operative Movement was deprived of membership. This action does not savour of true co-operative practice, but appears rather to be a deliberate act of political prejudice.

I appeal to Congress to support this resolution. Instead of ostracising these people, we should try, by mutual discussion, to help them. The Co-operative Commonwealth will never be achieved so long as some co-operative communities are denied the opportunity to belong to the International Co-operative Parliament. Let us practise, a little, what we preach so much. We preach co-operation but we rarely practise it. The President referred in his address to the dangerous world situation which exists to-day. Is not this a time for group action? Is it not possible under the auspices of the I.C.A. to gather together all co-operators, in order to give a lead in the circumstances which face us? I think that the slogan of this Congress should be "Co-operate or perish."

Close of the First Session.

SECOND SESSION.

Monday Afternoon.

Discussion on the Report of the Central Committee.

(continued).

Membership of the I.C.A. (continued)

The President: We will continue the discussion on Membership and the resolution of Centrosoyus. Mrs. Cook, President of the International Co-operative Women's Guild, asks permission to speak.

Mrs. C. Cook: I should like to correct an error in a speech made this morning. A statement was made that the International Co-operative Women's Guild had registered a protest in regard to the admission of Poland to the I.C.A. The I.C.W.G. has not discussed this matter, nor has any pronouncement been made in its name, so that no protest has been either decided upon or registered.

Mr. J. Voorhis, U.S.A.: The issue before us is not a complicated issue, but a very simple one. It has been said by several speakers that many people and many different kinds of organisations are seeking to establish peace in the world and, in order to make that possible, are seeking to raise and secure the living standards of the people of all nations, particularly those suffering the greatest poverty. This is true, but there are different methods of trying to accomplish it. There are those who say that the best way to accomplish it is to permit huge private organisations to expand without limit until they become virtual monopolies in their particular field, and so are able to produce very cheaply large quantities of goods. At the other extreme there are people who say that the only method is for the Government to control all production and distribution. There are also those who say, in the name of human dignity and freedom, that it is possible for human beings to join together on a voluntary basis and, by means of the organisations which they forge, to solve economic and social problems by their own efforts, through their own investments and by their own will. To this third method of solving these problems the I.C.A. is dedicated, and so are its member Organisations.

It is not a question of discrimination. If a trade union federation were to decide that it did not want to admit to membership an association of manufacturers, that would not be discrimination. It is not discrimination on the part of an Organisation of free and voluntary Co-operatives, such as the I.C.A., if it decides that it cannot admit to membership organisations which have an essentially different basis. It is no spirit of unfriendliness or unwillingness to understand which prompts me to point out that the applications for admission referred to in the resolution now before us are from Organisations which, at the very least, can be said to be unable to oppose the Governments of their countries; Organisations whose officials are either approved or in some cases actually appointed by the Government, and which, in some cases, have

boasted that they have a monopoly of trade in certain respects—an impossible situation for a voluntary co-operative organisation. They are Organisations whose membership has shot up astronomically in some cases, in a way that could not be due to a voluntary accretion of membership. It is true that we have more difficulty in the U.S.A. to get members of Co-operatives than is experienced in some other countries, but every one of those members joins voluntarily, and there are 12 million families in the U.S.A. to-day members of Co-operatives. They have built many enterprises which have been of very real help, which have brought real democracy and a broad spread of ownership to our people in a way which would not have been possible otherwise.

I think it is fair to say that, if this motion were passed, we should have to contemplate a basic change in the structure of the I.C.A. The I.C.A., if it is to live, must be dedicated to the conception on which it was originally founded; the essence of the Rochdale principles, and the essence of co-operation as the vast majority of our Organisations have always understood it, is the principle of voluntary action. It ought to be possible to have one Organisation in the world which can be entirely dedicated to the principle of attacking human problems by what may be termed this middle way approach, an approach which involves no sort of monopoly, which involves no sort of exercise of power upon other people, but an approach which draws people together in order that, by their own effort and investment and their own well-run enterprises, they may bring about a balance in the economies of the world, a great force for peace, a force for human dignity such as cannot exist on any other basis.

I ask that this motion be defeated, therefore, for the simple reason that otherwise an essential part of the I.C.A. and of its basic purpose from the beginning would be fundamentally endangered.

Mrs. M. Ridealgh, Great Britain: The name of the English Women's Co-operative Guild has been mentioned several times in this discussion, and so, on its behalf, I rise to make it clear that the Guild is not against the democratic decision of our own National Movement. I should like to demonstrate to our co-operative friends, both East and West, that our interpretation of democracy is that every individual in, and every section of, the British Co-operative Movement is allowed publicly to express his or its opinion and to vote accordingly, but we recognise that when a majority decision is taken we must stand by the decision of our National Movement. It is for that reason that the Guild supports to-day the official policy of the British Movement.

Secondly, I want to say that the Women's Guilds in England desire that all co-operators should co-operate, wherever they are. Mention has been made of our action in relation to a resolution asking that Poland should be accepted as a member of the I.C.A. Our explanation of this is that the British delegation of women who visited the East were amazed and greatly impressed by the splendid work which they saw there and by the human approach to the welfare and progress of the people which we saw being shown by the Polish Co-operative Movement. We were so impressed by this that we came back to our own Movement and endeavoured to bring Poland back within the fold. We have not had any experience of other countries and can only speak of what we found in Poland.

We recognise that co-operation in the East is not quite the same as in Britain. In village life there is no other form of distribution, and therefore there has to be compulsory co-operation. That is what the British Movement fears; it fears the loss of the voluntary character of the Movement. However, because guildwomen do not want contact between co-operators to be broken, the English Guild desires me to urge the I.C.A. to give consideration to the extension of the suggested new principle of associate membership for newly-formed co-operatives to those countries which do not fulfil the qualifications required for full membership. English guildwomen will continue to press this idea of keeping contact amongst all co-operators by democratic means, not because we support a form of communist government—which is not, as everyone knows, acceptable to the British people—but because we want a free and voluntary movement throughout the whole world. We hope that the time is not far distant when those countries which are not within the fold will come gradually to fulfil all the qualifications required and become full members of our great co-operative family.

The President: It was not my intention to intervene in this discussion, but I am afraid the discussion is not facing the realities of the situation. The question of the Rules of the Alliance has been mentioned on many occasions, and the suggestion has been made that they have been violated. In connection with the Rules, I have a special responsibility, and I want to say that at every point the Rules have been scrupulously followed. If there has been any easing of the Rules it has been to allow those who felt aggrieved by Congress, Central Committee or Executive decisions every opportunity of stating their case. Most of the delegates here to-day know that to be the position. Democracy has been spoken of, and it would be very interesting if those who speak about democracy would give us their definition of what they really understand by that word.

I say that Congress is not facing realities. Let us be perfectly open about this. Since the Prague Congress there have been two distinct opinions in the World Co-operative Movement; for the sake of using easy terms, let us say that there has been the ideology of the East and there has been the ideology of the West. Put very plainly, the ideology of the West has been that the International Co-operative Alliance has been built up on certain methods of co-operative work, of tradition. It has been built up on freedom, and those in the West would use the word "democracy" also, keeping clear of politics and political action. Our friends from the East will readily admit that their conception of co-operation as it should be practised to-day is not the same as that held in the West.

What is taking place to-day? Let us face the facts; do not let us try to evade the truth. What is taking place to-day is the desire and intention that the ideology of one side shall prevail over the ideology of the other. The West stands by its old traditions; the East wants new traditions and new methods. When we talk about Poland, when we talk about East Germany, when we talk about Korea and these other countries, what does it mean? It means that, if the Co-operative Movements of these countries come into membership, the original purposes of the Alliance and the original practices of the Alliance will go, and the Alliance will be controlled according to the new policies of the East. It is not for me to say that they are wrong.

I am not going to say that they are wrong. Those who come from the East think that they are right. But do not let us deceive ourselves with talk about democracy and so on, while closing our eyes to what the issue really is.

When you come to vote on the matter you will make your own decision. It is not my purpose to influence decisions, and I do not want to do so; but if you desire that the old traditions, the old Rochdale principles, the old ideas which we have upheld in the past, shall be the controlling power in the Alliance, there is only one thing that you can do. If you are prepared to take the risk of a change to the new ideas, then open the gates and give the control where it will then go. Each of you must do what you think is right, and you will do it in recording your vote, but let us get away from any camouflage, let us put an end to these talks about democracy and all the rest of it, at least be honest with ourselves and face the issue which has to be decided.

Mr. Ch. H. Barbier, Switzerland: The members of the Executive and the members of the Central Committee have been accused this morning of not paying the slightest attention to the arguments which have been put up to them by our co-operative friends of the U.S.S.R. We have also been told that in these countries which are under discussion democracy exists, that the Co-operative Movement develops in conformity with the principles of Rochdale, and that the members are free to control their activities. Mr. Krayushin told us that the co-operatives there conform to democratic principles. I do not doubt for a moment that those co-operators are quite sincere who talk in this way, but here precisely we have the real cause of the concern which we experience in the Alliance, and are able to point to the reason which has obliged us to introduce the new interpretation of Article 8 of our Rules. In effect, as Mr. Southern said this morning, we are faced with a real perversion of language; our President, too, has reminded us of this. The world was in a very grave situation when those who were building the Tower of Babel found that they no longer understood each other because they spoke different languages, but the situation seems to me to be even more serious when we do not understand each other when speaking the same language and when using the same words. It is that situation which renders it necessary to make certain clarifications.

We do not want to use discrimination on the basis of hate or the desire to exclude people, but we do wish to live with dignity and to think clearly, and we are of opinion that this perversion of language which we have witnessed introduces confusion and the lie in the soul. It is not sufficient to say that good faith will suffice. I hope you do not doubt mine, as I do not doubt that of our co-operative friends from the East, but I think that when we are faced with problems we have to recognise the fact and discover what our problems are; then perhaps we shall be able to solve them. I believe that that is the road which we should follow. We want to live together. I declare in the name of the Executive that we have no desire to bring about a split in the I.C.A., but we do want to know who is who. A man should be able to declare his principles and his identity, so that we can see him as he really is.

We are faced with immense problems. In particular, Article 8 of our Rules, which says that "Associations of persons or co-operative organisations which observe the aims of the I.C.A. and the policy laid down by its Congress

shall be eligible for membership of the I.C.A." is not clear enough, and that is why at Copenhagen you agreed to introduce additional precision. You will find on page 20 of the Report of the Copenhagen Congress the explanations which were given of true democracy and of what ought to be the rights of co-operators. Now, we know for certain, and have proof of it, that these rights do not exist, in the sense in which we understand them, in the countries which are now asking to join the Alliance. Certainly we do not under-rate the problem of passing from an anarchic economy to an organised economy, and we know that to go from an economy of privilege to a co-operative economy requires a great effort. We know that the problem presents itself in a different form in different countries, but we cannot allow confusion to exist.

After the war, Georges Fauquet, at the Central Committee in London in 1945, Louie de Brouckère, at the Zurich Congress in 1946, and Mr. Peddie at the Prague Congress in 1948 envisaged possible methods of establishing relations between public authorities and co-operation. These and other arguments have been brought forward, and when our friends on the other side say to us, "You have never wanted to hear us; you have never put forward any arguments; you have said nothing," I confess that I feel frightened, because it makes me wonder whether they have listened to us, whether they can understand our views, whether, if they make the necessary effort, they can understand what we mean by democracy.

In the name of the Swiss delegation, I have to say that we shall vote against the acceptance of the applications of these Movements. We shall do so for the reasons which I have stated, and for other reasons which I would give if the time were available. Mr. Ravenhill tells us that we ought to help these Movements to come into the Alliance, but I should like to put this point to him: when we have allowed entry to the Alliance to all these Movements, of which the number of members is about equal to the number of citizens in the countries concerned, what is going to be the situation of the Alliance, and what should we be able to offer to those co-operators?

Mr. P. Søiland, Norway: On behalf of the Norwegian delegation, I want to state that we shall vote against the resolution proposed by Centrosoyus. We shall do so because we want to retain the International Co-operative Alliance as a world-wide federation of free and independent Co-operative Organisations. All the documents which we have seen, and all the enquiries which we have made, show that the organisations mentioned in the Russian resolution are not in that position. This discussion is not new; we have been hearing it for many years. I have listened this morning very carefully, but no new arguments have been put before us. The situation is already clear, and I therefore move "That the question be now put."

Dr. M. Bonow, Sweden, seconded the motion.

The President: I will put to the vote the motion to close the discussion. If it is carried, Mr. Timofeev, as the mover of the resolution, will have the right of reply.

After a vote, taken by show of hands, **The President** declared: The motion is carried. I call on Mr. Timofeev.

Mr. D. S. Timofeev, U.S.S.R.: The Soviet delegation has listened with great interest to the speeches which have been made, for and against its resolution. On the one hand the discussion has fully confirmed the correctness of the resolution; on the other hand it has shown very clearly that those who are against it have no logical grounds for its rejection. Mr. Southern said that the Co-operative Organisations mentioned in our resolution would not be cut off from all contact if they were not accepted as members of the Alliance, but from the time of the exclusion of Poland and the rejection of the applications of Albania, Hungary, Korea and Mongolia, when has the Alliance shown interest in the real situation of these Organisations? Much has been said about the dependence of these Movements upon some Government authority which has never been properly defined, but when has the Alliance sent someone to see on the spot what is taking place and to see for himself if these Organisations are progressive and democratic, and are working with energy and skill for the well-being of the co-operators in their countries? This has never been done by the Alliance. There has been a lack of any willingness to consider the Co-operative Movement in these countries, and year after year, and meeting after meeting, these groundless suppositions are hampering our work. Mr. Voorhis said that Organisations whose leaders are appointed by the Government cannot be acceptable as members of the I.C.A. We agree, but what we are asking for is the acceptance of applications from Organisations whose members elect their leaders and whose leaders direct the work of the Co-operatives independently of any control from outside. We feel that those who are really interested in the Co-operative Movement, who want co-operation to progress and to work for the well-being and happiness of the people, must not reject the appeals of those co-operators who want to become members of the I.C.A.

The President: We will now take a card vote on the resolution submitted by Centrosoyus.

Later, **The President** announced: The result of the vote is as follows: 366 votes for the resolution, 671 votes against the resolution. **The resolution is rejected by a majority of 305 votes.**

The President: Still on the section of the Report on Membership, Congress will notice, on pages 16 and 17 that an important decision of the Executive and the Central Committee is recorded. Are there any comments? If not, we will pass on.

The Committees of the I.C.A.

There were no comments on this section of the Report.

Auxiliary Committees.

Mr. J. Efter, Israel: I am very pleased to pay a tribute to the remarkable work which has been done by Special Committees such as the Policy Subcommittee and should like especially to emphasise the activities of the Auxiliary Committees in the period since the Copenhagen Congress. Further, I wish to draw the attention of Congress to the important recommendations

of the Auxiliary Conferences held last week, which dealt with many problems of common interest, particularly the Conferences on Education, Agriculture, Workers' Production, Petroleum, Banking and Assurance. The increasing activity of the Auxiliary Committees and Auxiliary Conferences means that they are becoming important instruments in the great work which has to be carried on by a world-wide organisation such as ours. To my regret, however, not all member Organisations recognise the necessity of taking part in the meetings of these Committees and Conferences through permanent delegates.

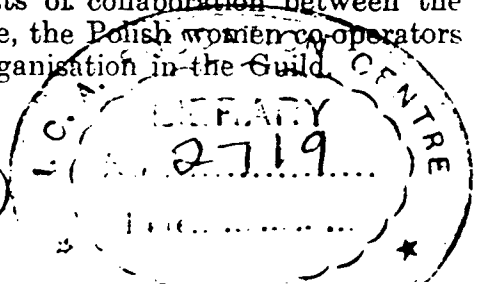
Most of the problems which occupy the minds of co-operators in the different countries are no doubt of a regional character, but there are also many important and difficult problems which need wider consideration and which may involve the establishment of joint enterprises, as in the case of the Petroleum Association and the re-assurance contracts between Assurance Societies. I feel, therefore, that Congress, whilst approving the positive policy of the Central Committee with regard to the activities of the Auxiliary Committees and Conferences, should express its desire that the Central Committee should find a proper form for a broader consideration at their meetings of the recommendations of these Committees and Conferences. I am convinced that by further activity on the part of these auxiliary bodies, by the implementation of their practical recommendations, the interest of National Organisations in the Alliance will grow, also that it will strengthen the power of the Alliance, which we all desire.

Mrs. M. Buresova, Czechoslovakia: I wish to make a few remarks about the co-operation of the I.C.A. with the I.C.W.G. It may be said that since the Liaison Committee was set up this co-operation has in certain respects improved. I am thinking particularly of the organisation of the Seminar for women co-operators at La Brévière, the possibility of sending representatives of the I.C.W.G. to the I.C.A. Schools, and the emphasis on the importance of the participation of women in the Press and Education Conferences held on the occasion of this Congress. It seems to us, however, that the I.C.A. could have done more to create better opportunities for women in National Co-operative Unions. For example, if we look at the participation in some countries of women in the different organs of the Co-operative Movement, we find it is very small, and that mainly it is only in the people's democracies that women find full opportunities in all sectors of the Movement. In Czechoslovakia, in the elected organs of Co-operatives, both central and local, approximately one-third of the members are women. If we take the number of women on the Central Committee of the I.C.A. we see how few National Co-operative Organisations elect women to serve on this supreme co-operative organ.

In our opinion, the I.C.A. should influence its affiliated Organisations to support the efforts of women to make themselves useful in Co-operatives; to support them in school studies and in training for responsible functions. The discrimination against the countries of people's democracy, particularly Poland and Hungary, is not in the interests of collaboration between the I.C.A. and the I.C.W.G. because, for example, the Polish women co-operators represent one of the most active national organisations in the Guild

334 (100) (063)

ICA



Another thing which did not contribute to good relations with the I.C.W.G. members was the attitude of the I.C.A. towards the sale of militaristic toys by co-operatives, against which the Dutch guildwomen strongly protested. Knowing how harmful these toys can be, we fully agree with the Guild Executive that the I.C.A. should exercise more influence on its National Organisations, because the profit from the sale of such toys cannot compensate for the harm caused to the minds of children. We see the main significance of collaboration, however, in the task of the I.C.A. to influence its affiliated Organisations to promote greater activity by women in the Co-operative Movement.

The I.C.A. should use also its influence more actively in the struggle for peace. In the name of the co-operators of the whole world it should demand an unconditional ban on atomic, hydrogen and other weapons of mass destruction, as urged by the Japanese co-operators. On every occasion the I.C.A. should express the desires of more than 100 million co-operators to see all international problems solved in a peaceful way, and condemn those who, in order to increase their profits, are unwilling to accept this desire.

Mr. Albin Johansson, Sweden: From the report before us it is obvious that the work of the Committee on the Rationalisation of Commodity Distribution cannot be regarded as completed. The greatest value of its work lies in research into questions of economic importance for the Co-operative Movement. What has been done with regard to self-service shops is of considerable value, but there is much more which can be done to improve and reduce the costs of distribution. It is necessary that we should collect and collate the experiences in different countries. If any of your Organisations have met with success in solving distribution problems and have been able to reduce costs, I hope that you will send us particulars; you can write to the Secretariat of the I.C.A. or report directly to the Rationalisation Committee.

I should also like to mention that, early in May, a meeting of Bakery Experts was held in Sweden in conjunction with the I.C.A. The agenda might have been prepared more carefully, and in the case of future conferences of this kind the lectures should certainly be circulated beforehand, but the very informal basis of this Conference was the introduction of a new high-frequency oven. Those who took part were able to inform themselves about this development. The Swedish co-operative factory for many years has carried out experiments in baking bread by high-frequency methods, but it always found great difficulty in building a suitable oven; so we asked the company responsible for this new development to send one of their ovens, which was tried out in our experimental bakery. It is important for co-operation to keep the lead in practical developments of this kind; we must try to make use of atomic energy for various industrial processes and be among the first, if not the first, to apply these new sources of heat and energy.

There are numerous fields in which we can usefully co-operate, but I propose to mention only a few. For example, it should be possible to use common prescriptions for toothpaste, and we should call a meeting of experts to test qualities of different brands, to consider packaging methods, and so on. The same could be done with regard to soap, baking powder, and other commodities.

From what I have said I hope you will be convinced that collaboration and rationalisation within the Co-operative Movement must be on a practical basis.

Mr. C. A. Anderson, Sweden: The paragraph in the Report which deals with the work of the Rationalisation Committee is very brief, and even read together with the very concise report in Appendix VI, does not give a full picture of the work of the Committee, which has been much more extensive than might be thought. Practical work speaks for itself, however, and does not need many words to describe it.

I have asked to speak in order to point out that both wholesale and retail trade are in the melting-pot all over the world, especially in Europe. Developments in America have given us many valuable suggestions of which we should make full use, having regard to the special requirements of different countries. Rapid development is also taking place in Europe. Rebuilding activities offer us possibilities for adopting new methods of retailing. New and up-to-date stores are being built in the centres of towns, as for instance in Rotterdam, and even the latest American development of combining shopping centres with ample parking space along main roads will soon become a reality in Europe also.

In some countries which did not take part in the war we find rapid developments, the results of which have attracted attention even outside Europe. Co-operative wholesale and retail trade must not only observe and follow these developments; it must take the initiative, if possible the lead. We owe this to our members for the sake of our reputation and prestige, also for economic reasons. It is our job to reduce the costs of distributing commodities, and anything which can influence such a result must be carefully studied and applied.

It is of enormous importance to the I.C.A. that practical problems in connection with future co-operative activity should receive adequate attention. We must not, out of fear of the new, stick to old methods. We must delight in experimenting; we must show initiative in taking a leading position in modern developments; and so enhance our reputation. One way of accomplishing this, in my opinion, is that the Rationalisation Committee should continue its work, possibly supplemented by additional members with the requisite experience. The question arises whether this Committee should work in collaboration with the I.C.A. or quite independently. We must find a solution which will further the development of the Co-operative Movement. The aim must be to safeguard the interests of consumers in the best way possible without regard to traditions, which may be a hindrance to modern economic development.

Finance.

Mr. F. Baart, Holland: On behalf of the Dutch delegation I should like to draw attention to a paragraph in this section of the Report where it is stated "the Alliance can just meet the expenses of the Secretariat and carry through its present programme of work, but there is nothing to spare for new activities," also to a statement on the first page of the Report, that "the long-standing need for the enlargement of the Secretariat and the expansion of its work is by no means yet satisfied, and can only be met gradually as financial resources are increased."

We agree with the need for the expansion of the practical work of the Alliance, and appreciate that the I.C.A. must have the means to enable it so to develop and stimulate initiatives that it may make a practical contribution to the development of the World Co-operative Movement. It is impossible to accept a position in which the Alliance is hampered in its practical work by lack of finance, but the Central Committee do not offer a practical solution for this financial problem. Therefore, we should like to suggest that the Committee study how the work of the Alliance can be expanded, and what financial resources would be required.

Mr. L. Vlcek, Czechoslovakia: At various meetings and in this Report it has been stressed that the I.C.A. has limited financial resources. At the last Congress a solution of the problem was sought by a decision to raise subscriptions by 20 per cent, but this has not solved the problem. The insufficiency of its income restricts its activities in general, even though its present resources are being used quite economically. A higher income would make possible better work by the I.C.A., especially in its representation at international economic conferences.

One of the effects of this lack of funds is that until quite recently, after nearly sixty years of existence, the I.C.A. was not able to buy a building of its own. If a part of the income which had been spent on paying rent could have been reserved for buying a suitable building as its headquarters this would have removed one of the factors which has hindered its activity. The analysis of the financial situation given in the Report indicates that with its present income the Alliance can only just meet the expenses of the Secretariat and carry out its present programme of work; little remains for new activities. Even so, the balance sheet for 1953 shows that the assets exceed the liabilities.

Reference was made at the Central Committee meeting yesterday to the desire of the Agricultural Committee for the creation within the Secretariat of a special agricultural section, which although agreed to by the Central Committee could not be realised for financial reasons.

Under the constitution of the I.C.A. subscriptions constitute the major part of its income; therefore, it will be necessary to assure a higher income from subscriptions, not, however, by higher scales but by increasing the number of member Organisations. The policy of the I.C.A. and its activity must be directed towards gaining the confidence of Co-operative Organisations which are not yet members, and the policy of refusing applications for membership, in particular applications from Co-operatives in the popular democracies, must not continue. By accepting those Co-operative Organisations which apply for admission, not only will its income be increased but the weight and authority of the I.C.A. will be enhanced as a result of its increased economic and social potential.

Publications.

Mr. Harold Taylor, Great Britain: As one privileged to be present at the last I.C.A. Congress at Paris in 1937, held under the presidency of Mr. Väinö Tanner, I vividly recall the discussion on the question of publicity and

publications. Since that time, I would recall to those who happened to be members of the Central Committee that at the first meeting of the Committee after the end of the war, held in London in September, 1945, great emphasis was placed upon the importance of information and publicity. Our then President, who is on the platform to-day, stressed the importance of this, and it was endorsed by every representative present. Since then at Zurich, at Prague and at Copenhagen this has been emphasised, and I think that it is necessary for us to recall what has happened in the seventeen years which have intervened since the last Congress at Paris.

It is a common platitude that we are now living in a new world, inasmuch as we are being brought closer together, and as a consequence the whole technique of information and publication has completely changed. We are all aware in our own countries of some of these different aspects of publicity. There is, for example, the impact of the press. I can recall the time when the press was mainly concerned with sensationalism. To-day in my country in papers of the standing of *The Times* and *Manchester Guardian*—and I am assured that this is true of other countries—facts and data are presented about other countries and the sensational is no longer exploited. There is also the impact of broadcasting, which is very considerable, while to-day a larger proportion of people than ever before know more than one language. There are also the television link-ups. Those in Britain and other countries who saw the fine European television link-up last summer will have recognised that it was a great innovation which stimulated very considerable interest. There is also, through the medium of television, the tremendous impact of documentary films which are presented, clearly showing the conditions in which men and women live the whole world over.

There is also the importance of the publications of the I.C.A. itself, which are referred to in the Report before us. We note that there has been a decline in British subscriptions to the English edition of *Review of International Co-operation*, but that this has been made good by increased subscriptions in the U.S.A. We feel that co-operators in Western Germany have done an exceedingly good piece of work in the circulation they have obtained for the German edition. We cannot, however, remain satisfied with the situation. Those who have read the more recent issues of the *Review* cannot have read without a thrill some of the excellent articles, such as that by Mr. Colombain on Albert Thomas. I would plead, however, that we should give, through our publications, a much more positive message to the whole world, presenting not only the economic aspects of our Movement but laying more and more emphasis on that greatest of all factors, the human spirit. Liberty, equality and fraternity are excellent, but beyond them we all recognise that man cannot live by bread alone, and we want to see emphasis placed on the cultural, ethical and spiritual side, in which reverence for life will surge through our co-operative message.

Mr. G. Tolino, Lega Nazionale delle Cooperative, Italy: I have nothing extraordinary to say, but wish to refer to some of the difficulties affecting the form and substance of our publications. We find that to some extent,

particularly in the case of the *Review*, they seem to be isolated from the economic and social life of the different countries. This may partly be due to lack of funds, but it is also due, I think, to lack of co-operation on the part of the National Organisations. There are various ways in which our publications can be improved. For example, they might deal with co-operative problems as they affect the normal economic life of different countries. Again, the *Review* might be used to publish some account of the work of the Economic Research Department. The need for the exchange of experiences between National Organisations has been emphasised, and the most suitable vehicle for this might be the *Review*.

We must have more active co-operation from the National Organisations to lift the *Review* and other publications out of this atmosphere of isolation and detachment. We should like to read in the *Review* of experiments which have been made and successes which have been achieved in different countries; of the ideas which inspire co-operators, which help to make co-operation more alive, more interesting and capable of having a more profound effect in helping to establish a higher standard of living.

All this should be made known not only in the English, French and German languages, but also in other languages such as Italian. If we can make the *Review* of sufficient interest co-operators will want to read it for its own sake, and it will have a better circulation.

Mr. M. Capek, Czechoslovakia: The publications of the I.C.A. are one of the means of maintaining contact between member Organisations, and at the same time of giving information about their Movements. It is essential that the information in the different editions should be accurate, but unfortunately that is not always the case. If, for instance, we compare the English and German texts of the *Review* we find that, generally, the German translation is very bad, and in many cases does not correspond to the English. In some instances the facts are completely different, as was the case in the December, 1953, issue, page 33.

The same remark applies to the introduction to *International Co-operation*, Volume IV, which does not give a true picture of co-operation in Czechoslovakia. We have already given the Central Committee the true facts about the development of co-operation in our country, which can be supplemented by documentation showing that the Movement is constantly growing and makes a great contribution to the national economy.

We are very interested in the development of economic and friendly relations with all Co-operative Organisations and co-operators, because we are quite convinced that these contacts promote mutual understanding amongst the peoples and the maintenance of peace, and are a pre-requisite for co-operative development.

Economic Research.

Statistics.

There were no comments on these sections of the Report.

Peace.

Mrs. M. Hederlingova, Czechoslovakia: The Report before us refers to collaboration with certain Organisations. The Czechoslovak co-operators want to know why the I.C.A. does not co-operate with the World Peace Council, since its aim is in conformity with the desires of every co-operator, and we all know that the further development of the Co-operative Movement depends on the maintenance of peace. There can be no doubt that a strong and organised resistance by the people of the world against war can be effective, and that the different forms of international action organised by the World Peace Council contributed to a considerable degree to the conclusion of peace in Korea, also to the cease-fire in Indo-China. We think that it is not right for such an important organisation as the I.C.A. not to join in the work of the Council. If its 117 million members joined with the other International Organisations which co-operate in working for peace, they would constitute a force which would be respected even by people who would like to provoke a new war in the interests of profit-making.

Peace must be defended now, with all our forces. We must not wait until hundreds of thousands of people have become the victims of a new war or new tests with weapons of mass destruction. The appeal of the co-operators of Japan shows clearly the necessity to act in common against a common danger. The Czechoslovak delegation suggests, therefore, that the I.C.A. should reconsider the need for joint action and should establish close collaboration with the World Peace Council.

Mr. I. P. Akhremchik, U.S.S.R.: The declaration for the 31st International Co-operative Day appealed to all members of the Alliance to expand every form of co-operative activity. In this connection the Soviet delegation wish to state that since the last I.C.A. Congress Soviet co-operation has developed in all spheres. The democratic principles on which the work of consumers' co-operation is based ensure the participation of the great mass of co-operators, and the Societies work for the fulfilment of their task of improving the well-being of the people. As a result of the great production of consumer goods and the great development in agriculture, our Consumers' Co-operatives have greatly increased their turnover, helped by a rise in the income of the workers, and by the fact that Government has reduced the prices of consumer goods.

During the last three years the co-operative sale of retail goods has increased $1\frac{1}{2}$ times; in 1954 it was double pre-war level. There has been a considerable increase in sales of textiles, radio sets, bicycles and other articles, which is evidence of the wellbeing of the people. Soviet Consumers' Co-operatives are satisfying the ever-growing needs of the population; their membership has increased by 500,000 to 32,000,000; the number of retail societies has increased, the total number of co-operative shops is now 236,000.

There are very many progressive co-operative organisations, and we feel that the practices of the best should be made known. At the agricultural show now taking place in Moscow, our Co-operatives have shown great progress, and Agricultural Co-operatives are being greatly helped by Consumers' and Productive Societies. We are selling cars, lorries, tractors and implements to the agricultural co-operatives, and are helping them to sell

their products. This means that Consumers' Co-operation has a permanent link with the Agricultural Co-operatives.

This year Centrosoyus will open more than 7,000 shops, as well as a great number of restaurants, bakeries, greengrocery and other enterprises. Soviet co-operators are fighting for a happy life, and will continue to support all progressive actions by the I.C.A. which have as their aim the wellbeing of the people and the maintenance of peace and security.

Mrs. B. Machacova, Czechoslovakia: The Resolution for International Co-operative Day last year declared that the peace policy of the I.C.A., if carried out, would influence the members of the United Nations to work harmoniously together in the spirit of the Atlantic Charter and liberate the world's raw material resources from monopolies and profit-seeking interests. This was intended as an instruction for the member organisations and met not only the requirements of the present international situation but the desires of the great majority of people all over the world.

In the opinion of the Czechoslovak delegation the Report before Congress should give not only the resolutions which have been adopted but an indication of how the principles in them have been observed by each member Organisation. Resolutions simply express opinions on the way in which problems should be solved, and are valueless unless followed by action. That is why our delegation regrets that this Report does not say what has been done to implement the resolutions, but merely states that there is no means of assessing the result of the action taken in the different countries. We believe that the views of the peace-loving peoples contributed to the conclusion of the armistice in Korea and to the termination of the war in Indo-China.

The question now before us is what should be the part of the Co-operative Movement in this struggle. The road to world peace is not an easy one, and if all the difficulties and obstacles are to be overcome there must be much goodwill and determination. Concrete action is necessary, and here Congress can set a good example. It is essential to emphasise in the Co-operative Movement that there is no problem in the whole world which cannot be solved by mutual agreement, and that we condemn the solution of world problems by means of war or by creating a war atmosphere, or by concluding aggressive alliances.

The Czechoslovak Movement wishes to foster the idea of friendship with all the nations of the world and to emphasise, in accordance with resolutions adopted by the I.C.A., the danger for mankind which world monopolies constitute, as has been demonstrated in Iran and elsewhere where raw material resources have ceased to serve the needs of the people and have become the means whereby monopolists have earned enormous profits. On the whole, International Co-operative Day in our country was a demonstration in favour of co-operation, world peace and understanding amongst the nations; more than 1,000 manifestations were organised, in which more than 800,000 people took part. We believe that the I.C.A. and all member organisations should follow this road in the future, so that we may all be able to say at the next Congress that we have contributed to the cause of world peace and to the solution of international problems by negotiation and mutual understanding.

Mr. O. Spinelli, Lega Nazionale delle Cooperative, Italy: I speak as an old co-operator, since my allegiance to the I.C.A. goes back to the seventh Congress at Cremona in 1907. The desire for peace which is manifested at all meetings of the I.C.A. is really the basis of international co-operation. I should like to remind you of the resolution adopted by the 18th Congress at Copenhagen, the carrying out of which, as stated in the Declaration for the 31st International Co-operative Day, would remove the fear of war and liberate the world's raw material resources from monopolies and profit-seeking interests.

We must make use of propaganda and publicity to achieve our aims. We have received a letter of greeting from the International Federation of Young Co-operators and we must encourage activity on their part in favour of peace; these young people should be invited to work for peace, for the removal of the fear of war and against any kind of conflict. I recall a Congress at Le Havre last year attended by students from some forty countries, when there was a very impressive demonstration of these ideas. It is a very good thing that groups of young people should go from one country to another to demonstrate their adherence to the idea of the brotherhood of men. I ask the President to lay this proposal before the Executive for examination, so that next year there may be an exchange of delegations, thus creating the desire for peace and universal brotherhood.

I.C.A. Relief Action.

Mrs. M. Blöten-Baars, Holland: On more than one occasion the Dutch Movement has already expressed its profound gratitude for the magnificent help which fellow-co-operators all over the world gave to the victims of the flood disaster in Holland in February, 1953. If on this occasion we wish once more to say "Thank you very much indeed," it is because, on this platform of the World Co-operative Movement, it is appropriate to repeat how much we were impressed by the speedy action of our friends abroad and by the sense of solidarity which it expressed. It is not the first time that we have had this feeling; we still remember the valuable help which was given to us after the liberation of our country. The true significance of co-operation has now been exemplified once more, and I can assure you that it has strengthened the goodwill of the Movement not only in the distressed areas but in our whole country. Many co-operators in the Netherlands who have been concentrating on their own local and national problems have by this spontaneous help been made aware of the ties of international friendship which unite co-operators all over the world and give us the satisfaction of rendering a true service to the happiness of mankind.

Dr. L. Malfettani, Confederazione Cooperativa Italiana: I cannot let this section of the Report go by without expressing once again here, in this assembly of world co-operators, the profound gratitude of Italian co-operators, and in particular those who belong to the C.C.I., for the magnificent evidence of solidarity given by the Alliance and numerous member Movements on the occasion of the disastrous Italian floods of 1951. At the risk of appearing to state a paradox I would say that this calamity indirectly led many Italian co-operators to realise the importance of the International Co-operative Movement; for in addition to the material help which was given in our urgent need,

for which we express our profound thanks to all the Co-operative Movements concerned, our co-operators also received proof of a moral solidarity at a time when disaster overtook their homes, their families and their Co-operative Societies.

It is difficult to express in words how much it meant to us to have present in Italy amongst those who suffered from the disaster the General Secretary and the Director of the Alliance. It was a living and direct manifestation of the brotherly feeling of the I.C.A. The memory of this visit by the chief officers of the Alliance remains vivid after three years, and will leave an ineffaceable impression in the hearts of our co-operators and our organisations.

The Henry J. May Foundation.

Mrs. C. Ancion, Belgium: I did not attend the Seminar for Women Co-operators at La Brévière, but I have read many reports about it, and the one now before us indicates that it was a remarkable event. It has also had practical consequences, for instance, at the Swiss and French Congresses leaders of the Movements have emphasised the importance of Women's Organisations. I also wish to congratulate the Secretariat of the I.C.A. upon the remarkable summary published in December last of the steps taken by Co-operative Movements in different countries for the education of the consumer; in Sweden two factories—Luma lamp factory and Gustavsberg pottery factory—have each formed a council of consumers. The I.C.W.G. has issued a memorandum on the same subject, and the National Women's League of Belgium discussed it at their Congress in September.

We have heard with great interest of the initiative taken by the British Co-operative Movement to transform the Ministry of Food into a Consumers' Ministry; also that in the Domestic Economy Section of the International Council of Women, an entirely neutral body, which recently met at Helsinki, the Scandinavian delegates made some very interesting statements about the rôle played by the Co-operative Movement in their countries in the education of the purchaser. We were very happy that the I.C.A. included this question in the agenda for La Brévière, because it gave us an opportunity to review our programmes, for it is a very topical question and one which can very well be dealt with in adult education. It is also an aspect of economic democracy, because it means applying to products the same criteria that we apply to films and books. We can criticise performers and public men, but it is not so easy to criticise a commodity. I think that we have much to learn from American democracy in this field. We should always have criticism when something does not meet the requirements of consumers.

We hope that the I.C.A. will continue to study and to give us documentation concerning the education of the consumer, and that consumers will be able to have institutions such as those that are at the service of producers in many countries. For agricultural producers, for example, there are various research institutions as well as propaganda bodies, also university courses for certain aspects of production, but very little information is available for consumers.

Finally, I wish to thank the I.C.A. for its work in connection with UNESCO workers' study tours in Europe. People who never travelled

before have been able to visit co-operatives, social organisations and homes in other countries. I think that the I.C.A. has done extremely good work; I extend to it my heartfelt congratulations and express the hope that this work will continue as it has begun.

Mr. W. Serwy, Belgium: We recall the unanimous adoption by our Zurich Congress of the Resolution in favour of the creation of the Henry J. May Foundation: Study Centre for International Co-operation. At that time we pointed out that its aim would be to promote the progress of co-operative ideas and achievements, namely: By making it possible for students and militant co-operators to pursue individually the search for a solution of economic and social problems in a co-operative spirit and by co-operative methods; associating young co-operators, at group meetings, with work of co-operative doctrine and practice; encouraging the publication and circulation of studies and work carried out; establishing relations with co-operative associations which pursue similar aims in the various countries; promoting the exchange of students belonging to the different Colleges and Schools founded by various National Co-operative Unions in membership with the Alliance, or attending Universities which have a section or a Chair in Co-operation in one of their Faculties.

We also suggested certain action, including—obtaining the necessary permission for the beneficiaries of the Foundation to have access to important centres of co-operative or other documentation in all countries; granting aid to the beneficiaries, either financially in the form of bursaries or loans, or in any other way, so as to enable them to follow their studies and publish their work; organising international co-operative study groups; establishing economic and social reference documentation.

It is true that the International Co-operative School comes under the auspices of the Foundation, but this seems to us quite inadequate. To-day, when the I.C.A. has to some extent overcome its organisational difficulties, Congress should instruct the Executive and Central Committees to consider steps to be taken to include other educational activities under the auspices of the Foundation and thus put into effect the decision taken by the Zurich Congress, and honour the memory of H. J. May as it should be honoured.

Mrs. G. Ziegler, Switzerland: On behalf of Swiss women co-operators I should like to thank the I.C.A. for last year's Seminar at La Brévière, and to say how happy we are that the Executive has made a recommendation on the subject to Congress. We support the five points contained in the recommendations, particularly the first three. From the national point of view, we note with satisfaction an increased recognition of the efforts of our Co-operative Women's Organisations. We are trying locally and nationally to educate women, and we are receiving increasing support from the Swiss Union of Consumers' Co-operation.

If paragraphs (i) and (ii) of the recommendation are really carried out in the different countries we shall have women who will be able to take part in co-operative management. We shall need to attract more women into the fields of education and housing, because they have a great deal to say on these subjects. In Switzerland women are not in the same position as in many other countries where there is political equality between the sexes. We have

a long way to go in this respect, and need the support of all co-operators of goodwill. As Sir Harry Gill said this morning, practical aid and help must not be given only to the under-developed countries; the Co-operative Women's Movements are just as much entitled to such help.

Mr. Ch. H. Barbier, Switzerland: I must apologise that two delegates from the same country are speaking on the same question, that of the collaboration of women in the Co-operative Movement, but I should leave the Congress with a bad conscience if I did not say a word. I should like to say to all those who were not able to be at La Brévière that in this Seminar for women co-operators held under the auspices of UNESCO there began in the hearts of the participants a veritable new life—Dante's *Vita Nuova*—and this has led several of our Movements to examine their consciences. When I look round the Congress this year I am very happy to see many more women than were at Copenhagen, and very many more than were at Zurich. But still the Congress is predominantly masculine.

All our Movements must face the problem of the full employment of all the forces at our disposal. We talk a good deal about full employment in the industrial sense, but there is also a problem of full employment in relation to our moral, intellectual and emotional force. We shall not be true co-operators in our respective Movements and local societies until we have looked around us and seen how many there are to whom no task has been confided. If we rectify that situation we shall become true co-operators and shall multiply the force of the Co-operative Movement in the world.

Close of the Second Session.

THIRD SESSION.

Tuesday, 7th September, 1954.

Report of the Congress Committee.

The President: The first business this morning is the report of the Congress Committee, which met at the close of the First Session. There were no emergency resolutions or amendments. The Committee went through the Agenda to see in what way it could facilitate the business of Congress. You have had circulated to you the Peace resolution agreed by the Central Committee; that will naturally be the official resolution before the Congress. Two other resolutions concerned with peace were sent out with the Agenda: one is from the Japanese Consumers' Union, and deals in particular with atomic weapons, and the other is from Centrocop, Roumania, and is also concerned with the question of peace. The Congress Committee feel that the matters contained in both those resolutions are covered by the resolution of the Central Committee. That view, however, is not accepted by our friends from Japan and Roumania, and therefore the Japanese and Roumanian proposals remain, and will be taken as amendments to the Central Committee's resolution.

The Report was accepted.

Discussion on the Report of the Central Committee (*continued*).

The I.C.A. and the United Nations.

Mr. A. Droppa, Czechoslovakia: The Report before us deals in detail with the way in which the I.C.A. co-operates with the various organisations of the United Nations, but I think that the results are not of much importance for the World Co-operative Movement and the National Organisations. If the I.C.A. co-operates with the various organisations of the United Nations, we desire that this co-operation shall be beneficial to the National Organisations and their members. I believe that that can be achieved if the I.C.A. representatives direct their efforts to making United Nations organs into bodies free from the one-sided idea of protecting the interests of imperialist circles and monopolist capital directed by the ruling circles of the U.S.A. The United Nations and its organs should strive for a better understanding among the nations and should support progressive development and peaceful co-operation between all nations, irrespective of their economic and political systems. We must try to make the United Nations an instrument of peace, as is laid down in its Charter.

Such collaboration between the I.C.A. and the United Nations, and such activity by the I.C.A. in the organs of the United Nations, will be welcomed by the co-operative masses.

Mr. A. S. Evdokimov, U.S.S.R.: Soviet co-operators are paying great attention to the efforts of co-operators in other countries to ensure the strict observance of the Rules of the I.C.A. Article 4 (h) of the Rules provides that the I.C.A. shall collaborate to the fullest extent with all United Nations organisations, and with other voluntary and non-governmental international organisations which pursue aims of importance to co-operation. Unfortunately, the Soviet delegation must point out that this Rule is not carried out satisfactorily. The Soviet representatives have repeatedly pointed out that the I.C.A. representatives in the United Nations do not use all the means at their disposal to fulfil their aims; they do not try to satisfy the needs of co-operation or to keep close contact with other organisations.

This question was discussed at meetings of the Committee at Berne and at Cannes, when it was emphasised that our representation should be strengthened, and a decision was taken which instructed the Director to appoint more representatives to United Nations meetings, who would keep a strict watch on the work which was being done. We know from the Report of the Central Committee that since the Copenhagen Congress the I.C.A. has had the possibility of enlarging its contacts with the United Nations and of improving the work of its representatives, but unfortunately there has been no improvement so far.

I should like to emphasise the insufficient representation of the I.C.A. in the work of the Economic and Social Council. In April last year the Council discussed questions of importance for the Co-operative Movement such as the development of trade with under-developed countries and their financial difficulties due to the high prices they had to pay for imports and the low prices they received for the goods they produced. At that meeting, no I.C.A. representatives were present.

I should like Congress to be told just what the I.C.A. has done at the Economic and Social Council and how co-operative principles have been defended. I should also like the Executive to confirm the instructions given concerning our representatives at the United Nations meetings, and to supervise their work.

At this moment, when the efforts of many nations, particularly those of the Soviet Union, are aimed at lessening international tension and putting an end to inequalities throughout the world, we have a great task in the United Nations. We should support all its efforts which are aimed at strengthening friendship and eliminating discrimination among the nations. Soviet co-operators would like I.C.A. representatives at the United Nations to defend the interests of the Co-operative Movement; to contribute to the lessening of international tension, to the abolition of discriminatory practices, and to the creation of an atmosphere which will make possible friendly relations among the nations and a free exchange of goods.

Mr. J. K. Kyle, U.S.A.: Two years ago a move was made by the I.C.A. to have created within the United Nations an international organisation to register or control monopolistic or restrictive trade practices. This move had the support of many representatives, including those from my country, and as a result an *ad hoc* committee was set up which functioned and made an excellent report. Our delegation supports the programme for registration and control of restrictive trade practices and monopolies, and is disappointed

that our Government has not continued to give it adequate support. We wish to go on record as supporting it and as pledging that we shall make efforts to get our Government to continue to support it.

Mr. E. Green, Great Britain: I should like to congratulate the I.C.A. on the magnificent contribution it has made to international understanding through its work in co-operation with UNESCO, and as Chairman for the last four years of the Adult Education Consultative Committee of UNESCO I should like to pay a tribute to the practical contribution which Mr. Barbier has made to the work of that Committee and to the furtherance of those facilities which are mentioned in the section of the Report dealing with UNESCO, particularly the organisation of seminars, the organisation of study groups, and to the other work which the Committee has been undertaking.

I am not interested in this work only because I have been Chairman of this Committee, but also because I was there as President of the International Federation of Workers' Educational Associations and a member of the Management Committee of the Workers' Travel Association, which has its own international body, the International Federation of Workers' Travel Associations. It seems to me that in those three working-class bodies we have the ideal co-operation for international understanding: the Co-operative Movement, with its practical contribution to the economic, social and educational aspirations of the people, the International Federation of Workers' Educational Associations, with its concentration upon the study of economic, social and industrial problems of national and international life, and the International Federation of Workers' Travel Associations, with its practical contribution to bringing people into contact with each other.

One of the fundamental contributions which the I.C.A. and these other working-class organisations have made to UNESCO has been that they have been able to influence its policy. Most people were bitterly disappointed with the ~~early work~~ of UNESCO, which seemed to have no relation to reality; it seemed to be concerned solely with what we call "highbrow" literature and pseudo-artistry, and had no relation to "bread-and-butter" problems and those larger international questions which affect working-class life. Through the influence of these three working-class national bodies and of the international trades union movement two significant things have happened in the last three years. First, UNESCO has concentrated in its adult education work entirely on the working-class aspect of adult education. That is why it has arranged Seminars at La Brévière and asked the international bodies to arrange their own seminars in co-operation with it; why it has arranged its study tours, to bring working-class people into contact with each other; why it has sent missions to the under-developed countries, to try to encourage them to establish their own co-operative and workers' educational movements. The three international movements which I have mentioned, therefore, have seen to it that UNESCO's feet are on the ground.

In the second place, it has been recognised that neither UNESCO nor any other United Nations organisation can be permanent or can fulfil its functions unless it has the widespread support of the people themselves. In the latter part of this section of the Report you will see the recommendation that in your own countries you should seek to establish contact with the National Commissions of UNESCO.

One of the specific functions which the International Co-operative Movement can perform is to ensure that the programme of workers' exchange, by which workers exchange jobs with others in other countries, follow their own craft and live in the homes of people in other countries, is encouraged by the Co-operative Movement. We can do much in this way to show people what co-operation is doing in countries other than their own, and no Movement can do as much as ours to encourage this international exchange. Remember that to-day we are still spending less in educating people to international understanding than we spend on one huge battleship. It is the duty of the international working-class organisations to co-operate not only among themselves but with other working-class bodies. I should like to see this work which has been undertaken in collaboration with UNESCO leading to a wider field of co-operation between the international bodies themselves, so that their power can be felt more definitely than in the past.

Mr. H. Dietiker, Switzerland: On behalf of the Swiss delegation I wish to stress the great importance which we attach to the work of UNESCO. We are now in a new phase of development. During the first decades of our Movements it was easy to survey the position as a whole, but our movements have become so large that it is not easy to survey their work as a whole and there is much less contact with the members. With the changed economic and social conditions of to-day, moreover, our competitors are no longer so far behind us in the services which they offer as was the case a few decades ago. This position demands that we pay more attention to education. We cannot do enough in the field of cultural activity and public relations to link the members with their co-operatives, to make them aware of their responsibilities and real participants in all our work. We can pursue this aim all the more effectively now, and with a better conscience, because we know that our work and that of UNESCO complement each other and that we have the same purpose. We in the Swiss movement have a very high appreciation of the efforts of UNESCO, and co-operation with UNESCO within the framework of the I.C.A. and the National Commissions of UNESCO seems to us of the utmost importance.

Mr. Ch. H. Barbier, Switzerland: My intervention can be very brief, because Mr. Green has already dealt with some of the facts which I desire to bring to your attention. It will be seen from the last paragraph of the section of the Report dealing with UNESCO that only seven Co-operative Movements are represented in the National Commissions of UNESCO. That is a very small number, and even so not all of the seven are directly represented. It is useless to adopt resolutions on peace if we are not ready to use all possible and necessary means to realise peace. UNESCO is one of the great international organisations which represent to-day the hopes of the world. If we are content with big words and big declarations in our Congress and do not know how to incorporate our co-operative work in the national work of our countries, we shall not be doing our duty.

I think that it is necessary that all the people's organisations—not only of Co-operatives, but also of Trade Unions, Popular Universities and so on—should seek adequate representation on the National Commissions of UNESCO, so that the work of each Commission will become of real interest

to the people of the country concerned. Mr. Green has rightly said that the work of UNESCO cannot be restricted to a culture of the élite, but must embrace real adult education. If you are not represented on your National Commission for UNESCO, how will the work of your National Commission be of interest to your co-operators and to the people amongst whom you live? It cannot be. It is necessary, therefore, that all National Co-operative Organisations should approach their National Commission for UNESCO and ask for representation. If its request is contested or refused, the Organisation concerned should raise the matter in its press and before the tribunal of public opinion, which is quite ready to be interested in these problems; but who is to be interested if we co-operators are not?

In the same section of the Report it is indicated that the budget of UNESCO for Workers' Study Tours, which is 40,000 dollars, is not large yet it is threatened with reduction. If you are members of your National Commission for UNESCO you can ask that the representatives at the General Conference of UNESCO shall insist that the part of the budget reserved for popular education shall not be reduced. Action should be taken quickly, because the next General Conference will be held in the near future.

Dr. L. Malfettani, Confederazione Cooperativa Italiana: We consider that the work of the Alliance in the field of relations with the United Nations and other inter-governmental organisations is of particular importance, also that the Alliance is to be congratulated on the progress made and the results obtained in the last three years. We must not forget that the difficulties which our National Organisations experience in their relations with their respective Governments are multiplied in the relations of the I.C.A. with inter-governmental organisations. To give an example, in my country, where the Government is sympathetic to co-operation, we have not yet obtained representation in F.A.O. or in the National Commission for UNESCO. We hope to surmount the bureaucratic obstacles, and we have the support of the Alliance.

The I.C.A. and Other Inter-Governmental Organisations.

Dr. H. J. Frietema, Holland: I should like to underline what is said in the Report on page 37. The Netherlands delegation is convinced that the struggle to achieve greater unity economically and socially in Europe should be strongly influenced by consumers. Groups of producers do not always come to the conclusion that it is in the interests of all concerned to arrive at a unification of markets, and in my opinion it is especially the voice of the consumer which should be heard. Although the I.C.A. represents co-operation in general and not specially consumers' co-operation, in my opinion the I.C.A. more than any other international organisation can represent the consumer, and therefore I should like its voice to be heard more strongly regarding the process of unification of European markets. While I know that the Alliance has not a special section for European problems, and I would not recommend the setting up of a special body for that purpose, I still want to express my sympathy with what is said in the Report. It is dis-

to the people of the country concerned. Mr. Green has rightly said that the work of UNESCO cannot be restricted to a culture of the élite, but must embrace real adult education. If you are not represented on your National Commission for UNESCO, how will the work of your National Commission be of interest to your co-operators and to the people amongst whom you live? It cannot be. It is necessary, therefore, that all National Co-operative Organisations should approach their National Commission for UNESCO and ask for representation. If its request is contested or refused, the Organisation concerned should raise the matter in its press and before the tribunal of public opinion, which is quite ready to be interested in these problems; but who is to be interested if we co-operators are not?

In the same section of the Report it is indicated that the budget of UNESCO for Workers' Study Tours, which is 40,000 dollars, is not large yet it is threatened with reduction. If you are members of your National Commission for UNESCO you can ask that the representatives at the General Conference of UNESCO shall insist that the part of the budget reserved for popular education shall not be reduced. Action should be taken quickly, because the next General Conference will be held in the near future.

Dr. L. Malfettani, Confederazione Cooperativa Italiana: We consider that the work of the Alliance in the field of relations with the United Nations and other inter-governmental organisations is of particular importance, also that the Alliance is to be congratulated on the progress made and the results obtained in the last three years. We must not forget that the difficulties which our National Organisations experience in their relations with their respective Governments are multiplied in the relations of the I.C.A. with inter-governmental organisations. To give an example, in my country, where the Government is sympathetic to co-operation, we have not yet obtained representation in F.A.O. or in the National Commission for UNESCO. We hope to surmount the bureaucratic obstacles, and we have the support of the Alliance.

The I.C.A. and Other Inter-Governmental Organisations.

Dr. H. J. Frietema, Holland: I should like to underline what is said in the Report on page 37. The Netherlands delegation is convinced that the struggle to achieve greater unity economically and socially in Europe should be strongly influenced by consumers. Groups of producers do not always come to the conclusion that it is in the interests of all concerned to arrive at a unification of markets, and in my opinion it is especially the voice of the consumer which should be heard. Although the I.C.A. represents co-operation in general and not specially consumers' co-operation, in my opinion the I.C.A. more than any other international organisation can represent the consumer, and therefore I should like its voice to be heard more strongly regarding the process of unification of European markets. While I know that the Alliance has not a special section for European problems, and I would not recommend the setting up of a special body for that purpose, I still want to express my sympathy with what is said in the Report. It is dis-

appointing that the final decision on the Alliance's request for the admission of an I.C.A. observer to the Conference has not yet been received, and everything possible should be done to ensure that the I.C.A. can collaborate strongly with all those who are of the opinion that the future of Europe depends on what can be done in this respect.

The I.C.A. and Non-Governmental Organisations.

There were no comments on this section of the Report.

Mr. G. Cerreti, Lega Nazionale delle Cooperative, Italy: We are now reaching the end of the discussion on the Report of the Central Committee, and I should like to give the views of my delegation on the work of the leading organs of the Alliance. We have not always been in agreement with their decisions, in particular on the question of membership and the interpretation of Article 8 of the Rules; here we have had considerable conflicts, because we have different concepts, but every one of us has been able to express his own ideas, and in many respects our efforts have been convergent, so that we have been able to take many important decisions unanimously. As we unite our efforts to deal with problems which, after all, are problems of all mankind, and seek for co-operative solutions, doubtless our cohesion will increase and our co-operation will grow stronger. At the end of this great Congress, for which we must pay tribute to the leaders of the Alliance, and especially to our French friends for their hospitality, I hope we may find a point of contact which will be a rallying point between the different points of view which have existed between us for the past three or four years as regards our attitude towards the millions of co-operators in the popular democracies who would like to be represented in the Alliance. We do not, however, oppose the adoption of the Report of the Central Committee.

Obituary.

The President: We now come to what is usually the most painful and depressing moment of our Congress, when we pay tribute to outstanding co-operators who were with us on the occasion of the last Congress but have since passed away. I do not propose to speak of them and their work individually, first because I could not do justice to any one of them, and secondly because I might say more about those whom I best knew personally, which would not be correct. I think that we can put them on a level so far as their work for the Co-operative Movement was concerned. Their individual work may have been different in character, according to whether they were concerned with the business or the cultural side, but we know that their abilities were at the call of their respective National Movement and of our World Movement. I suggest that we rise and collectively pay our respect to these friends who have passed away.

The delegates stood in silence as a token of respect.

Reply to the Discussion.

The President: There are a few questions to answer. I shall first ask Miss Polley to make some reference to the Seminar for Women Co-operators, although I do not think that there has been any criticism of it.

The General Secretary: As the President has indicated, there have been no criticisms of the section of the Report under "Henry J. May Foundation," which concerns the Seminar for Women Co-operators. I am sure all of us who were at the Seminar appreciate the emphasis which has been given to the fact that there is an important place for the woman in the Co-operative Movement and that she has a valuable and necessary contribution to make to the work of co-operation as a whole. The Seminar at La Brévière we regard as merely a first step, as a recognition that in education and in other fields women must be taken into consideration and must be given opportunities to make their special contribution. We do not feel, any of us, that there is only one sphere in which woman can contribute. She has her place everywhere, but there is in some spheres a special place for her, particularly in the life of the Consumers' Societies.

It has been said that the place of women in our Movement has been considered in two National Congresses this year. To that I have a small correction to make, because in fact the problem has been considered at three Congresses, that of the Canadian Union in addition to the Congresses of the Swiss and French Movements.

You will note that in the recommendations which the Executive approved on the report of the Seminar we included a reference to the importance of women taking part in certain of the auxiliary activities of the Alliance, and particularly the Auxiliary Conferences on the press, education, and housing. We are a little disappointed at the response which the affiliated Organisations made, so far as the Paris Conferences are concerned, as regards the nomination of competent women to the press, education, and housing conferences, but there again we feel that a beginning has been made, and we shall look for more action in the future. We are grateful to the men delegates who have come to the rostrum and spoken on this section of the Report. We hope that when you go home you will remember what has been said here, and that in future we may see women taking a larger and more responsible part in the National Movements.

The President: I will ask Mr. Watkins to deal with the questions which have been raised concerning UNESCO and other International Organisations, also publications of the Alliance.

The Director: I should like to reply first to certain remarks made yesterday with regard to publications, and in particular, to what was said about the *Review of International Co-operation*. Mr. Tolino, from Italy, pleaded for the insertion in the *Review* of the results of the I.C.A.'s economic research. The answer is that we do use the results of that research in the *Review*, and I would recall to him the series of articles in 1953 and 1954 on changes in patterns of consumption and co-operative trade, which ran to something

like seven different issues. When the October issue appears he will find that the Economic Research Department makes a contribution to that, too. Mr. Tolino also said that it seemed to him that the *Review* was carried on in a certain isolation from the life of the National Co-operative Movements. I should not be inclined absolutely to deny that assertion, but at the same time I think it only fair to point out that from London it is exceedingly difficult for us to make contact with the life of the National Movements, because virtually our sole medium of contact lies in their publications.

Reference has often been made before to Article 13 of the Rules of the Alliance, which lays down the obligations of members, and the Executive have been reminded that one of them is almost everywhere neglected, that is the obligation to appoint national correspondents to keep the Secretariat advised of all important events affecting the policy and destiny of their respective Movements. I should need only the fingers of one hand to count the national correspondents who have been appointed, and I need almost only one finger to count the correspondents who do their work conscientiously and faithfully. The remedy is in the hands of the National Organisations. I might add that in the past three years I have asked Mr. Tolino's own Organisation for articles for the *Review* which we are still waiting to receive.

I come next to the remarks of Mr. Capek, of Czechoslovakia, concerning certain German translations of the *Review*. The fact is that, because of staff changes, our German colleagues who see the German edition through the press had to make a change of translator. Their choice was a most unfortunate one, because the translations made for the December issue were undoubtedly unsatisfactory. The errors were brought immediately to their attention and corrected, and I regard it as unfair to our German colleagues, and to the competence and care which they devote to seeing the German edition through the press, to put the matter in general terms, as Mr. Capek did.

Passing to United Nations affairs, I have first of all to deal with the remarks of Mr. Droppa, from Czechoslovakia, and Mr. Evdokimov, from the Soviet Union. I would remind Congress that the participation of the I.C.A. in meetings of the authorities and of various committees, councils and working parties of the United Nations is governed by that article of the Charter which provides for consultative status. In other words, our representatives attend primarily as observers, to see what is going on and to report. Secondly, their duty as our observers is to express the points of view of the Alliance; not to express views at random on the basis of their own conception of what co-operative policy and principles should be, but to express views on points of policy which have been decided by the authorities of the Alliance. Their ability to do that depends also on one other factor which cannot be controlled by us; that is the agenda which the United Nations authorities decide to discuss at any given meeting. In view of these factors, it will be seen that the opportunities which we have are to a certain extent limited. If it is complained that co-operative principles have not been defended, part of my answer is that they are not always being attacked.

In my judgement, the proper line of action is the co-ordination of what is done by the I.C.A. through its observers at New York, Geneva and elsewhere and action by the affiliated Organisations with their own Governments.

In that respect I welcome the promise made by Mr. Kyle, that the American delegation will see this matter of restrictive practices through so far as their Government is concerned. I recommend that course to affiliated Organisations in countries represented on the Economic and Social Council, which is likely to resume discussion of the subject at its Spring Session next year. If it is your desire to have more activity at New York and Geneva you will have to turn back, I am afraid, to the section of the Report dealing with finance, where it is said that present financial resources are just enough for the maintenance of essential services. Our representatives in New York and Geneva are only part-time, and at present we cannot afford to employ them whole-time.

Finally, I should like to refer to Dr. Frietema's remarks, because since the Report was printed I am glad to say that our request for the admission of an observer to the meetings of the Interim Committee on the organisation of the European agricultural market has been granted, and it was possible for Mr. Pierre Reymond to act as our observer at the last meeting. The only difficulty about that is that the work of that Committee is likely, in the immediate future, to be transferred to another authority, and the process of demanding observer status may have to be repeated.

The President: I think that most of the questions raised have been dealt with by Miss Polley and Mr. Watkins, but I have a note of two or three subsidiary issues. Reference to our friendly relations with the International Co-operative Women's Guild was appreciated, and I would stress that we have a Liaison Committee which meets from time to time, and, when any question arises which is common to both organisations, there is no diffidence or hesitation so far as the I.C.A. is concerned about meeting together.

The sale of military toys has been mentioned. That was raised in the Liaison Committee, but we felt it was purely a trading question, and therefore that any representations with regard to it should be made to the trading organisations. Personally I agree, and I think Congress agrees, that it is a mistake to bring children up surrounded by military toys.

As regards publications, it will be seen from the balance sheet that they are run at a loss to the Alliance. That loss is worth while, but it should not exist, and I would appeal for greater support for our publications until the position is reached where they are self-supporting, and not a burden on the finances of the I.C.A.

The old subject of the World Peace Council was raised again. The Executive and the Central Committee, however, are not open to criticism on that question because Congress has given them instructions that the peace policy they are to support is that determined by Congress from time to time. In so far as taking action with certain other bodies is concerned, I would remind you of the resolution of the Copenhagen Congress. Any criticism, therefore, is not a criticism of the Central Committee or Executive; if of anybody, it is of yourselves, because Congress decided the issue.

I now submit the Report of the Central Committee for adoption.

The Report was adopted unanimously.

Reports of Auxiliary Committees.

The President: We now pass to the Reports of Auxiliary Committees, which appear as Appendices to the Central Committee's Report.

International Assurance Committee.

Mr. Henri Lemaire, Belgium: The Assurance Committee has asked me to make a brief statement on its work. It has now been in existence for 32 years, and in the early days we were concerned mainly with the exchange of ideas; but, having established a community of interests, the exclusive interests of the consumer, those responsible for co-operative assurance considered at great length and objectively the question of the nationalisation of assurance. The experiments carried out in different countries were studied, with the desire of deriving lessons from them. No doubt this question will be discussed again, and more than once.

The Committee has always endeavoured to do concrete work. First, we tried to group all existing Co-operative Assurance Societies and we have succeeded to the extent that to-day our Committee comprises over thirty Societies in 18 countries and four continents. In their common interest we have tried to establish business relations between the Societies themselves, and here I must say a word about re-assurance. When an Assurance Society accepts the risks in the case of a building such as that in which we are meeting, it would be ruined if the building were destroyed. Therefore the Society retains only part of the risk itself, and obtains additional cover from other Societies, which act as re-assurers. In the past this re-assurance was handed over to capitalist undertakings, but to-day, thanks to the work of our Committee, it is carried out to a large extent between Co-operative Assurance Societies. Last year this involved 148 different contracts, and the premiums paid exceeded £700,000. To bring out vividly the international character of this re-assurance, I would mention that to-day Production Co-operatives in Sweden are re-assured by a Canadian Society and an Israeli one; fire risks in Vienna are undertaken by British and Belgian Co-operatives, and wholesale enterprises in the Netherlands and Belgium are covered by our friends in Finland, Australia and Pakistan. These examples, which could be multiplied, show the need for practical action as well as for guiding principles.

The periodical meetings of co-operative assurance experts always involve long discussions on purely technical problems. On Saturday and Sunday last, for instance, the Assurance Conference discussed such questions as collective life insurance, publicity and sales organisation, participation in profits. We are not only concerned with technical discussions, ideals find their way in, and we discuss ways and means of safeguarding the interests of consumers. The work which our Committee has accomplished gives evidence of youthful vigour and it also gives us hope for the development of co-operative assurance throughout the world.

International Banking Committee.

There were no comments on this Report.

Committee of Representatives of Workers' Productive and Artisans' Societies.

Mr. A. Antoni, France: I wish to give Congress some information about the work of the Auxiliary Committee of Workers' Productives and to make an appeal with regard to future developments. During a period of a few months there was a certain inactivity, which was not due to any desire on the part of the members, but now, with a new programme and a new Secretary, we have resumed full activity. So far the results have been encouraging and positive. We are undertaking a census, on a world basis, of Workers' Productive and Artisans' Societies. We are receiving the help of former members which for a number of years ceased to participate in the Committee's activities, but who have now come back to us. A great deal of legal work is being undertaken in a comparative study of legislation relating to Workers' Productive and Artisans' Co-operatives, and quite recently an experimental course for the vocational training of workers in the building trade was organised.

The Committee has taken certain positive decisions with regard to the future. A technical bulletin is to be published, and our legislative study is to be pursued to a conclusion. The question of an exchange of experts is being studied, also the promotion of Workers' Productive and Artisans' Societies in under-developed countries.

I feel, therefore, that the Committee has to some extent at any rate succeeded in doing what was expected of it, but that is not enough. We have to do a great deal more and a great deal better. If we are to do more and do better one essential condition is that the Committee shall include all the Organisations of Workers' Productive and Artisans' Societies which exist in the member countries of the I.C.A. and, what is of even more importance, shall have their active participation in its work. Co-operation is an entity which needs harmonious development throughout. That is why I feel sure Congress will respond to our appeal, and that in three years' time we shall be able to report even more fruitful work.

Committee on Agricultural Co-operation.

Mr. Norman Wood, Great Britain: I am making some remarks about the work of the Agricultural Committee because of the unfortunate absence of our Chairman, Mr. Axelsen Drejer, who by reason of serious family illness is prevented from attending this Congress.

The Agricultural Committee was formed at Copenhagen three years ago when fourteen National Co-operative Organisations accepted membership. At that time we had great expectations of the work which was to be done and the prospects of building up membership, but after three years of existence, during which three Committee meetings have been held and a sub-committee has met, we must express disappointment with the results. The membership has not increased, and we must admit that the I.C.A. through this Committee has made no great impact in agricultural circles, especially in bodies such as the I.F.A.P., F.A.O., I.L.O. and UNESCO.

Despite this frank confession of disappointment, I should not like Congress to think that nothing positive and constructive has been done, and

I would emphasise that the right decision was taken at Copenhagen in establishing an Agricultural Auxiliary, further, that its existence has been worth while. In the first place, valuable documentation has been compiled on relations between Consumers' and Agricultural Co-operatives. Secondly, on questions referred to the Committee by the Executive of the I.C.A. it has very clearly expressed considered views, for example on the "Green Plan," the scheme for inter-European collaboration in the marketing of agricultural produce, and on international commodity agreements, which we support in principle, while believing at the same time that consideration should be given to the interests of consumers as well as of producers in the development of such agreements.

Perhaps the greatest value of the Committee has been in the personal contacts which have been made between representatives from several countries, giving an opportunity to appreciate each other's problems and experience on the general question of agricultural co-operation. Last, but certainly not least, our Chairman, Mr. Axelsen Drejer, has had unrecorded success in bringing together the directors and officials of the English C.W.S. and the leaders of certain European Agricultural Movements, which may well lead to mutually advantageous buying and selling arrangements.

On Thursday of last week a useful Agricultural Conference took place; it was attended by delegates of Agricultural Co-operatives in 15 countries, and the discussion throughout the day was at a high level. Mr. Clemens Pedersen, of Denmark, submitted a most helpful paper surveying the structure and functions of Agricultural Co-operatives of different types. At the close of the discussion it was unanimously agreed (i) that the Agricultural Committee had vital and important work to do; (ii) that organised steps should be taken to strengthen its membership; (iii) that active collaboration should be established with the I.F.A.P., F.A.O., I.L.O. and other bodies; (iv) that in accomplishing these objectives additional administrative assistance would be necessary, and the Central Committee should, therefore, be asked to set up at the earliest opportunity, an agricultural department or section within the Secretariat.

In conclusion, I wish to appeal to every movement to accept its responsibilities for the creation of a useful, virile Agricultural Committee. Certain Movements of great agricultural importance have not yet identified themselves with the Committee. We have not yet benefited from the experience and achievements of the Agricultural Organisations of Holland, of Germany and of Switzerland, and we have yet to receive our first representative from Russia. Last Thursday for the first time we had representatives from Canada and the U.S.A. Whilst we appreciate that those two countries, because of distance and expense, may not be able to send delegates to our meetings, they could be represented by the Federation of Agricultural Co-operatives of the British Isles or the Horace Plunkett Foundation. If the I.C.A. is to be regarded as the effective and influential representative of Co-operative Organisations of all types, it must command the attention and receive the support of the powerful Agricultural Co-operative Movements throughout the world.

Mr. C. Pedersen, Denmark: In addition to Mr. Wood's splendid emphasis on the work and importance of the Agricultural Committee, I should like to stress the importance of having all kinds of Co-operatives, such as Agricultural Co-operatives, Farmers' Co-operatives, Rural Co-operatives or whatever

you may call them recognised as genuine Co-operative Organisations. There are two facts in this connection which I should like to emphasise: First, that in all countries very many small, medium and large farmers are members of Consumers' Societies; secondly, that in the future development of co-operative organisations all over the world, and especially in the so-called under-developed countries, it can be taken for granted that the major part of that development will take place among farmers, simply because between 80 and 95 per cent of the population of these countries are farmers. This means that Agricultural Co-operation is the branch of the Co-operative Movement which has the greatest opportunities for progress and development so that it is very important that existing Co-operative Organisations of all kinds should be recognised as belonging to the co-operative family.

Mr. H. D. Heckathorn, U.S.A.: The subject now under discussion is of great interest to me, personally, and to our country as a whole. I am a farmer in the State of Ohio. We have a great many Co-operatives in our country; perhaps most of them fall under the agricultural heading, but we are interested in Consumers' Co-operation also and we believe that in the last analysis the two are inseparable. We are so dependent on one another that it would be to the advantage of all concerned to have our international organisation work towards that end, and we shall do our part as a national organisation to try to bring that about.

International Committee on Housing.

Mr. Thor Pedersen, Denmark: You have before you the report of the Housing Committee, which is reporting to Congress for the first time. I shall not take up time by describing in detail the work of the Committee, but I should like to draw attention to some of the principal lines along which we are working and to the ideal background, so to speak, of our programme.

First, I would remind Congress that the housing problem is one of the most important social problems of to-day, and the supply of cheap dwellings of an adequate standard is a task in close conformity with our co-operative pre-occupations. To the common people the supply of decent dwellings is just as important as the supply of their daily food. Not all co-operators, however, seem to realise this, and the result is that many of the older Co-operative Organisations, dealing with traditional retailing and wholesaling activities, show some reluctance to establish proper collaboration with Housing Organisations. That is regrettable for many reasons. It means that large-scale Housing Organisations develop without having any organisational contact with existing National Co-operative Unions and Wholesales, or indeed with the I.C.A.

I do not think it is necessary to point out that we, in the Housing Committee, regard it as of great importance that the Alliance should endeavour to attract into its membership the existing large Housing Organisations, many of which play an important rôle in the building activity of their respective countries. I am sure you will all agree that the Alliance should include these Housing Organisations, in order to ensure that they develop in accordance with our co-operative traditions and base their constitution and rules upon co-operative ideas. I emphasise this because nearly all Co-operative

Housing Societies to-day receive a State subsidy in some form or other, a development which may have some influence on their constitutional pattern. But by entering into a living contact with the Co-operative Housing Societies we have a fair chance of ensuring that co-operative principles will still be the basis of their constitution.

The Housing Committee has also dealt and is dealing with some questions of a more practical nature. In many countries Housing Societies are the largest builders, and thus are the largest consumers of building materials. This fact leads to the conclusion that there is in this field a large opening for co-operative trade. It is true that there exist already co-operative agencies and wholesales which deal in such materials but, nevertheless, there are vast possibilities both in terms of national trade and in terms of exports. From a co-operative point of view the problem is interesting, because the building materials industry, in a great many cases, is penetrated by monopolistic control. The Housing Committee is, therefore, studying carefully the possibilities of promoting co-operative trade in, and co-operative production of, building materials.

The question of finance is also of imperative importance to Co-operative Housing Societies. I have already mentioned that State subsidies provide a main source of finance for present-day housing. We have, in the Housing Committee, thoroughly discussed the problem of finance, and I am sure you will appreciate our point of view, which is that all possibilities of providing capital from co-operative sources should be used, not only by collaboration with existing Co-operative Credit Societies but also in such a way that other available co-operative capital is secured.

The few problems which I have mentioned here, and the many others which we have discussed in the Housing Committee, all point to the desirability of a much closer collaboration between the existing Co-operative Organisations, between what I may call the old, traditional organisations and the newer housing federations and organisations. I wish, therefore, to read a recommendation on this closer collaboration which was carried by the Housing Conference in Paris:—

The Conference of representatives of Housing and Building Co-operative Societies, meeting at Paris on 3rd September, 1954, decides to recommend—

That housing being a human problem of the first magnitude, the social aspects of co-operative housing endeavour should never be forgotten.

That it is desirable that a National Consultative Committee representing all branches of the Co-operative Movement be formed in each country to co-ordinate, encourage and increase co-operative housing efforts.

That the Housing Committee of the I.C.A. should pursue all means of supporting National Consultative Committees and should also endeavour to secure action in the field of co-operative housing on a regional and/or international basis.

Mr. H. L. Score, Great Britain: I take this opportunity of speaking on the Report of the Housing Committee, to emphasise the necessity and the urgency of action in housing. In 1948, at Prague, I spoke in support of a resolution as a result of which the Housing Committee has been formed. The recommendation which the Chairman of the Committee has just read is one which was debated in the Housing Conference on Friday last, and I do urgently ask all delegates to take away with them from this Congress a note of the words, and particularly of the phrase in which the word "action" occurs. What is needed in housing to-day is action by the Co-operative Movement.

The Committee is in process of obtaining information in relation to all co-operative housing activities in Europe, and this document will be issued at a later stage. The object is to collect information, collate and distribute it amongst all Co-operative Housing Organisations. In Britain we have active societies in the Co-operative Movement which deal with housing on a home-ownership basis; in other countries the direction that new housing activity is taking is co-operative ownership of estates and blocks of flats. So far as Britain is concerned, I think that my fellow-delegates will agree that there is an opportunity to adopt some of the ideas which are prevalent on the Continent in order to help in the solution of our housing problem.

I ask you to take away with you from this Congress the wording of the resolution which Mr. Thor Pedersen has read, and to see that action is taken in your own countries in the direction of co-operative housing.

The President: That brings us to the end of the reports of the Auxiliary Committees, which I think you will agree are doing good work. We thank them for that work and hope that it may continue and even improve.

I ask Congress to note and receive the Reports. **Agreed.**

Committee on the Rationalisation of Commodity Distribution.

The President: We now come to the Report of the Committee on Rationalisation of Commodity Distribution. If there are no comments upon it, I would call attention to the concluding paragraph which reads: "In this spirit the Rationalisation Committee presents the report on its work since its formation, and seeks a renewal of its mandate to investigate the problems connected with a more efficient and orderly distribution of commodities." This means that the Committee is asking for the authority of Congress to continue in being and carry on with its work. Does anyone move that that authority be given?

Dr. M. Bonow, Sweden: I move that that proposal be accepted by Congress, and the mandate be given to the Rationalisation Committee.

The Congress agreed.

The International Co-operative Petroleum Association.

There were no comments on this Report.

Resolution on the Report of the Central Committee.

Peace.

The 19th Congress of the International Co-operative Alliance—

Viewing with the gravest concern the menace to peace arising from intensive competition in the invention and adoption of ever deadlier and more destructive methods of warfare;

The growing danger to the common people, carrying on their peaceful occupations, caused by experiments and exercises with such methods of warfare;

Also the drain on national economies resulting from the withdrawal from productive labour of workers kept under arms and the allocation of industrial resources to arms manufacture, thus retarding the rise in the standard of living—

Appeals to the Governments of the world

To renew their efforts, through the United Nations, to reach agreement on the limitation of armaments of every type, as a step towards total disarmament;

To create an impartial and effective organisation for the inspection and control of arms and arms production within all nations;

To speed up every measure, national and international, for the relief and eventual abolition of poverty and economic insecurity;

To co-ordinate their economic policies so as to promote international exchange, the full employment of all human and material resources, a steady economic expansion; and to offer the common people the certain prospect of peace with abundance.

Congress calls upon the Co-operators of the whole world, through their Co-operative Organisations, to work with the utmost energy for the attainment of these objectives.

The President: The Central Committee's resolution on Peace will be moved by Mr. Brot.

Mr. Marcel Brot, France: We have the good fortune to present to Congress a resolution unanimously accepted by the Central Committee. The text is in three parts. The first paragraph refers to the menace to peace arising from the invention and adoption of ever more deadly and destructive methods of warfare; the second paragraph to the growing danger caused by experiments and exercises with such methods of warfare; and the third emphasises the burden which arms manufacture imposes on national economies. The resolution then appeals to Governments to limit armaments of every type, as a step towards total disarmament; to create an impartial and effective organisation for the control of arms and arms production; to speed up measures for the relief and eventual abolition of poverty and economic insecurity; and to co-ordinate their economic policies to promote international exchange, full employment of all human and material resources and economic expansion, so as to offer the prospect of peace with abundance. The last paragraph of the resolution is an appeal to the co-operators of the whole world to work with the utmost energy for the attainment of these objectives.

I repeat that this text was unanimously adopted by the Central Committee. Proposals were made to mention this or that form of armament for special condemnation, but we all agreed that, as certain arms such as atomic weapons are particularly envisaged, it was preferable to refer to armaments of every type.

In the Congress Committee we examined, also, the other two resolutions on peace which have been circulated. The first of these, from the Japanese Consumers' Co-operative Union, after giving a description of the terrible sufferings of the Japanese people, asks for special action against the types of weapon responsible and for the immediate cessation of experiments with them. In my view, the aims of Japanese co-operators are adequately assured by the Central Committee's resolution, and it is desirable that the Japanese resolution should be withdrawn because we should not like a vote against it to be interpreted as expressing disagreement with the ideas which it contains.

With regard to the Roumanian resolution, we cannot in a resolution on which we seek unanimous agreement ask Congress to approve this or that project presented by this or that country.

In the name of the Central Committee I ask Congress to vote for the resolution which I have had the honour to move.

The President: I will now ask the representatives from Japan to speak on their proposal as an amendment to the resolution of the Central Committee.

Mr. S. Tanaka, Japan: moved the following amendment—

World co-operators consider that, in the interests of lasting world peace and the well-being of mankind, it is their duty to initiate a world-wide campaign against atomic weapons, to appeal not only to the United Nations and all the Governments in the world, but also to all Co-operative Societies comprised within the I.C.A. and their individual members, to demand:

The immediate cessation of hydrogen bomb experiments;

The abandonment of every type of atomic weapons and the prohibition of their production.

Effective international control of atomic energy for peaceful uses.

The Japanese Consumers' Co-operative Union wishes to place before Congress this proposal for the abolition of atomic weapons and the immediate cessation of hydrogen bomb experiments, which is the earnest desire of all the common people of Japan and the reason for which I have been sent to this Congress.

We Japanese experienced the most terrible suffering in human history from the atomic bomb destruction of Hiroshima and Nagasaki in the last days of the second world war, when 250,000 lives were lost in two minutes. In view of the mortal wounds inflicted upon our people, we have been appealing for "No more Hiroshima" to all people who desire lasting world peace.

Again and again, however, experiments with hydrogen bombs have been made on Bikini in the Pacific. Although it is said that they have been carried out under a careful scheme, they have brought horrible suffering not only to the people in the Bikini area, but also to Japanese fishermen, who have been afflicted with an incurable atomic disease. Also, according to the

report of the investigation ship which recently returned from the Pacific, the sea areas are poisoned by radio-activity, and Japanese fishing is seriously affected. In the market so many fish with radio-activity have been found that Japanese consumers are in danger of losing the main source of proteins for their daily food. Recently it has become apparent that vegetables, and even milk, have been poisoned by radio-activity in the rain, which has also brought the fear of atomic disease directly to the people.

We believe that if experiments with the hydrogen bomb were continued it would mean not only the immediate destruction of the people's well-being but also, in the near future, the fatal end of human existence. Therefore, in Japan not only the national and local Diets but Trades Unions, Co-operative Organisations, Women's Associations and all other organisations have decided to press for the prohibition of experiments with the hydrogen bomb, and a nation-wide campaign against atomic weapons is spreading like wild-fire.

Japanese co-operators desire to submit the foregoing facts to their fellow-co-operators throughout the world; to propose that the 19th International Co-operative Congress should discuss the evils of atomic weapons upon human beings and, reaffirming the resolution of the Copenhagen Congress, should pass the amendment I have proposed.

✓ **Mr. K. Aoki, Japan:** I wish to support the amendment proposed by Mr. Tanaka, that an appeal for the abolition of atomic weapons and the prohibition of experiments with the hydrogen bomb be explicitly contained in the peace resolution. This is the unanimous wish of the Japanese people, who will never forget the terrible experiences they have suffered. We consider it our duty to make every effort to prevent the rest of the world becoming the victims of a similar disaster and the world being turned into an abattoir. This problem is the principal preoccupation of the co-operators of our country, not only because of the frightful happenings of the last war, but because of the actual menace at the present time. The Japanese have suffered terrible damage from the series of experiments with the hydrogen bomb at Bikini. It is not necessary to describe the damage, because you understand what has happened, and Mr. Tanaka has spoken about it. The experience may be repeated if further experiments are carried out. I hope our amendment will be adopted by the unanimous vote of co-operators of all countries.

The President: I should like to repeat to our Japanese colleagues the statement which I made yesterday at the meeting of the Congress Committee, namely, that the whole of their effective recommendations are covered in the Central Committee's resolution. Their amendment is only concerned with the atomic bomb, whereas the resolution is concerned with all forms of warfare and all types of bomb. I do not know whether I can ask them, in order that we may have unanimity, to withdraw their amendment after having moved and supported it, and to vote for the resolution.

✓ **Mr. Aoki:** We wish our resolution to be specifically mentioned in the Report of Congress, but we will not insist on it being regarded as an amendment to the Central Committee's resolution.

The President: We can all agree that the Japanese resolution will be included in the report of the proceedings, and I thank Mr. Aoki and Mr. Tanaka for helping us out of a difficulty, because we did not want to vote against them. I, therefore, declare that the Japanese amendment has been withdrawn.

I also asked the Roumanian delegates yesterday to withdraw their resolution, because I feel that everything that is in it is in the Central Committee's resolution, except for that part which seeks to tie the Alliance to the policy of the U.S.S.R. Obviously we cannot agree to that, and it must be turned down. To imagine it is going to help the cause of peace by seeking to tie an International Congress to the policy of one country is to waste our time, to make a mistake and to do harm to the cause which those who make the proposal have at heart. I again appeal to the Roumanians not to split Congress on an issue of that kind. Will they respond in the way that the Japanese have done?

The Roumanian amendment was as follows:

The 19th Congress of the I.C.A.—

Urges National Co-operative Organisations to put forth all their endeavours to weaken the tension in international relations, to further the cause of peace throughout the world, and for the settlement of internationally disputed questions by means of negotiations.

Taking into consideration that an important step on the way towards a guarantee of peace, co-operation and friendship between peoples is the conclusion of a European agreement for collective security based on the equality of all participating countries and the respect of national sovereignty, on the principle of disallowing any privileges or the domination of some countries over others, the Congress calls upon all National Co-operative Organisations to urge their Governments to assist in bringing about the triumph of the idea of European collective security, and to the initiation of talks on the basis of the proposals put forward on this subject by the Government of the U.S.S.R., for the purpose of warning Europe against a new war.

The Congress charges the leading organs of the I.C.A. to support on all occasions the idea of co-operation between Governments, to develop economic and cultural relations between all countries.

The Congress calls upon all National Co-operative Organisations to extend the ties of international collaboration between all Co-operative Organisations and to assist the strengthening of commercial and cultural international relations, carrying on the struggle against the policy of isolation dictated by monopolistic interests and detrimental to the interests of the people.

Mr. C. Mateesco, Roumania: Our delegation considers that the problem of peace is of special importance for all peoples. Our own people are profoundly attached to the cause of peace and our Congress adopted this resolution for submission to the I.C.A. Congress.

We have studied attentively the resolution of the Central Committee, but think it should be completed by urging the Co-operative Organisations to work for the prohibition of atomic and other weapons of mass destruction; by referring to the problem of European collective security; also to the necessity to submit internationally disputed questions to negotiations. We think that if the resolution is completed in this way it will better express the

wishes of the millions of co-operators and will give active support to the movement of the peoples of all countries for the defence of peace and security. We therefore maintain our proposal.

The President: Having failed in my appeal, I ask Congress to note these words, because this is what the amendment calls on Congress to do: "Congress calls upon all National Co-operative Organisations to urge their Governments to assist in bringing about the triumph of the idea of European collective security, and the initiation of talks on the basis of the proposals put forward on this subject by the Government of the U.S.S.R., for the purpose of warning Europe against a new war."

Mr. R. S. Tajurskii, U.S.S.R.: Soviet co-operators like all Soviet people want peace and desire that all measures necessary for the strengthening of peace shall be taken. At the Central Committee meeting our delegation suggested some amendments to the resolution on Peace to which there were no objections, but they have not been included in the text. The Soviet delegation considers that the resolution is acceptable as a whole, but that the paragraph following the appeal to the Governments of the world should read: "To renew their efforts, through the United Nations, to reach agreement on the limitation of armed forces and of armaments, and at the same time establish strict international control." Further, that the resolution should contain a statement that Governments must give a solemn promise not to use atomic, hydrogen or other weapons of mass destruction. We support the Roumanian and Japanese amendments.

Mr. G. Cerreti, Lega Nazionale delle Cooperative, Italy: I, too, hoped that after the unanimous decision of the Central Committee to present to Congress a single resolution on Peace there would be no more amendments. I understand very well the reasons which led the Japanese co-operators to insist upon a provision forbidding the use of atomic weapons, because their tragic experience still lives in their memories, and, personally, I could agree to their special appeal. It also goes without saying that if it were a question of expressing a precise point of view I should be in favour of the Roumanian amendment, which gives the resolution a more precise character of a struggle against a given objective and in favour of a method for the concrete defence of peace. Equally I am in favour of the amendments suggested by our Soviet friends. I am afraid, however, that if we press too much for the inclusion of particular points we may end by provoking a reaction, which would be quite natural, from the other side of Congress, and as a consequence other parts of the resolution, which are quite positive, might be open to discussion again.

That is the position of the Lega Nazionale, and it is a reasonable position, because even if we all have the same profound desires we are not always in agreement on the way of realising them. We can agree that co-existence between different social and political systems depends on the desire for peace which animates the people of all countries. In the capitalist world there are those whose attitude presents a danger to peace, but nevertheless we should pay tribute to the British and French peoples who have worked so successfully to strengthen the cause of peace throughout the world. Let us remain united against any threat of war and work together for the prohibition of atomic weapons and for the triumph of the cause of peace.

Mr. D. S. Timofeev, U.S.S.R.: The Soviet delegation agrees with the proposal of Mr. Cerreti, and will vote in favour of the resolution, because it contains a number of useful points which will contribute to strengthening the cause of peace. At the same time we consider that some additional points should be included which would complete the ideas expressed.

We therefore ask the President first to take a vote on the resolution of the Central Committee, and afterwards to take a vote on the addenda proposed by the Soviet delegation concerning the limitation of armed forces and armaments, and the prohibition of atomic, hydrogen and other weapons of mass destruction.

Mr. P. P. Takov, Bulgaria: The Bulgarian delegation are in favour of the Japanese, Roumanian and Soviet amendments as by adopting them Congress will help to free the world from the menace of certain types of weapons to which the Japanese amendment refers. All democratic organisations, without discrimination on religious, political or other grounds, must co-ordinate their efforts in the fight for peace, and the I.C.A. must take the first step to unite co-operators throughout the world and members of other democratic organisations. It will thus make an important contribution to the cause of peace.

There is another condition necessary for peace which we must consider; the question of our unity. Evil has always overtaken the world when Governments and the organisations of peoples have been disunited. It is the duty of this Congress to pass a resolution aimed at securing unity.

Mrs. P. Styriakova, Czechoslovakia: In the name of the Czechoslovak delegation, as well as my own, I want to say that we fully support the suggestion of the Japanese co-operators for the prohibition of atomic and hydrogen weapons and all experiments with them. The resolution of the Central Committee itself refers to the growing danger to the common people caused by experiments and exercises with such methods of warfare. The Japanese people have had a terrible experience of these weapons at Hiroshima and Nagasaki, also of the recent tests in the Pacific.

Although we do not fully agree with the wording of the resolution, and in particular the fact that it does not directly state that this menace is being brought about by capitalist monopolists in an endeavour to make the highest possible profits, we nevertheless agree with the substance of it and the Czechoslovak delegation will vote for it. We will also vote in favour of the Soviet amendments. We wish to demonstrate in this way that for us, co-operators, there is no problem which cannot be solved by mutual agreement, by understanding and collaboration, as required by international solidarity and in the interests of the unity of the International Co-operative Movement.

The President: I shall ask Mr. Brot to reply to the discussion, after which the vote will be taken.

Mr. M. Brot: After the explanations which have been given I am more and more persuaded that the text adopted by the Central Committee responds to all the demands which it is possible to satisfy. So far as atomic weapons

are concerned, if anyone has made a gesture in favour of unanimity it is the Japanese delegates, who more than anyone else had the right to insist on the maintenance of their text. They have understood, however, that above the particular views of each one of us, however legitimate, it is necessary to make a gesture in the interests of the unanimity of the Congress. For that reason, we regret that the Roumanian delegates did not appreciate the considerations to which the President directed attention. First, the problem of peace is not simply a European problem; secondly, it is not possible at this International Congress to express ourselves in favour of a proposal of a particular Government. From that point of view alone we cannot adopt their proposal. Mr. Timofeev has made a suggestion, but I would say to him that his desire has been satisfied in advance, because the limitation of armaments and control are very clearly and precisely demanded in our resolution.

It will be for Congress to consider the nuances of the texts before it, and I hope we shall be unanimous. No doubt we are all willing to vote for the resolution, but if afterwards there are divisions of opinion on additions to it that will be regrettable. I ask our friends of Roumania and the U.S.S.R. to join in a unanimous decision, so that there may be no division on the question of peace.

The President: I shall put the Roumanian amendment to the vote, first by show of hands, which may prove sufficient.

After the vote **The President** declared: There is an overwhelming majority against the amendment, and I declare it lost.

I now put to the vote the resolution of the Central Committee.

A vote was taken by show of hands, and **The President** declared: **The resolution is carried unanimously.**

Close of the Third Session.

FOURTH SESSION.

Tuesday Afternoon.

Motions of Affiliated Organisations.

The Removal of Legislation restricting Technical Progress within the Field of Retail Distribution.

The 19th Congress of the International Co-operative Alliance urges its affiliated Organisations, by means of demands to the Governments in their respective countries and in other ways, without delay and with the greatest effort, to endeavour to secure the removal or re-adaptation to existing needs of State regulations in the form of laws and decrees, and other State and municipal measures, which prevent the Consumers' Co-operative Movement from making full use of its efforts to rationalise distribution through the establishment of self-service shops, etc.

Congress instructs the Secretariat of the Alliance to support such efforts by making a rapid investigation into the extent of these hindrances and their effects on the commodity distribution of the Consumers' Co-operative Movement in different countries; and

Congress instructs the Central Committee and the Executive Committee to demand that the United Nations Economic and Social Council should consider what international measures should be taken for the removal or modification of such hindrances; also, in the degree that this is expedient, make such demands to the United Nations Regional Commissions (Economic Commission for Europe, Economic Commission for Asia and the Far East and Economic Commission for Latin America) and to the Specialised Agencies, such as, for example, the International Labour Organisation, and the Organisation for European Economic Co-operation.

The President: I call on Mr. Odhe to move the resolution sent by Kooperativa Förbundet.

Mr. Th. Odhe, Sweden: Three years ago the Copenhagen Congress decided to set up the Rationalisation Committee, whose work was briefly touched upon in debate yesterday. The rationalisation of wholesaling and retailing within the Co-operative Movement, as elsewhere, is an everyday task in the solution of which we are confronted with problems of technique in business organisation and methods of using man-power more effectively, effecting savings in transport and in other elements of cost, and in this way reducing prices for the benefit of our members. This is nothing new, for these efforts have been going on ever since the Movement came into existence; but we are always feeling the need to speed up these efforts to keep our Movement ahead of other forms of distribution and to ensure that it has possibilities to be leading in the work of raising the living standards of the broad masses.

More and more, however, particularly since the war, we have had to face a growing number of serious obstacles in almost all countries. At the Copenhagen Congress, in connection with a paper which I had the honour to read, we discussed a special category of such obstacles, those placed in

the way of rationalisation by private monopolies by restricting production and the outflow of goods, by creating artificial bottlenecks in the distributive channels, and by trying to dictate prices and conditions of sale to those outlets where the goods met the ultimate consumer—restrictive practices which come under the name of resale price maintenance, and other similar practices.

It is, however, not only the private monopolists that are retarding our efforts to improve our techniques and to achieve scientific and organisational progress in the field of distribution. Legislation and other public measures also create numerous direct or indirect obstacles and obstructions to our efforts, and these seem likely to be of increasing importance if the field of State intervention and planning continues to expand. The removal of legislation where it seems to be redundant or obsolete and its re-adaptation to the modern requirements of commodity distribution is an urgent need in most countries which have a domestic welfare economy, and above all calls for the immediate attention of the co-operatively organised section of distribution, for the same reasons as led to the setting-up of the Rationalisation Committee.

This is, in brief, the background of the Swedish motion, which, as we see it, should not give rise to a conflict of opinion as regards different conceptions of economic systems. It is purely and simply an appeal to the National Organisations which feel the same need as we do to strain every effort to safeguard our own primary interests and to forestall, or remove, the discriminatory effects of legislation affecting the distribution of goods in general, and particularly the administration of such legislation by bureaucratic routine or bureaucratic slackness. It goes without saying that such bureaucratic routine and slackness are detrimental to technical progress in distribution in general, not only to co-operatively organised distribution. The Co-operative Movement has not fallen a victim to the superstition that everything which is decided by Governments or public authorities should be sacrosanct and beyond blame or criticism, at any rate in the democratic countries. It is the duty of our Movement strongly to maintain this attitude and to take action accordingly, particularly in the field of distribution, where at present in many countries its most vital interests are at stake.

The comprehensive motivation of the resolution, however, calls for a few additional remarks. The listing of various categories of obstacles does not claim to be the result of any thorough investigation on the part of K.F. Most of the material has been collected from information and documents published or provided by international European organisations at present concerned with the problem of distribution, such as the International Chamber of Commerce and the O.E.E.C. In so far as the facts taken from these documents may be found to be insufficiently highlighted, or perhaps even incorrect, the need for a systematic, comprehensive and thorough investigation by the Economic Research Department of the Alliance may be said to be so much the more strongly proved. No doubt there is a field in which the Department could render valuable services to the National Organisations, as indicated in the printed text, and where collaboration between the Alliance and the various United Nations and European Organisations could be most fruitful.

We notice with great satisfaction that such collaboration has already been embarked upon by the Secretariat, to judge by the information given in the Report of the Central Committee regarding I.C.A. participation in the Paris

Conference on distribution arranged by the European Productivity Agency in December last. This participation should be widened and made more intimate. Above all, it seems most important that a motion requiring the removal of unnecessary obstacles to commodity distribution should be brought before the Economic and Social Council as soon as possible, and that every opportunity should be used to direct the attention of the various ECOSOC and other United Nations Commissions to the question. Several of them already have working parties or special committees engaged in the solution of problems affecting commodity distribution and consumer co-operation.

There is no need to say more in introducing this resolution. Its purpose, as I have said, is not to provoke any ideological battle on State intervention and measures taken by public authorities in principle, but to appeal to the National Organisations to intensify their efforts to counteract the effects of discriminatory or otherwise inappropriate legislation, bureaucratic routine and red tape generally, by co-ordinating those efforts with the assistance of the I.C.A. and with the help of its Secretariat.

Mr. J. F. Van Netten, Holland: The Dutch delegation finds itself very much in agreement with the outline which K.F. has given of the technical difficulties facing the Co-operative Movement in extending its sphere of influence, in view of existing legislative restrictions on retail trade. It would be an example of giving practical effect to the programme for the Future Policy of the I.C.A. if we member Organisations would follow up the K.F. resolution by supplying to the I.C.A., without delay, detailed reports on the position in our own country. I can give an assurance on behalf of the Dutch delegation that we shall not fail to help the Alliance to do a good piece of practical work of real importance to all member Organisations, because many of the problems which Mr. Odhe has outlined affect our Movement.

There is one suggestion, however, which I should like to make. In the third paragraph of the resolution K.F. rightly suggests calling upon the United Nations and its Regional Commissions and Specialised Agencies, as well as on O.E.E.C., to promote the removal of legislative restrictions. It might be of advantage if voluntary international organisations such as the International Chamber of Commerce were also approached and asked to study these problems. The I.C.A. is represented on the I.C.C. Distribution Commission, and at national level has many contacts with Chamber of Commerce. The idea of the rationalisation of commodity distribution will certainly have a favourable reception in any organisation interested in problems of efficiency.

Mr. V. Popovitch, Yugoslavia: The proposal submitted by K.F. deserves our attention. The distribution arrangements vary from country to country, and this, of course, hampers economic co-operation and collaboration between National Co-operative Organisations. This is very clearly stated in the document submitted by K.F. and in the speech of Mr. Odhe. Therefore, the Yugoslav delegation strongly support the resolution, but we also wish to suggest an amendment or addition. The resolution refers to "the Consumers' Co-operative Movement," but it might be better to say "Co-operative Organisations," because it is not only the Consumers' Co-operatives which are concerned with the distribution of goods.

Mr. M. G. Osipov, U.S.S.R.: The Soviet delegation considers it indispensable to support the proposal submitted by K.F. Consumers' co-operation in the Soviet Union is a democratic organisation closely linked with the popular masses and carrying out a tremendous work in providing for the material and cultural needs of the people. The legislation of our country does not restrict the co-operative in the field of rationalisation so far as Consumers' Co-operation is concerned, and an ever-increasing number of shops, restaurants, cafeterias and other types of co-operative are opened. Centrosoyus is doing everything possible to facilitate the work of the Co-operatives and to make Consumers' Co-operation the greatest enterprise for consumers.

The Soviet Co-operatives have perfect conditions for the improvement of their work; there are no such things as limitations on the opening of new shops, or on capital development, and there are no obstacles to selling goods to non-members. Soviet policy does not influence the Co-operatives in any way or bring pressure to bear on them, but creates the most favourable conditions for their development. That is why Soviet co-operators, who know what it is like to work in really free conditions and to have the full support of our Government, are able to understand the reasonableness of the proposal of K.F., which is aimed at removing limitations and obstacles which stand in the way of co-operative development. So long as such limitations exist in some countries, so long as there is legislation which permits the existence of monopolies which regard themselves as a privileged class in their own field, so long as there are laws which forbid Co-operatives to supply goods to non-members, or forbid them to open new shops, and so long as there are restrictive legal provisions which prevent rationalisation, mechanisation and technical developments, there cannot be real co-operative development. The Soviet delegation supports the proposal, which it hopes will be approved unanimously and hopes that all possible efforts will be made to assure the free development of co-operation.

Mr. M. Ceseri, Lega Nazionale delle Cooperative, Italy: I wish to express our support for the resolution presented by K.F. which aims at freeing consumers' co-operation from all legal and fiscal difficulties which hinder its development. This is in accordance with the policy of Lega Nazionale, which always struggles to obtain in Italian legislation provisions which will help our economic development. This is very necessary for the Italian Co-operative Movement, which has only recently been able again to develop freely.

Our first and greatest enemy is always the monopolies, which use their influence to bias policy and legislation in their favour and against small enterprises. It is this which constitutes the greatest brake on the progress of Co-operatives and their solution of the problems of rationalisation. I should like to give an example in the field of fiscal policy and credit. The major part of the returns from direct taxation on business in Italy come from small and medium-sized undertakings, whereas in the big enterprises the money is pocketed by the monopolies. In addition, the monopolies use measures to make co-operative activity very difficult, also to hinder it administratively and politically. Government action is often found to favour the monopolies, which provokes other difficulties for Co-operative Societies, for example, they find themselves denied the necessary permits to develop,

while subjected to taxation which is a great obstacle to their development. Recently our Government approached the banking institutions with a view to limiting credit to Co-operatives.

These are the main obstacles to the development of Co-operatives and the modernisation of their structure. To overcome them there must be stronger action on the part of co-operators on the lines proposed in the Swedish resolution, with the help of all who are really devoted to the cause.

Mr. S. Ashelman, U.S.A.: On behalf of the delegation of the U.S.A. I wish to support the resolution. We feel that the abolition of restrictions upon distribution is of the utmost importance if we are going to fulfil our obligations as Co-operatives working for the welfare of our members. This offers one of the greatest steps forward, as I understand it, to help to raise the standard of living of the people in Europe. Historically many restrictions which have developed had good reason for their imposition, but they are now out of date, and we must not allow the channels of distribution to be frozen with a resulting decrease in the standard of living.

Fortunately, in the U.S.A. we have been relatively free from legal restrictions upon distribution. This has made possible in the last few years a very rapid development in self-service, for without a free enterprise system in which to operate we should not have been able to develop the economies which have resulted from self-service. To have self-service stores which are efficient, we must be able to sell all types of merchandise, thus making possible greater economies and a smaller cost to the consumer.

There has been a new resurgence of the Consumers' Co-operative Movement in the U.S.A. since the last Congress. Years ago we had a very rapid growth of co-operatives, but we had a number of failures, because we did not know how to manage the business. Gradually, however, we have developed the necessary "know-how," and we have now a large number of very successful co-operative "super-markets" which are the outstanding stores in their community. This is not true of every town, but we feel that we have developed an approach which is going to result in a very rapid growth of Consumers' Co-operation.

I am happy to say that Consumers' Co-operatives have the support not only of the Government of the United States but also, strangely enough, of many liberal private business men. For example, last year K.F. sent one of its young men to work in our co-operative organisation. I telephoned the general manager of one of the chain organisations and told him that we had a young man from the Swedish co-operatives who would like to work for his chain store organisation for a few weeks. He was very helpful and put him on the payroll.

The development of Consumers' Co-operatives is, we feel, essential to the continued growth of democracy in our country. The Movement is growing from the grass roots and is becoming stronger. We have developed co-operative financial institutions which assist greatly in the rationalisation of co-operative distribution, also in the acquirement of more and more business. We believe that we can grow much faster than in the past by the simple technique of buying out some of the private traders, and turning their businesses into co-operatives.

It is a great pleasure and privilege for us to visit our co-operative friends in Europe. We have had the opportunity of learning very much in terms of the ultimate development which Co-operatives can take here and in the U.S.A. One thing which is very important in relation to this resolution is that we should be able to take the leadership in the development of more free trade between the countries of the world. It would be of great advantage if, instead of having a number of small co-operative factories located in various countries we had free trade and could combine our total needs into the most efficient factories. That would lower our costs of production and result in much greater steps forward towards our objective of helping our people to have a finer cultural position and a better standard of living.

The President: Mr. Albin Johansson will now close the discussion.

Mr. Albin Johansson, Sweden: I am very happy to hear that the Russians and the Americans are in agreement with our proposals; it seems to me that international co-operation is really functioning, in which case it will be necessary to keep the frontiers wide open, because we cannot introduce international co-operation in countries whose frontiers are closed. It is necessary that there should not be any barriers whatever; Roumanians should be able to come to us, and we should be able to go to Roumania without asking our Governments; in the same way, we should be able to go to France and the French should be able to come to us. That would be useful to the Co-operative Movement throughout the world and also to the cause of peace.

The President put to the vote the resolution moved by Mr. Odhe, and on a show of hands declared the resolution carried.

Membership Status of "Centrocoop," Roumania.

The President: I will ask Mr. Mateesco to move the resolution submitted by "Centrocoop"—

The Central Union of Consumers' Societies, "Centrocoop" of the Roumanian People's Republic, requests a change in the status of its membership of the Alliance from "Individual" to "Collective".

Mr. C. Mateesco: Before the Prague Congress the Roumanian Union asked for its status as a member of the Alliance to be changed from individual to collective, but so far the Executive and Central Committee have done nothing about this request which is in accordance with the letter and spirit of the Rules. I should like Congress to take a fair decision on the matter. It seems to me the more inexplicable in view of the fact that Roumania has, from an early date, taken part in co-operative development. To-day our Consumers' Movement includes more than five million co-operators and a revolving fund of more than 265 million lei. We have regional unions, and district unions with large numbers of shops. In 1953 the turnover of goods increased by 60 per cent, and a very much larger quantity of agricultural produce was distributed through co-operative channels. Co-operative agricultural production has increased by 136 per cent compared with 1950. Democratic and co-operative methods are practised and the democratic principle of the right of the members to elect the controlling bodies of

Consumers' Co-operation is safeguarded. Our rules also provide that every member has a right to a share in the profits. This year general meetings in the different regions have been attended by large numbers of members, and about a month ago a Congress was held which considered the future development of co-operation. Our Movement has acquired great importance in the economic life of the country and contributes to raising the standard of living.

I have a list of Roumanian representatives who have been present at the I.C.A. Congresses since 1904, when the Movement was given membership status. In 1947 we asked for collective membership; in 1948 this request was rejected on the pretext that our application was received too late, because such a change cannot be made on the eve of Congress. After the Prague Congress, the application was renewed. The General Secretary in a letter of 18th October, 1948, stated that the status of membership does not depend on the character of the Organisation but on the basis of its subscription to I.C.A. In a letter of 28th February, 1949, the Secretary gave us the amount of subscription we should have to pay as a collective member, and "Centrocoop" paid the sum early in 1950. But the Executive in March, 1951, rejected our request by 9 votes to 3, without any explanation, thus taking a decision contrary to the Rules and to normal practice. "Centrocoop" protested against this unjust decision, but nothing further has been done about our request.

Our Movement maintains fraternal, cultural and economic links with the Co-operatives of other countries. At our Congress last month delegates were present from twelve other countries including England, U.S.S.R., France and Italy, who were able to see the achievement of our Movement in its efforts to further the cause of co-operation. We regret that Sir Harry Gill, President of the I.C.A., was not present at our Congress, although he was invited. The activities of our Consumers' Co-operatives show clearly that our Movement is democratic and entitled to collective membership.

Our Congress adopted unanimously the following resolution and instructed our delegation to submit it to this Congress:

The Congress of Consumers' Co-operatives of the Roumanian Republic, representing more than five million co-operators, requests the Congress of the I.C.A. to admit "Centrocoop" to collective membership, in conformity with the Rules. The Co-operatives of our country, which strive for unity and the development of the international co-operative movement, ask the 19th Congress of the Alliance to consider this request and express the hope that the delegates present will take a decision which will remove this injustice which has existed for years.

Mr. G. A. Bokov, U.S.S.R.: As you will have gathered from the statement just made, the Roumanian co-operators do not make a secret of their activities. Representatives present at their Congress from many countries had an opportunity of seeing the activities of the Movement, which we can say has a truly co-operative character and spirit. The Soviet delegation considers that the request of the Roumanian co-operators for a change from

individual to collective membership is a proper one, and that its rejection would be a violation of Article 3 and Article 7 of the Rules.

I would ask Congress to give some thought to the independence of the Roumanian Movement. It was accepted without any reservation as an individual member, and it is for each organisation itself to decide whether it desires individual or collective status. Therefore, it is wrong to put any obstacles to the desire of the Roumanian Union for collective membership. The Union conforms fully to the conditions of collective membership; and we feel, therefore, that the non-acceptance of its request can only be due to political reasons and to a discriminatory policy.

The activity of the Roumanian movement is widespread. Consumers' co-operation has achieved very good results and is developing rapidly. The Movement has a democratic basis. A delegate from the U.S.A. said that the leading co-operative organs in the people's democratic republics are appointed by the State. This is not so, in Roumania we have seen for ourselves that the elections are carried out in a democratic way. The Soviet delegation supports the motion of "Centrocoop," and I invite Congress to vote for it unanimously.

The President: I am sure it must be very difficult for many members of Congress to appreciate just what is involved in this question. The change from individual to collective membership would give increased representation and increased voting strength. Ever since the Roumanian Union has been a member of the Alliance—and its membership goes back for many years—the choice of status was its business. Originally it accepted individual status, which meant a smaller subscription and less representation than for collective membership. In recent years the question of a change of status has been the subject of discussions in the Executive and Central Committee, and on all occasions the majority has decided against a change.

The reasons which have prompted that decision are these. If the Roumanian Union applied for membership to-day it would not be accepted because the terms of the Copenhagen resolution would veto its application at once. Both the Central Committee and the Executive, therefore, feel that, in the circumstances, they cannot agree to a change in the status of the Organisation. That is the simple issue which is before Congress. Are you prepared to give "Centrocoop" the new status which it asks, even though, if it were applying for membership to-day for the first time, its application would be ruled out of order by the Copenhagen decision?

Mr. V. Grazia, Lega Nazionale delle Cooperative, Italy: Our delegation are of opinion that the provisions of Article 17 of the Rules should be applied, because we have here an Organisation which already belongs to the I.C.A. and which wishes to transfer, as it is legitimately entitled to do, from individual to collective status. The Roumanian Organisation is an old one which has worked vigorously to develop co-operation, and one which conforms to the Principles of Rochdale. The Co-operatives aim at improving the social and economic conditions of their members, and Italian co-operators who have visited Roumania have learned a great deal from what is being done there. We would recommend to Congress that the Co-operative Movements in the

new democracies be studied, particularly the Roumanian Movement, which has achieved a great deal.

We ask Congress to accept the motion, but, if delegates do not regard the evidence of our experience as sufficient, we recommend that, rather than reject the motion the new Executive shall send a mission to Roumania, as has been done in the case of some other countries, to see on the spot the degree of development which has been reached by the Movement, to see its free and democratic nature, and to make sure that no new element has been introduced to change the position. Then it will be possible to determine the status of this Movement in the Alliance.

Mr. F. Ruzicka, Czechoslovakia: I wish to speak in my own name and on behalf of the Czechoslovak delegation about the justified request of the Roumanian and Bulgarian co-operators for the change of their membership status from individual to collective. According to the Rules of the I.C.A., each member is entitled to choose the category of its membership, and to pay its subscription accordingly. The Roumanian Movement paid its subscription in good faith, believing that it would be treated in the same way as other Organisations, but its collective subscription was not accepted. Since the right to choose their category of membership is being constantly and without any reason denied to the Bulgarian and Roumanian Movements, which have been members of the I.C.A. for many years, they have had to bring their claims before Congress, as the sovereign body of the International Co-operative Movement.

Every observer knows that these Movements fully conform to the requirements of the Rules because their activities are based upon full co-operative democracy. I was able to satisfy myself of this when I recently visited Roumania. According to Article 7 of the Rules, the I.C.A. regards co-operation as neutral ground on which people holding the most varied opinions and professing the most diverse creeds may meet and act in common. If the request of the Roumanian and Bulgarian co-operators for a change in their status of membership is refused, such a decision will be contrary to the Rules. At all the meetings at which this question has been discussed our delegation has opposed this unjust decision of the majority. We, therefore, appeal to Congress to recognise the claims of the Bulgarian and Roumanian Movements that they be granted collective membership.

Mr. R. Southern, Great Britain: It is important that the position of the Executive and Central Committee in this matter should be made clear. Their attitude is that this proposal must be rejected by Congress. It concerns a transfer of membership from the individual to the collective basis thus giving increased representation and increased voting power in exchange for an increased subscription. The question is similar to one which was considered earlier in Congress, when we had before us applications, supported by Centrosoyus, in the form of appeals against rejections of applications for membership. The position is exactly the same. There is resistance to extending the State co-operative sector within the International Co-operative Alliance. It has been said that the reasons are political. The reasons are that, because of certain political decisions, the economy and co-operative

movements in certain countries have been transformed. It is rather peculiar that support for this proposal comes from the U.S.S.R. and from Czechoslovakia. Only last November we read in Britain that a State decree had been issued to Centrosoyus instructing it to establish so many shops, to provide so many new travelling shops, to establish so many new warehouses, and so on, and the Government provided money for that plan to be implemented. In Czechoslovakia we have a situation in which overnight the Co-operative Movement in the towns and cities simply disappeared, again, as we well know by State decree. These are peculiar sources from which claims of democracy and independence are coming.

The situation is similar in Roumania. There is not a genuine, free and voluntary co-operative membership. It has been alleged that no reasons have been given for the rejection of this request, or for the rejection of a similar request from Bulgaria. The reasons have in fact been stated quite clearly time and time again and the reasons which I am now giving are simply a repetition of reasons previously expressed in the Executive and Central Committee. The issue is very simple and very clear. It involves a further attempt to enlarge the state co-operative sector within the I.C.A. Genuine voluntary Co-operative Movements must resist that endeavour, and Congress is, therefore, asked to vote against this proposal.

A card vote was taken, and later **The President** declared that the Roumanian proposition was **lost** by 372 votes for and 634 votes against.

* * * *

Address by the French Minister of Labour.

The President: I want at this point to interrupt the normal proceedings of Congress. On Monday morning it was impossible for a representative of the French Government to be here, but this morning I am very pleased to say that Mr. Aujoulat, the French Minister of Labour, has been able to come. We are delighted to see him. Some of us had the privilege of meeting him a few days ago and of hearing the wonderful tribute which he then paid to the Co-operative Movement, in particular its work in under-developed countries. I am delighted that Congress will have the opportunity of hearing him.

Mr. L. P. Aujoulat: It is a great pleasure for me this morning to bring the greetings of the French Government to all the delegates assembled in this magnificent Palais de Chaillot under the flag of International Co-operation. Your Movement is well known in France, and I am not unmindful of the fact that the very considerable progress which you have made in the field of International Co-operation has enabled you to attain consultative status with such great International Organisations as ECOSOC, F.A.O., and UNESCO. It is thus the Co-operative Movement of the whole world which I have the honour to salute this morning.

It is not, I believe, only Consumers' Co-operation which is represented here, but there are present representatives of Producers' Co-operatives, Artisans' Co-operatives, Agricultural Co-operatives and others, as well as of Consumers' Co-operatives. There is no need to emphasise the value of bringing together, in this way, the work of co-operators of all kinds belonging to a great number of countries. We see in this the fundamental principles of an international collaboration which can be built on a solid foundation, because it is not a question simply of techniques put at the service of the welfare of mankind. I do not underestimate the importance of political ideas, or even of the political difficulties inherent in all international collaboration, but in my view these difficulties will be the more easily overcome if the men at the top base their collaboration on the facts of daily life as they concern the production and distribution of the necessities and the good things of life.

For this reason the Ministry of Labour attaches the greatest value to the meetings which you are holding in Paris and believes that the contacts you are making cannot fail to be extremely fruitful. I know, of course, that co-operation is not yet equally developed in all countries, and I should like to pay my tribute to British co-operators who have played a particularly active rôle in the spread of co-operation, as they did in the organisation of the first International Co-operative Congress at the end of the last century. I wish equally to pay my tribute to those in France who have been in the forefront of the Co-operative Movement, and while not forgetting those who are living, I should particularly like to recall two great names, those of Charles Gide and Albert Thomas.

For the fourth time in its history your Congress is meeting in Paris, and, by the application of co-operative principles and methods in both production and consumption you are seeking in common a solution for serious problems which have arisen. Some of the authorities of your Congress expressed to me, two days ago, the feeling that the co-operative idea is suffering from a slight setback in some economic and social circles. This would not be surprising, because in order to triumph the co-operative idea and the Co-operative Movement have to struggle against a tendency towards individualism which is not only part of the French character but is found in many other nations. To overcome that individualism must be the first task of those who lead the Co-operative Movement, but they have also to overcome other obstacles, such as opposition from economic interests which feel themselves menaced by too large an extension of the Movement.

In looking through your agenda, I notice with particular pleasure that you are to deal with the development of co-operation in the under-developed countries. That is of special interest to me, because in addition to being Minister of Labour in the French Government I am a deputy to the National Assembly for a French territory which can be included among the under-developed countries. In this capacity I have been interested for many years in the spread of the co-operative idea in the under-developed countries, particularly those which are associated with France. Ten years ago I had the idea that co-operation should find ready acceptance among Africans, as

an idea springing from their own soil, because co-operation is a translation into a modern type of organisation of communal ideas which have been prevalent among the people of the African continent. Co-operation, therefore, should have great possibilities of adapting itself to the needs of the under-developed countries, while, in their economic affairs, it can be of very considerable value in the distribution of goods, in the organisation of production and in the relations between producers and consumers. At the same time it has an educational value which leads us to hope that we shall see a very important co-operative development in the under-developed countries.

Co-operation, as we have seen it practised in African countries, both in the field of production and the general sphere of economy, can provide valuable assistance and the stimulus which will help producers to pass from a primitive to a modern type of economy. The obstacles, no doubt, are great; it will be necessary to overcome certain individualistic traits which are more prominent than elsewhere; there is also a lack of trained personnel for the organisation of co-operation. But I am sure you will find ways of taking valuable action in what is a magnificent new field for your efforts, and I hope that from this Congress will come the methods and solutions for which the under-developed countries are waiting and for which they will owe you a very deep debt of gratitude. These are the few words which I wish to say to you this morning. In the field of co-operation you are engaged in a fruitful form of international collaboration which we, in France, recognise with great pleasure.

I hope you will all carry away the most happy recollections of your stay in Paris. More especially, I hope at this Congress you will make new contacts and acquire a better understanding of the position in other countries, which will encourage you to bring your help and support to the improvement of human conditions everywhere. With the idea of co-operation I associate the idea of liberty, for both are instruments for peace. You are concerned with economic and social problems, but you are also working towards the establishment of lasting peace between the peoples of the world and between the continents. I congratulate you on your work and wish you the success which it so fully merits.

The President: I am sure, Mr. Minister, that the delegates would desire me to express to you our thanks and appreciation for coming here to see us, and even more for the wise words which you have spoken. We deeply appreciate the advice you have given us, and what you have said about the under-developed countries justifies fully the special report which we are making to this Congress on the subject. We thank you for your good wishes, for your words of encouragement, and for coming to our Congress.

Future Policy of the I.C.A.

The work of the Sub-Committee on Policy since the Copenhagen Congress has continued and extended the studies of the previous Sub-Committees which reported at the Zurich, Prague and Copenhagen Congresses respectively. Based upon these studies were important policy statements on two subjects.

The first concerned Relations between Consumers' Co-operation and Agricultural Co-operation and it recommended the adhesion of all forms of co-operative enterprise to the I.C.A. through their National Organisations, the establishment of national organs for collaboration and conciliation, particularly the drawing of appropriate lines of demarcation between the two Movements and the creation of commercial enterprises, jointly owned by Consumers' and Agricultural Co-operative Organisations, for the processing and marketing of agricultural produce.

The second statement concerned Relations between Co-operation and the Public Authorities in countries with Mixed Economies. Emphasising that Co-operative Organisation must be completely free and independent, it recommended that the Movement should expand its sphere of action and intensify its influence on the economic and social policies of the State and participate actively in their preparation and implementation; the Movement should collaborate in Committees occupied with social and economic problems as well as taking part in the work of the United Nations Organisation and the Specialised Agencies, particularly in assisting the economic advance of the under-developed countries.

In addition, Copenhagen Congress adopted a Resolution on a third subject, Monopolies, which is no less valid to-day as a statement of co-operative policy. The resolution called attention to the danger of the growth of monopolies, especially in the form of national and international cartels, and the effects of protective measures in the sphere of trade policy in reinforcing monopolistic positions. It emphasised the achievements of the Co-operative Movement in enlightening public opinion on these dangers and advocating national and international measures to avert them. It appealed to Co-operative Movements in all countries—(1) to take all necessary steps against abuse of monopoly power by developing co-operative enterprise in distribution, production and international trade; (2) to impress upon Governments that their economic measures should favour not restriction but international co-ordination for economic expansion; and (3) to request the I.C.A. to press the United Nations to undertake immediate enquiries into the activities of international monopoly organisations. The present report accordingly concentrates upon certain aspects of policy on which Congress had made no special pronouncement in recent years or which, taking into account present world conditions and tendencies, may be expected to increase in importance in the future, so far as that can be foreseen.

Broadly speaking, the policy of the Co-operative Movement has a two-fold aim: the maintenance and extension of the Co-operative Sector in economic and social life and the permeation of the economic system as a whole wherever possible with co-operative principles and ideas. The policy of the I.C.A. has correspondingly two aspects. One is concerned with its

relations with its own members and other Co-operative Organisations and may thus be called "internal." The other is concerned with the institutions and forces not forming part of the Co-operative Movement, operating on the international level, and may be appropriately called "external."

Internal Policy.

The founders of the Alliance and its Authorities after them have assumed that, although co-operative enterprises may take diverse forms and serve different (and even opposing) economic interests, there exists a fundamental unity or identity of principle. There is discernible between them a certain family resemblance which distinguishes them, on the one hand, from private or capitalist enterprises and, on the other, from enterprises created by statute, which represent an extension of the functions of government.

This assumption finds expression in more than one Article of the I.C.A.'s Rules and in the policy followed by the I.C.A. Executive in recruiting new affiliates. If the various types of co-operative enterprise are unequally represented in the Alliance, in a manner which does not adequately reflect their relative importance in the world, that is not because there is any obstacle in the Rules or in the policy hitherto pursued by I.C.A. Authorities—at any rate, when there is no cause for questioning the genuineness of Organisations claiming to be co-operative.

The above assumption, even if it be almost self-evident, needs emphasis because the Alliance is in fact not fully representative of the Co-operative Movement throughout the world to-day. The Movement is truly world-wide in the sense that a country or separately governed territory where Co-operation, if not already established, is not being seriously promoted, is hard or impossible to name. Yet the Alliance's affiliated Organisations represent no more than thirty-four countries. Again, as indicated above, the composition of the Alliance does not correspond to the relative extent and importance of the various types of co-operative enterprise. Producers' Co-operative Movements, especially amongst farmers, have not rallied to the I.C.A. to the same extent as those of Consumers which have hitherto always formed the backbone of its membership.

Obviously the inequality of co-operative development in different parts of the world must also be taken into account. Certain National Co-operative Movements are already more than a century old, but some have existed hardly more than a generation. A few go no further back than the end of the Second World War. This time-factor affects not only the size of their membership and capital resources, but also the richness and variety of their development. Many, not having emerged from the stage of local or primary organisation, are still without strong Federations or secondary structures like Central Banks or Insurance Societies. Or again, there are countries in which, while certain branches of the Movement are flourishing, others have taken root with the utmost difficulty and still have only a precarious hold.

Recruiting.

Simply to state these facts is to indicate what is needed. The Alliance must continue to pursue a vigorous recruiting policy which aims at enlisting in its ranks all genuine forms of co-operative enterprise, including some which may have yet to be developed in order to meet new needs arising from the evolution of the economic system as a whole.

In this connection the efforts now being made by national governments, both independently and with the support of the United Nations Special Agencies, as well as by various social Movements, to accelerate the spread of co-operative institutions in the so-called under-developed countries are of special concern to the I.C.A. The efforts of these Agencies, if they are successful, should result in a constant increase in the number of National Co-operative Unions and other Organisations eligible for membership of the Alliance. It is also self-evident that the participation of the I.C.A. in this work, both on its own initiative and in conjunction with Governmental Agencies, will hasten and facilitate the winning of the new recruits it needs. The I.C.A. must seek to make contact with the younger Co-operative Movements from the very earliest stages of their development, so that an application for membership becomes almost automatic immediately they have ceased to be dependent on external sponsorship and have assumed full control of their own affairs. At the same time, the I.C.A. must make known to both Governments and Special International Agencies the conditions under which the Co-operative Movements they promote can be accepted as members of the I.C.A., more especially the requirement that they shall effectively govern their own affairs democratically and independently of state direction or interference.

Associate Membership.

" In order to bring these young Organisations into suitable official relations with the Alliance, the Rules should be amended so as to allow them to become "Associates," as a transitional stage towards full membership, subject to the following conditions:—

(a) These Organisations should be such as are not immediately eligible for affiliation under the Rules but through their aims and activities promote the development of co-operation in conformity with the objects and methods of the Alliance;

(b) Associates should be entitled to receive the I.C.A.'s official publications and to be represented by observers at the Congress and meetings of the Central Committee. The observers should not have the same rights as members' delegates to speak or vote;

(c) Each Associate should pay a subscription fixed by the Executive, which should report to the Central Committee its decisions on the admission of Associates and their subscriptions.

The efforts of the I.C.A. to strengthen the Co-operative Sector in both national and international economic life should also extend to those countries which are in no sense to be classed as under-developed, but in which, owing to special circumstances, certain desirable forms of co-operation have not been able to establish themselves with enduring success on a large enough scale.

In many countries, developed and under-developed, far-reaching agrarian reforms are now in progress or in contemplation, involving changes in land tenure systems, re-distribution of holdings and re-settlement of rural communities. Such reforms create both the need and the opportunity for co-operative development not only in the buying and selling incidental to agriculture, but also in the very cultivation of the soil and handling of stock, as well as the improvement of rural standards of living. It must, therefore, be

part of the policy of the I.C.A. to ensure that co-operation makes its full contribution to every aspect of the building of healthy rural communities throughout the world.

Closer collaboration between all the diverse forms of co-operative enterprise, with special emphasis on the need for inter-working between the Consumers' and Agricultural Co-operative Movement, was recommended by the Policy Report to the Prague Congress (cf. para. 1). Even if the relations of the Consumers' and Agricultural Movements, because of their extent and variety, offer the broadest field for inter-co-operative collaboration, the same policy can and should be adopted by all branches of the Movement. In this way an effective co-ordination of effort, on the international no less than on the national level, becomes possible.

The internal policy of the Alliance may accordingly be summed up as:—

1. Increasing its numerical strength by securing the affiliation of Co-operative Organisations in countries not yet represented in the Alliance; by making its membership more fully representative of the various types of Consumers' and Producers' Co-operative enterprises; by aiding co-operative development in countries where the Movement is still in its infancy or where particular branches of the Movement are backward;

2. Reinforcing the cohesion of the International Co-operative Movement, by promoting closer trading and financial relations, in addition to collaboration of every kind between Co-operative Organisations, notably for combined technical and scientific research and the exchange of experience, ideas and personnel.

External Policy.

Such a policy is bound to encounter obstacles rooted in the non-co-operative environment in which the Movement lives and works. The Alliance therefore needs an "external" policy the aim of which is to overcome or circumvent these obstacles and to take advantage of currents in international affairs tending in directions favourable to co-operative aims. The forces hostile or favourable to International Co-operation are not only economic, but also political, social and psychological and no discussion of external policy can afford to neglect this fact. Thus, while the progress of science and invention, annihilating time and distance, holds out the possibility of making the world one integrated community, it also provokes resistance on the part of individuals and groups whose power and interests are threatened by the prospect of change and who do their utmost to influence public opinion against it.

In the economic field, therefore, the task of the Alliance is probably harder to-day than ever. In the later years of the 19th century the world, guided by liberal economic principles, came nearer to becoming one economic community than ever before or since. This phase ended, however, with the outbreak of war in 1914. War, the threat of it and preparations for it, not merely destroyed the system of world-wide exchange which flourished under free enterprise, but have so far frustrated all attempts to restore it or build any alternative system. The International Trade Organisation, projected by the Havana Conference, has failed to secure ratification by a sufficient

number of governments, and apart from the General Agreement on Tariffs and Trade (GATT) is little more than a blue-print. World trade to-day is a maze of tariffs, quotas and protectionist devices, currency restrictions and exchange controls, government marketing and bulk purchase, mitigated here and there by bilateral, or to a certain extent multilateral, agreements and the results of protracted bargaining by the governments adhering to GATT and EPU. This confusion profits nobody unless it be state-capitalistic monopolies in foreign trade or the vast multi-national capitalistic combines which divide the world by mutual agreement.

Freedom and Co-ordination.

A reaction towards freedom and away from control and restriction, whether imposed by governments or big business, is both natural and reasonable. Yet no one appears any longer to believe that a return to the economic system of the 19th century is possible or even desirable. Free enterprise was abused and perverted to serve the purposes of economic warfare. For this very reason the I.C.A. Congress of 1921 rejected both free trade and protection in favour of methods of association which would lead, through what Ernest Poisson called "the international organisation of exchange," to a proper equilibrium between production and consumption. Hitherto, equilibrium between production and consumption has more often than not been attained at too low a level. By any reasonable standard of physical well-being, not to mention intellectual and cultural development, the greater part of mankind under-consumes. Even in countries which claim to be in the lead of modern progress, there still remain considerable elements of the population which are under-nourished, under-housed and under-educated. In the under-developed countries poverty is endemic. For this chronic under-consumption the main cause is not the inequality of incomes or inefficient distribution of the commodities produced, but demographic forces and the fact that the major part of the world's resources in material and man-power is hardly ever fully employed, not even in the so-called boom periods.

Full employment and an expanding world economy, the elimination of restrictive policies and practices, and steadily increasing productivity are all necessary to a general rise in the standard of living. But no single country can keep its economy fully employed by its own efforts. An economic recession, if each country endeavours to protect its position by unilateral measures as in 1930-33, can turn into a disastrous world-wide depression. All must co-ordinate their economic policies with those of other countries. They may be obliged to begin with co-ordination for a limited area or for strictly defined purposes. In so far as they are successful, however, they can progressively remove the restrictions which hedge in their markets, restore freedom of foreign payments and attain a more rational division of labour on the international level than exists to-day.

Economic Integration.

The restoration of greater freedom for international exchange must, therefore, be guided by some concept of economic order. In forming this concept, account must be taken of the fact, attested by experience, that the creation of order by capitalist or by state systems of organisation leaves too little room for liberty of the right kind. The co-operative organisation of consumers and producers may still claim to be the most effective method of reconciling order

and freedom in the interests of the whole community. It must be recognised, however, that the consolidation of the capitalist and the extension of the public sectors of national and international economy tend to limit the present and future prospects of development of the co-operative sector. The route of indefinite expansion through successful competition with other forms of enterprise is no longer so freely open to the Co-operative Movement as it once was. The Movement to-day has not simply to recruit members and attract their trade: it has to fight for recognition of the co-operative idea and the freedom of consumers and producers to associate in order to conduct co-operative undertakings in their own interests.

The future of the capitalist, public and co-operative sectors will be determined to a very large extent by the tendency of economic progress towards the creation of ever larger entities. Whether the economic system appears on the surface to be competitive or monopolistic, it has been, over the last century, steadily and inevitably moving towards ever closer integration. The whole world suffers to-day because that tendency has been in many respects arrested or turned back by two world wars and the bitter contests for economic and political power which have caused or accompanied them. The kernel of the whole matter is the question, by whom and for whose benefit shall integration be carried out? Broadly the choice is three-fold. If it is carried out by methods of capitalistic combination, the great economic units of the future will take a cartellistic form. If it is carried out by governments, these economic units will be dominated by supra-national authorities like the European Coal and Steel Community. If, however, it could possibly be achieved by the application of co-operative principles and the development of existing co-operative institutions, there would be at least the chance that the common people, the primary producers and final consumers, would benefit by retaining the ultimate control over economic organisation, with the further consequence that the principle of democracy would be safeguarded throughout the social order. The task of the International Co-operative Movement is to demonstrate to the world that the co-operative form of organisation is one—and possibly the only one—which does not sacrifice democracy, liberty and social justice to economic and technical progress.

Inter-Co-operative Relations.

Here it may be recalled that the essence of the co-operative concept is that economic activity, whether organised by governmental, private or co-operative forms of enterprise, should be directed not according to the possibilities of profit, but in the last analysis according to consumers' wants. Ideally, the co-operative system is one in which consumers, organised to measure and expressing their demands, are supplied either through their own production or by associations of producers or by joint enterprises of producers and consumers organised for the manufacture, marketing or processing of the articles required. The Movement works towards such a co-ordination of demand and supply as will minimise risks, speculation and other forms of waste due to maladjustment of supply to demand and make possible an orderly process by which products are transferred stage by stage from the place where they are grown or made to the household where they are used.

The world is already so far integrated that the productive process cannot operate without the machinery, no matter how imperfect, of international exchange. The development of the co-operative system, therefore, involves inter-co-operative relations, not only on the national but also the international plane. The economic policy of the I.C.A. must consequently aim at bringing about world conditions in which these relations can be developed on an ever increasing scale.

The Alliance and its affiliated Organisations must, therefore, strive for the removal of all hindrances, particularly legislative and administrative, to the normal growth of the co-operative structures, national and international. The Movement needs freedom to demonstrate, by practical examples and working models, how its principles should be applied and what results may be expected. Beyond this, the I.C.A. must aim at the removal of all restrictions of a general character on enterprise and trade which are out-dated, which serve purely bureaucratic purposes, or which in other ways prevent the satisfaction of wants by the most economical means. The action of the I.C.A. supporting the action of the I.C.C. in inducing GATT to simplify customs and consular regulations offers a recent example of this policy.

Multilateral Exchanges.

In a more positive sense, the I.C.A. should encourage and support the efforts of governments and international authorities to promote "multilateral" exchanges. The great advantage of the old system of international trade which vanished in 1914 was the ease with which a number of countries could join in the same series of mutually beneficial trading operations. The system of "bilateralism" which has grown up in the last forty years of disturbed conditions has had a constricting and distorting effect on both production and trade. Bilateral trade agreements not only impose restrictions but also give rise to vested interests which naturally resist with all their strength any measure exposing them to competition from which they had been sheltered hitherto. The Co-operative Movement will need to exert all its power and authority if it is to neutralise the influence which these vested interests often exercise on national governments.

Another factor making for restriction and rigidity is the operation of state monopolies in international trade. The existence of these monopolies not merely prevents direct exchanges between co-operative organisations across national frontiers, but creates its own system of vested interests no less difficult to dislodge than those which spring up under bilateralism. Whatever is to be said for government monopoly under emergency conditions, it should not continue longer than the emergency itself.

Co-operative Representation.

This is all the more important because the international authorities which have been set up to work out solutions to fundamental problems of world economy, e.g. nutrition, consist for the most part of representatives of national governments. They are consequently liable to be caught in the embarrassing position of having to consider solutions which are internationally right but which appear contrary to national interests. These authorities

can only advance towards their proper goals through a slow process of compromise, hard bargaining and education of world public opinion. The policy of the I.C.A. must, therefore, be to rally the solutions which provide for international collaboration and the due subordination of national interests to the needs of world economy as a whole. In effect this means that the I.C.A. has to defend the view that proposals and solutions adopted by international authorities should be inspired by co-operative principles and follow co-operative models, where such are available, when consumer and producer interests have to be reconciled. The attempts made from time to time to stabilise the prices of staple commodities entering into international trade through the conclusion of long-term agreements in which consuming and producing countries both participate are in line with co-operative ideas. It is not sufficient, however, that they should receive co-operative support. Co-operative Organisations should be called in to participate in the preliminary negotiations, even if the main responsibility is to be borne by governments.

The Co-operative Movement cannot, however, be content with the merely occasional representation of organised consumers and producers. Such representation must become a regular feature of the authorities set up under statute to control branches of economic life. When the right of non-governmental bodies to be represented at all is recognised, it is usually granted to organisations of entrepreneurs and sometimes to trade unions, but much more rarely to consumers. This is as true of one of the United Nations Special Agencies, F.A.O., as it is of the new High Authority for Coal and Steel now established in Western Europe. Co-operative ideas of economic organisation oblige the I.C.A. to strive for a better balance in that respect. The character and policies of the new economic communities now projected will depend, more than anything else, on whether the interested governments are inclined to work more closely with capitalistic or with co-operative and democratic organisations. It is only thus that their ultimate end, the avoidance of economic waste and a rise in the general standard of living, will be continuously kept in view and not sacrificed to private power and acquisitiveness.

Action on this problem is, however, not a matter for the I.C.A. alone. The action of the Alliance on the international level can only yield its full fruits when the National Co-operative Movements secure adequate representation in the economic authorities of their respective countries and bring their influence to bear effectively on their own national representatives.

Access to Raw Materials.

One consequence of the movement of liberation from colonial rule which followed the Second World War has been to place new and relatively inexperienced governments in control of areas of importance to the whole world economy as sources of raw material. Not merely are these governments inexperienced, but to a great extent they lack capital for the full development of their resources, even though they may have taken over considerable quantities of equipment installed under the previous colonial régime. If they have thrown off imperialism in one form, the poverty and low grade of economic development of these countries may force them to accept it in another. It is, therefore, vital, in the interests of the world as a whole, that forms of international collaboration should be worked out to ensure that these

raw materials should be produced and distributed economically and fairly. In other words, what is needed is a type of enterprise inspired by co-operative principles, in which the governments of the producing nations and of the nations needing the product could all be members, subscribing the capital and sharing the benefits on an equitable basis. The I.C.A. has declared itself, in the past, consistently in favour of free access for all nations to raw materials, but freedom is not enough. It must be complemented by organisation for which co-operative practice can offer numerous suggestions.

Human Rights and Social Responsibility.

The economic policy and programme of the I.C.A. cannot be based on economic considerations alone. They depend for their practical application no less on political situations and tendencies, as well as on certain moral and cultural standards. Co-operation, as a form of free association, can exist and flourish only where the right to personal liberty is recognised and enjoyed. The progress of the Movement in the world is dependent upon the maintenance of the rights of individuals to express their opinions, to take an active part in government, to enjoy such education as their abilities permit, to join with other individuals in the pursuit of common interests. The I.C.A., therefore, has every interest in urging the United Nations to implement the Universal Declaration of Human Rights through the two draft Covenants, dealing with political and with economic and social rights respectively, now under consideration. It is also the task of the affiliated National Organisations to secure the ratification of these Covenants by their own Governments. But co-operation implies not simply the assertion of rights or even their exercise; it implies the acceptance and discharge of responsibilities. The I.C.A.'s policy must accordingly include education, organised by itself and its affiliated Organisations, as well as collaboration with UNESCO and other appropriate agencies, designed to cultivate among the common people everywhere a sense of human solidarity, and a realisation of what that demands in terms of collective and individual conduct in a world no part of which to-day is more than 24 hours' flight from any other.

The external policy of the I.C.A. outlined in the foregoing paragraphs may be summarised under the following heads:—

1. The removal of all legislative and administrative hindrances to the normal growth of co-operative enterprise and the development of inter-co-operative relations on the national and international levels;
2. The progressive abolition of governmental restrictions on enterprise and trade, particularly quota systems, state monopolies in foreign trade and complicated customs regulations;
3. The co-ordination of economic policy on the international level so as to facilitate multilateral exchanges and payments, to liberate forces making for an expanding world economy and to enable national economies to employ their human and material resources to the full and thereby benefit by a continuous rise in their standards of living;
4. Collaboration with international authorities concerned with basic problems of world economy, e.g. nutrition, so as to promote solutions which proceed on co-operative lines from the study of consumers' needs to the adjustment of production to consumption;

5. The stabilisation of world prices of staple commodities through long-term international agreements which take into account the interests of both consuming and producing countries;

6. The representation of the interests of consumers and primary producers, from the preparatory stage onwards, on the authorities set up to establish and administer new economic communities;

7. The formation of enterprises, both governmental and non-governmental, inspired by co-operative principles to ensure the access of all countries on equal terms to raw materials of world importance as well as the economical production and distribution of these materials;

8. Full support for the United Nations in implementing, through International Covenants, the Universal Declaration of Human Rights;

9. The promotion, in conjunction with UNESCO, other international and non-governmental Organisations, of education making for international understanding, a widely diffused sense of human solidarity and an acceptance of the responsibilities of world citizenship.

Discussion on the Policy Report

The President: Dr. Bonow will move the Report and Resolution.

Dr. M. Bonow, Sweden: I have been privileged to take part in the work of the Policy Sub-Committee since before the Zurich Congress, and have taken a great interest in these problems. I have much pleasure, therefore, on behalf of the Central Committee, in moving that Congress adopts the recommendations contained in this Report.

You have before you a fairly complete document expressing points of view on the main questions which have been studied by the Policy Sub-Committee. I shall therefore touch only very briefly on the earlier developments. On page 101 is a summary of the questions dealt with in the first report of the Policy Sub-Committee, which are therefore not covered by the present report. The first of these concerns relations between consumers' co-operation and agricultural co-operation. This problem has been discussed today, amongst others, by Mr. Norman Wood, Vice-Chairman of the Agricultural Auxiliary Committee, who pointed out that there has been a certain lack of response to the work of that Committee. This is the reason, I think, why the implementation of the earlier recommendations of the Policy Sub-Committee has not been carried very far by the Agricultural Committee, which has been entrusted with the task of studying how closer relations can be established between Agricultural Co-operation and Consumers' Co-operation nationally and internationally, also other forms of inter-relation between co-operative enterprises.

The second statement made by the Policy Sub-Committee dealt with relations between the state and public authorities on the one hand, and on the other between different forms of co-operation. The recommendations in this connection, I think I may say, have been acted upon step by step in different countries and internationally. We have, through the Alliance, established contacts of growing importance with the United Nations and its auxiliary organs. We can say that the different forms of co-operation are expanding, and that to an increasing extent Co-operative Organisations try to permeate the economic life of their respective countries more and more with co-operative principles.

The third important part of the Future Policy of the I.C.A. was dealt with thoroughly at the Copenhagen Congress on a very interesting paper on private monopolies presented by Mr. Odhe, and the implementation of the recommendations which were adopted has succeeded in some countries to a very great extent. There is no need to mention individual examples, but we know that in some countries the Co-operative Movement has been instrumental in bringing about new cartel legislation, while in others it has brought pressure upon the authorities to introduce more effective cartel legislation. Internationally, through the work of the representatives of the I.C.A. in the Economic and Social Council, the co-operative point of view on international cartel control has been emphasised, and I may add that in the preparatory work for the revision of GATT, which concerns a number of countries whose Co-operative Movements are represented here, great attention has been paid

to securing an addition to the General Agreement on Tariffs and Trade which would roughly correspond to Chapter V of the Havana Charter dealing with the control of monopolies. I think that the recommendations in this respect are being implemented in varying degrees in different countries, and internationally through the work of the I.C.A. itself.

The fourth group of principles, which have been discussed very thoroughly, concern the new interpretation of Article 8 of our Rules which we dealt with yesterday. I hope that the decision taken at Copenhagen and the decision taken here in Paris will mean that we shall be rid of this question in the future and shall be able to devote our energies within the I.C.A. to practical, constructive co-operative work, which is the aim of this Organisation of free and voluntary co-operation.

I am now going to say a few words about the recommendations before us, these additional features of the Future Policy of the I.C.A. which have not been touched on earlier. You will find in the Report that a division is made between internal policy and external policy. It is not my intention to dwell at any length upon the proposals under the heading of "Internal Policy." It has already been pointed out in the Inaugural Address of the President as well as in the speeches of the representatives of the I.L.O., the I.F.A.P. and others, that there is an enormously important problem before the Co-operative Movement—how to find ways and means of promoting the development of co-operation in what we call economically the less developed countries, in order to improve the standard of living of the great majority of the people of these countries. There is a very great need for such a rise in their standard of living. In this Congress we need not discuss the rôle which co-operation can play, because it is only the practical form which is important, and that will be dealt with separately later. I only wish to remind you now that one of the recommendations of the Policy Sub-Committee concerns the creation of a category of associate members, in order to make it possible to bring into the Alliance Co-operative Movements which have not, for the time being, full control of their own affairs, which receive State support and State sponsorship in different forms, but where the intention is gradually to let the Organisations stand on their own feet. It is obvious that it is of great interest to the I.C.A. to be able to give these Organisations every encouragement and all the help in its power. In order to make that possible, an alteration of the Rules to permit associate membership will be proposed. That amendment to Rules will be considered separately, but I will only say that on this principle there has been unanimous agreement within the Executive, with the exception of our colleagues from Russia.

I now turn to the external policy of the I.C.A. and the recommendations at the end of the Report which I think can be commented on very briefly. Nos. 1 and 2 deal with the very important question which we have been discussing in connection with the Swedish resolution which Congress has just accepted, namely the need to remove legal hindrances to the development of the Co-operative Movement.

No. 3, in my view, is very important indeed. We not only have to consider direct hindrances to the Co-operative Movement; there is also the question

of the co-ordination of economic policy at international level, in order to foster a climate favourable for the development of Co-operatives as free and voluntary organisations. This means, to put it very shortly, that it must be regarded as a very important task for the Co-operative Movement to ask for increased possibilities for the exchange of goods across frontiers. There must be increased possibilities to co-ordinate the inflationary and anti-inflationary measures of different countries. If there are isolated economic policies, one country carrying on an expansionist policy while opposite tendencies prevail in another, we shall find very soon that countries with economic expansion will need to protect themselves by all sorts of devices against too big an importation of goods from other countries, which will not be in the interests of consumers or society as a whole. We must have international economic co-ordination, and at the same time economic expansion. That is, I think, the most important part of the third recommendation.

Nos. 4, 5, 6 and 7 are examples of details which may be of interest for the Co-operative Movement, but are not in themselves so essential as No. 3. Without a co-ordinated international economic policy, the Movement cannot expand nationally to the extent that it should in order to protect the interests of the broad masses.

In conclusion, I should like to say a word about paragraphs 8 and 9. After the discussion which we have had about voluntary action, freedom and so on I do not think it can be necessary to give this Congress any explanations about the great importance which we, as co-operators, attach to opportunities for individuals to collaborate, to co-operate in different free organisations, to give expression to their opinions freely, in other words to behave as citizens in a world which is characterised by freedom and democracy.

On behalf of the Central Committee, I move the acceptance of the recommendations contained in the Report of the Policy Sub-Committee.

Mr. A. Zabarsky, Israel: I should like to express appreciation of the valuable work done by Dr. Bonow and his colleagues in preparing this Report. I accept it in general, and shall limit myself to one or two remarks of a somewhat general character. It seems to me that before examining the details of the proposals which have been formulated it would be desirable to consider the fundamental question of the present position of the International Co-operative Movement, its achievements and the rôle which it is actually playing in the economy of the various countries. It seems to me that if we are honest and frank we shall have to admit that, in spite of the great development and remarkable progress made during the first century of its existence, the Co-operative Movement is still far from being a decisive factor in national economic life. We can, of course, claim that in some countries co-operation has reached an important stage in the field of distribution, in some other countries in agricultural production and marketing; but all of us know that the outstanding positions in the national economy involving control of sources of raw materials, heavy and medium industries, means of transportation, major financial undertakings, and so forth are in the hands of private concerns, and co-operation has little influence in these spheres.

For that reason I should like to emphasise that, while discussing our future policy, this Congress must in the first place plan for a more dynamic, more varying and more ambitious co-operative activity on the part of its members. Only when we make up our minds with great determination and the greatest effort to enlarge the scope of our business, with the aim of penetrating into the major domains of the national economy, can the Co-operative Movement hope to reach its real goal, which is to replace the existing individualistic, egoistic economy by a more just and effective one based on co-operation, socialism and the collective solidarity of mankind. This can be done only in close collaboration with the free labour movement, the free trades unions, and other elements which seek the well-being of the working masses. I should like this to form the basic platform on which the Alliance will build its future policy.

Our Alliance is an international organisation which aims at embracing the whole world and all existing varieties of social, cultural and economic development, but sometimes I have the feeling that *de facto* it is still a European movement. As the representative of a non-European country I should like to draw attention to the necessity of always bearing in mind that there are other parts of the world in addition to Europe. The authorities of the Alliance should do their utmost to integrate into its life, its activities and its representative organs all the Movements which are in membership.

Miss L. R. Sanseverino, Confederazione Cooperativa Italiana: I have read with the greatest interest the different points which constitute the future external policy of the Alliance, some of which I should like to emphasise. There is no doubt that the Alliance must have an external policy, but this must be directly related to the economic and social problems which arise in the co-operative field of activity. Certain political results which may arise from the economic and social activities of the Alliance should be envisaged only indirectly. An external policy in the economic and social field is necessary, and the Alliance is always subject to the alternatives of freedom or authority, which sum up our present problems.

It is very easy to get agreement about the need to secure the removal of legislative obstacles which hinder the work of co-operatives as a form of enterprise which desires to have its place along with capitalist and state enterprises. But that does not mean, as the Report points out, that we should revert to a régime of freedom which has long ceased to exist in every country, where we are faced with the monopolistic tendencies of capitalist states, and the states themselves often constitute a monopoly. The co-ordination of the economic and political policies at national level as well as international therefore demands a certain sacrifice to the principle of authority. The most important question is to know in what form the principle of authority should be introduced, without prejudice to the individualist and voluntary spirit which is and should remain an essential feature of the Co-operative Movement.

In my view, what is necessary is to establish a co-operative community governed by laws imposed by itself or in the framing of which it takes an

active part. This form of community is, of course, difficult to achieve, and should be achieved within the Co-operative Movement in a different way from outside it. Within the Movement, what is necessary is to co-ordinate the different co-operative enterprises according to categories, giving them a stable and free position, with a stable balance between producers, consumers and processing co-operatives. This for the co-operatives themselves would be essential, and they would have to agree to it and apply economic planning on the basis of economic principles. Outside the Movement what is necessary is to ensure continual participation of co-operative representatives in the different economic and administrative institutions whose activity affects the co-operative community. In its future activity the Alliance might obtain very satisfactory results if only it could facilitate as far as possible this sort of participation on the part of Co-operative Organisations in the framing of laws governing their activities and limiting them at national and international levels.

Mr. J. Voorhis, U.S.A.: I should like to congratulate you on this excellent Report and resolution. More specifically, however, I want to draw attention to one sentence, possibly two. Whoever is the author of this Report has written a classical sentence in the history of co-operation when he says: "The task of the International Co-operative Movement is to demonstrate to the world that the co-operative form of organisation is one, and possibly the only one, which does not sacrifice democracy, liberty and social justice to economic and technical progress." What does this really mean? It means that people like you and me to-day are surrounded by pinnacles of military power which strike fear into our hearts, and by great mountains of economic power, concentrated power in one form or another in most countries of the world, and against this the ordinary person has to struggle to maintain and establish his place of honour and dignity, self-respect and self-assurance.

Mass production is here to stay. Scientific progress is here to stay. We have atomic energy here to stay; I sometimes wish that we had not, but we have. The question is, how can the mass-production industries and all these great enterprises which this modern age has brought to us be brought under the control of human beings, so that they are the masters of their environment instead of its slaves. As this document implies, one way in which democracy, liberty and social justice can be brought back to the people is through widespread ownership and control of these great enterprises on a one-share, one-vote basis. This may be the only way in which it is possible to have modern mass-production enterprises and, at the same time, genuine democracy and self-determination on the part of the peoples of the world. Nothing can be more important than this. What is more important than to take, for instance, eight million families of North America and say to them, "All you need to have is a common need to borrow money on your own good name once in a while in time of family need, and if you join that need co-operatively into a Credit Union you borrow from your own group of people, you pay interest to them, and the first thing you know is that you have two billion dollars of assets built up by the application of the principles of co-operation to a common form of human need." Not many years ago only 11 per cent of the farms in the United States had electricity. To-day 90 per cent have it, because the farmers were not afraid of the fact that the electricity industry was tightly controlled, and they went out and organised their

common need into co-operatives. All they had was a common need and a good name, and they built electric cables to the points where almost all our farms now have electricity. I could give you other examples if I had time, but there is not enough of this sort of thing even yet.

There is one other thing we have to do, and that is to establish peace in the world. As we meet here to-day, there hangs over us the most terrible danger that ever hung over any generation of men. Every armament race, such as the one with which we are now cursed, has in the past ended in war. This time it must be a different story and, if it is to be, co-operation in the solution of problems must find a way to create new institutions strong enough to prevent war or aggression in any place, on the basis of what we have learnt in our communities. The enforcement by international agencies of the right of man to live may be the keystone for co-operation to solve the problem of the importance of democratic control, by co-operative ownership of important enterprises affecting the problems of everyday life. There is no greater cause in the whole world than this one. While you did not particularly need these remarks from me at this point in the proceedings, this one sentence so struck me that I could not refrain from making a few remarks about it.

There is one other thought which I take from the Report. It says: "Co-operation, as a form of free association, can exist and flourish only where the right to personal liberty is recognised and enjoyed." When we couple together with personal liberty and the personal dignity of human beings the co-operative method of economic organisation, we have hope of economic democracy and of raising the standards of people all over the world, hope of finding associations between people like ourselves on which there can be built, and must be built, a world at peace.

Mr. J. Nepomucky, Czechoslovakia: Having thoroughly studied the resolution on future policy, the Czechoslovak delegation takes the view that these proposals do not comply with the spirit and requirements of the Rules, particularly Article 3 which defines the purpose of the I.C.A. by saying that it should propagate co-operative principles and methods throughout the world, safeguard the interests of the Co-operative Movement in all its forms, and work for the establishment of lasting peace and security. Neither do these proposals correspond to the wishes of the majority of co-operators, who are interested in mutual co-operation, in an understanding between nations and in the maintenance of lasting peace. This, however, is not all. The impression is given that those who drafted these proposals closed their eyes to world history. How else can one explain new rules and measures which are intended to prevent the admission of new Co-operative Organisations into the ranks of fully-qualified members of the I.C.A.? Next year the Alliance will be celebrating sixty years of existence, but instead of enlarging its ranks and increasing the number of its members there is an attempt to limit the admission of new Organisations. If international contacts and international relations are to be strong and practical, they must be built on mutual confidence and equality of rights. This mutual confidence can develop and grow on the basis of actual experience, not of mere words.

The Report of the Policy Sub-Committee is divided into two parts, dealing respectively with the internal and the external policy of the I.C.A. The

Report says, as regards internal policy, that it "is bound to encounter obstacles rooted in the non-co-operative environment in which the Movement lives and works," and "the Alliance therefore needs an external policy the aim of which is to overcome or circumvent these obstacles and to take advantage of currents in international affairs tending in directions favourable to co-operative aims." Under the heading "Economic Integration" it is stated that "The restoration of greater freedom for international exchange must be guided by some concept of economic order." But the Report neither sets forth clearly, nor explains concretely, the criteria on which it is necessary to rely nor the conception of an economic order which would guarantee a full development of national and international co-operation; yet it must be clear to everybody, and experience has proved, that the Co-operative Movement can only successfully develop and assert itself as a progressive power in any country if it fights against everything reactionary which would hinder the progress, liberty, peace and happiness of hundreds of million working people in the world.

In the course of our discussions yesterday, several attempts were made to confuse this issue by suggesting that there is a difference between democracy in the East and democracy in the West. Such a division does not exist among progressive working people. The world is divided into capitalist, reactionary societies and socialist, progressive societies, and the question is upon which of these forces shall the I.C.A. rely in its future activity. It is only the forces of progress which can assure the development of our Movement. This is proved in my own country, where, after the victory of the progressive forces, Consumers', Agricultural and Producers' Co-operation successfully developed.

We are convinced that the proposed future policy will not contribute to the full observance of the Rules, nor the development of the International Co-operative Movement. We therefore suggest that the policy should not be approved in the form in which it is submitted, but be referred back for the elimination of everything which is contrary to the rules and the addition of provisions which oblige all the authorities of the Alliance to work for the unity of the International Co-operative Movement by admitting all the Organisations which are not yet in membership. If it is not possible for the question to be decided here, we suggest that the new Central Committee be asked to direct the policy of the I.C.A. in this spirit.

Mr. E. Mondini, Confederazione Cooperativa Italiana: It has been pointed out that it is necessary for the Alliance to strengthen the Co-operatives which already exist, to gain new members and to make provision for Organisations which are not ready for full membership. I do not want to raise any difficulties in this connection, as to my mind co-operation means solidarity among people of all races and creeds, but I would emphasise that we must not restrict our attention merely to Consumers' Co-operatives; we must not neglect Co-operatives of other types, because while they may appear to be completely separate entities, there is very often a close connection between the different forms.

We are against monopolies and illiberalism, which often hamper the liberty which should exist. The Italian Government has given an example of liberalisation by abolishing customs restrictions, except in cases where

other countries would not reciprocate. We believe that raw materials should be available to the people who need them, and this is one of the greatest difficulties not merely for co-operation but for civilisation in many parts of the world.

Our great international institution should not engage in politics, because it represents bodies of an economic and social character, and should only resort to politics when the need for defence demands. We should not, under the pretext of co-operation, indulge in displays of feeling in favour of one or another party policy. Our Confederation loves democracy and freedom, provided freedom is genuine.

Mr. A. J. Smaby, U.S.A.: As one member of our delegation, Mr. Voorhis, has already made an excellent statement on the Report I shall not take up much time. There is one point, however, which I should like to emphasise a little, and with which I find myself in complete agreement. Dr. Bonow has expressed the hope that the I.C.A., and for my part I would add all other Co-operative Organisations, will concentrate on practical matters concerned with the building of Co-operatives. We in the U.S.A. have been concerned primarily with Agricultural Co-operatives, and I represent one of these. We are reasonably proud of some of the things we have done. We have done fairly well in oil; we own oil wells, refineries, transportation facilities, and so on. We distribute about 20 per cent of all petroleum products used by all the farmers of the United States, 25 per cent of all the feed they use for animals, and about 20 per cent of all the fertilizers which they use. We are a young co-operative nation, but our job is to keep building Co-operatives and never to let ourselves be side-tracked into doing anything else.

Mr. P. P. Takov, Bulgaria: Unfortunately the proposal which Dr. Bonow has made does not solve the question of the membership of the Alliance, which is one of great importance and can have grave consequences. Now that we are examining the future policy of the Alliance, we must pay great attention to the principle of equal rights for all members and all Co-operative Organisations. It can be said that some countries are more developed and others less developed from the economic point of view, and that there are more developed and lesser developed Co-operatives. But we cannot say that there are more developed and less developed co-operative ideas and principles, and the co-operative ideas and principles laid down by the Rochdale Pioneers are the same everywhere. Our duty, therefore, is to give full rights to all Co-operative Organisations.

Is this Congress going to decide that all Co-operative Movements shall have full rights, or are we going to continue to have discrimination? Why do we deny membership to the Albanian and Hungarian Movements, and collective status to the Bulgarian and Roumanian Movements? It may be we are afraid of their great achievements. Do you think that Hungarian, Polish, Albanian and other co-operators do not understand co-operative problems in the same way as French and British co-operators? Do you think that Indonesian co-operators are unable to work as the Italian co-operators do? We feel that the division of Co-operatives into different categories is not in conformity with the spirit and principles of co-operation.

The President: I have been a little easy with some of those who have spoken. The last speaker and two or three others have not dealt with policy

statement at all, but with a matter which has already been settled, why membership has been refused to certain Organisations. If anyone else tries to discuss some point which is not before us I shall have to intervene.

Mr. N. T. Afonin, U.S.S.R.: I should like to express the opinion of Soviet Co-operatives on the new Article on associate membership. In this Report it is stated that "The Alliance must continue to pursue a vigorous recruiting policy which aims at enlisting in its ranks all genuine forms of co-operative enterprise." It is also said that "The internal policy of the Alliance may accordingly be summed up as . . . increasing its numerical strength by securing the affiliation of Co-operative Organisations in countries not yet represented in the Alliance; by making its membership more fully representative of the various types of consumers' and producers' co-operative enterprises." . . . The I.C.A. seems to think that it has found a solution of the problem by the introduction of associate membership. Associate members will pay a subscription and will have the right to receive the official publications of the Alliance, also to send observers to Congress, but they will not have the rights to speak and vote which are enjoyed by full members. This means that in the activity of a democratic international organisation it is proposed to introduce principles which are anti-democratic, anti-co-operative and discriminatory. This idea of associate membership is in contradiction with the Rules of the I.C.A. and with the principles which are put forward as the basis of its future policy. In taking on this new status of associate membership, Co-operative Organisations will remain in a state of suspension for an undetermined period.

The Soviet delegation wishes to emphasise, therefore, that in admitting new members we must be guided only by the existing Rules, which are in conformity with the Rochdale Principles and do not allow discriminatory action against Co-operative Organisations in certain countries. It therefore opposes the acceptance of the proposal contained in the Report on the Future Policy of the I.C.A., and hopes that the very clear position which it has taken up will be supported by all delegates to Congress.

Mr. H. Taylor, Great Britain: I should like to compliment Dr. Bonow and the Sub-Committee on their Report and to refer to a statement in the second paragraph under the heading "External Policy," where it is said that in the economic field the task of the Alliance is probably harder to-day than ever. My first point in this connection is the fact that in a number of countries which have now become old in co-operation there is the danger of growing indifference on the part of the mass of the members, and the fear which some of us have that we may be merely living on tradition instead of trying to break new ground. Secondly, there is the emphasis which is being placed upon material means rather than upon the social purpose of our Movement. This is by no means confined to any one country. We have only to listen when meeting co-operators from other countries or to read the documents available to us and we shall be struck by the measure of cynicism which exists in some quarters towards the great social purpose upon which co-operation has been built.

My third reference is to paragraphs 8 and 9 of the resolution, the full implications of which are, I trust, in the mind of every delegate. We have

listened this afternoon to a fine appeal made by an American delegate concerning the power of the individual. I want to stress the fact that we, as co-operators, still have a tremendous task ahead of us in dealing with this great problem of discrimination, not merely racial discrimination but discrimination of other types. If we believe what is said here we must determine to do our utmost to translate it into action. We must be aware, however, that even to-day there are some countries in which women are not regarded as being on the same plane as men, and we also know many countries where there is discrimination in respect of the colour of a man's skin.

In this programme we are called upon to perform a great task. I hope that we shall always retain the fundamental basis of co-operation as expressed by those few Pioneers at Rochdale and emphasised in documents again and again by men of whose work we have read and to whom we have had the privilege of listening. We must never forget the importance of the individual without any discrimination on grounds of sex, creed, politics or race. We must recognise the inherent worth of each individual, and by accepting what is said in this Report about the recognition of this basic right, under the heading "Human Rights and Social Responsibility," we shall march forward towards the fulfilment of that high idealism. But if we fail to realise the implications of this, and fail to translate it into action, we shall certainly fail in the fulfilment of our co-operative destiny.

Mr. H. Handschin, Switzerland: I should like to deal with the second point in the statement on internal policy, which refers to the possibility of international collaboration with regard to production. I have tried to compile international statistics concerning co-operative production, and the figures at first glance may give an impression of importance; but when they are compared with national production as a whole it must be admitted that they are not really very impressive. Why is that so? By all appearances we have not yet been able to decide to place our production on an international plane as is the case in the capitalistic sector. And if each National Movement has remained within its own national frontiers, that is certainly not only due to the difficulties which to-day hinder any kind of international collaboration; equally, perhaps, or even more so, the cause is to be found in psychological factors, above all in the fact that although we should be internationally minded, we really feel and think nationally. In the Middle Ages the knights were the representatives of international thought and the peasants of national thought. It seems to me that to-day the capitalists are the knights and we the farmers. The difficulty lies much more in ourselves than in external circumstances. If our production is to attain a position of real importance in relation to production as a whole, then we must try, in the first instance, to overcome these internal difficulties.

Let us, for instance, share our production, so that one country can produce for others. This may be very difficult, but seeing that the Swedes and Norwegians recently considered whether they could not share their production of shoes and of boots, the possibility seems to exist.

There is, however, another possibility in the field of the exchange of experience and in the setting up of research laboratories. We see what

the great international trusts do in this respect. Unilevers have large research laboratories, and the results of research which is carried out on an international scale are made available for production in all countries for the benefit of their factories. Cannot we do the same? It is true that the needs of different countries vary, but that holds good equally for capitalist concerns. Can we not try in certain fields, for instance, that of soap products, to set up an international research laboratory? This is a field in which new products are constantly being placed on the market, and there is constant development. If we do not unite in this way with all our forces we shall be left behind. What I have said now about soap products holds good for margarine, footwear and so on. You find the products of the Swiss Bally concern everywhere. Why cannot we do the same co-operatively in all fields?

Mr. V. Milillo, Lega Nazionale delle Cooperative, Italy: The development of co-operation throughout the world is encountering great obstacles. and this must be taken into account in considering the future activity of the I.C.A. This is, in fact, the fundamental note of the Policy Report, and Dr. Bonow has pointed to the main outlines of the external policy of the I.C.A., which is intended to overcome these difficulties or to circumvent them, thus to change the atmosphere in which different Co-operative Movements are now forced to live. Such a policy constitutes one of the main tasks of this Congress, and, because co-operation in itself has many limitations, we can reach our goal only by appealing for the help of other forces which operate in favour of a change of present economic and social conditions. This is a big task. What policy can solve the problems due to the lack of equilibrium between production and consumption? There are conditions of destitution and almost of famine in a world which is rich in potentialities; there is general upheaval among the peoples; and there are restrictions which hinder economic expansion and exchanges between countries. The crisis of our times is deep and far-reaching.

It is our task to help in the solution of these problems, and there is no doubt that we can do so effectively and with dignity; but what are to be the guiding principles of such action. In the time at my disposal I cannot go fully into this, but I believe there are at least two ways of doing it which perhaps include within them all the others. The first is the principle of freedom. The Co-operative Movement is a movement of freedom, and any restrictions which hinder this freedom must be contested, but are we to encourage the unbridled freedom of capitalism. which claims that any restrictions on its action should be removed, and thus increase the burden of exploitation upon the people? That is not the answer. The restrictions which must be removed are those which hit the workers and the small and medium enterprises, while those that are intended to counteract the weight of the capitalist monopolies must be maintained. That, I think, is the true significance which the organs of the I.C.A. should give to the principle of the defence of freedom.

Another question of principle is that the I.C.A. should continue to establish close links with and between different peoples, whatever their régime. In this connection, I notice the absence in the Report of any mention of

improving trading relations between East and West with a view to the restoration of a single international market. That is a problem which must have top priority, and its solution will be a contribution of incalculable value in bringing about a lessening of tension in the international situation.

Mr. I. Curti, Lega Nazionale delle Cooperative, Italy: I desire to voice the point of view of Lega Nazionale on the programme of Future Policy. It is stated in the Report of the Central Committee that the I.C.A. represents only 35 countries, and concern is expressed that it does not include some of the large Agricultural Organisations. The first problem could be solved if the I.C.A. admitted more new members, if it took into account the fact that in the past hundred years the working classes have evolved a new way of living and have given a new structure to the economic organisation of their countries. As an international organisation we cannot ignore this. On the other hand, I think we are all agreed that we must do everything possible to foster co-operation in under-developed countries. Co-operative Organisations represent co-operative as well as economic and social traditions, and we should be able to establish useful exchanges of experience.

With regard to the second problem, I should like to recall a statement made at the Copenhagen Congress that either we must organise these Agricultural Co-operatives or capitalist and monopolist organisations will organise them. The economic side of the problem of these Producers' Societies every day becomes more urgent, and effective co-operation is needed in finding a solution. I think this task could be aided by making the Auxiliary Committees more powerful and more specialised. If we manage to solve these important problems in the near future, we shall no longer have reason to regret that, for example, Agricultural Co-operatives continue to be members of the I.F.A.P.

Close of the Fourth Session.

FIFTH SESSION

Wednesday, 8th September, 1954.

Discussion on the Policy Report

(continued).

Mr. O. Spinelli, Lega Nazionale delle Cooperative, Italy: In discussing a programme of future policy for the I.C.A., attention is bound to be directed to the affiliation of Co-operative Organisations which are not in membership. I feel that a special effort should be made to bring in those which are outside the framework of the Alliance, always provided that they really conform to co-operative doctrine and practice. In this connection I should like to recall our own experience under fascism. In 1924 speeches were made by Professor de Brouckère and other famous co-operators, and Mr. May, the General Secretary of the Alliance at that time, who was always our friend, came to Italy in 1926 to see the ruins of the Co-operative Movement in the early days of fascism. He was full of understanding and sympathy for us. Our Organisation was removed from the membership roll of the Alliance, and fascist dictatorship prevented the movement from making progress. We were scattered, impoverished and almost cut adrift from everything. But we were able to rejoin the Alliance in 1946.

Movements which have long been underground movements but which participated in the founding of the Alliance, are knocking at the door for admission. Why should we not send missions of enquiry to their countries to find out the truth? I am not expressing any view for or against the admission of these movements, but am merely anxious that the Alliance shall grow and be representative of Co-operatives all over the world. I am also anxious to know whether these movements have really lost the characteristics which would entitle them to remain among us. The investigations I propose are intended to find out whether this is so, that we might take a final decision with a full knowledge of the facts, remembering the motto of the great French philosopher that "to understand all is to forgive all."

Mr. G. Dahrendorf, Germany: I felt it was particularly gratifying that our Swiss colleague yesterday should have dealt with the recommendation on page 104 of the Agenda, which says that the internal policy of the Alliance is to reinforce the cohesion of the International Co-operative Movement by promoting closer trading and financial relations, and it is opportune that later to-day we shall be discussing on Mr. Roos's paper the question of international co-operative trade, the practical possibilities of co-operative exchange between the National Organisations and its development through the Alliance. It seems to me of the greatest importance, and entirely decisive, that in considering the future policy of the I.C.A. the development of practical international relations between the National Co-operative Organisations should be regarded as one of the main tasks of the I.C.A. We can, in fact, deplore that this theme should be put under the heading of future policy; rather, there should have been a report on the positive action which has been taken recently along these lines. There are reasons why we have not been able to do more, but they are not merely objective reasons which are likely to exclude

proper cohesion between National Co-operative Movements; we want to be quite clear that there are reasons which lie within ourselves which we can and must overcome.

I wish, therefore, to say something about the Report on Future Policy to the extent that it deals with practical co-operation and the demands of such practical co-operation on the National Organisations. I feel that the meaning of this goes much further. It is a promise, a manifesto, an undertaking the achievement of which will be very much more important than the discussions at this Congress. The I.C.A. can certainly father this practical co-operation, but not by itself. It can take emergency steps, and it can always create the necessary conditions to ensure that among the National Co-operative Movements there is genuine co-operation, as well as exchange of experience, joint research, exchanges of personnel, and so on. We must admit that what has been done in this practical field so far is by no means rewarding, but when we refer to the future policy of the Alliance we should realise that its existence is dependent on our being able, in the future, to reach practical solutions in the field of co-operation. I hope that we shall have not merely a discussion on the fundamental meaning of the policy but also on the immediate possibilities for practical co-operation, and that this will enable a further step to be taken so that, three years hence, in the field of practical co-operation we shall not have to refer to a future policy but shall be able to speak of achievements.

Mr. R. G. Gosling, Great Britain: I move that the debate be now closed and that the vote be taken after the mover has replied.

The motion was seconded and carried.

Dr. M. Bonow: It is an agreeable task for me to reply to the discussion, because different speakers have underlined different aspects of the Report, and on the whole there have been very few criticisms. Before I turn to some of the remarks which have been made, however, I wish to repair an omission of which I was guilty yesterday in introducing the Report, in that I did not mention that the Director, Mr. Watkins, has been acting as secretary of the Policy Sub-Committee, and it is due to his ability in expressing the thoughts of the Sub-Committee that we have the Report in its present form.

I should like to underline a remark made by Dr. Sanseverino, that freedom is needed for the development of co-operation, but at the same time the economic situation in different countries has made it necessary to have an economic policy influenced by the State. I myself emphasised that yesterday, and I would only add that it is very important indeed for the Co-operative Movement that the economic policy of the different States should be co-ordinated in order to achieve a steady economic expansion, while at the same time ensuring that there will not be inflationary pressure in internal economies. If there is a long period of inflationary pressure in internal economies, it will mean very great damage to the interests for which the Co-operative Movement in the different countries stands; therefore, a stabilised, steady economic expansion without inflationary pressure is something which we should urge our Governments to achieve in internal economic affairs. The only possibility of achieving this is to have, to a much higher

degree than hitherto, a co-ordination of national economic policies, a co-ordination which will mean that the risks of restrictive trade measures are as small as possible, so that we shall move towards an economy where there will be greater exchange of goods and freer trade between the nations in the interests of consumers.

I now wish to refer to a topic which should not have been dealt with but which, in fact, has been mentioned in the discussion. It is the question of the interpretation of Article 8 of the Rules. I had hoped that we should be spared these discussions in the future, but as the question has been raised several times I wish to recall very briefly what I myself said in submitting the Report of the Policy Sub-Committee at the Copenhagen Congress. I said that "the I.C.A., through which free and voluntary co-operation had expressed common views since 1895, was in danger of being transformed into an organ for state-controlled opinions, or, to put it more plainly, into a propaganda organ for communist ideas about world political affairs." I said "The I.C.A. was never meant to be such an organ, and it never shall be." The Policy Sub-Committee had to act in defence of the I.C.A.; otherwise there would have been no question of a future policy for the I.C.A. as a world organisation for free and voluntary co-operation. This is the real background for the definition of principles essential to genuine co-operative activity which has been confirmed by decisions of the Executive and Central Committee. I wish also to remind you of the decision taken here yesterday. In my opinion, the time has come when we should put that issue aside entirely.

I do not want to be unkind to Mr. Nepomucky or to my other Czechoslovak colleagues, but I must say that it was unfortunate that he should put Czechoslovakia before this Congress as an example of a country in which Co-operation can develop freely. Let us be frank about this. I shall have to remind you of some unpleasant facts; it may seem unkind to do so, but that depends entirely on the facts themselves. The situation is that even before the Copenhagen Congress the wholesaling activity of co-operation in Czechoslovakia had been transferred to the state and disappeared as a central co-operative wholesaling activity. Later on, by a stroke of the pen, overnight, the whole of the Co-operative Movement in the towns of Czechoslovakia disappeared. I submit to the delegates that when we talk, as we did yesterday on the Swedish motion, about hindrances to the development of co-operation—and the removal of such hindrances is one of the recommendations in this Report—there is quite a gulf between a situation where a Co-operative Movement may have some difficulties in opening new shops, because of the control of investments and so on, and a situation in which the state, by decree, may order that overnight a Co-operative Movement shall disappear from the towns. A reason has been given for what happened in Czechoslovakia in an official letter to the I.C.A., in which it was stated that economic conditions in the towns had improved to such an extent that the consumers had lost interest in their co-operative membership, and that the annual benefit of a few tens or hundreds of crowns which they derived from it had no significance whatever for them. I should like to ask what the position will be if, in a few years' time, we are told by our friends from Czechoslovakia that now the standard of living has increased in the countryside, where co-operation still exists, to such an extent that

the small benefits do not mean anything to the co-operators in the rural districts, and if that is given as a reason for the state taking over even rural co-operation in Czechoslovakia? I am sorry that I have had to deal with this specific case, but I think that it is right to do so in order to clear the matter up, and to show that there is no cause for our Czechoslovak friends to say that this Report does not make any contribution towards raising the standard of living of the people.

I should like to end these few remarks by underlining once more the importance of the last two paragraphs in the recommendation on external policy. Mr. Taylor, from Great Britain, very wisely emphasised the importance of these points yesterday. There has been talk in this Congress by some people about the evil which can be done by the powers of monopolistic combines, and I agree. We may add that if there is power in totalitarian states which has extinguished the freedom of the people, it is also a kind of power which is dangerous for mankind. There is something in the remark which was made, I think, by Hilaire Belloc— "Power, that chief corrupting devil is the ruin of men's souls." Let me emphasise that it is important, and more important than ever before, that free and voluntary co-operation should supplement municipal and state activities in different fields. Consumers' Co-operation, Farmers' Co-operation, and the Co-operative Movement as a whole represent the surest and safest way to economic democracy, and to realising the high aims which were formulated by the Rochdale Pioneers when they said, "We wish to have our economic affairs in our own hands." We wish to put them there and to keep them there.

Following a card vote—

The President announced that the Report on the Future Policy of the I.C.A. was **adopted** by 669 votes for to 380 votes against.

Amendments to the Rules of the I.C.A.

Proposed by the Central Committee.

SECTION II. MEMBERSHIP.

NEW Article. Associate Membership.

I. Co-operative Organisations of any of the types mentioned in Article 8, which through their aims and activity promote the development of co-operation in conformity with the objects of the Alliance, but which, by reason of the fact that in their early stages of development they are receiving outside support, have not complete control of their affairs, shall be eligible for Associate Membership as a transitional stage towards full membership.

II. Organisations desirous of becoming Associates shall apply to the Executive on the form to be supplied by the General Secretary, sending with their applications two copies of their Rules (or a translation thereof in one of the official languages of the I.C.A.), last Annual Report and Balance Sheet.

III. Associates, subject to the full and up-to-date fulfilment of their financial obligations, shall have the right:

(a) To receive gratis the regular publications of the I.C.A.

(b) To nominate an observer to meetings of the Central Committee without the right to speak or to vote.

(c) To nominate an observer to the Congress without the right to vote but with the right to speak subject to the consent of the Congress.

(d) To receive from the Secretariat of the I.C.A. all appropriate services, advice, etc.

Proposed by Nederlandse Verbruikscoöperaties, Holland: In paragraph I, line 5, add the word "yet" after "not."

SECTION III. FINANCE.

Article 17. Rate of Subscriptions.

NEW Paragraph V.

V. The subscription for each Associate admitted under Article . . . shall be fixed by the Executive.

Present text of Article 17.

I. The subscription to be paid by each affiliated Organisation shall be calculated in accordance with the scales applicable to the different categories of membership laid down by the Central Committee; the basis and rates of such scales shall be changed as circumstances shall necessitate in order to assure an adequate income to the I.C.A.

Until the Central Committee shall decide otherwise, subscriptions shall be calculated as follows:—

Individual Membership.

II. The subscription for each National Organisation admitted under sub-sections (a) and (b), Regional Organisations admitted under sub-section (c) and National Auxiliary Organisations admitted under sub-section (d) of Article 8 shall be £96.

The subscription for each Society admitted under sub-sections (e), (f), (g), (h), (i), and (j) of Article 8 shall be in accordance with the following scale . . .

Collective Membership.

III. Collective membership—or the admission of a National Union or Federation with all its constituent members on a basis that accords the privileges of membership to each of the latter—shall be acquired by a subscription of £96 in respect of the Union or Federation concerned, a further £48 in respect of each National Organisation included in its membership, and a contribution for each Society included in its membership in accordance with the following scale . . .

IV. No National Organisation shall be obliged to pay more than £6,000 per annum.

SECTION IV. GOVERNMENT.

Article 19. Congress Convocation.

The Congress shall be convened, as a rule, at intervals of two to three years. The year and meeting-place of Congress shall be decided, when possible, by the previous Congress; failing that, by the Central Committee.

The date and the Agenda of the Congress shall be decided by the Central Committee.

A copy of the Provisional Agenda of the Congress, the Report of the Central Committee on the Work of the I.C.A. since the previous Congress, proposed Amendments to the Rules, Special Reports approved by the Central Committee, and all Motions and Resolutions sent in under Article 24 (a), together with printed forms for returning the names of their delegates, shall be issued to every affiliated Organisation four months before the Congress.

Propositions or Amendments on any item of the Provisional Agenda shall be sent to reach the General Secretary not less than two months before the Congress, in order that they may be sent to delegates with the Final Agenda and documents one month before the Congress.

All nominations of delegates must reach the Secretariat at least six weeks before the Congress.

Nominations not received in accordance with this Rule shall only be accepted under special circumstances and by decision of the Executive.

Present text of Article 19.

The Congress shall be convened, as a rule, at intervals of two to three years. The year and meeting-place of Congress shall be decided, when possible, by the previous Congress; failing that, by the Central Committee.

The date and the Agenda of the Congress shall be decided by the Central Committee.

Notification of the date and place of the Congress, copies of the Provisional Agenda, the Report of the Central Committee on the Work of the I.C.A. since the previous Congress, proposed Amendments to the Rules, Special Reports approved by the Central Committee, and all motions and resolutions sent in under Article 24 (a), together with printed forms for returning the names of delegates, shall be issued to every affiliated Organisation three months before the Congress.

Propositions or amendments on any item of the Provisional Agenda shall be sent to reach the General Secretary not less than seven weeks before the Congress, in order that they shall be sent to delegates with the Final Agenda.

Nominations of delegates shall reach the office of the I.C.A. at least one month before the Congress.

Nominations not received in accordance with this Rule shall only be accepted under special circumstances and by decision of the Executive.

Article 24. Motions.

(a) All Motions and Resolutions of Affiliated Organisations to be included in the Provisional Agenda issued under Article 19 shall be sent in writing to the Executive at least six months before the date of the Congress.

(b) Emergency Resolutions which any affiliated Organisation may desire to submit to the Congress must be handed in to the General Secretary by noon on the First Day of Congress and shall be considered by the Congress Committee, who will report on them to the Congress as First Business on the Second Day.

The texts of all Emergency Resolutions accepted for submission to Congress shall be distributed to delegates at the end of the Second Day.

Any amendments to the texts distributed must be handed in at the opening of the Third Day for consideration by the Congress Committee.

Present text of Article 24.

(a) *Motions of affiliated Organisations to be included in the Provisional Agenda issued under Article 19 shall be sent in writing to the Executive at least four months before the date of the Congress.*

(b) *The Executive shall have the right to admit additional motions for the Final Agenda which are received at least one month before the Congress.*

(c) *Matters of urgent importance which arise subsequently shall be submitted to the Congress Committee, who shall decide whether they are in order and of sufficient urgency and importance to be submitted to Congress.*

NEW Article. Congress Committee.

A Congress Committee shall be appointed for each Congress, consisting of the President and two Vice-Presidents, three members of the Central Committee and three delegates appointed by the Congress at its first Session.

The Congress Committee shall decide on the admission of urgent Motions submitted under Article 24 (b) and shall assist the President in any questions of procedure which arise during the Congress.

SECTION V. ADMINISTRATION.

Article 27. Duties of the Central Committee.

Delete clause (g).

NEW clause (to follow present clause (k))—

To approve the decision of the Executive regarding the admission of Associates.

Present text of Article 27.

The Central Committtee shall have the following duties:—

(a) To interpret the Policy and to carry out the Programme of the I.C.A. established by the Congress.

(b) To elect the President and the two Vice-Presidents of the I.C.A., also the Executive.

(c) To appoint the Director and the General Secretary of the I.C.A. and to fix their remuneration.

(d) To appoint the Auditor.

(e) To confirm the budget of the I.C.A. drawn up by the Executive.

(f) To decide the Agenda and the date of the Congress, and to report on all matters submitted to Congress.

(g) To appoint for each Congress a Congress Committee consisting of the President and Vice-Presidents, and three other members of the Central Committee, who shall decide on the admission of urgent motions submitted under Article 24 (c), and shall assist the President in any questions of procedure which arise during the Congress.

(h) To confirm agreements which impose permanent obligations upon the I.C.A.

(i) To deal with appeals and with the exclusion of members.

(j) To appoint the Trustees and if thought expedient to do so to remove the Trustees or any of them from time to time and to appoint new Trustees in the places of any Trustees who shall die, resign, or be removed as aforesaid.

(k) To make or authorise on behalf of the I.C.A. all purchases, leases, sales, exchanges, mortgages, and other matters referred to in Article 36 (b) hereof.

(l) To decide on matters not provided for in the Rules.

Article 31. Duties of the Executive.

NEW clause (to follow present clause (a))—

To admit Associates and to fix their subscriptions.

Present text of Article 31.

The Executive shall have the following duties:—

(a) To admit new members into the I.C.A.

(b) To appoint the principal assistants of the I.C.A., apart from the Director and the General Secretary, and to fix their remuneration.

(c) To draw up the budget for confirmation by the Central Committee and to control expenditure.

(d) To prepare the Agenda for the meetings of the Central Committee.

(e) To prepare and organise the Congress.

(f) To present to the Central Committee an Annual Report of its work.

(g) To direct the collaboration of the I.C.A. with United Nations Organisations, and with other voluntary and non-Governmental Organisations with which the I.C.A. shall have established relations.

(h) To control the affairs of the I.C.A. between the meetings of the Central Committee.

(i) To deal with all questions referred to it by the Central Committee.

Discussion on Amendments to Rules.

The President: We shall now take the amendments to the Rules proposed by the Central Committee, also the amendment to the new Article on Associate Membership submitted by the Dutch Central Union, which the Central Committee accept.

On behalf of the Central Committee, I move the adoption of the proposed amendments. They are in two groups; one is consequential to the decision already taken by Congress to introduce Associate Membership, the other comprises alterations of certain Rules to provide for the more orderly carrying out of the organisation and business of Congress.

Mr. G. Cerreti, Lega Nazionale delle Cooperative, Italy: I wish to make a declaration of principle. I abstained from intervening in the debate on Future Policy, but on the new Article, which, as the President has just said, is a consequence of certain considerations in the Report on Future Policy I cannot be silent. While it is right and proper to consider contacts with Co-operative Organisations in under-developed countries, which are in the early stages of their existence, it seems to me dangerous to introduce into our Rules a rigid formula which creates a new category of membership. We should prefer to see the doors of the I.C.A. opened more widely to these Movements, which will slowly but surely become full members but do not at the moment fulfil all the conditions laid down in our Rules. There is a great danger, because of the servitude in which the people of these countries have lived in the past centuries, that they may feel they are regarded as second grade. That is not intended by those who framed the new Article, but the danger lies in the fact that, by the restrictive interpretation of Article 8, we have already created two categories of Co-operative Organisations in the I.C.A. We must do all we can to help these organisations, but I see no reason for a rigid rule.

The President intervened to remind Mr. Cerreti and other speakers that Congress had agreed to introduce Associate Membership and that the principle of the question could not be discussed again on the amendments to the Rules. The only aspect of the question open to discussion was the wording of the amendments.

(Mr. Krayushin, U.S.S.R., Mrs. Lunga, Roumania, and Mr. Marik, Czechoslovakia, were in turn ruled out of order by the President for speaking on the principle of Associate Membership.)

A card vote was taken on the proposed amendments which **The President** subsequently announced were **adopted** by 662 votes for and 368 votes against.

Election of Central Committee.

In submitting the following list of representatives nominated by their respective Organisations for election to the Central Committee, **The General Secretary** reminded Congress that it was usual to give the Committee power to co-opt new members whose nominations were in accordance with the Rules:—

Austria	A. Korp, L. Strobl, A. Vukovich.
Belgium	J. Lambert, J. Papart, W. Serwy.
Bulgaria	P. Takov.
Canada	B. Melvin.
Czechoslovakia	A. Droppa, Mrs. B. Machacova, M. Marik, J. Nepomucky, J. Pistek, J. Podlipny, L. Smrcka, A. Zmrhal.
Denmark	J. Th. Arnfred, A. Axelsen Drejer, L. Fabricius, T. Pedersen.
Finland	L. Hietanen, J. Jalava, J. Laakso, M. Mustonen, O. Stadius, U. Takki.
France	M. Brot, M. Catelas, A. Charial, A. J. Cleuet, E. Couvrecelle, A. Cramois, M. Degond, G. Gausse, G. Heitz, P. Ramadier.
Germany	J. Brecht, G. Dahrendorf, H. Everling, F. Klein, E. Hasselmann, H. Meins, C. Schumacher.
Great Britain	Mrs. M. Allen, J. Corina, J. M. Davidson, G. R. Douglas, R. G. Gosling, C. McAleese, B. Richardson, P. Robinson, R. Southern, H. Taylor.
Greece	P. Roussos.
Holland	H. A. Bastiaans, J. J. A. Charbo, J. Roos.
Iceland	V. Thor.
India	R. G. Saraiya.
Israel	J. Efter, Z. Onn.
Italy	O. Bardi, G. Cerreti, I. Curti, V. Grazia, L. Malfettani, V. Menghi, G. Tolino.
Norway	R. Haugen, P. Søliland.
Roumania	C. Mateesco.
Sweden	C. A. Anderson, S. Apelqvist, M. Bonow, A. Gjöres, A. Johansson, A. Oerne, N. Thedin.

Switzerland	Ch-H. Barbier, H. Küng, H. Rudin; A. Vuilleumier.
U.S.A.	M. D. Lincoln, Mrs. R. Robison, F. F. Rondeau, A. J. Smaby, J. Voorhis.
U.S.S.R.	I. P. Akhremchik, C. A. Bokov, Kh. Ju. Junusov, A. P. Klimov, T. S. Krayushin, A. V. Ljubimov, S. F. Malikov, N. P. Sidorov, D. S. Timofeev, V. I. Vaino.
Yugoslavia	M. Voutchkovitch.

The President: Do you elect the Central Committee as announced and do you also agree that the Committee shall have power to co-opt new members nominated in accordance with the Rules?

Agreed.

Close of the Fifth Session

SIXTH SESSION.

Wednesday Afternoon.

**International Co-operative Trade,
the Possibilities of Practical Collaboration
between National Organisations
and its Development by the Alliance.**

Paper by Mr. J. Roos, Holland

A. Introduction.

The subject of a special paper for a Congress of the International Co-operative Alliance should foster international co-operative action and solidarity. It should also be topical for a fair number of representatives from different countries and preferably the choice should do credit to the Alliance by selecting at each Congress new subjects for discussion.

This is the Tenth I.C.A. Congress since the First World War, and international co-operative trade as a subject for a paper figures—directly or indirectly—on the agenda for the sixth time. This might give the impression that there is an insatiable appetite for international co-operative trade or that developments need discussion at every other Congress.

It is nearer the truth to say that the interest in the subject springs from the concern that the potentialities of international collaboration between National Co-operative Organisations are greater than anything that has been achieved till now, that the problems have been approached from various angles and some admirable efforts have been made to prove the practical possibilities but that, on the whole, private enterprise—and especially international big business, the Movement's powerful opponent—has achieved a smoother and much more effective machinery for international collaboration. It is to illustrate this concern, which can also be inferred from the careful formulation of the title of this paper, and even better from recent discussions, that a few introductory paragraphs are necessary.

When the Central Committee of the I.C.A. met at Cannes last year "Practical collaboration and its promotion through the Alliance" was suggested as a paper for Congress. That can include many things, from the exchange of information to joint research and international trade or production. Some members, therefore, favoured a narrower interpretation, in fact confining it to international co-operative trade, which would be a reason for friendly collaboration in many other ways. Others regarded the exchange

of experience and various targets attainable in the near future as equally attractive objectives for co-operative collaboration across the frontiers, both independently of and together with the development of trading relations. It may be asked whether the broader interpretation of international collaboration does not cover too wide a field to be dealt with thoroughly in a special paper and effectively discussed at Congress. It is also possible to maintain that the structure of the various National Co-operative Movements consists of a varying number of "individual achievements under individual circumstances." The common denominator is accordingly small and trading relations between these heterogeneous partners will remain incidental and difficult to develop. Opposed to this view are those who are of the opinion that international trade is the natural road to a higher standard of living for the peoples of the world—a general statement which is more or less correct—and therefore is far more important than what are regarded as secondary matters: the exchange of technical know-how, the exchange of personnel, etc. To which an opponent might reply that sub-committees on international co-operative trade are already found as far back as 1920* and that in the meantime only very little has been achieved. And to emphasise his point of view this debater might point to the obvious fact of two sub-committees on international co-operative trade which were set up recently, one by the Committee on the Rationalisation of Commodity Distribution, the other by the Executive itself.

Thus the discussion soon is in full swing, and if the place and task of the I.C.A. itself in the development of this collaboration introduces yet another element in the discussion it is hardly surprising that a compromise is reached, which is left to the rapporteur to sort out. A literal interpretation of the exact title offers him, however, a splendid opportunity to divide the subject into three separate parts:—

1. International co-operative trade (dealt with under B and C).
2. The possibilities of practical collaboration between national organisations (dealt with under D).
3. Its development by the International Co-operative Alliance (dealt with under E).

The Central Theme.

It would be incorrect to regard international co-operative trade as a subject complete in itself, separate from the sum total of the collaboration between National Co-operative Organisations. This does not mean that the development of trading relations cannot be an important objective in itself, but it remains an element in concerted action comparable to the horns in a symphony orchestra. A healthy local co-operative society is not only one whose members buy all their groceries from it; rather is it the sum-total of a conscious loyal membership, good service, fair prices, able management, and many more factors which together give the society resistance to opponents and driving power to serve the cause of Co-operation. On the national level the case is not different. Though the managers of some of the commercial

* See *International Co-operative Bulletin*, February, 1921, page 41, Victor Serwy, "Towards an International Co-operative Wholesale Society."

departments of the wholesale societies might say: "If only the local societies were loyal to the wholesale we would grow from strength to strength," that would soon be contradicted by the facts. The work of education and publicity departments, the energy of the increasing number of technical service departments, the spirit in which larger and smaller societies stand by each other regionally and nationally, the team spirit at headquarters, and the atmosphere in which wholesale and retail society work together—it is this sum-total which accounts for the strength and development of the Co-operative Movement in a country, external circumstances apart.

If, therefore, co-operators in many countries are not satisfied with the progress international trading relations have made of late, if there is concern about the growing concentration of resources and pooling of experience in private industry, if it is felt that the Alliance should be more and more a world centre for co-operative promotion activity, there is no single, ready-made, or quick solution for our problems. Painstaking work on many fronts is required; detailed specific projects will have to be studied and taken in hand; a critical survey of ways and means employed hitherto is necessary and we will have to build up, with all this work, a favourable climate for the growth of world co-operation. From this point of view a contract between the S.C.W.S. and Centrosoyus for the sale of textiles is not more important than a meeting of Western European co-operative milling experts or exchange of visits between Swiss and German co-operative employees. They all contribute to the development of a favourable climate which is essential for fruitful international co-operative activities. They all contribute, provided there is a realistic appraisal of the need and purpose of the joint action in question, and provided each element is properly fitted into the over-all pattern which we set for the promotion of Co-operation.

It is with this in mind that, in the following paragraphs, international co-operative trade is reviewed, suggestions are made for inter-co-operative collaboration in other fields and the place and tasks of the Alliance in the development of these ideas are defined.

B. A Review of Past Experience.

It would take too long to give a complete survey of every co-operative venture in the field of international trade. For the purpose of this paper there is more than sufficient material in the history of the International Co-operative Wholesale Society (a), the International Co-operative Trading Agency (b), the development of Nordisk Andelsforbund (c), and the International Co-operative Petroleum Association (d).

(a) The International Co-operative Wholesale Society.

The history of international co-operative trade can be traced far back in the annals of International Co-operation. The Congresses at Cremona in 1907, Hamburg, 1910, and Glasgow, 1913, urged already the establishment of effective international collaboration and at the Inter-Allied and Neutral Conference held in Paris on 26th, 27th and 28th June, 1919, a commission was appointed consisting of one delegate from each wholesale society affiliated to the I.C.A. or undertaking to affiliate. The Executive of the I.C.A. convened a meeting in London in August, 1919, inviting all the existing wholesale

societies. After certain obstacles had been removed and several meetings held, the Committee of the International Wholesale Society was constituted and met regularly. At the Basle Congress in August, 1921, only modest progress in the exchange of information could be reported and a congress resolution submitted by the English Women's Co-operative Guild was adopted, recommending the International Committee of the co-operative wholesale societies to take steps at once to assist each country to utilise all its available resources to build up an export trade through co-operative channels, by encouraging the purchase of goods through the Co-operative Movements of each country and by helping to organise the marketing of the goods so exported.

The bureau in Balloon Street, Manchester, where information about orders was exchanged, remained for a long time a modest affair. Although the Anglo-Russian Grain Exporting Co., of which the English Wholesale Society and the Russian Centrosoyus were principal partners, did some business, S.O.K. developed its exports of matches to the British market and the German Co-operative Wholesale Society offered to act as agents for any European Wholesale Society requiring goods to be forwarded from or via Hamburg, contacts remained incidental and no effective international machinery was built up. The Bureau of Statistics and Information, often mentioned at meetings of the Alliance in those days, also remained largely a dead letter and the joint purchasing of commodities did not begin. On the contrary: the meetings in Prague in March, 1924, saw the official constitution of the "International Co-operative Wholesale Society" with a specific clause in its articles of association: "not to undertake any actual trading." It may be recalled that Nordisk Andelsforbund was already in existence at that time and was pointed out as an example of the development of international co-operative trade. The delegates from Estonia, Latvia and Lithuania informed the Prague meeting that they had already discussed joint purchasing because these three small countries needed this machinery in the international markets.

In this context it is interesting to note that in the annual reports of the I.C.W.S., the then chairman, Mr. Golightly of the English C.W.S., repeatedly stressed the development of the C.W.S. export department, giving figures and urging the other members also to act seriously on the Geneva decision in April, 1920, to form export departments in order that there would be "true international co-operative trade."

At the same time joint buying, excluded by the rules of the I.C.W.S., was nevertheless occasionally brought up for discussion. At the 1925 February meeting in Frankfort, the coffee-experts were present for the first time and the question was seriously studied at each subsequent meeting. It was in Stockholm, 1927, that Mr. Albin Johansson and Mr. Henry Everling tried again to re-constitute the I.C.W.S. and organised it for trade on a contributory basis. Mr. Emil Lustig wished to add to the work of the I.C.W.S. the collection of information and preparation of market reports. The result of their efforts was that, by the end of 1928, it was decided that a London office of the I.C.W.S. should be opened under the direction of an experienced official. The office was to "generally organise trading and the collection and circulation of information necessary to the operations of the members of the Society." No relaxation of the rule against trading operations on behalf of

the whole of the members was to be entertained. It was in January, 1930, that Mr. Lustig again drew attention to the unsatisfactory position of the I.C.W.S.* The London office had not yet started its operations and he found it "not exactly gratifying that such a long time should be occupied with the preparatory work." He considered it his duty "to declare publicly that fully ten years had passed and yet there was not the slightest sign that a positive stone had yet been laid in the foundation of the future I.C.W.S."

Mr. Lustig introduced an idea which was applied later and has also proved to be valuable in the world economic field. Small international groups should be formed, such as Germany, Switzerland, Austria, France, Belgium, Portugal and Spain, or the Scandinavian countries plus Holland or England and the Dominions. Such groups might have more interest in common and might lay the foundation of an all-embracing International C.W.S., without interfering with the London market bureau. Mr. Victor Serwy voiced similar ideas in an article "The International Spirit and International Action" which dealt with the discrepancies between "spirit" and "action."

Apparently these ideas switched current opinion again, though at the same sacrificing the London office. At the Vienna meeting in August, 1930, Sir Robert Stewart, the President, suggested leaving the London office scheme in abeyance because some members were against it. Mr. Everling seconded the proposal because the English C.W.S. was against it and the alternative proposal of Sir Robert Stewart, which opened up possibilities for regional joint buying, seemed to offer the solution everybody had been waiting for. It is useful, for the later paragraphs in the present paper, to quote the decisions of that meeting:

"That periodical and regular meetings of the national buyers be held with a view to the requirements of the various national societies being discussed and the purchases, where possible, bulked, whereby the best possible terms of purchase may be secured. That efforts be made at such meetings to unify, as far as possible, the demand for classes of goods, so that the purchasing power may be strengthened. That there be sectional or group meetings of buyers who would appoint, where necessary, one representative to attend a meeting of representatives from each group where the final decision as to purchasing would be made, the actual buying to be delegated to the one or more national buyers most advantageously placed as to markets.

"That in the initial stages the Secretary be entrusted with convening all meetings, but subsequently a convenor be appointed by each group, the Secretary being entrusted with the duty of calling the meeting of the group representatives."

As a result of this decision there were three meetings of experts in 1931, one of margarine experts, one of dried fruit buyers and one of managers of co-operative boot and shoe factories. The latter, for instance, was attended by representatives from Austria, Belgium, Denmark, England, France, Germany, Scotland and Sweden. A certain amount of joint purchasing of

* The Question of the International C.W.S. "Review of International Co-operation," January, 1930, page 6.

dried fruit through the agency of the New York depôt of the C.W.S. was also undertaken. Whether the world economic crisis checked further initiatives or the delegates just abandoned their plans and decisions, no further developments in this field of exchange of co-operative experience under the auspices of the I.C.W.S. are recorded. The I.C.W.S. failed to make progress and disappeared from the list of topical subjects of discussion. In 1935 its president, Mr. A. J. Cleuet, rightly remarked that practical achievement had on the whole been very small; up till then it had consisted mainly of intermittent trading relations; nothing had been organised or built up on the basis of a securely established and reliable system.

Although the work of the I.C.W.S. was not formally concluded but taken over by the Trading Agency at the end of the thirties, this survey of the ideas prevailing in the International Committee of the I.C.W.S. may conveniently be regarded as concluding with the world economic crisis when active interest in the subject ceased.

(b) The International Co-operative Trading Agency.

The idea of regional wholesales sprang up again in 1936. The Austrians were the advocates of a South Eastern European trading agency and invited representatives of the Czech and German-Czech C.W.S. and the Hungarian Wholesale Society "Hangya" to Vienna. Frederik Nielsen lectured at an I.C.W.S. meeting in London on the work of Nordisk Andelsforbund after which Albin Johansson moved:

" that this meeting recommends the formation of co-operative agencies for regional groups of countries but, at the same time urges everyone to look forward to work for the ultimate realisation of an all-embracing International C.W.S."

Despite the fact that the proposal was ruled out of order, the idea apparently survived. France, Belgium, Holland and Switzerland decided to meet in Brussels to discuss the possibilities of a Western European C.W.S. and a second South-Eastern meeting was held to which also Poland, Bulgaria, Yugoslavia and Roumania were invited. In the same year the Executive Committee of the I.C.W.S. recommended the establishment of an International Agency, a recommendation which was accepted at the annual meeting in Warsaw in 1936. A special sub-committee consisting of Messrs. Cleuet, Johansson and Beaton was set up to implement this decision.

At the 1937 annual meeting of the I.C.W.S. in Paris the approval of the proposed rules could be reported* and Mr. Waling Dijkstra was appointed manager of the Agency. The Agency, under the responsibility of the I.C.W.S. for the time being, did not start under favourable conditions. The affiliation of the English C.W.S., regarded as desirable by the Swedish Movement, was secured, however, on a not very encouraging basis. The C.W.S. would give moral support but could not undertake to give the Agency any business nor give particulars of any purchases it made through other channels than that of the Agency.

* The International Co-operative Agency, Ltd., was officially registered in London on 20th October, 1937. To avoid confusion with the I.C.A., the name was later changed to International Co-operative Trading Agency, Ltd.

Fourteen wholesale societies joined the I.C.T.A. which started its work on January 1st, 1938, in the Port of London Authority Building where Mr. Mynderup from the Scandinavian C.W.S. was close at hand to advise the young organisation. The I.C.T.A., it is worth while recalling, also started with the moral support of the 15th Congress of the I.C.A. held in Paris a few months before. Mr. Cleuet's paper on "The Development of International Exchange—General and Co-operative" concluded with this unanimously accepted resolution:—

The Fifteenth Congress of the I.C.A. recommends to the Co-operative Wholesale Societies—

1. Their affiliation to the I.C.W.S., and their active participation in its work; and also the continuation and extension of their own commercial relations.

2. The renewal and development of the experiments in mutual purchasing which they have already made, with a view to the creation of an International Co-operative Agency, the only organisation capable of directing these operations in a rational manner, especially in conjunction with co-operative agricultural and productive organisations.

3. The study and creation of specialised international co-operative societies, with a view, on the one hand, to safeguarding the interests of the consumers in the face of the modern forms of commercial and industrial organisation employed by international trusts and cartels, and, on the other, to improving, without any thought of competition, the technique and means of supply of the wholesale societies on the world market.

The I.C.T.A. included in its programme the purchase of imported goods (tropical and other), acting as selling agent and representing consignors of goods, or acting as broker and general purchasing agent; in addition, the Agency was to engage in the disposal of the surplus production or excess stocks of the affiliated wholesale societies. Its manager also developed contacts with agricultural co-operative exporting organisations.

The war naturally upset the work of the I.C.T.A. The welcome support of Mr. E. Mynderup, the manager of the London office of Nordisk Andelsforbund, who carried on I.C.T.A.'s business after the resignation of Mr. Waling Dijkstra, should, however, be acknowledged.

The first post-war meeting of the International Co-operative Wholesale Society took place in London on 13th September, 1945, when it was decided to transfer the functions of the I.C.W.S. to the I.C.T.A. and to seek amalgamation of the Trading Agency with Nordisk Andelsforbund. The first was not too difficult, the later, however, proved impossible to realise. Thus the I.C.T.A. carried on its business as an organisation separate from Nordisk Andelsforbund. Joint management came to an end. Under new management the Agency occupied an office in the buildings of the English C.W.S. in Prescott Street.

The general post-war obstacles to international trade, the regulation and control of payments and currency, import restrictions and government bulk buying, etc., were extremely difficult obstacles for a young organisation to surmount. If a lack of unanimity amongst member-organisations and

differences in the international trading systems of the various wholesales are added to these circumstances, it is clear that even a more experienced management would have had the utmost difficulty in setting the Agency on a firm footing.

The Agency recorded increasing deficits. The management was unable to secure sufficient business, although some members did their best to support the Agency. The restriction of business to the bulk-buying of staple commodities did not receive sufficient attention and, to make things even worse, private transactions which did not serve the co-operative cause in any way were carried on to make the Agency pay its way. The lack of a definite policy and working programme and a number of incidental factors precipitated the Agency's misfortunes. In the context of this paper they do not need elaboration. The Agency's offices were closed in June, 1952.

(c) Nordisk Andelsforbund.

Nordisk Andelsforbund, as is well-known, is the joint buying agency for the Co-operative Wholesale Societies of Sweden, Norway, Finland, Iceland, Denmark* It was established in 1918 after the idea had been pondered over by pioneers like Severin Jørgensen and Oscar Dehli and an invitation was sent by Albin Johansson to the other Scandinavian Wholesales to discuss the subject in Malmö. In the summer of 1919 N.A.F. commenced business and in 1920 opened a London office. Article 1 of the rules of N.A.F. states that the object of the Scandinavian Co-operative Wholesale Society is "to obtain economic advantages for its members by making purchases on their behalf, especially of overseas goods." If the results came up to expectations, the activities might be extended to plantation work, shipping, manufacturing, and so on. It rests with the general meeting to decide on any extension of its activity.

The principal articles imported from overseas by the National Wholesale Societies in Scandinavia are coffee, tea, spices, dried fruit, fresh fruit, cereals, sugar, rubber, oil seeds, grain and feeding stuffs. N.A.F. rightly concentrated on the combined purchasing power for these goods. It should be added that there was a clear incentive to form N.A.F. as a buying agency. During the First World War, when there was a great scarcity of commodities, the Co-operative Movements in the Scandinavian countries found it difficult to obtain the goods they required. Mainly under pressure from private trade, the local agents of overseas firms were reluctant to give the Movement a fair share of available supplies. The "Scandinavian" was set up to free the Movement from this boycott. With this definite object in mind, a certain team spirit prevailed from the beginning when only Sweden, Denmark and Norway were members (Finland's two Wholesales joined in 1928, Iceland in 1948). Many difficulties, however, had to be overcome. Producers and agents were reluctant to do business; the right contacts had to be found and a new world had to be opened up for the co-operatives which were until then

* Particulars about N.A.F. were derived from various sources, a.o., from *International Co-operative Trade*, by E. Mynderup, *Some Facts about Nordisk Andelsforbund*, by Mogens Efholt, the International Trade issue of the *Review of International Co-operation* (August, 1951), and private information.

mainly thinking along national lines. "Nothing succeeds like success" and before N.A.F. was many years old "the principal producers who had at first refused to do business with us, came and asked to do business on our terms. Those terms were that we would buy direct from the seller overseas, do all the agent's work and receive from the seller the brokerage or commission which it was customary to pay the local agent.*

N.A.F. has always been careful not to disperse the purchases too much. The turnover with an individual supplier must always remain sufficiently large to keep him interested in giving complete coverage of market information. The success of N.A.F. is thus also due to the fact that co-operative buyers at national level were better informed than many agents and competitors. An incentive in N.A.F.'s contacts with its members is that N.A.F. credits the national buyer in advance with half of the commission he is going to earn. In this way, though they are free to buy elsewhere, there is less temptation to telephone a local agent instead of telephoning, writing or teleprinting to N.A.F. Mr. Efhholm in his article gives the example of the dried fruit department of K.F., half the surplus of which is due to N.A.F.'s cash payments.

The turnover of N.A.F. amounted in 1950 to 170 million Danish crowns, 250 million in 1951 and 243 million in 1952. More than half was conducted through the London office.

(d) The International Co-operative Petroleum Association.

Even more than the Scandinavian Wholesale Society the I.C.P.A. is a specialised agency. It concentrates on the petroleum industry and, for the time being, on one phase of the oil industry only: the distribution of petroleum products to its member-organisations on a brokerage basis. It aims high, as it should do. The purpose of the Association is stated as "to engage in any one or more lawful modes of acquiring, producing, building, operating, manufacturing, furnishing, exchanging, or distributing any type of property, petroleum commodities, goods or services for other groups organised on a co-operative basis." The trade in petroleum products on a brokerage basis is logically the first step in any development plan.

Mr. Howard Cowden came to the Paris Congress of the I.C.A. in 1937 and outlined his plans for an international co-operative petroleum organisation to the delegates who attended the I.C.W.S. meeting there. It would have been expecting too much to ask delegates to set up the I.C.P.A. on the spot. The Consumers' Co-operative Association, Kansas City, was already known in Europe by virtue of its exports of petroleum products to European Co-operative Organisations, but it was a different proposition to ask the national Wholesales on this side of the ocean to invest a substantial amount of money in an industry which was regarded as highly complicated, not of urgent interest to the Movement in Europe and, this, moreover, at a time which did not seem opportune from political and economic points of view.

* E. Mynderup, "International Co-operative Trade," in *Review of International Co-operation*, August, 1944.

Mr. Cowden's proposal, however, was received with much interest and referred to the Executive for further consideration. Further developments, however, had to wait until after the war. At the I.C.A.'s first post-war meetings in London in September, 1945, the establishment of an international co-operative petroleum association was a major item on the agenda of the I.C.W.S. meeting. The plan was approved in principle and a petroleum sub-committee consisting of Messrs. Cleuet, Cowden, Davis, Davidson and Johansson was appointed to prepare a report and plan of operation for the I.C.P.A. In October, 1946, it was decided that the I.C.P.A. was to be established, and on 15th April, 1947, it came officially into being. It started operations on October 1st. Even despite the post-war dislocations and the fact that, though twenty-one co-operative organisations joined the I.C.P.A., many needed much time in order to reconnoitre their prospective fields of petroleum activity, the young organisation quickly paid its way. The Swedes with their usual enterprise organised a new petroleum co-operative: Oljekonsumenters Riksförbund, (O.K.)—National Association of Swedish Oil Consumers, embracing all the principal consumers of petroleum products. But other countries also proved the advantages of importing "Co-op" oils. At present there are 24 organisations in membership with I.C.P.A.; its turnover, though only small in comparison to the major oil companies, has reached the three million dollars mark in 1953 and the members are steadily expanding their business.

C. Analysis of the Circumstances, the Possibilities and Prerequisites for the Development of International Co-operative Trade.

The preceding paragraphs may serve as a basis for an analysis of the factors which, in our opinion, are decisive when the practical execution of our problem is examined. This analysis directly invites an obvious question: what are the reasons why, over a period of many years, such an important matter as the development of inter-co-operative trade has yielded such modest results? Was not the Trading Agency an organisation in which the member organisations rightly expected to find a promising home for the development of their trading interests? Why did we only pay the rent together but failed to make it into a real home? Why did some of the members who officially entered through the front door leave the office again via the back door? And why was it that the neighbours next door, with their well-equipped home called "Nordisk," restricted themselves to looking over the hedge and giving good advice only?

For an answer to these questions it is important to note that the conception of "international co-operative trade" is not so exact and well-formulated as one might think. By the development of international trade the various members mean quite different things or, at any rate, they stress different aspects of the matter.

There is a great difference between international trade which is approached from the angle of "joint production for an international co-operative market" and co-operative trading which is meant to be joint purchasing of raw materials and other commodities. A Wholesale Society which is interested

in co-operative contacts abroad to dispose of its surplus production, because intentionally or unintentionally—its output is in excess of what can be sold in the home market, will have a different attitude towards international trading relations from a Wholesale which, as a National Co-operative Organisation, regards itself as a servant of the national economy and, as such, promotes the export interests of the country.

These different ways of approaching the matter are a fruitful ground for unfruitful discussions. And to how much misunderstanding it has given rise can only be guessed. In addition language difficulties have contributed to differences of approach here, for even with the most perfect system of simultaneous interpretation it remains exceptionally difficult to express a speaker's train of thought.

It may be asked if these considerations do not explain why the efforts of the Scandinavian countries were such a definite success, whilst the Trading Agency, supported by so many more members of the I.C.A., failed to achieve its object.

The obvious success of N.A.F. in comparison with the equally obvious failure of I.C.T.A. invites the critical observer to a further analysis which may clarify the problem when seen in its totality. Such a comparison reveals that:—

1. Only a limited number of Co-operative Wholesales participates in N.A.F. One of the partners has a dominant influence from the point of view of volume of trade, but the other members also have a significant national influence which should not be underestimated. The I.C.T.A. combined a large number of Wholesale Societies with great differences in trade and industrial activity, but also with great differences in national influence.

2. There are no basic language difficulties in N.A.F. The Trading Agency has clearly suffered from a lack of direct discussion.

3. The activities of N.A.F. are clearly confined to the supply of raw materials and commodities usually bought in international markets. The Trading Agency had no such limitations and the participants interpreted its objects accordingly.

4. The territory on which N.A.F.'s trading operations are concentrated is not a closed economy, but at any rate the common denominator of the countries' economies is large. The I.C.T.A. had to cater for the needs of a variety of countries which have far less in common.

These differences between N.A.F. and I.C.T.A. clearly indicate already in which direction an explanation can be found. The history of N.A.F. provides a further answer. The basis for this collaboration was not a somewhat lofty idealism but stone-hard economic realities. Clear-cut common interests provided the basis from which a start could be made. These circumstances, together with the conviction of the participating wholesales that success would attend on this well-planned joint action, and efficient expert management, have made N.A.F. the important business organisation it is to-day. It provides a real service to its members and has a well-established position in the markets in which it is interested.

Among minor reflections it is gratifying, at any rate, to be able to point to the success of this international collaboration of a small group of member countries of the I.C.A., even though it is regretted that this collaboration is confined to these countries only.

Returning to the subject of the joint action possible by the remaining I.C.A. members, we should take into account the different aspects of international co-operative trade. It is the prerogative of the rapporteur to keep aloof from national considerations which may influence a wholesale's attitude to the matter. If, thereby, he indicates this disagreement with such narrow considerations, that is accounted for by the fact that, in his opinion, a number of different narrow considerations cannot be added together to make a sound total. It is not to arouse controversy on the subject but if there are differences of opinion it is much better to have them come out in the open. It is better to know where we stand than to adopt unanimously a resolution on a paper which is too vague.

The first aspect of international co-operative trade, we may consider, is that of exchange of goods organised on a national basis. The Co-operative Movement's primary task, in our opinion, is to prove in a democratic society that the practical application of its principles serves the consumer better than the methods of private enterprise. From this point of view participation in an exchange of goods on a national basis does not contribute substantially to building up inter-co-operative collaboration. The preparatory discussions in the Central Committee suggested, amongst other things, that discussions on international co-operative trade were urgent, because some East-European countries were inclined to participate in such trading activities. This may be welcome from an international economic point of view, but there is nothing specifically co-operative in it and we fail to see the importance of such considerations. Trading operations, for which the Co-operative Movement is used as an instrument, lack the basis which we regard as essential for real co-operative action. This holds true internationally, but also at national level. If a national co-operative wholesale society receives army contracts for the supply of foodstuffs, that may be attractive from a financial point of view and it may be an honour, but it is not a direct, constructive contribution to the development of co-operation. Moreover—as we will show at a later stage—the restrictions on international trade are already a drawback for the practical execution of international co-operative trade on a sound basis. In those circumstances, is it not unacceptable to select, as a basis for such activities, the possibilities available at an arbitrary moment? Those who wish to learn swimming start in a swimming pool, not by crossing the Channel.

A second aspect of international co-operative trade is the disposal of national co-operative surplus production. We shall avoid any elaborate speculation on the motives and circumstances which led to the existence of such surpluses, but one thing may be said. It is possible that for optimum efficiency in production it is necessary to purchase equipment or build a factory with a bigger capacity than is necessary for the supply of the national co-operative market. It is a different proposition if exports form an integral part in the planning of production facilities. In that case, too, we appreciate that they may contribute to the financial results of such production, but again those exports do not constitute a constructive contribution to the development of international co-operation.

A wholesale society in such a position will no doubt warmly support inter-co-operative trade, stressing the opportunities it presents, but does this solve the problem we are discussing? The exporting wholesale society gets additional contacts abroad, contacts from which it hopes to receive preferential treatment *vis-à-vis* private competitors in the same market. The importing wholesale society naturally is inclined to give preference to its sister organisation abroad. But do they have an equal interest in the matter? In our opinion a one-sided advantage accrues to the exporting wholesale only. The importing wholesale buys at competitive prices but does not share in the profits of co-operative production. It has no claim on preferential treatment, nor does it receive guarantees that it will be supplied on a regular basis. If demand increases in the home market for such a product, the wholesale may decide to withdraw from the export market. Whatever may be the positive results of such collaboration, they cannot be regarded as a firm basis for international co-operative trading relations.

Theoretically the position is more favourable if it concerns the exports of agricultural co-operative marketing associations. Fundamentally, however, the position is the same: there is no inherent mutual interest in these contacts. The agricultural marketing associations' primary task is to dispose of their products to the highest bidder in the world markets, irrespective of whether this is a consumer co-operative organisation or a private company. Those who are realistic enough to recognise these facts will not cherish illusions about the possibilities of solving the basic problem by such collaboration.

The foregoing observations should not bring about any misunderstanding with regard to the existing possibilities of collaboration between co-operative producers and consumers, which possibilities should be regarded as most valuable in themselves. In this respect it may be added that, especially in the national sphere, many are the examples of a very fruitful collaboration between co-operative producers and consumers, based on mutual priority springing from the co-operative spirit underlying both forms of co-operative activity.

The third and most obvious aspect is the joint purchase of raw materials and commodities after the example of N.A.F. Without going into technical details as to how this should be organised by members of the Alliance, we are definitely of the opinion that opportunities exist for such pooling of purchases. The statistics and other data which various questionnaires have produced, amongst others the latest particulars collected by the sub-committees on international trade of the Executive and Rationalisation Committees, are sufficient evidence. However, possibilities have to be realised and it has proved to be very difficult to achieve practical success. A further analysis of the data and the prevailing circumstances which have to be taken into account suggest that, in this field also, no spontaneous action with spectacular results can be expected in the near future.

These results are unfavourably influenced by still existing restrictions on international trade and payments, although the liberalisation of international trade is making rapid progress. It is unlikely, however, that this liberalisation will go as far as lifting the preference of certain countries for products from their overseas territories or Dominions and other countries with which

they have close economic or political relations. This restricts the freedom of a number of European wholesales to purchase from a joint co-operative agency.

Another restriction of a different character is to be found in the great differences of development of national wholesales which has led them to adopt different methods of supply. It is superfluous to elaborate on the fact that the English C.W.S., with its depôts and agents all over the world, does not need to pool its purchases with other wholesales. This would not fit in with its existing system and would not yield the C.W.S. any additional advantages. When, therefore, the English C.W.S. joined the I.C.T.A. as a member, this was to be regarded, in the first place, as a goodwill membership—and as such to be appreciated—and in the second place as a real interest in extending its exports to co-operative organisations abroad. This example does not in any way reflect critically on the attitude of our English friends.

The question may be asked why the other wholesales do not entrust the purchasing of their raw materials and commodities bought in the international markets to the C.W.S., which holds already such a dominant position in these markets. If this were acceptable to the C.W.S., it would be a solution very close at hand. However, it is not practicable, because international collaboration implies, in our opinion, joint responsibility, and the organisations which would pool their purchases with those of the larger partner would lose their say in the practical execution. This is not only a matter of good inter-co-operative relations or national co-operative autonomy, it is also a question of efficiency and business methods. An example may illustrate this.

A wholesale may practise the system of sending a purchasing delegation to the country of origin of a certain product each year when the harvest is reaped to cover on the spot its needs for a considerable period. Another wholesale may disagree with such a policy because it is of the opinion that the anticipated visit of the delegation influences the prices unfavourably beforehand and keeps prices at an unfavourable level during the period of the visit. This example explains why it would be impossible to satisfy other participants by entrusting their purchases to such a commission. The wholesale which follows one of these systems, however, may not be prepared to change its methods.

The question can also be raised, why real international co-operative trade cannot be extended by enlarging the limited membership of that organisation which has proved to have a solution for the existing difficulties. If N.A.F. would open its doors to those members of the I.C.A., seriously interested in such collaboration, it would only be a partial solution, but at any rate it would hold out hopes for further extensions of international collaboration in this field.

It is believed that such a solution would not have the unanimous support of all the member organisations of N.A.F. We regret this attitude, but on the other hand—in the light of the foregoing analysis—can it be expected of the Scandinavian Organisations that they should pool their purchases, which are so clearly concentrated on the needs of their national Movements, with purchases of other wholesales which possibly have less clearly defined objectives? If we, co-operators, really were all co-operators it would be easier

to find a solution for our problems than under the present circumstances in which, despite good intentions, we behave as "national co-operators." We are still inclined to view matters from a national background and this limits the possibilities of an international approach.

Does this lead to the conclusion that the rapporteur has no solution to offer for the international co-operative trade problem and that further enquiries do not serve a practical purpose? The answer to the latter part of this question is in the affirmative, so far as general enquiries are concerned. Against the background of what has been done in this respect, we do not expect any positive results from further enquiries, as long as there is no agreement on the practical objects of such enquiries.

The first part of the question also demands an outright answer: there are positive opportunities for developing international co-operative trading relations. But they require a number of prerequisites.

The first is that we should have a firm basis in the critical analysis of facts.

The second is to agree on the objects of international collaboration and stand by such a decision.

In the third place we should appreciate the value of the French saying that "if we do not have what we like, we must like what we have." If it turns out to be possible to realise part of the programme with a small group of countries, this is to be preferred to an all-embracing collaboration which fails in its practical execution because the interests of the participating countries do not run sufficiently parallel. If a national organisation has no real interests in international collaboration in a particular field it is better to say so. General goodwill adhesion blurs the picture.

In the fourth place we should try to convert the present inability to establish more effective inter-co-operative relations into a positive approach. The basis of positive approach should be a favourable climate for collaboration and the avoidance of past mistakes. Without a positive climate for collaboration any effort is doomed to failure.

In our opinion it is a definite shortcoming of the past that the discussions on international co-operative trade have always, or mostly, been held at board level. Such problems also require discussion at a level where theory and practice meet and more definite form is given to the projects. Even where a solution might have been possible, as in the I.C.T.A., discussions have seldom left the boardrooms where general considerations prevail. The psychological importance of this aspect must not be underestimated. After all, the responsible managers of the trading departments concerned have to put this collaboration into practice. These officials, each in his own field, know the international markets and have their business contacts which, in the course of years, often develop into close personal connections. They know those whom they can trust and who require stricter treatment. To obtain an additional one-eighth per cent is the joy of their lives, to use discretion in buying at the right moment is the real business-man's pleasure. Those who think that directors' decisions in principle to pool purchases at international level will be greeted as a welcome solution for their worries, to which

they will enthusiastically and spontaneously give their support, fail to understand the attitude of mind of these departmental heads. They also fail to understand the character and importance of their work.

Only if these departmental managers fully participate in the preparation of joint purchasing schemes, only if, through contacts with their colleagues abroad, they are convinced of the benefits of such projects, may we expect positive results to emerge from the international collaboration which we contemplate in the boardrooms.

In later paragraphs we hope to develop this theme by pointing out a number of measures close at hand, which foster a favourable climate for collaboration and serve a practical purpose at the same time.

In conclusion, the international trade section of this paper does not warrant laying before Congress a definite programme for the systematic development of trading relations in the near future.

D. The Possibilities of Practical Collaboration between National Co-operative Organisations.

From the foregoing may be expected an indication of a number of projects and suggestions which promote not only the favourable atmosphere for closer collaboration but are also in themselves useful practical propositions. And indeed it would not be difficult to list a great number of definite and detailed proposals without even exhausting the possibilities. Such a proposal, however, would not fit in with the nature of this paper, nor would it lead to practical results in view of the procedure of Congress. There are, however, two considerations which we would like to recommend to Congress in connection with the problem concerned:—

1. Though, of course, the general policy of our International Co-operative Movement should be discussed at the highest level—which is in committee-meetings—we should remember that for finding the best practical solutions of many problems, we shall have to hand the matter over to experts in the specific subjects under discussion.

2. It is better to bring together a small group of countries with common interests on a definite subject, than a larger group which may be in general agreement but lacks sufficient direct interest in the problem. The history of the International Co-operative Trading Agency is evidence of that, but the rule holds true in every field. The common interests become more clearly visible if the field in which collaboration is to be developed is specified in detail. For instance, England, Germany, Holland and Sweden may be the only countries to participate in the exchange of technical data on the flourmilling-industry whilst Austria, Denmark, France, Italy and Switzerland may be the only collaborators in an exchange of personnel. The quality of the service this collaboration renders is the only real thing that matters.

* * * * *

In order to avoid confusing discussions we will try to suggest to Congress, as briefly as possible, some specific projects for practical collaboration.

1. The Exchange of Business Data.

In our opinion the exchange of business data is a very obvious practical need. It can in all fairness be stated that not much has been done in this field up till now, despite the fact that the compilation of data is usually comparatively easy and does not require too much time and staff. Moreover, it can be concentrated on those special interests which various groups of member-organisations of the Alliance regard as essential. It implies at the same time that this exchange should not be a strictly defined activity always covering the whole membership of the Alliance, but may be limited to interested groups of members. Thus it may happen that data on a subject X will only be exchanged between three member-organisations whilst on subject Y a larger number of wholesales are interested and willing to collaborate. Sometimes an exchange of information will be useful on a continuous basis, at other times the collaboration will be incidental. It may happen even that what begins as an exchange of data develops into collaboration reaching much farther. If only we start along these lines we may see what comes out of it.

It goes without saying that exchange of information should be reciprocal. Wholesale societies cannot be expected to send confidential material to an exchange centre, which makes this material available to wholesales which are not prepared to send particulars of their own organisation in return. It is also evident that all data should be treated as strictly confidential and that no use of this information can be made in business transactions without the explicit consent of the co-operative partner or partners collaborating in this exchange of information.

Collaboration under this heading may cover amongst others:

- (a) exchange of prices, conditions of purchase and names of suppliers of imported goods;
- (b) interchange of recipes and particulars about production methods;
- (c) information on packaging methods, the exchange of designs, trade-marks and their joint use;
- (d) exchange of advertising and publicity material;
- (e) exchange of information on storage techniques and costs.

We are fully aware of the fact that there are more items which can be listed under this heading but as an illustration of the idea these may suffice.

The examples need little elaboration; in fact some of the projects the Rationalisation Committee has taken in hand prove the practical possibilities. The exchange of information on purchases of coffee, cocoa and dried fruit, organised by six Western-European wholesale societies* may be mentioned here. Since May, 1953, through the intermediary of the Swiss Co-operative Union and Wholesale (V.S.K.) these wholesales have exchanged prices, the names of suppliers and conditions of delivery and they feel that by this method they are better informed than they were before.

* Austrian, Belgian, French, German, Dutch and Swiss.

The Dutch Co-operative Wholesale Society, by courtesy of its Danish friends, sells toilet soap under a Danish brand name and design. More than once Swedish co-operative posters have been used in the publicity department of the Dutch Wholesale. Conversely, Dutch posters for the celebration of International Co-operative Day have been used in other countries. In the past this collaboration has been merely occasional. Why should not the national organisations, which favour such collaboration, develop it into a system and reap the fruits which seem so close at hand?

2. Meetings of Experts.

“Let's bring the experts together” is not a new idea, but it is obvious that a system of interchange of business data will only come to life if it is supported by those who have to work with the information. After what has already been said under C on the subject of meetings of experts, it is sufficient to add that a practical judgement on the problems behind the figures can in most cases only be given by experts.

Meetings of experts may be held for a variety of subjects. If the wholesales which are interested in the subject decide that their coffee experts should meet once a year, they may well benefit by it. Let them discuss their problems, let them get personally acquainted, let them find out whether there are possibilities for pooling interests. Flourmilling has already been mentioned. In this highly technical field the efficient use of equipment and a carefully balanced organisation determines the financial results to such an extent that the managers will undoubtedly benefit from a regular exchange of experience. The same holds true for the managers of our soap and margarine factories, for those in charge of our chocolate and confectionery works, etc. Our experts on transport certainly would like to discuss the changes brought about by the forktruck and pallets, by the detachable container, and by other innovations which are radically changing warehouse building, storage technique and distribution methods. Let them tell each other in order that we can all lower our costs of distribution.

We wish to acknowledge here that the Alliance has done considerable work in organising auxiliary meetings which coincide with meetings of the Central Committee and of Congress. Experts on co-operative publicity, on education and on film and display matters meet. Co-operative banking, housing and assurance receive regular attention, international meetings of workers' productive associations are held. But we have the strong feeling that much more can be achieved by actively exploiting all possibilities and once started . . . by keeping the pot boiling!

3. The Necessity of Joint Research.

Considering the rapid technical changes and the money private enterprise is spending on joint research, we may ask ourselves whether the Co-operative Movement is not lagging far behind in trying to find the necessary solutions.

The importance of research work for the future of the Movement should not be underestimated. Capitalist enterprise is constantly increasing its research budget for the improvement of existing consumer products as well as the development of new products. The Co-operative Movement is competing against these firms and combines. The latter build their laboratories,

divide the research work between them and there is an exchange of results on a considerable scale. Unilever recently built a magnificent laboratory near Rotterdam, which serves all its Western-European subsidiaries. The electric lamp world, the petroleum industry, the chemical concerns and soap manufacturers, all reap the fruits of combined research. The number of patents and patent agreements emphasises the importance of research. The annual average number of patents applied in the U.S.A. alone is more than 100,000. Frederik Neumeyer, a Swedish expert on the subject, states:

“ Technical problems are no longer solved by individual technicians, at their writing desks or in their private laboratories, but in the well planned laboratories and experimental stations of huge industrial concerns. Inventions are no longer made by chance. Mathematical equations and chemical formulae have taken the place of chance and uncharted spheres of knowledge are mapped out systematically. The inventor has become a private in an army, making an offensive against the unknown, and working in accordance with the military plans of the high command, of which he himself knows nothing or very little. When any results which can be patented are achieved, these are increasingly worked out by patent specialists who are familiar with the special procedure of obtaining the best possible patent protection and exploiting it in the way which is most profitable to the owner of the patent.”*

In view of these developments one may ask whether the initiative of our opponents has not meant a loss of turnover to the Co-operative Movement. The existence of the traditional co-operative production works is challenged, the driving power of private enterprise can force the Movement into the position of copying, at a disadvantage, existing production processes. In our opinion it is imperative for the Movement to develop initiatives on behalf of the consumer and this implies spending money on basic research.

To give an example: as far as we know the burning question of the development of synthetic soap products has not yet been solved by any of our National Co-operative Organisations. And in the meantime the laboratories of our soap factories, each for itself, tries to find its own way, irrespective of the results already attained by its colleagues abroad, duplicating one another's efforts.

Undoubtedly we have here an urgent matter of definite importance and we have failed to take joint action. It is not for Congress to decide in which way action should be taken, but what Congress should do is to realise the present state of affairs and to express itself clearly, and preferably unanimously, on the necessity of closer inter-co-operative collaboration. Again, we may then leave it to the experts to find the right solution for the technical problems involved. If their conclusion in the field of synthetic soap products would be that a joint laboratory is the most effective approach, the wholesales which are interested in such a development will have to furnish the means—financial and technical—to reach the objective.

4. Rationalisation of Distribution.

The exchange of methods and experiences in the distributive sector of the Movement's activities is an unlimited field for improving our joint efficiency

* Frederik Neumeyer: Anti-Trust Laws and Patent Rights in the United States.

and promoting closer collaboration between the national wholesales. After what has been said at the Copenhagen Congress on the subject of the rationalisation of commodity distribution, little elaboration is necessary. Mr. Albin Johansson stressed that "it is an imperative duty that a continuous and strenuous effort be made by the consumers' movement to bring down costs in all stages of distribution. The fruits of such methodical efforts by the Co-operative Movement so far as its own activity is concerned, would not only benefit the co-operative member in the form of lower prices, but would also cause private trade to concentrate upon increasing its efficiency in the important section of commodity distribution in the national economy."

The Rationalisation Committee has, since it was formed in 1951, held several meetings and taken in hand a number of studies. The Swedish proposal favoured concentrated and planned investigation by experts and in this connection we should acknowledge the useful report, prepared by the Sub-Committee on Cash and Cash Control. This Committee of three experts, of which only two were available in the end to compile the report, has given an excellent example of how to proceed in matters like these.

The Rationalisation Committee has not nearly exhausted the possibilities for methodical interchange of experience. On the contrary, every major discussion has pointed in the end to the urgent need for and possibility of international action.

5. Co-operative Employees: only the best will do!

The exchange of personnel for training purposes has also been dealt with before.

At the Copenhagen Congress Mr. Ch.-H. Barbier drew attention, too, to the recruitment of co-operative personnel and in the national co-operative journals the subject has repeatedly been discussed. From the personal contacts which meetings of the Alliance happily afford, the result has been, in more than a few cases, that co-operative employees travelled abroad to widen their specialist knowledge or their over-all experience of the Co-operative Movement. The English and Scottish Joint C.W.S. has often been host to continental trainees in the virtues of making a good cup of tea, the Swedes have never failed to receive students of co-operative enterprises in their organisation—often for considerable periods. The initiative of the U.S.A. in organising an International Co-operative Petroleum School should also be recalled and many more examples of collaboration in the training of employees could be added.

It remains true, however, to say that a systematic survey of the facilities which exist for the exchange of trainees is not yet available, nor has a pattern been worked out for all arrangements in connection with such visits. Such a survey would reveal that more use can be made of the possibilities for widening the experience of employees. It would, at the same time, create this mutual understanding so favourable to the development of closer collaboration between national Co-operative Movements in other ways.

Time, energy and money which have necessarily to be devoted to trainees should not trespass unnecessarily on the hospitality of the receiving wholesale, and some scheme which assures a certain reciprocal basis for these studies should be possible.

What has been incidental up till now will have to be systematically organised. Only proper organisation makes it possible to attain the best results from good ideas.

It would not be difficult to add to the suggestions for promoting closer collaboration many more examples. The exchange of experience on methods and results of market research will become increasingly important for the Co-operative Movement as a whole since advertising campaigns and ruthless consumer research make the consumer a victim of mass-psychologists paid to increase the profits of the entrepreneur. The Co-operative Movement should oppose this with plans of its own but thereby cannot avoid organising market research on a large scale. As this is a costly business and still largely in an experimental stage, why could it not prove to be useful to exchange experiences and pool resources?

The proper organisation of all these activities lead us to the third part of this paper: the task and position of the International Co-operative Alliance in this field.

E. The Alliance and the Promotion of Closer Collaboration.

Since its inception one of the major tasks of the I.C.A. has been to foster the collaboration of its affiliated National Co-operative Organisations. It has certainly done tremendously valuable work in this respect. Without tracing its history back to 1895, the Congress in Basle in 1921 enumerated a seventeen point programme* which left no doubt about the Alliance's task in the field we have been discussing in this paper.

If, at the outset, we give as our opinion that the promotion of practical collaboration, as outlined in this paper, should be organised by the Alliance, we shall have to consider the consequences involved. This task, in our opinion, does not always require the I.C.A. to be burdened with all the practical work in connection with this collaboration.

Those who feel inclined to point to the shortcomings of the I.C.A. with regard to practical objects, should bear in mind that co-operation is always a two-way business. And, may we ask, to what extent have the National Movements supported the Alliance in developing a practical working programme? How much time has been lost by fruitless and boring discussions in the realms of politics?

How refreshing and stimulating for the cause of co-operation it would be if the excellent atmosphere existing in Congress and in the organs of the I.C.A.—in and outside our meetings—resulted in much more extensive collaboration in the practical field, results about which we delegates would be proud to talk of to our people at home.

True, it may be stated that if the National Organisations have lacked in giving sufficient practical support to the Alliance this has not been compensated by an overdose of initiative on the part of the I.C.A., but who amongst us is there to throw the first stone?

If, as we hope, Congress will be in agreement with the principal ideas outlined in this paper, it will also adopt a Resolution and action will have to be taken on this Resolution. We suggested already that it should be left to

* Report of the Basle Congress and H. J. May: "The International Co-operative Alliance—Its History, Aims, Constitution and Government."

the Alliance to work out the details of its practical execution. This had been the principal reason why the rapporteur has confined himself to outlining the possibilities without framing them into a well defined and detailed programme of activity. Nevertheless, it may be useful to indicate provisionally how much may be expected to come from the officers and staff of the I.C.A. and where the activity of the affiliated Organisations comes in.

Considering the desirability of co-ordinating all activity in I.C.A.'s Head Office—even though not all activity will originate from Upper Grosvenor Street—this will probably mean that certain provisions will have to be made with regard to a staff-employee to be entrusted with the execution of the work. It is assumed that I.C.A.'s budget can carry these additional expenses.

The only reason why we mention this detail of organisation is to make it clearly understood that, generally speaking, no additional financial consequences arising from this activity should burden I.C.A.'s budget. If, whether on the initiative of the I.C.A. or not, further detailed subjects will be tackled for which special provisions are required, the expenses involved in such activity should be carried directly by the interested member Organisations which join in such a development. It should be left to the partners concerned to decide on which basis the expenses must be divided.

The I.C.A. is expected in the main to initiate collaboration. In many cases, however, the actual work to be done can be handed over to the Organisations involved, as in the case of the exchange of business data between six Western-European Wholesales previously mentioned. It is not even necessary in such a case that the actual material exchanged between partners will have to swell the archives of the I.C.A. The only requirement is that those who are charged by the Authorities of the Alliance to implement Congress decisions on this paper know what is going on, whether or not the system works satisfactorily and whether it may serve as an example to be put before another group of members for them to apply.

The same procedure may be followed for the regular meetings of experts. Once they have started the Director may withdraw, provided again that he is kept fully posted on the developments and results achieved, and that he will take proper action if, in his opinion, the agreed programme is not sufficiently followed up.

When we look at the whole matter from this angle the organisational problem certainly can be overcome. Thus two things can be attained:—

(a) A direct approach to practical collaboration which will not fail to have favourable results;

(b) ideas and projects are arranged round the Alliance which will give the Alliance more the status of the real and practical centre of World Co-operation.

Only if we are determined to make a success of active collaboration in the international field, only if we use every opportunity to develop the favourable climate in which joint co-operative action in its totality will flourish, will we succeed in realising our co-operative ideals.

No miracles can be wrought but by hard work; high aims do not come true by wishful thinking. We should persistently try and try again, systematically and where necessary in an experimental way, to put the co-operative idea in practice. Not only in view of the position held by our

international opponents, who in such obvious ways collaborate in the international field but primarily because of the origin and motives of our Co-operative Movement itself.

If the foregoing paragraphs contribute in a modest way to the attainment of this goal, we have every reason to be satisfied with the choice of International Co-operative Trade, Practical Collaboration and its Development by the Alliance as a subject for the Nineteenth Congress of the I.C.A.

This paper may appropriately conclude with these words of that eminent Co-operator, Dr. G. Fauquet:

“The future of Co-operation depends to a large extent on the joint and complementary efforts of both scientifically trained men and those with practical experience. It is a Movement characterised by action. Neither scholar nor expert, however, can adequately sing the praises of Co-operation. Technique is not all: faith must also be created, and with it a militant enthusiasm for the civilising values implicit in the Co-operative Movement.”

Resolution.

The Nineteenth Congress of the I.C.A.—considering:

1. That the world situation, from an economic, technical, social and political point of view, makes it imperative for the Co-operative Movement, Consumers' as well as Producers' Organisations, to apply its principles by more extensive collaboration in the international field between National Movements;

2. That international co-operative trade, especially in the form of agencies for joint purchasing, is of the greatest importance as part of this collaboration;

3. That real inter-co-operative trade not only between National Co-operative Organisations of Consumers, but also between Co-operative Organisations of Producers and of Consumers, can only develop after first creating the required favourable climate for it;

4. That various measures can foster this climate and are useful projects themselves, such as the exchange of business and technical data, meetings of experts in various fields, exchange of personnel for training purposes, joint research;

5. That these projects should, in particular, be executed by such groups of National Organisations only which have a real joint interest in the matter;

Decides:

I. To invite National Organisations to suggest to the I.C.A. projects for joint action as outlined above and/or to assist the I.C.A. to the best of their ability in executing I.C.A. initiatives in this realm;

II. To regard it as the task of the Alliance, as a centre of practical liaison between its member Organisations, to promote systematically, and with all possible means, a continuous development of these activities, in particular by:

(a) taking initiatives and taking over suggestions for initiatives offered by member Organisations;

(b) promoting the proper execution of those initiatives;

(c) to see to and, if necessary, give proper direction to the execution of projects by groups of member Organisations.

III. To charge a Sub-Committee of the Executive with the responsibility of preparing plans for giving effect to this resolution and, under the authority of the Executive to implement the plans adopted in collaboration with such individual experts and Organisations as may be appropriate.

Discussion on Mr. Roos's Paper.

Mr. J. Roos, Holland: You will certainly not expect me to take much of the time of Congress in introducing the paper which the Central Committee asked me to prepare, and which I have now the honour and privilege to submit. I am convinced of the fact that the ideas in the paper are disputable, and I am ready to accept criticism of all kinds. But I hope you will at least count it to my credit that I have tried not to conceal my opinions on a subject which, for a long time, has aroused my deep interest, and that where my conclusions were negative I have not hesitated to say so. It is obvious that in a co-operative meeting it is easier to arouse approval for a high-minded theory which appeals to our idealism, even if it is not firmly based on facts, than by an open display of our inability to do constructive work in the field covered by such a theory. If this inclination to avoid any misunderstanding has led to too blunt a way of stating facts and describing circumstances, I ask Congress to accept my apologies, and my assurance that I have certainly not had the intention of expressing myself in an unfriendly way to any co-operator anywhere in the world. However, as the introductory part of the paper shows, we have been beating about the bush for such a long time that I am convinced that only by coming down to the naked facts can we identify ourselves with the actual situation and consider what steps can and should be taken.

To those who have been looking forward to this paper because they expected from it a ready-made solution which would lead to a rapid and intensive development of inter-co-operative trade, the outcome must be utterly disappointing, and they may even have the impression that I have done my painstaking work in order to prove that such a development in the trading sector is not possible, rather than by trying to find a combination of positive facts and circumstances which could serve the goal of international co-operative trade. Such an impression, however, would be utterly wrong. If indeed I have come to the conclusion that the present situation does not warrant laying before Congress a definite programme for the systematic development of trading relations in the near future, that conclusion is based on the facts which I have set out, but it should, however, be seen in connection with the considerations put forward earlier in the same section of the paper.

This brings me to the central theme of the paper. All our endeavours to come to closer collaboration in commercial as well as in other fields will fail if we do not succeed in creating first of all the appropriate climate for such collaboration. I have tried to make an analysis indicating in which spheres, in my opinion, the I.C.A. should try to foster the necessary interest among the member Organisations in order to reach a stage where some further action can be taken. I should like to emphasise that amongst the specific objects I have mentioned there is not a single one which needs an elaborate organisation, or for which it would be necessary to start intensive propaganda in order to make it acceptable to our members. If there is one thing which has intrigued me when preparing this paper it is that I did not find any ideal project which could not be regarded as self-evident and matter of fact. The only question is whether we can bring ourselves to see the problems and whether we are convinced of the necessity to solve them. I sincerely hope

the discussion in this Congress will make it possible to lay the foundation for their solution.

Mr. G. Dahrendorf, Germany: I move the adoption of the resolution appended to the paper. The responsibility for this resolution rests with the Executive, who have asked me to say a few words about it. It seems to me that my remarks can be confined to paragraph 5 and the final paragraph III. In paragraph 5 it is stated that the projects set out in paragraphs 1 to 4 should be undertaken only by groups of National Organisations which have a real joint interest in the problem. What we want is practical co-operation, and in the opinion of the Executive this presupposes the participation only of Organisations which have a practical interest.

The final paragraph proposes to charge a Sub-Committee of the Executive with the responsibility of preparing plans for giving effect to the resolution and, under the authority of the Executive, to implement the plans adopted in collaboration with such individual experts and Organisations as may be appropriate. We want to make it absolutely clear that this part of the resolution does not mean that the Executive, or the Sub-Committee to be appointed by it, will immediately deal with the practical work involved. The Executive neither want to do so nor can do so. There is no doubt, however, that the steps contemplated must be sponsored. This paragraph really sets forth the task of the Executive and of its Sub-Committee in the sense that they are to act with the practical co-operation of the large Wholesale Societies and other economic organisations of the Co-operative Movement which may be interested.

It will be the task of the Sub-Committee, as soon as possible, to call a Conference of interested Wholesale Organisations and this Conference will consider the steps necessary for giving effect to the resolution. Members of the Trading Sub-Committee of the Rationalisation Committee will also take part in the Conference.

We are all agreed, I think, that we must find a basis for this work which will yield practical results and I hope we are also agreed that this is not a question which can be discussed in big meetings. What we want is practical work in the sense of this resolution. The task will fall chiefly on the Wholesale Societies, and the primary task of the Executive is to give the impetus for a new start.

The programme for the work is set out so clearly in the resolution that I need not go into details on single points. The Executive and the Central Committee feel, as I hope Congress will feel, that the time has come to do something in the field of practical co-operation and to achieve practical results. I hope this Congress will lead the way to practical achievement by unanimously adopting this resolution.

The President: I now ask Mr. Tanaka to move the proposition on the Paper of Mr. Roos sent in by the Japanese Union of Consumers' Societies.

Proposition of Nippon Seikatsu Kyodokumiari Rengokai, Japan.

We believe that free, reciprocal, and equal trade between the different countries in the world is the best guarantee for lasting world peace.

Although we believe that recently the conditions for such trade have been improving, the Japanese people are suffering from the high prices of necessary commodities, as the unequal and one-side trade is very much controlled, especially in such imported commodities as rice, wheat, sugar, etc.

We, therefore, seriously feel the necessity for the opening up of free, reciprocal, and equal trade relations, through co-operative trade, to solve the present miserable conditions.

We fully agree with the proposal to establish an official organ for promoting international co-operative trade.

We propose that the international Co-operative Alliance should appeal internationally and make every possible effort for the abolition of commercial treaties and negotiations between nations which permit control by international monopolies and hinder the raising and equalisation of the living standard in many countries.

Mr. S. Tanaka: The Japanese people, a population of 87 million in a small island, cannot exist without foreign trade, but the foreign trade of Japan is hindered for many political reasons. We wish to improve this position in the spirit, and by the method, of co-operation. The spirit of mutual aid is essential. We believe that free, reciprocal and equal trade between the different countries of the world is the best guarantee for lasting peace.

Although, recently, the conditions for foreign trade have been improving, the Japanese people are suffering from the high prices of necessary commodities, as our unequal and one-sided trade is very much controlled, especially in such imported commodities as rice, wheat and sugar. We, therefore, seriously feel the necessity for the opening up of free, reciprocal and equal trade relations though co-operative trade to end the present miserable conditions, and we fully agree with the proposal to establish an official organ for promoting international co-operative trade.

We propose that the International Co-operative Alliance should appeal internationally and make every possible effort for the abolition of commercial treaties and negotiations between nations which permit control by international monopolies and hinder the raising and equalising of the living standard in many countries. We hope that Mr. Roos's proposals which we approve, will be found valuable in these respects.

Mr. D. Carlson, U.S.A.: As a member of the U.S.A. delegation I should like first to compliment Mr. Roos on the excellence of his presentation and to endorse his resolution. Secondly, I should like to comment briefly on two specific points in his paper and to say something about the activities of the Co-operative League of the U.S.A. in these areas.

My first point concerns the central theme of co-operation to which Mr. Roos refers on the second page of his paper where he says: "A healthy local Co-operative Society is not only one whose members buy all their groceries

from it; rather is it the sum total of a conscious, loyal membership, good service, fair prices, able management, and many more factors." He sums it up in an excellent sentence—"it is this sum total which accounts for the strength and development of the Co-operative Movement in a country." In the light of this, we made a realistic appraisal of the needs of our Co-operatives in the U.S.A., which revealed the necessity to improve the management practices in many organisations, local, wholesale and regional, in consumer and producer goods. How are we to make our Co-operatives more effective? We found that the first great need was to improve our top management. It is our view that modern management is a profession over and above, and different from, the technical fields of manufacture, distribution and so on; and the Co-operative League has, therefore, sponsored a management programme for Co-operatives throughout the U.S.A. An executive development programme has also been sponsored by the League as part of which it conducts an annual seminar for co-operative managers at top level. The course lasts a week and is devoted to overall top management as these skills have been developed in the U.S.A. in recent years, dealing with organisation, direction, co-ordination, control and so on, apart from subject-matter areas. Outside authorities in the field of management lead these discussions and point out the latest developments in our country and in the world. This year, as an additional service to the members of the League, the establishment of management consulting services has made available to our member Organisations professional and consulting services as required to meet their needs and problems. These principles of modern management apply equally to producer and consumer goods, to production, distribution and all areas of co-operative activity.

We believe that the success or failure of any Organisation, local, regional, or national, varies according to the effectiveness of its top management staff, the "know-how" and the skill of top management in planning, direction, co-ordination and control. We start from the viewpoint of objectives, clear-cut policies and a sound organisation structure with which to achieve the objectives. We should like to suggest, therefore, that in considering the subject of collaboration in Mr. Roos's paper, emphasis should be placed upon the exchange of management information and management "know-how" as well as in the technical fields mentioned, and that in the proposed meetings of experts consideration be given to placing emphasis first on meetings of top management and key personnel, and secondly on meetings of technical people in the subject-matter fields. We hope that Co-operatives everywhere will show the same concern for the improvement of management as is being shown to-day in various industries which sponsor such organisations as the American Management Association and International Management Congress.

Mr. M. Etholm, Denmark: There is every reason to thank Mr. Roos for his paper, and his examination of the possibilities of setting up a Joint Purchasing Agency for European Co-operative Wholesale Societies has greatly interested us in Nordisk Andelsforbund, the Scandinavian C.W.S., because we have to a certain extent gathered some experience in this special field. It is true that the development of N.A.F. throughout the 36 years of its existence has profited by some community of factors of some importance for our collaboration, but I feel that this can be exaggerated. In the early

years its activities were modest, and the figures show a total annual turnover of 10 to 15 million crowns. To-day the figure has risen to 30 million crowns.

The extent of the activities of a Joint Purchasing Agency depends, first of all, on the economic advantages which can be offered to the participants. Secondly, the success of such an undertaking can be assured only if it is handled by sincerely and actively interested Organisations. Lastly, but not least, the practical men in charge of the daily buying must be of a moral stature and standing which will lead them to carry out their work on the right lines. The management and the buyers must be men who are able to think internationally. That is just the job for the Co-operative Movement. In my opinion it should be possible for a limited group straight away to start an agency for pooling purchases of coffee and dried fruits, which are two big items for consumers.

I say these few words in the hope of encouraging all those concerned to make a special effort and not delay any more, but to follow up what has been done for the purpose of carrying out these intentions under the auspices of the I.C.A. for the benefit of consumers in the countries interested. I am authorised by my Board to assure you that if N.A.F. is able to be of any help in your endeavours to bring about such a special type of Co-operative Organisation we shall be very happy to do anything we can.

Dr. Y. Guelfat, Israel: Those who have read this remarkable paper, and especially the historical survey which it contains, will see that at the next International Co-operative Congress fifty years will have elapsed since the Congress at Cremona which urged the establishment of effective international collaboration. We all know well that in that period we have had two world wars, which have been disastrous on an apocalyptic scale but it seems to me, and I am sure you will all agree, that fifty years is a long time to take in launching an enterprise which is perhaps the most urgent and interesting of our activities. Because of this, I wish to say to Mr. Roos that, while accepting his resolution, it seems to me to be somewhat restrictive in scope, and I think that the final paragraph needs the addition of four words. It reads, "To charge a Sub-Committee of the Executive with the responsibility of preparing plans," here, I think, we should add "as soon as possible." I hope Mr. Roos will think this proposal appropriate.

Mr. W. B. Melvin, Canada: I do not come here to speak as one skilled in the commercial aspects of co-operative endeavour; that is not the field in which I particularly work. I feel, however, that I must make it known that the Canadian Co-operative Movement is very greatly interested in this problem and in the discussion on Mr. Roos's paper. I had the opportunity of visiting the commercial people in our Movement recently and of discussing with them the question of international co-operative trade, and in every instance I discovered keen interest. In all their policy statements they put high on the list the desire to work and to trade with Co-operatives in other countries. I speak with confidence, therefore, when I say that we have a very deep interest in this important subject.

I feel that Mr. Roos has rendered a great service in preparing his paper, in bringing some of the thinking on this problem down from a rather phoney

area and putting our feet more firmly on the ground. He has examined the past and has looked into the possibilities, and is helping us to find the road on which we wish to travel.

It seems to me there is an inescapable and obvious paradox in the fact that any organisation such as the Co-operative Movement which seeks to achieve philosophic ends must often do so by very practical and down-to-earth means. I feel that this is one of the cases where we shall move forward to achieve our more philosophic ends by trading and working together on very practical terms in every-day surroundings.

Mr. S. F. Malikov, U.S.S.R.: I join with previous speakers in thanking Mr. Roos for his well-documented paper. The way in which it has been prepared is a great contribution to the development of international co-operative trade, and will be of great help to our National Organisations in the practical implementation of the suggestions which have been made. So far as the Soviet delegation is concerned, it will be remembered that in 1953, at the Central Committee meeting in Cannes, we stated the clear and definite aim of Centrosoyus by saying we are ready to trade with all National Co-operative Organisations, irrespective of political régime and other limitations.

It seems that no disagreement exists as regards international trade, or the principles upon which it is to be conducted. What is stated in the paper is very good, and if all National Co-operative Organisations, with the help of the I.C.A., will take practical steps to implement the creation of an International Trading Agency much can be done. We support the resolution moved by Mr. Dahrendorf, because we consider that it contains the main provisions which will be useful to the Central Committee and other bodies in developing international co-operative trade. We think it right to say in the resolution that the work must be planned by a Sub-Committee of the Executive, and not entrusted to a Sub-Committee of the Rationalisation Committee. The Sub-Committee must make proposals as soon as possible for examination by the Executive and Central Committee. International co-operative trade must be on a large scale, aimed at the improvement of the economic conditions of our National Organisations and as a means of raising the standard of living of co-operators.

Mr. J. Papart, Belgium: Mr. Roos has been too modest in the presentation of his paper, which should satisfy and impress everyone. The Belgian delegation, with all its modest strength, approves his conclusions. Our small country may be thought, perhaps, to have small ideas—but, in fact, it has always been very much in favour of international co-operative trade, while being a country which by long tradition has always sought, by every means, to further internationalism. I therefore feel that I am entitled to offer our congratulations to Mr. Roos.

He has not tried to set up an imaginary monument against an azure sky, but he has a constructive idea and if he seeks to build a monument he does so stone by stone. In referring to what is done in the Scandinavian countries, I am sorry Mr. Roos did not think of referring to Benelux, where regional

arrangements might be developed between the Co-operative Movements. He expresses some doubts in his paper, for example, he suggests that it may be impossible to create an interest for joint production in different countries. In my view, it should be possible to have a gentleman's agreement which would help production agreements in the Benelux countries. While I admire his constructive concept when he says: "Those who wish to learn swimming start in a swimming pool not by crossing the Channel." I would say: "Let us try to swim together in the Benelux swimming bath."

Lord Williams, Great Britain: I should like to associate myself with previous speakers in expressing to Mr. Roos very warm appreciation of his paper. He and I have been associated on the Rationalisation Committee set up by the last Congress, and I should like, on behalf of its Sub-Committees on which I have served, to pay tribute to him for many valuable contributions, none of which, however, in my opinion, has exceeded in value the paper he has brought before Congress. If the survey he has made of the failures of previous efforts will assist us to avoid such failures in the future, then he will have made a magnificent contribution towards dealing with this problem of inter-co-operative trade.

This question of inter-co-operative trading cannot be isolated from trading between Wholesales and, if I may offer one slight criticism of the paper, it is that Mr. Roos has not dealt sufficiently with inter-co-operative trading between the Consumers' Movement and the co-operative producers of the various countries. It is unfortunate, perhaps, that the paper was written a fairly long time ago, as there have been changes which have affected the position of individual countries to no small degree since it was written. In my own country, for example, we have had a period of derationing and freedom to purchase in the open market, and I think that Mr. Roos, also our friends from Denmark, will be interested to know that both the British Wholesales have established direct contact with the Danish co-operative egg producers, and eggs are now passing through co-operative channels from Denmark to the ultimate consumer.

The same conditions apply to Australia and New Zealand, where a deliberate attempt has been made by the National Wholesales to get direct contact with co-operative producers. Also within the past few weeks we have had an opportunity of discussing with our friends from the U.S.A. the possibilities of the British Wholesale Societies getting into closer contact with the co-operative producers of the U.S.A. Our Canadian friend who has just spoken may be interested to know that both British Wholesales have also tried, and are continuing the attempt, to establish a close relationship with the Canadian co-operative fishermen. Our friends from Israel know that the British Wholesales have a very direct contact with the Co-operative Organisations of their country. We are also in very close association with Sweden. If I may offer a small suggestion to Mr. Roos, it is that he need not be quite so pessimistic about the possibilities of inter-co-operative trade as he appears to be from some of the things which are said in his paper.

I should like to lay down as the first pre-requisite for international trade, that there must be closer collaboration and contacts between representatives of the Wholesale Societies themselves. The second is that there should be

good will amongst those representatives. I will venture the opinion, which can be confirmed, that never before in the history of the Wholesales of the various countries have there been more frequent contacts and greater good will than at the present time. If that be so, then, if the possibilities are there for international trade, it should be fairly easy to accomplish.

Mr. Dahrendorf has cleared up some of the difficulties which the British delegation had in mind concerning the resolution, but I should like a further clarification about the final paragraph, which speaks of setting up a Sub-Committee of the Executive. In my opinion, if the work of trying to conduct international trade on a co-operative basis is to be in the hands of a Sub-Committee of the Executive, and if that Sub-Committee is to be responsible for planning and for executing the plan, it is doomed to failure. Unless the work is thrown on to the National Wholesales success will not follow. I hope that paragraph will be clarified, and I sincerely trust that when next we meet in an International Congress we shall have made great strides forward in the field of international co-operative trade.

Mr. J. W. Koski, U.S.A.: We delegates of the U.S.A. feel that the subject of international co-operative trade and practical collaboration between National Co-operatives has been excellently presented by Mr. Roos, and that we are getting down to really practical international co-operative development. We are keenly aware of the fact that the importance of international co-operative trade has been discussed and agreed upon in a general way for some time, and we agree that any trade between National Co-operatives must be on a sound, business-like and competitive basis; further, that it is highly desirable that we should move from the talking stage to determining what practical steps, if any, can be taken to develop trading.

In the first place, we need to determine the following basic facts: What are the specific commodities which each member of the I.C.A. desires to export; what are the specific items which each would wish to import; in what quantities; what are the competitive prices which each of us must meet internationally; what are the customs and tariff barriers; how can we influence our own Governments to establish more sensible, practical and mutually beneficial international trading regulations; what are the international currency exchange problems; what can be done to solve these problems, such as, for example, the dollar shortage? These are some of the specific things which must be decided to give tangible and practical expression to the basic idea of international co-operative trade. We believe the I.C.A. will start realising its full potential as a World Co-operative Organisation when it has actually facilitated the development of trading relationships between its member Organisations, and the American delegation foresee this possibility as international co-operation at its very best.

Although Agricultural Co-operatives in the U.S.A. are larger than Consumers' Co-operatives, we are convinced that our Consumers' Co-operatives are now on the march. Already we have many and successful co-operative super-markets and shopping centres. On the East Coast a retail co-operative stores is now in process of building its third co-operative shop, and its goal is an annual volume of consumer trade of 30 million dollars. On the West Coast we have several modern co-operative shopping centres, and

another co-operative super-market is being built with 30,000 square feet of floor space and 120,000 square feet of parking space. One of our 21 Co-operative Wholesales which distributes primarily consumer goods is modernising its distribution programme and setting up co-operative super-markets. We think that we are going forward very well in the face of terrific competition, and our objective is to get at least 15 per cent of retail trade.

The Co-operative League has launched a national programme of technical assistance in developing, with its member Co-operatives, a national uniform and distinctively co-operative super-market and shopping centre. Instead of inviting you to study our private national chain stores and super-markets, we hope in the near future to be in a position to introduce to you American co-operative super-markets. I want to bring this trend to your notice because many of you have been forced to export through private organisations because the American Co-operatives were too small. We believe that we are now on the way towards building co-operatives equal to the task of safeguarding the future economic freedom of our people; we also hope that we shall become a more effective member of the I.C.A., and shall be able, mutually, to lay a sound foundation for lasting peace for all peoples.

Dr. H. Küng, Switzerland: I should like to congratulate Mr. Roos on his paper and his assessment of the task before us. We have the impression that his paper is based on solid facts, although on the possibilities of practical achievement on the lines suggested we may have different views. When we consider the matter from an idealistic point of view, projects to speed up and enlarge international co-operative trade should certainly be unreservedly approved, although so far in this field, despite numerous attempts, little has been achieved. It has been argued that there are great practical difficulties which impede any real achievement; that there has been a lack of consistent action; that there has not been sufficient idealism; that perhaps we need better co-operation on the part of the major Co-operative Organisations throughout the world. I think that the main cause of the stagnation lies in the fact that everyone judges the question from his own point of view, that the National Co-operative Organisations wish to be independent, and that their requirements differ. These factors may continue to make themselves felt in the future, and it must be admitted that they have been justified to some extent. The major Consumers' Co-operatives in the different countries must purchase according to their national structure and their needs, and, therefore, we must guard against setting up organisations for international purchasing which do not meet the desires of the participants. I think that if, for example, Germany, France, Switzerland and Italy joined together better results might be achieved.

It should not be overlooked, however, that perhaps some of the individual Co-operatives are too large and, therefore, too impersonal. We must all be aware sometimes of this danger. I have, therefore, come to the view that instead of even greater concentration we should in future, perhaps, tend towards a more individualistic treatment of purchasing problems within the framework of large and well-organised purchasing organisations rather than constantly attempt greater concentration and centralisation, leading to organisations which are too large and unwieldy. I believe that, in this respect, we have a great deal to learn from our competitors.

International economic trading problems are difficult, and it is natural that Co-operatives should concentrate on their national needs. While we agree with the large conceptions which have been put forward, we feel that careful consideration must be given to the whole problem before going any further.

Mr. G. Cerreti, Lega Nazionale delle Cooperative, Italy: It is natural that the Lega Nazionale should wish to make its contribution to this discussion. We are always willing to learn from our British, Belgian, Swedish, French, Dutch and other friends, who have shown us the right road to follow in co-operative matters, and we feel very honoured to take part with them in this discussion in order to say two things. In the first place, Mr. Roos, after having drawn intelligent and useful conclusions from the experience of the past, has shown the way by his analysis for more constructive work in the Alliance, and it is evident that, with good will, we can achieve great things and avoid the mistakes of the past. In my opinion, however, it is a question of contact between the representatives of the Wholesales of the different countries, and of practical efforts in place of the words with which we have been content up to now.

We must be conscious of the limits to the possibilities of our action, but at the same time there are immense possibilities of exchange between different countries, so that we can endeavour to create a new and unique world market for our products. That is why I believe that, as co-operators and as Directors of Co-operative Organisations, we have the duty to sit round a table and make more precise the possibilities of exchange between the Co-operative Organisations of the West and the East. We must examine the new possibilities which are opened up to us by Centrosoyus. There are virgin fields to be exploited, and it seems to me it would be useful to have a meeting between the representatives of the Wholesale Societies of Western Europe and those of the Co-operative Organisations of the East, to see what concrete possibilities exist and how we can make use of them. It is in that spirit and for that reason that I have spoken, because I think we must try to create the preliminary conditions for an exchange between the Wholesale Societies of all the countries which form part of the Alliance. Something can be done by regional groups, perhaps commencing with Benelux, where results have already been obtained, also by having regard to the work of our British friends, who have relations with all countries. In the end we may be able to realise exchanges of products to an extent of which we have at present only a faint idea.

Mr. S. Apelqvist, Sweden: In his many-sided, and in some respects very complete, survey of international co-operative endeavour in the commercial field during the last few decades, Mr. Roos mentions only incidentally, and in passing, the work of the Co-operative Assurance Societies. It is perhaps understandable that assurance activities should be given this modest place when such a very large subject is discussed, but, as the most successful international co-operative commercial contacts are those which take place in the field of assurance, it is not out of place to add to the excellent survey of Mr. Roos a few words on the Co-operative Assurance Movement and international collaboration within this field.

At present more than thirty Co-operative Assurance Societies in about twenty countries within and outside Europe are actively taking part in the work of the International Co-operative Assurance Committee. Several of these Societies are of large size and great importance, and they exercise a great influence in the assurance field of their countries. At a very early stage in the life of the International Committee the idea was brought forward of closer commercial collaboration between the Assurance Societies. It was first thought that a special International Co-operative Assurance Society should be founded, with the National Societies as partners, and that such a jointly-owned international undertaking would solve all the re-assurance problems of the individual Societies. For various reasons this idea was not realised; instead, there was set up a system of re-assurance through direct individual contacts between the National Assurance Societies.

These re-assurance relations have attained great proportions and have gained in importance as the years have passed. When the I.C.A. held its first Congress after the second world war, at Zurich in 1946, a new International Co-operative Assurance Executive was appointed, and this Executive regarded it as one of its tasks to advance the whole idea of closer international collaboration in re-assurance. At a meeting in 1948, an expert committee was appointed to investigate the possibilities of a collective re-assurance system and the Executive were authorised to start such activity if found desirable. At a Conference in Stockholm in June, 1949, the Executive decided not to form a special International Co-operative Re-assurance Society at that time, but to constitute an International Co-operative Re-assurance Bureau, at least as a preparatory experiment.

As you can read in the Report of the Central Committee, the International Re-assurance Bureau has so far had a promising development and, through its intermediary, re-assurance connections have been established or widened between Co-operative Assurance Societies all over the world. Even if it is unlikely that the Re-assurance Bureau or the National Co-operative Assurance Societies can cover all the needs of re-assurance, the development in this field has contributed to increasing the strength and independence of co-operative assurance. I am decidedly of opinion that this international and practical collaboration between Co-operative Assurance Societies is a logical and necessary complement to international collaboration of other forms in the commercial field with which Mr. Roos's paper principally deals.

Mr. A. Korp, Austria: On behalf of the Austrian delegation, I should also like to thank Mr. Roos for his excellent paper which is outstanding by its clarity of thought, by the number of practical propositions which it contains, as well as for its abandonment of any illusions. I should like to say a few words about the practical situation in which we now find ourselves, and in doing so I wish to use some imagery, as Mr. Roos does in his paper, because in that way I hope to make what I am saying rather easier to follow. Mr. Roos says that those who wish to learn to swim start in a swimming pool, not by crossing the Channel. I fully agree, but I believe that, after the good theoretical foundation which we have laid and with the experience which we have behind us, we may be capable of doing a few strokes by ourselves without any help. There are generally spectators at a swimming bath, and among them may be some who do not swim because their doctors have forbidden them. The pleasure of those non-swimmers is usually greatest when artificial

waves are created, and the swimmers who are not competent have to contend with them. Probably there is no need for me to go into details about what I mean by artificial waves in the swimming bath. I must admit that our Russian friend, Mr. Malikov, put things very moderately, but another friend, in accordance with his southern temperament, has put them rather differently. By non-swimmers I mean those who have not, on their own account, the right to venture upon import and export business. I realise that there are quite a number of Co-operatives which are prepared to undertake trading without any undue illusions about achieving a great deal of practical work, but, whoever undertakes the responsibility for this trading—whether it be a Subcommittee of the Executive, as proposed in this resolution, or not—the main duty will be to ensure that above the swimming bath there is a springboard and a notice saying, "Beware! The waves are not in action at the moment."

Mr. Albin Johansson, Sweden: Some may believe that we can have an International Wholesale Organisation. I believed that in 1918, but now I am quite certain that it is quite impossible. If we are to achieve our aim we must organise ourselves as a revolutionary party. It will be essential for the Americans to ensure that customs barriers are lowered. We shall have to bring about a revolution in order to force the Governments of Roumania, of Soviet Russia and so on, to co-operate with the rest of the world. As our Swiss colleague has suggested, an international organisation may be too rigid, and we may need something else. Lord Williams, with whom I am in agreement, suggests that the Wholesale Organisations must take these questions into their own hands. We should force the Governments to follow us. In countries which are democratic the Governments are still, I think, the servants of the population, and we should be able to tell them that we want to open the frontiers wide for the free exchange of goods and currency.

That is the object which we seek to attain, but how we are to attain it is another story. We may be compelled in all countries to carry out revolutions in order to secure freedom from customs barriers. If we do that we shall also secure peace, in which case we need no longer fear war or any other evil, but can co-operate together and reach a high standard of living such as the Americans already have, and such as the Russians hope to achieve for themselves.

Mr. C. Mateesco, Roumania: The presentation and discussion of the paper of Mr. Roos, with the suggestions for practical collaboration between National Co-operative Organisations and its stimulation by the I.C.A., are of great interest and constitute a practical policy which should contribute to the development of national co-operatives and their economic activity.

Although certain results have been obtained by the I.C.A. in the promotion of inter-co-operative trade, this development, for numerous reasons, has so far been extremely modest, and has by no means come up to expectations. Mr. Roos mentions a series of difficulties which seem to stand in the way of such development. One of the main difficulties of the Alliance has been the promotion of friendly relations between Co-operative Movements at international level. Practice shows that there are numerous possibilities for such relations, but they can only be realised if suitably handled in the interests of the International Co-operative Movement. The Scandinavian Agency is

achieving good results. There are other possibilities of the same kind, and this should encourage us to take action at international level in order to improve relations between the National Movements.

Mr. Roos's paper contains a number of considerations concerning practical collaboration between Co-operative Organisations. In this connection it may be of interest to say that Centrocoop has entered into arrangements with Co-operative Organisations of Czechoslovakia, the German Democratic Republic and Hungary, on the basis of which it has exported large quantities of products, and imported in exchange industrial consumer goods. The co-operators in our country are anxious to have commercial agreements, on the basis of reciprocal benefits, with other Co-operative Organisations. Our delegation is in favour of the resolution.

Mr. P. Sjøiland, Norway: On behalf of the Norwegian delegation, I wish to thank Mr. Roos for his very useful paper. As Mr. Dahrendorf said this morning, the question of inter-co-operative trade is fundamental for the future work of the I.C.A. It is a great pity that after so many years of co-operative struggle we must still talk about the future on this question. It is true, of course, that we have barriers between our countries, that we have different political systems and currency problems, but look at what is being done by private capitalist enterprises! They are in many respects in the same position, but they are always able to find means of close collaboration. Co-operative Organisations must now try to find ways of collaborating internationally in trade in conformity with the Rochdale Principles. The Norwegian delegation, therefore, hope that this discussion will lead to practical results in establishing the necessary organs in which the people concerned will have the opportunity to meet and decide what to do.

In this connection I want to draw attention to the Auxiliary Committee on Co-operative Assurance. To a great extent the good work which is done by this Committee is due to the fact that only people who are handling assurance business are members of the Committee. It may be necessary for Boards of Directors in many Organisations to instruct their managers to trade with Co-operative Organisations abroad if prices and other terms of trade are satisfactory. I am sure there is much good will to do this in other countries, just as there is in my own, but it is necessary at the same time to have the fullest information on the possibilities of this international co-operative trade.

The resolution before us cannot mean, I think, that the Executive Sub-Committee which is proposed should act and plan in trade matters. The meaning must be that this new body shall call into conference those people from the Wholesale Societies who are responsible for the business which is being done and get them to discover the best ways of achieving close collaboration.

Mr. E. Rohde, U.S.A.: Already several speakers from the U.S. delegation have supported this paper. My object in speaking is to draw attention to one item which I regard as of the utmost importance and which I hope will not be overlooked by any Committee which is set up to deal with this matter. I refer to the end of the first paragraph on page 152 where it is stated that the Movement cannot avoid organising market research on a large scale.

On the previous page a good deal of space is given to the problems of product research, and it is pointed out that it is necessary for Co-operatives to engage in product research in order to keep pace with their competitors. I feel that it is important to recognise that co-operators are undergoing rather a rapid change in their preferences for commodities, and Co-operative Organisations themselves need to conduct the type of research which we call market research, to enable them to keep in touch with these changing needs of their members. We have done some of that work in co-operative circles, but we have noticed that one of our large industries was "caught asleep at the switch," as we say, in that it did not recognise this change in public taste, and had rather belatedly to spend huge sums of money to make changes in its product and method of distribution to cater for it.

On page 150 the last sentence in the third paragraph reads: "In our opinion it is imperative for the Movement to develop initiatives on behalf of the consumer and this implies spending money on basic research." I should like to say there "spending money on basic market and product research," so that we bring both of these into the picture, then it becomes quite obvious that international action is involved in the development of techniques and methods for market research in exactly the same way as is indicated for product research. We who come from the U.S.A. would be glad to participate in this type of activity in every possible way.

Mr. H. Meins, Germany: On behalf of the German delegation, I should like to say that when this question was dealt with in the Central Committee we expressed our sympathy with Mr. Roos's ideas, and we wish emphatically to repeat this here. We know very well that the needs of individual Wholesale Societies and Co-operative Movements may be different, because their conditions differ. Our own Organisation is very active, but, despite a great deal of progress in the last few years, the need for co-operation is greater than ever and much greater, for example, than in Britain. From that point of view, alone, it is understandable that we should support the idea of inter-co-operation.

We know very well that in the past such co-operation has involved many difficulties. Mr. Roos has referred to the recent exchange of experience and information between Western European Wholesale Societies. Although this was limited to definite fields, we found difficulties which have not yet been overcome; nevertheless, I think that all the Wholesale Societies which took part probably found that it was to their advantage not merely to come together themselves but also to bring their experts together for definite tasks. It is quite obvious that there has not been sufficient contact between the experts of the different Organisations, as Mr. Roos said. When they met they soon came to an understanding, and that has led to friendly relations of advantage to us all.

This resolution means a first effort towards greater co-operation, but Mr. Roos has not suggested anything which is not immediately attainable. Our Scandinavian friends have obtained good results in their inter-co-operative relations, and these first contacts of Wholesale Societies and their experts may lead to practical results such as are found in Scandinavia.

I have recently discovered that the Scandinavian Wholesale Societies have entered into an exchange of experience and views in technical fields, which greatly facilitated matters for consumers' and other co-operatives. I wonder why this cannot be extended. Why should we not all in this field, the importance of which was pointed out yesterday, co-operate in such a way that the knowledge of each may be accessible to all? We should also set up a research laboratory for fundamental research. It may be that the Co-operative Organisations alone will not be sufficient for this purpose and that other concerns may have to take a share in the work, but a beginning should be made. It is clear from conversations which I have had with friends from Sweden and Norway that their experts, if they work to a definite plan, can produce results which might be useful in a wider field. We should try to do this without illusions, but with perseverance. Even partial results may be a help towards achieving the goal set before us by Mr. Roos.

Mr. G. Gausel, France: I intervene in this discussion with some diffidence, because I am not quite prepared wholly to associate myself with the congratulations offered to Mr. Roos, since I have certain clarifications to ask for on behalf of the French delegation, in the hope that we may be able to vote for the resolution. There are some excellent things in Mr. Roos's paper, and he has shown great courage in explaining the reasons for which previous attempts in this field did not have the results which were expected of them. But, following a very lucid study of what has happened in the past, we are disquieted by the resolution, which will soon be put to the vote, and wish to know its exact meaning. We believe that we see in it the same causes of difficulty and the same source of obstacles which, in the past, have led to so many setbacks.

What we are afraid of is to leave to the I.C.A., as this text seems to suggest, the duty of taking the initiative in securing concerted action by the different Wholesales. This may mean that we shall lose more time, and by having to wait for decisions of the Executive Sub-committee we shall hold up action which, in our view, should not be delayed.

We therefore wish to put to Mr. Roos the following question: If in the immediate future a certain number of National Organisations go outside this resolution, as I have just interpreted it, and effectively bring into practice, on a regional basis, the excellent ideas which are contained in this paper, will those who act in this way be excommunicated? If we can hope, on the other hand, that this resolution does not mean that we must wait before beginning some concerted action on a regional plane, the French delegation will be delighted to vote for it.

Mr. J. Podlipny, Czechoslovakia: I should like to emphasise that the international importance of a Co-operative Organisation such as the I.C.A. must become if, in addition to its organisational activity, it promotes the development of economic relations between National Organisations, particularly trade relations. It is necessary to see in the development of international co-operative trade a factor which may be used for the establishment of favourable conditions for the further growth of the Co-operative Movement, for the economic strengthening of Co-operative Organisations, and for securing their independence from capitalist monopolies. International co-operative

trade can also contribute to the creation of an atmosphere of mutual confidence and collaboration between Co-operative Organisations and between nations.

We cannot fully agree, however, with some of Mr. Roos's conclusions. He has referred to the joint purchase of goods for Consumers' Co-operatives and to the exchange of information, but has paid less attention to the sale of goods produced by Productive and Agricultural Co-operatives and to the possibility of collaboration and inter-co-operative trade between them and Consumers' Co-operatives. Nor can we agree that the participation of some East European countries in such trading activities may be welcome from an international economic point of view, but that there is nothing specifically co-operative in it. We fail to see the point of this. Such incorrect opinions on the functions of Co-operative Organisations in the countries of Eastern Europe, and such unfounded statements, will neither contribute to the creation of an atmosphere of mutual confidence and friendly co-operation, nor help the development of co-operative trade.

I declare on behalf of the Czechoslovak delegation, and in the name of the Czechoslovak Co-operative Movement, that we are willing to join in inter-co-operative trade based on mutual advantages, because we are convinced this will contribute towards friendly collaboration between Co-operative Organisations. I should like to say to those who think the Co-operative Movements in the countries of people's democracy cannot do business independently, that the Czechoslovak Government does not interfere with the Co-operative Movement making commercial contracts and agreements for the exchange of goods with Co-operative Organisations; further, that our Government has given us the right to carry on direct international trade independently from the State enterprises. The delegation will support the resolution in the interests of the full development of international co-operative trade relations.

The President: Before calling on Mr. Roos to reply to the discussion, I must point out that three speakers raised points with which it is quite impossible for him to deal. They concern the operative way of giving effect to this resolution if it is carried. I thought myself that Mr. Dahrendorf had fully dealt with this in moving the resolution, but Mr. Søliland and Lord Williams have raised the question.

The Executive have considered this question and, in the event of the resolution being carried, will appoint a Sub-committee which, through the Officers, in the first instance without taking any action of a definite character, will call a Conference of representatives of Wholesale Societies, Agricultural Organisation and anyone who has a direct connection with international trade, also the members of the Rationalisation Committee who are dealing with this question. The Sub-Committee of the Executive will call these people into Conference to consider jointly the whole question and will report back to the full Executive.

Mr. Gaussel, apparently, has in mind some immediate action between countries. Nothing in this resolution can prevent any two countries, if they wish, getting together and making a good co-operative trading deal.

Mr. Roos: I am grateful for the appreciation which speakers have expressed, but I must say I am somewhat disappointed that most of the discussion has been quite outside anything I have said in my paper. I have asked myself, while listening to the speakers, how it can happen that, although I have tried to be as clear as possible in my views on the subject, the majority of them have discussed things which I tried to eliminate and which I did not even touch upon in my paper. I have come to the conclusion that there are two possibilities; either they did not read the paper, or perhaps they restricted themselves to reading the resolution. I could accept the discussion being based on the resolution, if only the speakers had read the resolution correctly, but apparently they had not done so. The second possibility is that we, in this Congress, are so accustomed to come to the rostrum and talk about everything that comes up, and relate it to matters which have nothing to do with the subject under discussion, that the majority of speakers this afternoon could not refrain from following the policy to which we have grown so accustomed. All the same, I must confess that I am a little disappointed.

You might have criticised me by suggesting that the Central Committee having asked me to write a paper on the possibilities of inter-co-operative trade, I had not fulfilled my task. I agree that this might well have been called a paper on the non-possibilities of inter-co-operative trade, for I have clearly laid it down that, under present conditions and in the light of what has happened in the past, we cannot expect at this moment to have a sudden development of international co-operative trade. In spite of this, I have listened to speakers whose only subject has been the fostering, at this moment, of international co-operative trade, seen from different angles. There have been various proposals about how we should do it, but only a few speakers have really touched the essential part of the paper, where it is stated history has proved that collaboration in the economic field can only be achieved if we first try, and then succeed, in creating the climate in which such collaboration can be organised. I tried to make the production of such a climate the essential point in my paper, but only a few speakers, I am sorry to say, have referred to it.

What, then, do you expect me to say in reply to those who have dealt with a subject which I have not discussed? Do you expect me to answer them? If so, I think that you are expecting too much. I am not going to enter upon a discussion of the possibilities of starting a joint purchasing agency at this moment. An outsider who was present this afternoon might think such a discussion very encouraging, but to those who know the history of the I.C.A. and the history of our problems in international co-operative trade it must be obvious that to suggest that clear possibilities exist for starting any agency to begin actual work is to go up into the clouds again, whereas my intention in this paper was that we should put and keep our feet firmly on the ground.

Am I to go into the question of whether, or not, since 1953 Centrosoyus is ready to trade with all Organisations? I have clearly stated that, in my opinion, it is of no interest to discuss this matter of world-wide collaboration. Must I speak about the question raised by our Czech friend who said that it

was unfriendly of me to put the position in the way I have done? I do not think it was. When we hear from all sides that everybody is ready to join in collaboration in the economic field I know that has just about as much value as a resolution on the necessity of having good weather on bank holidays.

I shall confine myself, therefore, to referring to a few concrete and categorical remarks which have been made. Lord Williams criticised the fact that I have not dealt with the question of inter-co-operative trading between consumers and producers. It is not wholly left out, and I have, in fact, emphasised the value and possibilities of inter-co-operative trade between Consumers' and Producers' Organisations, but I agree that I have not dwelt on the question, and must admit insufficient knowledge of the facts which Lord Williams mentioned. He says that I do not need to be pessimistic about the possibilities. If you have read this paper, you cannot accuse me of being pessimistic, but I believe that optimism should be restricted to the possibilities which we can clearly feel are present. When Lord Williams says that there are two pre-requisites for such collaboration, in the first place that there should be the closest collaboration between the representatives of the National Wholesales, I agree so far as international trade is concerned. But I do not see that it will be necessary to have the representatives of the National Wholesales brought together when we come to collaboration in a field not connected with trade. Secondly, I am wholeheartedly in agreement with him that we need good will, but good will alone, as history proves, is not sufficient.

If I have understood correctly what was said by Dr. Küng, of Switzerland, he criticised what he seemed to think I said in favour of large centralisation. I want to avoid any misunderstanding here. From the examples which I have given it should be quite clear that I am not in favour of centralisation: on the contrary, I feel that much of what has been proposed should be regional, arrived at by certain interested Organisations.

I am glad that Mr. Korp made an illuminating speech with which I can fully agree. Reference has been made to the need for consumer research. I have mentioned in the paper that that is necessary. For the National Organisations it would be a very costly affair, but I hinted that collaboration in this field may be possible. It has been suggested that this consumer research is a major factor. I have nothing against it, but we may differ on the question of whether everything can be done at once.

I quite agree with Mr. Søliland, one of the speakers who dealt with the subject of my paper, that we must be careful to bring together people who know what they are talking about. I have emphasised in my paper several times, that only if we bring the matter to the stage where it can be considered by people who have a knowledge of the facts can we expect some results.

There is no reason for Mr. Gaussel to fear, from the suggestions made in this paper, that Organisations which may start individual activity will find themselves in a difficult position. Can such a fear be justified from anything I have said? If so, I will gladly admit that I have made a mistake, but that is not my opinion.

This question of international collaboration has been of interest to me, as I said when introducing my paper, for many years. I am still optimistic about the results which can be achieved, but if we cannot restrict ourselves to discussing the question within the limits necessary we might just as well leave the whole problem alone. If we cannot come to a better result than the making of wonderful speeches which most people will applaud we might just as well stop. Only if we are convinced that there is something in these possibilities, and that we must begin from the beginning, shall we achieve anything.

I believe that there is sufficient reason to be optimistic about the outcome, but do not let us believe that long and impassioned speeches will achieve a result which those who follow after us will applaud and for which they will be grateful.

The President: I will first take a vote on the resolution by show of hands.

There being no votes against, **The President** declared the resolution **carried unanimously**.

The President: There are still two matters in connection with this Paper. The first is, I am sure Congress desires to place on record its sincere thanks to Mr. Roos. There is a great deal in his paper which it will be useful to have on record, and we should all recognise that considerable work and thought had to be put into its preparation, whether we agree with everything in it or not.

The other matter is the proposition from the Japanese Union. Our friends from Japan are not concerned to treat this as a resolution and, after a talk with them, I think it would meet with their approval if Congress would agree that the Japanese declaration be referred to the Executive, to be considered in connection with the general question of international trade.

This was agreed.

Close of the Sixth Session.

SEVENTH SESSION.

Thursday, 9th September, 1954.

**Co-operative Development in
Under-Developed Countries, with Special Reference
to the Activities of Inter-Governmental Organisations.**

Paper by Mr. W. P. Watkins, I.C.A.

What is an "under-developed" country? Which are the "under-developed" countries? It is not easy to give a precise answer to either question, although the term "under-developed country" is familiar to-day to all who are interested in world economic problems. A precise definition, however, may not be indispensable for the present paper, if it is possible to agree upon a working definition which will set reasonable bounds to discussion and lead in the end to some practical conclusions.

Under-developed countries are commonly understood to be those whose natural resources are neglected, unexplored or not yet harnessed to production, whose agricultural and industrial techniques are out-moded, sometimes primitive, and whose populations are unenlightened and dominated by their physical environment. Labouring under these disabilities their inhabitants are under-nourished, under-housed and under-educated, not merely in comparison with more advanced nations, but relatively to the minima science has shown to be necessary to maintain health and working efficiency.

Such a description may be wide enough to include, on the one hand, regions of ancient and noble culture like parts of the Indian sub-continent; and, on the other, areas of Africa or South America where culture is still nearer the Stone Age than this machine age. Yet culture is probably not the determining factor. The common feature of the under-developed countries is rather that none of them has passed through, and many have scarcely entered upon, that radical and many-sided economic change which began in Great Britain in the eighteenth century, spread over Europe and the United States in the nineteenth and attacked the rest of the world in the twentieth. We call this change the Industrial Revolution, a convenient, all-embracing term for a transformation which includes the change from traditional to scientific agriculture, from production for subsistence to production for a market, from handicrafts to machine industry, from domestic work to factory work, from animal, wind and water power to coal and electric power—all these without exhausting the list. Its impact on traditional community life and moral standards is shattering. Its results are often seen in a drastic reform of land tenure systems and a more or less forcible transfer of political power to those classes who are using and profiting by the new technology.

The developed countries have this great change behind them, though their economies, even now, may not have been revolutionised in every branch. The under-developed have still to pass through this transition. So far from shrinking from it, many look forward to it as a youth anticipates becoming a man. They are impatient to enjoy the results, often with very little conception of what it has cost the developed countries in time and toil, strife and suffering, to make the change. To help them to take this big step forward as rapidly, safely and smoothly as possible is a world problem of the first importance.

The chief regions of the world awaiting economic development on modern lines are:—

1. The Middle East and North Africa;
2. South-Eastern Asia and the East Indies;
3. Africa south of the Sahara;
4. The Caribbean and parts of Latin America;
5. Oceania.

The very diversity of these regions is itself a warning against carrying generalisation too far. Within each of them there is a further diversity of conditions and therefore of needs between the various countries. Apart from the general fact that these countries are all backward in economic development, and in need of vast financial, technical and educational resources if they are to keep pace with, to say nothing of overtaking, the more developed countries, they have each to be studied separately. Each needs to work out its own programme and to follow its own line of economic progress.

Co-operation, Industrial Change, and Social Solidarity.

When we come to consider the rôle of co-operation in the economic advance of these countries, we cannot ignore the manner in which co-operation is related to the Industrial Revolution. Two illustrations may suffice. In almost every European country, co-operation has been an important agency through which a technical transformation has been brought about in agriculture. It has provided the peasant and farmer with both the motive and means for modernising, not merely farming operations, but also the purchasing and marketing incidental to them. The research of the chemist and biologist, the experiments of the plant and stock-breeder, have no significance for agriculture unless there exist channels through which they can be made available to the workaday farmer. These channels exist in the Agricultural Co-operative Movement. Agricultural Supply Societies provide the cultivators with the best fertilisers, seeds and equipment at fair prices, while Rural Credit Societies provide them with the means of payment. On the other side of their business, Co-operative Processing Societies (dairies, slaughterhouses, distilleries) convert their produce into consumable commodities of good quality, besides utilising the by-products, while teaching them to study the market and to appreciate the necessity of meeting consumers' demands and tastes.

Or if we take Consumers' Co-operation as an example, we may see how, by defending the interests of those classes of workers which depend entirely for their living standards on the purchasing power of money wages, co-operation, along with trade unionism, has been the means whereby the benefits

of the Industrial Revolution in the shape of more abundant production have been spread more widely and more fairly over the population. But all forms of co-operation, expressing as they do people's sense of solidarity, fortify morale by strengthening the bonds of good neighbourliness and protect the community against the disintegration which is liable to follow abrupt industrial change.

In the general picture of European economic and social evolution in the last two generations the part played by co-operation cannot be overlooked. It stands out all the more clearly because, in its beginnings and for several decades, its mainspring was almost entirely self-help. It owed very little to government initiative and protection, although in some countries governments set up special institutions to serve as a channel for financial aid. It is not surprising, therefore, that co-operation should have attracted the attention of reformers, progressive thinkers and also the governments of countries where the ferment of change had begun to work. The economic and social life of the European and American countries which were pioneers in co-operation have been for a generation under the close and constant observation of other nations whose statesmen and thinkers have been and still are weighing the significance of state aid and self-help for the solution of their own problems.

International Governmental Organisation.

This process has been extended and accelerated by the expansion within the last thirty years of international governmental organisation. The realisation that world peace depended on economic well-being no less than on political liberty inspired the creation of the International Labour Office and much of the activity of the former League of Nations in its economic aspects. The same idea received fuller expression when the United Nations Organisation was established. The Charter of the United Nations pledged its members "to employ international machinery for the promotion of the economic and social advancement of all peoples." One of the purposes of U.N. defined in Article 1 of the Charter is "to achieve international co-operation in solving international problems of an economic, social, cultural or humanitarian character. . . ." The same purpose is reaffirmed in Article 55 which declares:—

"With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote:

(a) higher standards of living, full employment, and conditions of economic and social progress and development;

(b) solutions of international economic, social, health and related problems; and international cultural and educational co-operation;

(c) universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language or religion."

A special organ, the Economic and Social Council, was, therefore, created under the Charter. It is this body, consisting of 18 representatives of member

governments, which ultimately supervises and co-ordinates all the activities of the United Nations and its associated Specialised Agencies affecting the Co-operative Movement throughout the world. To examine these activities, especially those which are directed to the promotion of co-operative enterprises and the development of co-operative institutions, is a principal aim of the present paper.

It should not be forgotten, however, that although U.N. and its Specialised Agencies are the most important, they are not the only inter-governmental organisations interested in extending the Co-operative Movement. The Organisation of American States (the Pan-American Union) maintains a special section in its Division of Labour and Social Affairs. The Colombo Plan of mutual aid between members of the British Commonwealth includes the interchange of information and advice on co-operative problems. The Caribbean Commission and the Commission for Technical Co-operation in Africa south of the Sahara recognise the Co-operative Movement's contribution to the solution of economic and social problems in their respective regions. There is also the South Pacific Commission, which has an experienced co-operative officer on its staff, and energetically propagates co-operation amongst the inhabitants of Oceania. Beyond the scope of this paper, but by no means unimportant, are various non-governmental associations and foundations assisting co-operative effort in the under-developed regions already enumerated.

Technical Assistance: Administration.

Most of the action undertaken by Inter-Governmental Organisations to foster co-operation takes the form of technical assistance, which is the term adopted by U.N. to cover all the knowledge, training, advice and experience provided for the under-developed countries in order to enable them to employ modern methods and techniques. Technical assistance in the most general sense is one of the obvious means which the U.N. Organisations would employ to further the economic and social advancement of all peoples.

The extraordinary difficulties with which the nations were confronted after the Second World War, the urgent need to accelerate economic recovery, the insistent demands of peoples newly emancipated from alien rule to be liberated also from perpetual economic insecurity and the fear of want, made the ordinary programme of technical assistance clearly inadequate. The Expanded Programme of Technical Assistance was, therefore, introduced in 1949. This programme is financed by voluntary contributions to a Special Account, separate from the general budgets of U.N. and the Specialised Agencies. A special co-ordinating authority, the Technical Assistance Board, was set up, consisting of the chief executive officers of the Specialised Agencies directly concerned and other organs of U.N., with an Executive Chairman who represents the Secretary-General of U.N. A division of the U.N. Secretariat, the Technical Assistance Administration, deals with technical assistance for which U.N. assumes full and direct responsibility. The Board, in turn supervised by the Technical Assistance Committee of the Economic and Social Council. The Committee regularly reviews the progress made in carrying out the Programme and submits a report to the Council.

It is expressly laid down that Technical Assistance is given only on the request of and in agreement with the government of the country needing it. In other words, it is for the national governments to set the machinery in motion and also, to a large extent, their responsibility to keep it moving when it has started to revolve around a given project. The Specialised Agency chiefly concerned with Technical Assistance in the matter of co-operation is the International Labour Office which through its Co-operation and Handicrafts Service has built up in the last 30 years a comprehensive documentation and a widespread network of contacts with governments and Co-operative Organisations. The Food and Agriculture Organisation administers co-operative T.A. projects through the Rural Welfare Branch of its Agriculture Division which has a specialist in co-operation on its staff. The U.N. Educational, Scientific and Cultural Organisation is less directly concerned with co-operation in the under-developed countries than the two preceding Agencies, but all of its activity aiming at banishing illiteracy and extending fundamental education helps to create an environment favourable to co-operation and to remove the obstacles planted in its path by ignorance. Certain activities of UNESCO of direct interest to co-operation will be mentioned later. It remains to be noted that U.N. does not hand over all the Technical Assistance relating to co-operation to the Specialised Agencies, but has always administered a few projects and financed them from the portion of the contributions, rather over one-fifth of the total, reserved for itself.

Technical Assistance: Methods.

From this sketch of the machinery we may now pass to the forms which Technical Assistance usually takes. In the earlier years the governments of many of the under-developed countries needed most of all an expert appraisal of their economic or co-operative situation in order that they should have guidance in framing policies and programmes. Most of them have now passed this stage and are engaged in the practical realisation of such of the experts' recommendations as they accepted. The object in view throughout is to impart knowledge, to demonstrate the working of co-operative institutions and to train administrators and workers, so that the Co-operative Societies and Federations set up can fulfil their proper function in the national economy under the efficient and democratic management of the people of the country. In that sense successful technical assistance is self-liquidating.

The next step after a preliminary survey is to send to the country which has applied for assistance co-operators experienced in co-operative administration, legislation or some branch or feature of the Movement it is intended to develop, in order that they may work alongside the nationals who have the task in hand. Where there exists a special department of government responsible for co-operative affairs, the T.A. expert is normally attached to it and works in close liaison with its officers. How far the T.A. expert himself engages in practical work or may limit himself to advice, guidance and supervision must obviously vary according to circumstances from country to country. All depends upon the previous knowledge and qualifications of the nationals with whom he works and the degree of co-operative development attained before he arrives on the scene. If the problem is to initiate a Co-operative Movement in a country where co-operation has hitherto been

scarcely known, or if it is to rebuild : Movement after a false start on wrong lines, the T.A. expert is apt to find that, instead of working behind the scenes, he has to play a leading part on the stage in order to accomplish what is necessary in the time allowed for his mission. In any event, the proper test of the success of his mission is the ability of the nationals to develop the work by themselves when he is no longer there to advise them.

It is for this reason that the sending of experts to under-developed countries is complemented and supported by bringing co-operators, government officials and students from these countries to Europe, North America, or some other region where they can observe well established Co-operative Organisations at work. T.A. funds are, therefore, employed in the form of travelling fellowships or scholarships which enable suitable persons, nominated by their governments, to spend periods up to twelve months in the study of co-operative structures, methods and techniques which may have a practical bearing on the co-operative problems of their own countries.

Both I.L.O. and F.A.O. organise periodically regional conferences at which their own co-operative experts meet the delegates of various countries in order to survey the progress of the Movement, its situation and its needs for the immediate future. These conferences, to which Non-Governmental Organisations are also invited to send observers, not only give invaluable guidance for programmes of work but also reveal where neighbouring countries can aid one another.

With time the Specialised Agencies have been able to co-ordinate their projects in particular countries so that experts in different branches of co-operation work in teams, as for example in Burma, with a corresponding gain in effectiveness all round. Co-ordination is also achieved through a regional approach, a team of experts being organised to serve not a single country but a group. Thus in 1952 the International Labour Office set up in Lahore, Pakistan, its Asian Field Mission for Co-operation which consists of a team of experts under a co-ordinating head and renders assistance both to particular countries and to groups of countries interested in the same problems. In the autumn of 1953, for example, the Mission assembled 33 heads of Co-operative Training Schools and officers administering co-operative education in six countries for a four weeks' course in which every important problem of educational organisation and method encountered in these countries was reviewed. The advantage lay, obviously, in the comparison of experience and the exchange of ideas from country to country over and above the knowledge which the lecturers and the leaders of the course had to impart. No distinction is made, when invitations are being issued to participate in such courses, between independent and non-self-governing territories.

The idea of courses for regions is also accepted by the Food and Agriculture Organisation. In 1952 F.A.O. organised in Cyprus, with collaboration from the I.L.O., a training centre which ran for three months and was attended by 18 students from five countries. The aim of the course was to prepare students for organising work in the field in their respective countries. It was, therefore, given a strong practical bias, with more than a quarter of the time spent in study-visits to Societies of different types. F.A.O. is arranging to hold a similar course in the Caribbean during the summer of this year.

A somewhat different idea inspired the course held in Denmark in 1953 under the joint auspices of the Danish Government and the Specialised Agencies already mentioned. Here again, the students were officials and leading co-operators appointed by governments in a definite region, South-Eastern Asia, but for the purpose of instruction they were taken out of their region and gathered together to live as one community in one of the classic countries of co-operation. They were thus able to study, not only special types of society, but also the inter-action of different types and the rôle of the Co-operative Movement as a whole within the national economy. It is encouraging that a similar course, with modifications suggested by the experience of the previous one, is contemplated, the students being drawn from another region.

The Organisation of American States is itself a regional organisation but found it convenient to decentralise its training course for officials appointed to guide and encourage co-operative effort in their respective countries. The course ran for successive six-month periods in three different centres, Puerto Rico, Bogotá (Colombia) and Santiago (Chile), in order that countries in which the Co-operative Movement is at the same stage of development and faced with similar problems could be dealt with together.

The programme of Technical Assistance approved by the Technical Assistance Board for 1954 provided for over \$180,000 to be spent on the direct promotion of co-operation. This covers national projects in Brazil, Burma, Ceylon, Haiti, India, Iraq, Iran, Pakistan, Philippines, Salvador and Thailand, on which 14 experts will be employed; the Asian Field Mission; and the training course in Denmark. The money allocated to co-operation amounts to rather more than one per cent of the total budget for the 1954 T.A. programme. This may not be considered a very high proportion, but it is nevertheless equal to more than twice the total annual budget of the I.C.A.

It must also be borne in mind that many of the other Technical Assistance projects are of benefit to co-operation. The application of technical knowledge over almost the whole field of agriculture, the organisation of handicrafts and cottage industries, fisheries development, for example, requires co-operative action in one form or another. Even projects which seem at first to be almost entirely within the sphere of governmental action, such as electrical power development, can be seen on reflection to offer opportunities for co-operation. In the under-developed countries, no less than in the Tennessee Valley, a government scheme for the generation of electricity can open up opportunities for users to co-operate in its distribution.

Here it may be appropriate to refer to UNESCO, which, while it probably provides less direct aid for the Co-operative Movement than the I.L.O. or F.A.O., nevertheless, through its campaign against illiteracy, gives indirect help of a kind which is vital to the success of every Co-operative Movement in the long run. The direct aid which UNESCO can give, especially through the Gift Coupon Scheme, is not to be under-estimated. Gift Coupons are a kind of international currency which can be bought by people in one country who wish to help forward education in another by providing the means to

buy equipment. The coupons can be posted to the educational institution it is desired to help and used to buy the equipment required. This system has already enabled co-operators in Holland, Great Britain and the U.S.A. to contribute over £400 for the purchase of projectors, films and other educational apparatus for the Gujarat Co-operative Institute, a new district organisation in an under-developed part of India. The East Africa Co-operative Training School, which serves Kenya, Tanganyika and Uganda, is likely to receive similar aid. That there are not more such schemes is the fault not so much of UNESCO as of co-operators themselves, who have so far offered very few proposals for consideration.

It is scarcely possible, however, to exaggerate the importance for the future of the Co-operative Movement in the under-developed countries of the aid given by UNESCO to governments which are striving to give their citizens the minimum of education indispensable to intelligent living in the modern world. Millions of people still go through life with much less than that minimum, and one of the capital difficulties in the path of the Co-operative Movement is inability to read, write and make simple calculations amongst the very people who stand most in need of co-operation. Fundamental education, as the term is used by UNESCO, implies much more than a mastery of these elementary arts and, beyond a certain point, merges with adult education. Even in this broader field, UNESCO's work is no less valuable from a co-operative standpoint. We need only consider how much adult education contributes to the Co-operative Movement in the developed countries to realise what its almost entire absence must mean in the under-developed.

The foregoing sketch of the activities of the United Nations and the Special Agencies under the head of Technical Assistance with a more or less direct bearing on co-operation is not exhaustive. In particular it must be realised that much help and advice, especially to governments, are given by correspondence by the Co-operation and Handicrafts Service of the I.L.O. and the Rural Welfare Branch of the F.A.O. and an increasing stream of essential information is disseminated by their publications—all this as part of the normal functions of these departments. Not the least valuable aid is given in the form of subsidies to travelling expenses which make it possible for co-operators and officials responsible for co-operative development from countries, developed and under-developed, in widely distant continents to confer around the same table, to know one another personally, to share common interests and to realise the essential unity of the Co-operative Movement throughout the world.

Technical Assistance: Limitations.

At no period of the Co-operative Movement's history has it received such widespread support and encouragement from public authorities, national and international, as it does to-day. Even so, the pace and vigour of co-operative development are not everywhere all that could be desired. Powerful reinforcement though Technical Assistance is, it has its limitations. To recognise these limitations is to realise that co-operators are not entitled anywhere to relax any of their own efforts to propagate their system.

To begin with, national sovereignty being absolute, inter-governmental aid depends at every stage on the active goodwill of governments and also on their power to carry out the plans they approve. Governments have to contend with, and may be overthrown by, political opposition. Co-operation itself is not so universally esteemed that government schemes to promote it may not be blocked by vested interests which feel themselves menaced by the growth of the Movement or postponed in favour of some other action which has more influential backing. In countries with new and rather inexperienced governments, where disinterested public service is not yet a strong tradition, the work of the T.A. expert may be hindered by being made a bone of contention between different Ministries.

On the international level, there are financial limitations. It is not merely that co-operative projects have to contend for priority with numerous others—the number of acceptable projects in any year exceeds the number which can be financed by the available funds—but that almost all the contributions of governments to U.N. Technical Assistance are made a year at a time out of annual budgets, subject to the hazards of the monetary and economic position of the different countries. The Technical Assistance Board can hardly see further than one year ahead at any time.

From this spring other limitations of a practical nature. The time which can be allowed for practical projects, as distinct from investigations and appraisals, to be completed and to fructify is commonly too short. Twelve months may suffice to set up an organisation, but may not be long enough to test its practical working or to consolidate its structure. Organic structures like co-operative institutions cannot be simply “assembled” in a few months: they must grow according to their own laws and be allowed time to do so. Experience in colonial territories with government-sponsored co-operation indicates that the best and most enduring results are achieved where the Registrar or other officers are able to pursue their work consistently over several years, a decade or even longer.

Inability to offer anything but a short engagement handicaps the Agencies in their search for experts of the right type and limits their choice. Not many men, with an assured position and good prospects of promotion in a Co-operative Organisation in the developed countries, would feel justified in sacrificing them, however much they might be attracted by the work in an under-developed country and appreciate its value to the Movement. Nor can it be assumed that their Organisations would always be willing to release them—even for short periods, or to re-employ them after their assignments have been fulfilled. In the end, the Agencies often find able, experienced and devoted co-operators to undertake their various missions, but the process of discovery and negotiation is apt to take longer than is desirable.

Co-operative Initiative and Action.

These references to the limitations under which Technical Assistance and other forms of inter-governmental aid to co-operation labour have only one purpose, and that is to emphasise the enormous field which still remains for independent initiative and action by the Co-operative Movement, notably

by the I.C.A. and its affiliated Organisations, in the under-developed countries. It is not unreasonable to expect that the primary responsibility for the propagation of co-operation throughout the world should be borne by the co-operators themselves in their collective and their individual capacity. Granted that the age of *laissez faire* in which the Co-operative Movement began now lies a century behind us, there is still something paradoxical in the idea of a state-promoted self-help movement. Granting again that without the action of governments, supported by the inter-governmental agencies, there would not be Co-operative Movements worthy of the name in many countries to-day, it is nevertheless true that young Co-operative Organisations should seek to derive their dynamic to an ever-increasing degree from the urge of the people to manage their own economic affairs. They therefore need, even in their infancy, direct contact with and inspiration from the older Movements which have learnt to stand by themselves and shape their own policy.

In relation to the action of the Inter-governmental Agencies two lines of policy may be recommended to the I.C.A. and its affiliated Organisations. One is obviously collaboration over a wider field and to a higher degree than yet exists. On the one hand, it may be admitted that the importance, actual and potential of co-operative activity in the under-developed countries is not yet fully appreciated by the older Co-operative Movements and that they are for that reason less responsive to appeals for help than they otherwise would be. On the other, the Agencies seem sometimes to trust entirely to their accumulated knowledge of the National Movements and make their decisions without offering either the I.C.A. or its affiliated Organisations the opportunity of tendering advice or expressing an opinion based on their special knowledge. If projects usually originate in discussion between a government and one of the Agencies or the T.A. Resident Officer in a given country, it is not always necessary that a project should be approved and personnel appointed before anything is known of it outside official circles. This point of view was put to the Executive Chairman of the T.A.B. in the course of 1953 and as a result the offer was made, and gladly accepted, to make known to all the officers concerned what kinds of service the I.C.A. is able to render. A statement of these services was accordingly drawn up by the I.C.A. Secretariat for circulation by T.A.B., and it is hoped that inter-working will be more effective than hitherto, especially if the Secretariat can rely upon the backing of the affiliated Organisations.

The other line of policy may be described as supplementing the work of the Special Agencies and making good, where possible, some of the limitations under which they work. The I.C.A. and the affiliated Organisations can and should continue to do on an even larger scale what they have always done in the past, that is, give direct assistance to co-operative pioneers and struggling organisations in the under-developed countries whose governments may be unable or disinclined to do so. The Movement can also collaborate with other voluntary organisations and independent foundations which are anxious to promote Co-operation as part of their programmes of social welfare work. If operations by a Specialised Agency are suspended because a national government fails to act, the field may still be open for the I.C.A. to render assistance.

Again, there is much to be said for giving the I.C.A. and the National Co-operative Organisations more to do with the preparation and the fulfilment

of the programme of studies arranged for holders of fellowships and scholarships. More use could be made of the national Co-operative Training Schools and Colleges as well as of the headquarters staff and library of the I.C.A. for the orientation of these students. Besides participating in the regional courses arranged by the Specialised Agencies, the I.C.A. must itself take responsibility for organising courses like that planned for the Caribbean this year and subsidised by UNESCO.

With the passage of time and the emergence of the Co-operative Organisations of the under-developed countries from the tutelage of their governments, they should be encouraged to turn more and more to the I.C.A. for guidance. The I.C.A.'s present membership in these countries is on the whole not strong, either numerically or in any other sense. The position in the regions already enumerated in an early paragraph is indicated in the following table:—

Region I

Israel	1 National Federation
Egypt	1 Special Society

Region II

India	1 National Federation
Japan	2 National Federations
Pakistan	1 National Federation
	1 Provincial Union

Region III

E. Nigeria and Cameroons	1 National Federation
Gold Coast	1 National Federation
South Africa	1 Consumers' Society

Region IV

Argentina	1 National Federation
Brazil	1 National Institute
Colombia	1 Consumers' Society
Jamaica	1 National Federation

Region V

Australia	1 National Federation
New Zealand	1 National Federation
	1 Consumers' Society

It was because the membership in the under-developed areas is still so sparse that consideration was given by the Policy Sub-Committee of the I.C.A. Executive to the question whether a number of recently formed organisations might not be brought into official relations with the Alliance even before they became eligible for membership under the Rules. Apart from the services of the Secretariat and certain other privileges which might be granted to them, these organisations would have the advantage of a

recognised status in the International Co-operative Movement, with a consequent strengthening of their morale. What this can mean was revealed very clearly in the following passage from an article in the *Gold Coast Co-operative News* announcing that the Gold Coast Co-operative Federation had been accepted as a member of the I.C.A.—

“This is at once an honour, an opportunity and a challenge, because this young Co-operative League can now take its place by the side of 62 other affiliated organisations from 34 countries scattered all over the globe in the highest Co-operative Assembly in the world, and participate in the formulation of Co-operative Policy and in the solution of co-operative and general world economic problems. Youth is characterised by energy and enthusiasm; in being invited to join in working towards the noble aims of the Alliance, our young movement could not have received a finer challenge.”

On a rough computation, there are, in the five regions previously indicated, over 20 countries with Co-operative Organisations sufficiently developed and independent to be eligible now for membership of the I.C.A., and over forty other countries where Co-operative Organisations exist which are, but need not always remain, under close government direction and supervision. In addition there are 30 to 40 territories where the state of Co-operative development at the moment cannot be exactly determined without closer examination. It is evident that the membership of the I.C.A. is not as fully representative of the free and independent Co-operative Movements as it ought to be. It must be increased and consolidated by the recruitment of all these Movements and the development of close consultative and economic relations between them.

Many of the countries in which young Co-operative Movements are growing up are sources of food and raw materials of world importance. Their co-operative marketing organisations have to contend for trade with subsidiaries of great business combines which, at the other end of the productive process, are the most redoubtable competitors of the Consumers' Co-operative Movements of the Northern Hemisphere. They look for guidance and help in their search for independent markets to the older Co-operative Movements which themselves have always needed assured sources of raw materials. Consumers' Co-operative Societies are also increasing in numbers in several of their countries, although they are on the whole less important than Co-operative Credit or Marketing. Wholesaling purchasing agencies, some already constituted as federations, others still under government management, exist to supply these societies, and they are interested in importing consumers' goods. Without seeking to minimise the obstacles which the extension of inter-co-operative trading relations may have to surmount on the international level, it may be sufficient to point out here possibilities which the Movement's business men should not neglect.

Nor should moral factors be left out of account, and especially the encouragement derived from a vivid sense of comradeship. Too many of the young Organisations in the under-developed countries struggle alone because they are not fully aware of the International Co-operative Movement or of the

friendly advice that would be willingly given if they asked for it. The word "adoption" suggests perhaps a paternal-filial relation, but nothing is more to be desired than that the older well-established Organisations in the advanced countries should adopt, in a fraternal fashion, younger Organisations needing guidance, but still more the encouragement which springs from the knowledge that friends are following their efforts ready to applaud their successes and console them in their setbacks. Walt Whitman, the American poet, dreamed of cities "with their arms about each other's necks." If cities, why not Co-operative Societies?

According to their different types, the young Co-operative Organisations can be linked with the I.C.A. Auxiliary Committees, participate in the exchange of ideas and in time contribute something of value out of their own experience. This kind of "technical assistance" need not remain only a one-way process. In this fashion, just as co-operative enterprise and organisation follow the Industrial Revolution around the world, so must the I.C.A. with its Auxiliaries follow co-operative development and even prepare the ground for it in advance. The action of the Inter-governmental Organisations is in fact paving the way for the Alliance in the under-developed areas. "There is a tide in the affairs of men"—and of Movements also. The wise and skilful navigators are those who take the tide at the flood.

A Programme, Funds and the Missionary Spirit.

If the Movement's action in the under-developed countries is to be effective, it must be systematic. Three things are necessary: a programme, funds and the missionary spirit. A general willingness to help co-operative ventures in the under-developed countries is not enough. The Alliance must have a programme of development based on the detailed study of the present situation and prospects of the Co-operative Movements of the five great geographical regions previously mentioned. The programme must generally be worked out, on the one hand, in agreement with the Co-operative Organisations already existing and with the government departments responsible for the supervision and encouragement of Co-operation in the under-developed countries, and on the other, in harmony with the plans and programmes of the Inter-governmental Agencies, so as to avoid overlapping and waste of effort.

The fact has to be faced, however, that the finance for even a modest development programme cannot be found within the limits of the I.C.A.'s present budget, which allows for scarcely more than the minimum of indispensable regular services. The Development Fund recently constituted by merging a number of unutilised balances is sufficient perhaps for a few special efforts, but not for a full-scale programme to be executed over a period of years. The alternatives appear to be to increase the I.C.A.'s general budget so as to permit of a regular allocation for work in and for the under-developed countries, or to feed the Development Fund by regular contributions after the manner of the Special Account of U.N. for Technical Assistance.

Either method has its difficulties, but these are not insurmountable if the Co-operative Movements of the developed countries are resolved to grapple

with them. These must understand that they have something vital to gain from the under-developed Movements as well as something to give them. By joining in the struggles of the young Co-operative Movements to gain a foothold in their national economies they can recapture the adventurous, pioneering spirit which is apt to die of discouragement in social movements which become established institutions. Co-operation is nothing if it is not a militant, proselytising faith which burns to convert the whole world even its opponents. It is by seizing the opportunities of expansion now opening before it that the International Co-operative Movement can hope to emerge in the end as a world force of the first magnitude.

Resolution

The Nineteenth Congress of the International Co-operative Alliance, conscious of the vast field and the urgent need for the extension of the Co-operative Movement in under-developed countries at present undergoing far-reaching economic, technical, social, and political changes,

Welcomes the action of the Inter-Governmental Organisations, notably the United Nations and Associated Specialised Agencies under the Expanded Programme of Technical Assistance, which is giving a valuable impetus to the progress of co-operation in these countries.

The Congress considers, however, that, since the establishment of independent Co-operative Organisations, expressing the spirit of self-help and mutual aid among the people, is the ultimate aim, there should be close consultation between the Inter-Governmental Organisations and the I.C.A. at every stage in the preparation and execution of co-operative projects, so as to afford the I.C.A. the opportunity of offering advice and suggestions based on the experience of its members.

The Congress further emphasises the obligation which rests upon every member of the Alliance, and especially on those which are firmly established in their own countries, to supply every kind of aid and encouragement to co-operative pioneers and newly formed Organisations in the under-developed countries; and directs the authorities of the Alliance to draw up a programme of action by the I.C.A. and its members for the promotion of co-operation in all its forms in the under-developed regions of the world and to consider ways and means of providing the finance necessary for the execution of this programme.

Discussion on Mr. Watkins' Paper.

Mr. Watkins: I should first like to make one or two comments on the paper, afterwards to move the resolution which has been adopted by the Central Committee, and in doing so to make one or two comments upon it. The paper was not easy to write, because in order to keep it within a reasonable compass a good deal had to be left out. In particular, I was unable to go at any great length into the particular problems and difficulties of what are called the under-developed countries, and was obliged to find some reasonably common factor which would justify grouping them all together under the title "under-developed."

I do not think that I was very far wrong in endeavouring to relate the problems of the under-developed countries to the big, world-wide change in economic life which has been going on for half-a-dozen generations, which began in Europe and has since spread over very nearly the whole of the rest of the world, so that it is hard to say to-day that any nation is exempt from its effects. What we have to deal with here is a long-range and world-wide transformation of human life which, wherever it may begin, is bound to affect every side of life. It is a change which is at once technical, industrial, commercial, social, educational and ethical. In other words, we are, I think, living in one of the big transformation periods of human history. I am supported, perhaps, in that opinion by a sentence which I have remembered for the last ten or twelve years from a speech made during the last world war by Field-Marshal Smuts, on one of his visits to Great Britain. Dealing with what may be called the inner significance of the conflict, he said, "Mankind has struck its tents and is once more on the march." This whole problem, I think, has to be considered in relation to a dynamic situation at the present time. Races of men who for generations or for centuries have remained set in their traditional ways have now awakened and are anxious to move forward to something which they consider better, happier, more secure. In two particular directions you can see this ferment at work: in the direction, on the one hand, of freedom from alien rule and from what is sometimes called colonial government, and on the other hand in their urgent desire to benefit by, and to take full advantage of, modern technologies and inventions as they are used in the more advanced countries. Indeed, the practical problem in many respects is to restrain that desire to make progress by a certain amount of common sense.

The danger, as I see it, is not that progress will be too slow in many respects but that, in their haste to go forward, the under-developed countries will adopt means and methods which may bring quick results, but, by that very fact, will prevent them in the long run from deriving the maximum benefit. After all, most means of transport need not only a motor but brakes if they are to progress along the roads at all safely. That, I feel, is the problem—to produce the change and at the same time to keep it under control; because those of us who know the economic and social history of our own European countries are fully aware of what irretrievable, irreparable damage was done to earlier generations by over-haste on the part of some people to introduce new methods, and possibly to get rich quickly. We want to help the people of the under-developed countries to achieve a higher standard of living, greater economic security and a better prospect of a long

and happy life by means which do not entail the strife and the human misery which the Industrial Revolution has caused in countries which we could all name.

Defining the problem in that way we can see quite easily, I think, the relevance of the Co-operative Movement to it. The Co-operative Movement is a means of producing economic, social and educational changes by, on the whole, non-violent means, which do not lead directly to bitter, irreconcilable, social conflicts; by means which, on the whole, draw people together in neighbourly relations by bonds of mutual help, and so tend to strengthen society, to stabilise it, rather than to overturn it or dissolve it into atoms, as industrial change has done at times in the past, and indeed is doing to-day in certain of the under-developed countries.

It is a commonplace amongst sociologists that contact with Western countries nearly always means the decay and collapse of the traditional social customs, the traditional morality, by which indigenous races have lived. That is precisely the same problem as that which the Western peoples had to contend with 200 years ago in the Industrial Revolution. There is a direct connection between the effect of the Industrial Revolution in Scotland and the atomised population which Robert Owen had to deal with in New Lanark, and the people to-day in Africa who have lost grip of their old customs and ethical standards, and who float more or less helplessly, driven hither and thither by forces which they do not understand and cannot control.

Having said that, I should like to refer for a moment or two to the paper itself. I think that the headings will have indicated fairly clearly its structure. In the middle of it are some passages which cover the special reference in the title; that is to say, passages dealing with the work of the most important International Governmental Organisations which are actively promoting the formation of Co-operative Societies and the development of Co-operative Movements in different parts of the world. At the risk of making the paper somewhat dry and heavy I have put in those passages, because I think we cannot discuss intelligently the activity of these Inter-Governmental Organisations unless we have in our minds at least a rudimentary picture of their structure and relations and the methods which, because of their very nature, they are bound to employ. You will notice that I have listed the Inter-Governmental Organisations and indicated the basis of many of them in the United Nations Charter. Some of them have their own independent charters, which more or less say the same thing. I have then dealt with a special branch of their activity, technical assistance and the machinery by which it is administered. I then deal with the methods of technical assistance which are at present being employed. Technical assistance, of course, is itself a technical term. I am sorry that we cannot dispense in this connection with some of the rather repellent terminology which is used in Inter-Governmental Organisations, but technical assistance is simply a matter of showing people how work gets done, imparting the "know-how" in the simplest of simple language. The difficulty, very often, with the peoples in the under-developed countries is not lack of will or intelligence, but just a matter of knowledge and the necessary practice in its application.

For that reason the various methods employed under technical assistance have to be varied according to the particular object in view, the circumstances of particular countries or groups of countries. Looking back over the last two or three years, it is interesting to see how the Specialised Agencies are more and more, and more and more effectively, co-ordinating their work, linking up with a particular Government or with groups of Governments. The classification of the under-developed countries according to region which you will find on page 175 is very largely based on what I observe that the Governmental Organisations do. It is not merely a question of geography, though perhaps founded on that; increasingly the work of technical assistance consists in bringing people from neighbouring countries together. It is out of comparison, and repeated comparison, that the most effective methods are beginning to emerge.

I should also like to call attention to a passage on page 180 in which I quote a sum of money. That quotation comes from a programme presented by the Technical Assistance Board to the Technical Assistance Committee in the spring of this year. So far as we can ascertain from official documents, the total amount which was to be spent on specific co-operative projects of one kind or another was 180,000 dollars. You will notice the comparison with the annual budget of the I.C.A., which has a bearing upon the later part of the paper.

From that we can proceed to a passage on the limitations of technical assistance. This, of course, is not criticism but merely a recognition of the fact that any particular tool, any particular kind of administrative machinery, is more useful for some purposes than others, and possibly there are some things which it cannot do at all; also that in any case technical assistance, or a great deal of it, is living on a rather temporary and, therefore, uncertain financial basis in this respect, since so many Governments work on annual budgets that their technical assistance programmes also have to be conceived in more or less annual terms. The nature of the work, however, is essentially long-distance and long-term and for that reason, although many efforts have been made to get over the difficulties of working on a short-term budget, there is a certain amount of speculation about it, a kind of handicap which is imposed, an inhibition, which cramps the style of technical assistance in many ways.

I point that out because, coming to our co-operative job, our Organisations are not necessarily confined by annual budgets but can think more definitely in longer terms; also because, again and again, experience has shown that you require a longer period than one or even two, three or four years properly to garner the harvest of the work which is done. There is enough experience within, for example, the British colonial administration concerned with co-operative promotion to show that it is only where you have continuity for five, ten or even fifteen years in a given country, with continuity of co-operative policy, that the most solid results are achieved. What technical assistance can do, for the most part, at the present time is to give an impulse in the right direction. It is a little uncertain, especially in view of changing government policy, how far the impulse can be continued and followed through. I mention that also because I believe firmly that any action undertaken by the Co-operative Movement ought to be geared into and co-ordinated

with the action of inter-governmental bodies, for one reason in order to economise the means and manpower available and to avoid useless duplication and overlapping. There must be consultation, I think, all the time. If we are to utilise our limited resources to the best advantage and get the utmost value in terms of co-operation from the resources which the United Nations and the Specialised Agencies can devote to this work, we must have a view of the whole of what can be done by both Governmental and Non-Governmental Organisations.

In the next section of the paper I talk a little about co-operative initiative and action more, perhaps, with a view to making suggestions than to making any very firm propositions at this stage. It is not that there are no ideas, but rather that I wanted Congress to feel that anybody who had a suggestion to make could feel that it would be exceedingly welcome in this discussion, and that the best thing we could do in Congress would be to pool any ideas and any experience that we have. There are people here who have had experience in various ways, and I hope that they will give us, within the limits of the Standing Orders, the benefit of it.

So far as the Co-operative Movement is concerned, there is more in this than simply imparting technical assistance. From the point of view of the Alliance, there is every reason for promoting co-operation in these countries in order to increase its own strength and influence, and there is no need for any of us to be modest about that. The chart which has been displayed at the entrance to this hall for the last day or two indicates just how the Alliance is at present composed. It is very largely European and very largely an organisation of Consumers' Co-operatives. If it is to remedy that state of unbalance it must recruit members increasingly from outside Europe, including the Co-operative Movements of those countries where producers' co-operation is perhaps the pioneer type or forms the backbone of the Movement. That again is something for a long-distance programme, but I would call your attention to the fact that of the 35 countries which are represented in the Alliance at the present time, 19 are in Europe.

We now come to the final three paragraphs, in which I suggest one or two practical lines along which we need to think at the present time. Hitherto we have been helping wherever we could with what resources we had when the demand came, in a more or less *ad hoc* and somewhat hand-to-mouth manner. I think that we could very well undertake a study of the conditions in the five regions I have indicated, and for each of them produce a programme of action by the Alliance, along with its own Organisations, with the young Co-operative Organisations in those regions and with governmental and inter-governmental aids. What is essential for a programme if it is to be carried out is obviously funds; and there, perhaps, we shall find the cardinal difficulty, because there is no lack of goodwill. The situation has altered a little since I wrote the last paragraph but one, in which I say that the alternatives appear to be to increase the I.C.A. general budget or to feed the Development Fund. The Development Fund has been given a good start by the fact, which I think is now generally known, that a voluntary British Co-operative Society for promoting co-operative development dissolved itself a few weeks ago and handed its accumulated funds over to the I.C.A. for the Development Fund, which brought the Fund up to between £15,000 and £16,000; K.F. has also offered, though the offer has

not been finally decided, to make a contribution of £5,000. It may be that at this stage the best method would be to feed the Development Fund; but, of course, what we want is very much more than a fund; we want a stream, a continual flow of financial resources, for the kind of work which we want to do, coming from the older and better established Co-operative Organisations through the Alliance to the young and struggling ones in the under-developed countries. When I suggest finance I do not necessarily mean subsidies or subventions or gifts, but rather means to finance the general work of explaining and demonstrating how co-operative institutions work, the finance, for example, for sending some of our young trained people from Europe into distant parts of the world to demonstrate, guide and advise; and, what I think is even more important, to bring people for fairly long periods from these countries to work in European and American Co-operative Institutions, where they can possibly earn their own living but at the same time get themselves completely "run in" to some particular branch of co-operative activity. For the most part the financial limitations at present mean that people study too little for too short periods, and do not get the length of practical experience which is necessary for real mastery of a particular job.

There is also other work which needs to be done for which the young Organisations at present are not financed. One of the big difficulties is to bring the co-operative message down to the common people of these countries. Many of them are prevented from getting it because they have no education which matters; they lack what UNESCO calls "fundamental education." They can read and write to some extent, but they may not be able to calculate. In any case, they lack that understanding of science and the teachings of the modern world which are essential to effective co-operative activity. All those things mean the adoption of forms of co-operative propaganda, the publication of simple co-operative leaflets in the vernacular languages for those who can read. It is dreadful to contemplate the extent to which the Co-operative Movement in India depends on the English language. It is the common bond, of course, between co-operators in different parts of India, but to make the hundreds of millions of the people acquainted with co-operation it is necessary to talk to them in their various languages, to write for them, if they can read, in those languages and, if they cannot read, teach them by visual aids. That is one of the most legitimate and important uses of money which we can collect for this purpose.

I do not think that I need say very much about the last paragraph. When the Co-operative Movement ceases to have a propagandist, missionary spirit it will be fit to be put on the scrap-heap. It has to face the danger that it may become set in its ways with age. Movements in that way are like the men who compose them, and the women, too. We have to resist that, because it is important for the Movement, and for this long-range task which lies before it, which is going to last for generations, beyond the time of anyone here now, that it should keep alive the missionary spirit, and renew it by renewing the youth of its personnel.

Then we come to the resolution, which on the whole makes three points. First of all, recognising the need for this work to continue on an increasing scale and more effectively, the resolution welcomes the action of the inter-

governmental bodies. There is no doubt that the Movement as a whole owes the authorities of the United Nations and the Specialised Agencies a debt of gratitude for the impulse which they have given to it in many parts of the world. At the same time, and here we come to the second point, we have to bear in mind constantly that what we are after is not to create a kind of adjunct to governmental economic policy, a governmental department. The Co-operative Movement can only do its best in any community when it represents the spirit of freedom, self-help and mutual aid amongst the people. It will not do the best job of which it is capable, even from the Government's own point of view, if it leans on Government instead of standing on its own feet. From that point of view I think Co-operative Movements should be encouraged, even when very young, to attempt to stand on their own feet, to make their own decisions and abide by the consequences of their decisions. If they are sheltered too much they will not learn what responsibility means. The aim is to create, even in countries where they would not exist without a governmental impulse, Movements as strong, as self-reliant and as responsible as those which grew up in Europe in the nineteenth century under the régime of *laissez-faire*.

Finally, there is the point that if you believe in Co-operation, if you believe that it has something universal about its Principles, and that they are capable of being applied in appropriate forms by all mankind, irrespective of where they live, what their conditions are or what their colour is, then you have to accept, it seems to me, the obligation of helping our fellow-co-operators in different countries to solve their problems in the best possible way, helping them not simply by material and financial means or even by teaching, but by showing them that you are really interested in them, that you understand what their problems are, that you sympathise with them, that you are willing to applaud them when they do well and pick them up and help them to get on again when they fall. In that way our Movement can make a contribution to the realisation of that great idea which we call the brotherhood of man.

The President: I now call on Mr. Efter to move a motion from Hevrat Ovdim.

Mr. J. Efter, Israel: The motion of Hevrat Ovdim, the Co-operative Federation of Israel, which I have to move is as follows:—

This Congress resolves to establish an International Fund under the auspices of the International Co-operative Alliance to foster, encourage, and develop co-operative activities and enterprises in under-developed countries.

This motion is a consequence of the desire amongst the members of the Alliance that some action should be taken to assist Co-operative Organisations in the under-developed countries in their endeavour to spread the co-operative idea for the benefit of their people. I feel that such a Fund will be of great importance both for the older, existing Co-operative Societies and enterprises, and also will be in full accord with Mr. Watkins' proposals which we are now discussing.

I should now like to say a few words on the paper itself. The Congress should be grateful to Mr. Watkins for his remarks on the very important subject of co-operative development in the under-developed countries. His effort to describe what I may call the historical reasons for the under-development of those countries, comparing them with the countries in Europe in which the Industrial Revolution took place, making possible the development of co-operative activities, enables us to choose and recommend practical means of developing co-operative activity in the under-developed countries. I agree that the development of co-operation depends generally on industrial development in the widest sense of those words, and we have to consider this in connection with the development of co-operation in the under-developed countries, but it will be a very long time before a similar economic basis for co-operation to that which exists in the developed countries will be established in the under-developed countries. Work in these countries, therefore, should be started immediately, assessing their conditions on the basis of the primary needs of the masses and using suitable methods, which cannot be the same in all cases, because big differences exist between them in their stage of cultural development, their economic activity and their standards of living.

Israel is mentioned among the Asian countries, and we should be very glad to co-operate in the development of co-operation in that region. We have already started exchanges of experiences with India, Burma and other countries. In Israel we have already developed our Co-operative Movement, and even new forms of co-operative and collective life. India and Pakistan have fundamental Co-operative Organisations, but other countries in that region have not. It is necessary in connection with Mr. Watkins's paper that a more detailed programme of action should be prepared by the Executive and Central Committee which should include, in the first place, the establishment of Agricultural Credit Societies, Marketing and Supply Organisations, because the economies of the under-developed countries are mainly based on agriculture. Having lived myself for a good many years in Asia, I am sure there is fruitful soil for co-operative development in that part of the world, but it may take time and require great energy, as well as financial aid. The benefit will accrue, however, not only to the people in the under-developed countries, but also to the Co-operative Movement as a whole.

I feel that Congress will be very pleased to accept the fundamental approach and the recommendations in this paper and to harness the goodwill of all the members of the Alliance, also of the United Nations, in order to raise the standards of living in the under-developed countries through the peaceful revolution of our age—co-operation.

The President: It may perhaps save discussion if I say that we accept the principle of Mr. Efter's motion and will include it in the official resolution. Mr. Tanaka will introduce the proposition sent in by the Japanese Union of Consumers' Societies.

Proposition of Nippon Seikatsu Kyodokumiai Rengokai.

We propose the establishment of an Asian Regional Sub-Committee of the I.C.A. to promote friendly relations between the Asian Co-operative Movements, having regard to the similarity of co-operation in under-developed countries and especially those of the Asian Region.

The functions of the Sub-Committee should be mainly directed to the promotion of:—

1. Co-operative trade between Asian countries.
2. Exchange of technique, experience, and information.
3. Joint study of the problems of legislation and governmental administration as regards co-operation in Asian countries.

We also propose that, under the auspices of the I.C.A., an annual or biennial Asian Co-operative Conference be held.

Mr. S. Tanaka, Japan: As stated in this paper, the countries of Asia belong to the under-developed category, and it is essential that the Co-operative Organisations in these countries should be developed in order to stabilise peaceful economic conditions for raising the living standards of the people. We Asian co-operators are very grateful for the efforts of the I.C.A., the I.L.O. and other International Organisations which are devoted to the development of co-operation in the under-developed regions, but we agree with Mr. Watkins that those efforts have been insufficient. It is also our regret that there are still many Co-operative Organisations in Asia which are not yet affiliated to the I.C.A.

Recently, however, there have been several opportunities for contact between the Asian Movements—for instance, the Round Table Conference of Asian Co-operative Movements held in Tokyo in October, 1952, the Asian Congress for the World Federal Movement, and the Technical Assistance Conferences held under the auspices of the I.L.O. and F.A.O.

In such circumstances we propose the establishment of an Asian Regional Sub-Committee of the I.C.A. to promote friendly relations between the Asian Movements, having regard to the similarity of co-operation in the under-developed countries, especially those of the Asian Region. The functions of the Sub-Committee should be mainly directed to the promotion of co-operative trade between Asian countries, the exchange of technique, experience and information, and joint study of the problems of legislation and governmental administration as regards co-operation. We also propose that, under the auspices of the I.C.A., an Annual or Biennial Asian Co-operative Conference be held for representatives of the affiliated Organisations and Associate Members of the I.C.A. in Asian countries. Co-operative Organisations not yet affiliated but interested in the Conference should be able to send observers.

There have been wars in Asia which have caused the loss of many lives. While these wars may be attributed to many different causes, in my view the real cause is the poverty of the common people. I think Mr. Watkins' proposal is very wise, and I hope the I.C.A. will endeavour to conquer the poverty of Asia. The Japanese proposition is intended to make the resolution more effective.

Mr. W. Serwy, Belgium: In the name of the Belgian delegation we wish to express our agreement with the general lines of the conclusions drawn by the *rapporteur*. This is a very important problem and one which calls for immediate action. There is no doubt that we must combine our action with that of the Specialised Agencies, I.L.O., F.A.O., UNESCO, not only to benefit by their authority but also to prevent them from taking inappropriate action. But it is above all essential that the National Organisations affiliated to the I.C.A. shall themselves, either collectively or individually, strive to undertake action intended to sow the seed of Co-operation, its ideals and its methods among the peoples of the under-developed countries. To fail to do so would be to forget that Co-operation is the practical expression of the spirit of mutual aid and solidarity, and that by its very spirit and methods Co-operation is a work of peace. After proclaiming to the world for 50 years our will to peace, the giving of practical aid to under-developed countries would be a concrete way of achieving our ideal of peace, since peace depends equally on economic well-being as on the freedom of peoples.

The last paragraph of the resolution suggests that the authorities of the I.C.A. shall draw up a programme of action to be undertaken by the Alliance and its members. On this we wish to make a few remarks. If we consider the experience of those who have lived in under-developed countries, it is apparent that co-operative action has been particularly successful where the co-operators have been sufficiently educated and trained to manage their Societies competently. For co-operative action to succeed co-operators must also have a real and immediate interest in it.

It would seem, therefore, that, among the essential aims of the programme to be drawn up, the education of the peoples of the under-developed countries must have priority. This educational action must also be extended to those who, having temporarily the responsibility of guardianship, have the task of initiating the indigenous peoples in co-operative practices. The choice of means for promoting Co-operation among backward peoples is also very important. Every effort must be made to relate the community tradition of the peoples and their immediate interest (agriculture, handicrafts, consumption) to simple schemes likely to promote understanding, enthusiasm and loyalty to co-operative ideals. In carrying out a programme we must not try to press on too fast.

To contribute to the achievement of these aims methods of work must be decided, and, without wishing to indicate these in detail, it would seem necessary to make use, with Co-operative Organisations of more developed countries, of the division of tasks and the co-operation of institutions. Further, in making a contribution to the work and financing of any programme, Co-operative Organisations must consider their respective positions with regard to the question of aid—for instance, among the countries of Europe where Co-operation is highly developed, some have overseas territories while others have none. The natural task of the Co-operatives in countries with overseas territories is to devote themselves to the development of Co-operation in those territories, also to ensure it by bringing pressure to bear upon their Government and with the possible help of sister nations; while Co-operatives in countries which have no overseas territories are in a freer and more general position as regards giving assistance. There must

be, we think, a preliminary division of work. Also, the possibilities of technical, economic and educational help, which vary from country to country according to the strength and specialisation of the bodies concerned, as well as of the men available, must be considered when planning help. Finally, the contribution of co-operative aid to under-developed countries should be envisaged either in the form of services or of financial support, or in both forms. Doubtless the effort will be long and exacting, but the final goal is well worth the toil.

Mr. M. D. Lincoln, U.S.A.: I think it was in 1943 that we had the first United Nations Conference on Food and Agriculture, to which I was appointed by President Roosevelt as one of the lay delegates. That was the first time that I had ever taken part in such work, and I did not know very much about it then. I do not know that I know much now, but the one thing which I did begin to understand at that time was, I think, ably expressed this morning in some of Mr. Watkins' preliminary remarks. I began to get a sense of something having happened in the world. The great advance in agriculture, the great advance in industry and the synchronisation of those two things had produced what I think is beginning to be accepted as the second coming Industrial Revolution. By the combination of science and mechanisation in agriculture and of science and mass-production in industry, and the combination of these two developments, I think we have been able to see something which perhaps the human race has never seen before, and that is the ability, at least partially, to eliminate all the old scourges of mankind, such as hunger, disease, want and perhaps insecurity.

All that, I think, leads right up to this question of how we are going to do this work, how we are going to get all the peoples of the world on what I would call the road to the abundance which we now know how to produce. As a result of my study during the last forty years I am more than ever convinced that there is no other form of institution which has the basic inherent economic and social strength to do the things which need to be done, to find out how to produce and how to distribute this potential abundance which I am sure we know how to produce. For the first time in history we have been able in some parts of the world to produce food and other things faster than we produce children, and we have these great areas where something is going to happen; either democratic forms of organisation are going to do it or the State will do it. That is where I think some of Mr. Watkins' remarks are very pertinent, but there is one thing which disturbs me. The lead is here, and I do not think there is any group in the world which can do so much as the group represented here. There is, however, something which we have to face, and in this I include the United States delegation even more than some others. I hesitate to speak in the presence of some who have done so much more than we have in the last few years, but we are getting on pretty well ourselves. What we have to do, however, is to put some more work behind our faith, and particularly to put some money behind our faith and our work.

Every time I see the financial statement of the I.C.A. I say to myself, "How can we ask the Alliance to do any part of the job which is waiting for somebody to do, to assume the leadership in what I think is one of the greatest opportunities that we have to make a real contribution towards peace and

plenty in the world?" There are people to-day who are paying for this kind of work to be done, for instance, the Ford Foundation put two million dollars into Burma. Where did they get the two million dollars? Mostly out of the American people who bought cars. They developed a programme of distributing about 160 million dollars worth of goods, and in the process made about two million dollars. Why cannot we, in the Co-operative Movement, get people to buy something and make enough money so that we can have a decent programme and go ahead and do something about this international development? We in Ohio have just bought an electrical company for six million dollars. It is going to make four million dollars this year, and we have to pay two million to the Government. We should find some way to get part of that two million dollars into this project. We make things which people on this side of the Atlantic are using. Some of the parts of the telephones in this hall are made by us. Why is the Co-operative Movement not smart enough to get together and get enough money out of the public, in a purely co-operative way, to finance some of these programmes?

The Co-operative League of the U.S.A. has been in existence for more than thirty years. The first time I attended a meeting it wanted a thousand dollars to do something, but it did not have the thousand dollars. I remember saying that if I had been connected with something for more than thirty years and it did not have a thousand dollars I would feel that there was something lacking in me. Our own Association has since been able to put more money into the Co-operative League than all the rest of the Co-operatives in the country together. I think you can do the same thing here. It is fine to pass resolutions and I am all for it. We must, however, provide the I.C.A. with the wherewithal, so that Mr. Watkins and Miss Polley and our President can get something done. If we try hard enough, we can get it done.

Mr. R. G. Gosling, Great Britain: I had intended to begin by congratulating Mr. Watkins on his paper, but before doing that I should like to congratulate Mr. Murray Lincoln on his appeal for money to be placed on the drum as soon as possible. Before congratulating him, however, I would remind Congress that what we are considering this morning is a resolution and a paper which emphasises that, whilst sums of money are necessary, the most important thing is to study what we are going to do and how we are going to do it. We have before us a valuable survey which is down-to-earth and gives us an understanding approach. If I have any regret about the paper, it is aroused by the absence of any reference to the direction and guidance given by the British Government on co-operative matters throughout our Colonial territories. I say that not because it is British, but because what is being done is of importance to all of us, and important also to every other Government concerned with native populations living in primitive economic conditions. When King Docemo ceded the land round Lagos to the British, it was provided in the Treaty that native law and custom should prevail except where it was repugnant to natural law and justice. The extent to which this has, or has not, been carried out is a matter of history, but it is most important in facing our problems to adopt the same approach.

Mankind has a great variety of needs according to climatic, cultural and economic standards, and it is the application of co-operative methods to this great variety of needs that requires our careful attention and our activity.

Many years ago a section of the British trades union movement sent a missionary to work among the native populations of South Africa with the object of promoting trade union activity. After a very short period he abandoned that work in favour of assisting the development of Co-operatives, and he gave as his reason, in the first place, the need for economic independence amongst the native people, and, secondly, their need to know how to conduct their own affairs as members of a community and against the impact of capitalist activity.

I agree with Mr. Watkins that we must not approach this matter in the rôle of kindly benefactors or with a sense of charity; our approach must be that of fellow-workers, helping our brothers to discover how our experience may be adapted by them to their needs. Given economic independence, given economic freedom, the other great freedoms will follow. It is also important that we should use any funds created or to be created in the future with these considerations in mind. Funds must not be used in any charitable form, and I think that the Executive should specify, at an early date, the methods which they propose to adopt in utilising funds placed at their disposal for these great purposes.

We have vast territories for co-operative exploration and co-operative effort, and we must work with method and with planning. I therefore urge that with this paper as a basis, and with the resolution which I am sure Congress will adopt, early consideration be given by the Executive to the actual, positive forms which the work should take.

Mr. J. F. Van Netten, Holland: In the opinion of the Dutch delegation, three things stand out from this paper. The first is that at international level the initiative to promote the development of co-operation in under-developed areas is very much in the hands of two of the specialised agencies of the United Nations, the I.L.O. and F.A.O. The second is that the Alliance, nearly ten years after the war, still needs, as Mr. Watkins has written, a programme, funds, and the missionary spirit, and I agree with him that Congress might seriously reflect whether this is not a position which must be reversed after the shortest possible interval. The third problem, which is not a surprising one in view of the two I have just mentioned, is that collaboration between the United Nations Agencies on the one hand and the Alliance, on the other, is not yet quite satisfactory. We read in the Report of the Central Committee that the relations between the I.L.O. and the Alliance have been clarified recently, although no details are given. In Mr. Watkins' paper, however, we are told that the United Nations Agencies make their decisions without offering the Alliance the opportunity of tendering advice. In our opinion, it cannot be regarded as a satisfactory solution that the Chairman of the Technical Assistance Board should simply communicate with its Officers to say that the services of the Alliance are available.

1029 I know very well that the Alliance has to solve its own problems of giving practical effect to its ideas on the promotion of co-operation in the under-developed countries. Although Mr. Watkins has just explained that he expects Congress to make suggestions, we should have appreciated it if he himself had made some more definite suggestions and had presented a plan. On the other hand, it is only fair to say that the Alliance and its member Organisations have a substantial reservoir of co-operative experience which could be used to advantage by the United Nations Agencies. We also wonder whether those who are responsible for the United Nations co-operative development programme have already exhausted the possibilities and opportunities for closer contact with the Alliance. We should like to suggest that every possible effort should be made to make the collaboration between the interested parties as effective as possible for the sake of the peoples of the under-developed countries.

Mr. A. S. Evdokimov, U.S.S.R.: The greatest attention must be given to the Co-operative Movements in so-called under-developed countries. It is well known that of the 117 million co-operator members of the Alliance, over 25 million are in the so-called under-developed countries. The Soviet co-operators have already expressed their point of view on this question, particularly at the Central Committee meeting in Florence, and they feel great sympathy for the people in the so-called under-developed countries, the colonial and dependent countries, who are for the most part in a state of poverty and suffering from many diseases.

The programme presented by Mr. Watkins for the activity of the I.C.A. in the field of co-operative development in these countries seems to us acceptable, and should be the basis of the work to be carried out both by the I.C.A. itself and its member Organisations as a contribution to the solution of this internationally important problem. The tasks of the I.C.A., in our opinion, are the defence of the Co-operative Movement in colonial and dependent countries from capitalist and monopolistic interests, also the recruitment of these Movements into membership, so that they can play their full part in the World Co-operative Movement. It is quite natural that the Movements in these countries should develop very slowly, since their economies are exploited by capitalist interests, while the administration in many cases endeavours by all possible means to limit the development of co-operative organisations. It is well known that legislation limiting the freedom of action of co-operators exists in Syria, Egypt and even in India. It must be emphasised that the efforts of the I.C.A. to help the co-operators of the under-developed countries are not yet satisfactory. The great majority of the Co-operative Organisations are still outside the Alliance and cannot benefit by the great experience of Organisations in other countries.

Mr. Watkins' paper defines the policy of the I.C.A., but, in our view, this programme is not sufficient. The I.C.A. must increase its activities; it must educate and guide the young co-operators in the interests of the well-being of the millions of workers in under-developed countries. The greater the extent to which people are attracted to the Co-operative Movement the greater will be the development of the Movement in those countries, and this must weaken the rôle of capitalist interests.

In 1954 the Economic and Social Council of the United Nations passed a resolution which stated that all Governments are ready to help the Co-operative Movement in under-developed countries. The I.C.A. must take full advantage of this by doing everything possible to develop the Co-operative Movement and to implement the resolution. Through its practical work, the Alliance should try to ensure the freedom of the Movements in the under-developed countries and their defence from capitalist influence. The Soviet delegation supports the proposal of the Israeli co-operators, it suggests that the Executive should fix the subscription to be paid by the member Organisations, also the purposes for which the Fund shall be used. The creation of such a Fund will be of practical help for co-operators in the under-developed countries, who do not need only our advice, but also practical material help. We hope Congress will unanimously accept the report of Mr. Watkins, also the proposal of the Israeli motion to create an International Fund and thus contribute to the development of the Co-operative Movement in the under-developed countries.

Mr. A. Hirschfeld, France: Among the problems facing the French Co-operative Movement is that of co-operative development in the under-developed countries, and at the last Congress of our National Federation Mr. Colombain submitted a remarkable report on co-operation in overseas France. The National Federation of Agricultural Co-operation has urged the constitution of an advisory body for co-operators overseas including a large number of coloured people interested in the Movement, and only a few weeks ago the Higher Council, which is a consultative body within the Cabinet and includes several members of the Co-operative Movement as well as high officials, set up a special committee to deal with overseas questions.

All those who have dealt with questions concerning the under-developed countries have seen, as Mr. Colombain recalled to us, the effect of the contact of our industrial civilisation with native communities. Co-operatives can do an enormous amount to help uprooted and isolated people to find a new social environment and to face the upheaval of their social structure. In France, fortunately, we have not been content with theoretical studies; everywhere in the territories of the French Union co-operative experiments have been undertaken, and in certain fields magnificent results have been obtained. In North Africa, first in Algeria and then in Tunisia, an Agricultural Co-operative Movement has been developed in which Europeans and natives are fruitfully united and which can be proud of its achievements. More recently Morocco, too, has embarked on co-operative developments, and we have as an observer at this Congress an official who is concerned with co-operation throughout the country, as well as a Moroccan who is the leader of a great Agricultural Co-operative. In other territories, further away from metropolitan France but nevertheless not negligible, co-operative work is more difficult. That is why the Minister for Overseas France three years ago created a theoretical and practical training course for co-operative workers, not only for specialist officials but also for Africans concerned with various branches of the Co-operative Movement. I have had the pleasure and privilege of being present at these courses, and have been struck by the interest taken by these men of various races and different circumstances in co-operative training. I am sure the seed we have sown will, by faith and hard work, bear fruit and enable us to reap an abundant harvest.

But, as Mr. Watkins says, the efforts to further co-operation in the under-developed countries should be considerably expanded and should take place at international level. The efforts made by the I.L.O., the F.A.O. and UNESCO in this field have been quite outstanding, both with regard to the experts whom they place at the disposal of Governments and the way in which they have enabled natives of these countries to study in carefully selected countries not merely the methods but also the achievements of co-operation. I have made numerous contacts with trainees from different countries, and have found how great is their enthusiasm for co-operative achievement. Unfortunately, however, technical assistance is very limited; there are financial obstacles and a lack of competent people prepared to give up secure positions and their own homes to go to far-away countries. Therefore, we must train native people to develop co-operation.

All this means that the National and International Co-operative Movements have a great task to perform, and we, as individual co-operators, must do everything possible to assure to trainees who come to our countries the maximum advantage from our experience. We shall, of course, vote for the resolution moved by Mr. Watkins; further, we suggest that the I.C.A. should try to find the best means of facilitating the development of the Co-operative Movement in the under-developed countries, and publish a booklet giving the results of its research, so that we may all be better equipped to deal with the problem.

Mr. K. Aoki, Japan: It gives me great pleasure to support this paper and the proposal for the establishment of an Asian Regional Sub-Committee submitted by Mr. Tanaka. The efforts which have been made by the I.C.A., I.L.O. and F.A.O. to develop various forms of co-operation in Asian countries are very valuable. On the other hand, it is most important that the Co-operative Movement should play a part in raising the standard of living in these countries. From this point of view I think that the establishment of an Asian Regional Sub-Committee of the I.C.A., and the holding of an Asian Co-operative Conference, as suggested in Mr. Tanaka's proposal, are most desirable for future co-operative development and I hope the proposal will be adopted by Congress.

Mr. H. B. Yates, U.S.A.: I should like to compliment Mr. Watkins on a fine report on the under-developed countries and a most complete definition and explanation of why they are under-developed. Something over a hundred years ago, in a period of history sometimes known as the "Hungry Forties," the mayor of an impoverished German town, many of whose people were in the hands of the moneylenders, thought out a scheme whereby the people would pool their resources and make loans to those who wanted to borrow money. It worked so well that the scheme spread to all the civilised countries of the world. This movement reached America some thirty years ago and, according to the latest figures, in Canada and the U.S.A. we have some 19,000 Credit Unions with some nine million members. If we include the members of their families that means about 30 million people, or about one-sixth of the total population of North America. This scheme worked well in a German village over 100 years ago, and there is no reason why it should not work in the under-developed countries to-day.

The Board of Directors of the Credit Union National Association, which includes the Credit Unions of Canada and the U.S.A., at their meeting last May, voted to spend 50,000 dollars in 1954 in organising Credit Unions in the under-developed countries of the world. We recognise, of course, that 50,000 dollars is not enough to set the world on fire, but it was about one-seventh of our annual budget, and there was not a single speech or vote against it. I was very sorry that we had not asked for more! We should appreciate the support, advice and suggestions of the I.C.A. on the spending of this money.

Mr. R. L. Marshall, Great Britain: Here indeed is a problem and a challenge of great importance and great delicacy. I venture to make some few comments on it only because the part of the British co-operative experience with which I am specially concerned is, I think, relevant to it. We have had established for the last seven years at the British Co-operative College a department on co-operation in overseas countries, and each year, for a year, 15 to 20 students, officers and workers in co-operation in the under-developed countries come for such training as we can offer to them. They bring their problems to us, and out of that experience I would offer a few comments and a few additional points of emphasis on the excellent paper Mr. Watkins has presented.

Out of that experience there come, I think, two or three principles which he has stated implicitly or explicitly, and which our experience fully corroborates. First, I think that the relationship between the developed countries and the under-developed countries must be one of equality, a partnership between equals. That is firmly stated in Mr. Watkins' suggestion that instead of a paternal-filial relationship we must have a fraternal relationship. We are engaged not in dispensing charity, not in exercising condescension, not in undertaking philanthropy, but in a fraternal relationship between equals. It is, I think, the University College of Achimota in West Africa which has adopted as its symbol a keyboard, showing the black and the white notes. You can have a tune of some sort with the black keys alone, and you can have a tune of some sort with the white keys alone; but for harmony and for completeness and for perfection you need both. That principle is one which we should take to heart.

Then there is the second principle, the principle of diversity. We have to acknowledge that different conditions will call for different forms, and, again, that principle seems to me to be fairly stated. Each country, we are told, "needs to work out its own programme and to follow its own line of economic progress." That is a challenge to make the effort of understanding, to know that other countries may require different forms, and, above all, the effort of understanding to acknowledge that what is different is not necessarily inferior. That difference, I think, will appear above all else in the relations between Government and voluntary associations, and for us in the West that new pattern of relationship will require a special effort of discernment and understanding.

There will, I think, be two points of interest: first, the acknowledgment that initially the initiative may have to come from Government, unlike our experience in the West. We have to see that poverty and squalor.

degradation and illiteracy, do not breed the conditions of their own destruction. Often the initiative for that destruction has to come from outside these conditions, and that one point of initiative can often only be found in State action. There remains, however, the second point, that if the Government has to come in initially it also should go out as quickly as possible. Co-operation reaches its full stature and realises its full possibilities and ultimate potentialities when it takes all power to itself and stands erect on its own feet. We may often have to persuade Governments that we do not want necessarily to lose them, but we feel they ought to go. They may want to stay, not out of any sinister intention but because in human relations, as in many other things, there is a force of inertia which will try to keep them there. We must encourage them to overcome that force and let co-operation grow to its full voluntary stature.

There is finally a third principle to be applied in these activities, the principle of economic soundness, the application of the severe and exacting test to any project: will it work? Innocence is not enough; idealism is not enough. We have to apply the test of feasibility and possibility, and already we notice that in a number of these countries this test has not been applied exactly as it might be. Their co-operative journey has not yet been a long one, but already on the trail there are the bones of abandoned co-operative projects. Each time a failure takes place it is of immense importance elsewhere. When the bell tolls for one co-operative failure it tolls for a good many others, whereas from success, if success can be attained, encouragement will be derived. We can say that the policy should be one of boldness tempered with realism and caution, while recognising the urgent need for action.

It would, I think, be true to say that the questions of peace or war may not be decided in the chancelleries of Europe, or even in the State Department in Washington or the Kremlin in Moscow; in a real sense it is true that they may be decided in the plantations, the rice fields and the paddy fields of Asia and Africa, and co-operation has a great deal to do and to say to ensure that the decision is a decision for peace and for progress.

Mr. O. Spinelli, Lega Nazionale delle Cooperative, Italy: Whatever our views may be about the solutions which should be found for the problem of the under-developed countries, there is no doubt of the lack of organised social aid. Mr. Watkins has referred to technical assistance and has rightly recalled Article 1 of the United Nations Charter, which urges the member States to achieve international co-operation in solving international problems of an economic, social, cultural or humanitarian character. The under-developed countries have no defence against speculation or exploitation, and no social provision against disease; their peoples live in dread of disablement, unemployment and old age, and they offer a vast field for the development of co-operation. Their plight was admirably expressed by the representative of Iraq on the occasion of the 25th anniversary of the International Social Security Association.

The Mutuality Associations of all countries are grouped in the International Mutuality Association founded in 1950, with headquarters in Paris,

which tries to effect contact with Co-operative Organisations knowing that they have in common the original idea of repudiating the notion of exploitation, and also deep sentiments of humanity. I am not able to submit any motion to the Congress, but in my twofold capacity of co-operator and mutualist I should like to say that if this co-operation can be achieved it will be to the advantage of the under-developed countries, and perhaps, also, of a few other countries which we do not regard as such. The working classes want to achieve the ideal of " Each for all and all for each."

Mr. F. F. Rondeau, U.S.A.: The American delegation is happy to associate itself wholeheartedly with the substance by the paper presented by Mr. Watkins and with the Israeli resolution. In the first place, we feel that the paper ties in well with the three principles which should prevail in the world to-day. A previous speaker has referred to the fact that the ultimate decisions on war or peace may not be made entirely in the chancelleries of Europe or in the capitals of other countries. We feel, in line with him, that it is important that all of us, as individuals, should think in terms of international citizenship. Secondly, we believe that it is important that each of us, as an individual, should be concerned with what happens to people in other parts of the world, and should regard what happens to them as important to us all. Thirdly, we feel that we must be prepared to assume some responsibility to help people in other parts of the world, who may perhaps be less fortunate than we are at the moment, to help themselves. For those three reasons, we are in full sympathy with the idea and the principle expressed in this paper and with the Israeli resolution.

As we proceed to the development, or rather the creation, of this Co-operative Development Fund, we shall find that there are different ways of doing it. One of them, I am sure, will be the solicitation of funds from Central Organisations in the various countries; but I should like to offer at this stage the suggestion that we do not overlook one very important point, and that is that we should think in terms of appealing directly to individual co-operators. I should like to refer to the experience of one of our Co-operative Institutions in the U.S.A. a year ago in order to emphasise the importance of this point. This organisation felt that it wanted to do more than talk about this rôle of international citizenship; it wanted to find means of assisting the people of India to help themselves. Through the facilities of our American co-operative institution which facilitates contact between people throughout the U.S.A., and of which Mr. Lincoln is president, we undertook a project to test the feeling of the people in our area about this rôle of international citizenship. It was a very modest effort, but it was very satisfactory that over 1,500 individuals raised a fund of 13,000 dollars with which to send ploughs and simple hand tools to the people of India.

The point I want to make is this: the sum of 13,000 dollars is not so important; what is important is that there were co-operators in our area willing to extend the hand of friendship to the people of India. That did a great deal to our people, because it developed in them a sense of pride and responsibility. We hope, and believe, that it also did a great deal for the people of India as an expression of confidence from the people of

America. For this reason I suggest that, as we proceed to develop the plan to implement the principles and ideas expressed in this paper, we should not overlook the possibility of going direct to individual co-operators and getting them to share in this great work. We, of the American delegation, associate ourselves with this idea, and we should also like to suggest that, as the specific plan is developed by the Executive, or perhaps the Central Committee, it should take into account the problems which may prevail within individual countries, in order that it may be properly fitted to them. We look forward to the development of this programme, and we assure you that we shall give it our very best support from the U.S.A.

Mr. A. Vuilleumier, Switzerland: The Congress has listened with much interest to Mr. Watkins' paper and will realise the need for co-operative solidarity in the world. I have pleasure in announcing that the Swiss Union of Consumers' Co-operatives will contribute 50,000 Swiss francs for the development of co-operation in the under-developed countries.

We are conscious of the difficulties which will face the authorities of the Alliance in this task. Ten years ago we created in Switzerland a "Par-rainage Society" to help the people in isolated mountain communities. A fund was opened and the annual donations have sufficed to support a village which was almost without industrial resources by introducing supplementary industries and taking charge of the sale of the produce. This modest activity is certainly less spectacular than the projects which we are now considering, but it has rendered a great service to the people concerned, and it may be of interest to the Congress as an example of the practical forms which our aid to the under-developed countries can take.

It seems to me necessary, as soon as possible and without waiting for our Fund to reach a million, to draw up a practical programme, also to create special organs for giving effect to the programme so that our aid can be effective. We realise that the existing resources of the Alliance in money and men are insufficient for this new task, and, therefore, suggest that the Executive should study the possibility of appointing a new official to undertake the work and of meeting the cost by special subscriptions. Thus the Fund which is being raised would not be used for administrative expenses but solely for assisting the under-developed countries.

Mrs. M. Ridealgh, Great Britain: Because English guildswomen believe in co-operation they realise their responsibility for the welfare of the whole of mankind. For many years we in the English Women's Co-operative Guild have spoken about the need to help the people in the under-developed areas. Mr. Watkins's paper now gives us a plan of action, and on behalf of the Women's Guild I should like to thank him for his very clear and concise picture of what is needed, also of the lines which we can follow. I want to deal with the section of the paper headed "Co-operative Initiative and Action." Mr. Watkins this morning asked us for suggestions, and that is my sole purpose in speaking; I felt that I should tell Congress what British guildswomen will be doing in the next few weeks in helping the expansion of co-operation. Many of our Societies offer co-operative scholarships, but sometimes those scholarships are not used. So we are asking our guildswomen to go to their boards of management and suggest that the scholarships be used for colonial students to come to our country.

I am not going to talk about these scholarships, because I think Mr. Marshall explained clearly what is being done in the Co-operative College. We have already sounded various people in Britain, including the trade unions and Mr. Watkins, who is very willing to help any Society which cares to give such a scholarship in the choice of the student from an under-developed country. While Societies will give the scholarships, we hope the trade unions will find the travelling and living expenses. I suggest to other movements which may not have this form of scholarship that they might institute them as a very practical way of bringing immediate assistance to the under-developed areas. I am only a representative of the housewives, and I cannot rise to the colossal business propositions put forward by Mr. Lincoln; but here is something which can be done now and which can help the people concerned themselves to carry out the work of co-operation in the way in which we should like to see it carried out.

I cannot leave this rostrum without saying how glad I was that Mr. Marshall emphasised the need for equality between white and coloured people and for no racial discrimination. It is only if we have that sense of equality that we shall see co-operation flourish and cover the whole world. Idealism is not enough; we have to be practical.

Mr. O. Kucera, Czechoslovakia: Mr. Watkins, in his paper, recommends that the Movements in under-developed countries should be helped primarily by the training and education of co-operative officials, by sending experts to these countries, and by inviting officials from them to study the Movement in countries where it has developed. This help, however, is only partial, and it will prove fruitless unless the fundamental conditions and circumstances necessary for the prosperity of the Co-operative Movement are created. For this reason it is not possible to overlook the main cause of the backwardness of these countries. As is seen from the paper, some of them have not even any Government of their own: their affairs are managed by various administrators. Even where a Government, usually a puppet one, does exist, the natural resources of the country are in the hands of monopolistic capital, while all public life is harnessed and subordinated to the interests of this capital, or, to put it more precisely, to the interests almost exclusively of foreign capitalists. The latter are not in the least interested in educating the native people; on the contrary, by keeping them in ignorance they ensure for themselves a cheap labour force and positions of control in these countries.

This affects the Co-operative Movement, because the laws and the administration prevent the Movement in these countries developing, and, like all public life, it is in the hands of Government organs, administrators or registrars, who protect primarily the interests of monopolistic capital. We are supporters of education, but that alone is just as insufficient as the missionary spirit recommended by the Director. What is really necessary is that all the progressive forces should help to establish conditions for the free development of the life of the peoples in these countries. The fundamental condition necessary is their full liberation from any form of domination by monopolist capital, the support of all their efforts for national liberation and independence, the granting to them of complete freedom to manage their economic and public affairs and to realise a more just economic and social order in their countries.

The Czechoslovak delegation suggests that the I.O.A.; within the scope of its aid, should challenge the Governments in the under-developed countries to avoid action which interferes with the development of the Movement, and, secondly, to grant aid in the form of credits, so that the Movement can develop without becoming subservient to governmental and other authorities.

Mr. C. Pedersen, Denmark: I should like to call attention to the special type of contribution which, as mentioned in this valuable paper, is carried on in my country, in the form of training courses in co-operation. The initiative for such courses was taken by our National Committee for Technical Assistance, in collaboration with the United Nations Committee, on which there are also representatives of our Co-operative Organisations. The idea is to bring students from abroad to Denmark to study together our Co-operative Movement. They hear lectures by practical experts and co-operative leaders, and can discuss their own problems with highly qualified persons who would never have time to go abroad as experts or lecturers. The students also have very good opportunities of visiting and studying the practical work of our Co-operative Societies, both large and small. A very important part of the course is a one-week's stay in a Danish village, where the work of Societies is studied at the local level, also the relations between co-operative work and the social and cultural aspects of life in our society.

In all respects we have been able to give the participants better facilities for studying our Movement than can be given to those who come individually to study our Societies. Of course, we help individual visitors as much as we can, but it is not always easy to give them enough time. The financial basis of these courses is a part of the Danish Government's contribution to United Nations technical assistance work. A course lasts six to eight weeks and has about thirty participants. The cost, including travel, is about 300,000 Danish kroner or £15,000. That is a great deal of money, but I am sure it is spent just as well as if it were used to finance individual students of co-operation.

The planning and carrying out of the programme of these courses is undertaken by our Co-operative Organisations, in close collaboration with, and under the auspices of, the I.L.O., which assists in many ways and has the sole responsibility for the appointment of the participants. At our first course last year they were highly qualified people from Asia. Next week another course will begin devoted to co-operative housing, with participants from Latin America, and with one of our delegates here, Mr. Dalgaard, as Director. On 10th October our next group-training course in co-operation generally will begin, with participants from Latin America and the Near East, and with Mr. Axelsen Drejer as Director.

I mention these courses because it might be possible for other countries with well-developed Co-operative Organisations to contribute to technical assistance in a similar way. If anyone is interested, we should be very glad to provide full information about our own experience. We have also for these courses had the active assistance of the I.C.A.

We from Denmark heartily support the resolution before Congress, and I would especially emphasise the importance of keeping close contact between

the many different national and international bodies engaged in similar work. Owing to its position, it is natural for the I.C.A. in all possible ways to promote and effect co-ordination and exchange of experiences in this field.

Mr. C. Crews, U.S.A.: I should like to do two things if time permitted, but I am afraid that it will not: I should like to make some remarks pertinent to the paper itself, as a United States delegate, and also to pass on to you as illustrations some of the things which were done for two years in Burma, a country from which I have just returned after a two years' stay, having been associated with the I.L.O. in co-operative work. Because of the time factor, however, I shall have to confine my remarks to the paper.

I want to point out, in a few words, the basic significance of this work in the economically under-developed countries, and the fact that the I.C.A. must be related to it. The significance may be brought out by saying that never before in the history of man has one-third of the total population of the world come to the assistance of the other two-thirds, to assist them through mutual aid devices in bettering their standards of living. In the past, if we read history correctly, usually the one-third has been only too ready to exploit the two-thirds. We have, therefore, apparently come to a turning-point in history and are reaching a higher stage of civilisation. The work of the United Nations and its agencies, the I.L.O., UNESCO, F.A.O., W.H.O. and others, and the work of the non-governmental agencies, together constitute, to my mind, the grandest adventure of our age. There is, of course, another grand adventure which has been going on for a hundred years or more, that is the Co-operative Movement itself, but perhaps it does not have quite the drama and romance of the present grand adventure, because of the situation in which the world finds itself. Still, our Movement is to me the grandest of adventures.

Turning to the paper, I would call attention first of all to a remark about the cost of the programme of technical assistance approved by the Technical Assistance Board for 1954. This figure of 180,000 dollars is not, I want to assure you, the total cost; it is only the actual expenditure on technical assistance by the United Nations, and you must remember that usually for every dollar spent by the United Nations and its agencies the so-called under-developed country provides an equal amount, sometimes even more. It is not a one-way street. These people do not seek charity; they are proud people, having just won their independence, and they wish to retain that independence and to work out their own salvation. Do not, therefore, think in terms of 180,000 dollars but of something much higher.

On page 183 the complaint is inferred that the I.C.A. has not been consulted sufficiently. It may be that this comment is just, but such a complaint inferred in the resolution seems to me to be definitely unwise, and calls, I think, for an amendment. I do not know what procedure is followed here, but I wish to suggest an amendment of the resolution, by striking out the words "at every stage in the preparation and execution of co-operative projects." That asks for an impossibility; from experience I can assure you of that, and I do not think those words should be in the resolution. On page 184 the wording seems to suggest that Australia and New Zealand are under-developed countries. I am afraid if there were any Australians or New

Zealanders here they would resent that inference, which I know is unintentional and should be deleted from the paper.

The question of financing the I.C.A. is referred to, but that has been mentioned so many times that perhaps no further reference is necessary than reading what is said here: "Co-operation is nothing if it is not a militant, proselytising faith which burns to convert the whole world, even its opponents." It is going to take a lot more than a 70,000 dollar budget to convert the whole world and the opponents of co-operation; it is going to take faith, energy and hard work, and the sacrifice of co-operators from the so-called advanced countries in going out and doing missionary work in the so-called under-developed countries, and time is of the essence. These people are not going to wait for co-operators to come to them; they will go on with their plans of reconstruction, with or without you. If you are going to assist them, it must be now, and it must of necessity be on a large enough scale to be effective. The pitiful budget of the I.C.A. makes me feel that we should use this motto: "It would be a very fine thing if the under-developed I.C.A. would come to the aid of the under-developed countries." That would be a pretty good motto, because under-nourished people do help one another. I appeal, however, for a co-ordinated effort on the part of all co-operators in all countries to see to it that the I.C.A., if it is to do the job which it says it will do, has the resources for the work which it is challenged to do.

The I.C.A. itself, I suggest, should not attempt any technical assistance programme. That would be too big a job. You should allow the United Nations, through its agencies, to carry on, and be very thankful that it is doing so, while the I.C.A. should prepare itself to act as an inspirational centre and clearing house for information, which is so necessary to assist the United Nations and its agencies in their work. It should engage individuals to carry out that liaison work, or promote the part-time employees in New York and Geneva to full-time employees, so that they can be in continuous contact with the bodies which carry out this work. Further, it should prepare simple material. In Burma we had no material to work with, no simple material saying how a co-operative should be organised and financed. Simple materials which can be translated into the various languages of the under-developed countries is needed, and by "simple" I mean simple visual material of all kinds. There was no textbook on co-operation in the whole of Burma, and it was necessary to write one in order to introduce it into the schools and co-operative institutes. Finally, it would be desirable for the I.C.A., acting more or less as a co-ordinating agency, to promote a system of adoption of one country by another. For instance, Sweden might adopt Burma and the United States might adopt Indo-China. By this system of adoption, co-ordinated through the I.C.A., we might be able to give real help to these under-developed countries.

Mr. G. Banchieri, Lega Nazionale delle Cooperative, Italy: Mr. Watkins, in his paper, offers us a very fine analysis of the question before us. After defining the conditions in which the I.C.A. and the older Movements can usefully help the promotion of co-operation in the under-developed countries, he summarises what is necessary in the words "A programme, funds, and the missionary spirit." I should like to comment on this. It is said that the I.C.A. programme must be worked out in agreement with the existing Co-operative Organisations on the spot, and with the Government departments

and inter-governmental organisations responsible for the supervision and encouragement of co-operation. That is true, and I would say that it is an obligatory condition in certain circumstances for action by the I.C.A. in these countries, but I think a programme which is to open up prospects of realistic action should not overlook the particular conditions in which the Industrial Revolution to which Mr. Watkins refers is developing in these countries. Their own effort to bring themselves up to date is often characterised by a very bitter struggle where the forces of progress encounter interests which wish to maintain the old state of affairs. The development of a modern economy in these countries is combined with the struggle for independence and freedom to decide their own destiny.

The history of European co-operation shows that its establishment has always been closely linked to the forward march of economic and social progress. In the under-developed countries, an essential aspect of democratic development is the impact of social progress on agriculture, and to aid the development of voluntary and democratic co-operation we have to collaborate with governmental institutions, with the Co-operative Movements which already exist, also with movements based on agrarian reform. In my own country, in which some regions in certain respects resemble conditions in under-developed countries, it is in agriculture that Government measures have been taken, and we find that the development of Agricultural Co-operation goes hand in hand with agricultural reform in a democratic sense. Co-operation has a field of activity in creating the immediate conditions necessary for what I would describe as a market economy.

The I.C.A., in deciding in a concrete way how to bring real help to co-operation in the under-developed countries, should profit from the experiences of Co-operative Movements of long standing, such as the experiences of our Swiss colleagues and those we have had in Italy recently, where, as I have just said, the situation now existing presents many analogies with the situation in the countries with which this paper is concerned.

Mr. W. B. Melvin, Canada: It would be quite inappropriate, and I am sure unwelcome, if I were to attempt to speak at any length about the importance of the concept which we are now considering and the need for its implementation at the earliest possible moment. I should like, therefore, merely to make one or two brief observations on some aspects of the very valuable paper of Mr. Watkins. I was particularly interested in his reference to the fact that we should not do anything which might add to the confusion or loss of direction which has been experienced by many peoples of the under-developed countries even at the present time. I mention this because in my own country we have a group of people who are suffering from that sad plight. An era which is happily passing has left behind it a group of people in Canada, the North American Indians, who are, if ever there was one, a people without direction. I am happy to say, however, that we in the Canadian Co-operative Movement are helping, in a small way at least and I hope increasingly, to give direction to these people, or rather to help them find direction. Our Fishermen's Co-operatives on the Western coast are very active in that enterprise at the moment.

I hope that those who are charged with responsibility for this I.C.A. project will move very carefully indeed in their planning, because, as we know so well, they are dealing with human values, with people whose reactions are sometimes unpredictable, and with whom they must deal with care and great understanding. In Nova Scotia, one of our maritime provinces, we have a university, the University of St. Francis Xavier, which does a great deal in the training of leaders in the Co-operative Movement. Its programme is rather similar, no doubt, to those carried on in England and Denmark and referred to by Mr. Marshall and Mr. Pedersen. It has been the experience in Nova Scotia that it is very valuable, probably more valuable, to bring leaders from these countries to countries where the Movement is developed, and to train them there at length than to send people out to these other areas for short periods. The reasons must be obvious and there is no need to go into them, but it would be valuable if those who are responsible would keep that fact in mind, because experience has shown it to be true.

Another point is that we shall be dealing with people who are often illiterate and certainly unskilled in many of the things which we take for granted in our daily life, so that it will require tremendous imagination to deal with them. I hope that there will not be developed a programme which is considered to be something which will last for all time, or even for any great length of time; in the matter of techniques, it seems to me it will be important to keep our minds open and to be willing to change our techniques to meet new conditions. Let us be sure that in what we do imagination plays a great part.

The people of my country, the co-operators in particular, have shown great interest already in various areas where help may be given. They have done something in the nature of the project which Mr. Rondeau mentioned, though not on so large a scale, in one or two areas of Canada. I am very happy, and I am sure they will be, that we are on the threshold of developing a programme which will co-ordinate such efforts and, I think, make them more effective. I know of all the trouble which was involved in getting one tractor to India. It was a fine effort and will do some good, and as an expression of good will will be very helpful on both sides, but a great deal of trouble was involved. Much can be done by co-ordinating our efforts. Reference has already been made to the American organisation which has done a great deal to bring assistance from America to other areas of the world. I think part of the genius of that organisation is that it has made a continuous and successful attempt to let the people who contribute know what is being done with what they contributed. If we look for support from individuals, and equally from our co-operatives which in the last analysis depend on individuals for inspiration and support, we must have in our programme a means of reporting back, not every three years or once a year but more frequently, so that those of us who may be charged with the responsibility of finding funds can keep before our people a live and interesting picture of what is being done with the money contributed. They will give the money, but it will be our responsibility to use it well and to let them know that it is being used well.

Close of the Seventh Session.

EIGHTH SESSION

Thursday Afternoon.

Discussion on Mr. Watkins' Paper (*continued*).

Mr. V. Popovitch, Yugoslavia: I admire Mr. Watkins' paper because he does not close his eyes to facts regarding the development of co-operation in under-developed countries. We hope that the I.C.A. will help co-operation in these countries. Some ten years ago we asked for help, and even a little assistance would have been very useful to us. Co-operation in the under-developed countries is in a similar position, and to-day the I.C.A. can assist its development. To refuse to help would be a great error on our part; in fact, the promotion of co-operation in these countries must be an important part of our activity. We have made some mistakes in the past because we did not realise the importance of young Co-operative Movements.

On behalf of the Yugoslav delegation, I have to state that we agree with the principle of helping the young Co-operative Movements in under-developed countries, and also with the proposal submitted by Hevrat Ovdim.

Mr. Watkins: I should like to begin my reply to the discussion by expressing sincere thanks to the delegates for the serious way in which they have taken this subject. I am also grateful for their kind remarks about the paper itself. Perhaps I might say, before entering into more controversial matters, that naturally I agree in advance with the suggestion put forward by Mr. Efter on behalf of Hevrat Ovdim. We hope that if the I.C.A. Development Fund does not exactly correspond to his motion now, as it grows it will do so more and more, so that Mr. Efter's Movement will feel that it can support both the Fund and the work which will be done on that basis.

With regard to the suggestion of Mr. Tanaka, it is one which, of course, directly interests Eastern Asia, which, after all, is only one of the regions which the I.C.A. will have to take into account. The suggestion of an Asian Regional Conference is an idea which will have to be placed alongside others in, I think, a long and lengthening list as time goes on. Giving a personal opinion, I should be very much inclined to favour the Japanese idea. Whether that should precede or follow some other measures in that part of the world is perhaps more doubtful, but by various means we need to confer with the co-operators in Asia, and South-East Asia in particular, and to concert measures with them.

I agree entirely with Mr. Serwy in emphasising the importance of education for the populations amongst whom we desire to propagate co-operative ideas; indeed, I would say that at the present time lack of education is one of the most important limitations on the work of co-operative development. A certain amount is being done in the training of Government officials to guide Co-operative Societies, but it cannot be said that co-operation has

got down to the very roots, to the people whom we hope to convert to co-operative membership, which is the proper starting-point of co-operative education. If that be so, one can accept the suggestion which was made later in the discussion, namely, that the I.C.A. should make itself responsible for the distribution of simple guides to co-operative practice. I would go even further and say that it should help the various regional and national, and even local, organisations to print in their vernacular languages these simple guides to the establishment and running of Co-operative Societies.

Some months ago we called attention in the *Review* to an exceedingly practical piece of work of this kind carried out under the auspices of the South Pacific Commission. It should be possible for us, if we had a selection of these things in front of us, to produce something better than any of them by embodying the good features of them all in a kind of primer of co-operation which would be used in various regions of the world. On the whole, I should be inclined to adopt that method rather than the one suggested by Mr. Hirschfeld, that the I.C.A. should publish a brochure. The I.L.O., in a sense, has already done that piece of work fairly effectively, and what is now wanted is special information and guidance bearing on the practice of particular types of co-operative society.

We all welcomed Mr. Lincoln's declaration. It seemed to take me some distance along the road which I want to travel, from a fund to a stream. A fund can be exhausted; a stream can be kept flowing. I do not know that at the present stage one would be inclined to prescribe one means as better than another for creating a stream. Whether interested individuals or organisations contribute is a matter of much less importance than that the stream itself should be kept flowing and its volume increased with time rather than allowed to diminish.

Mr. Van Netten raised one or two exceedingly practical points, and in relation to them I would say, first of all, that I could perhaps have produced a plan and added it as an appendix to the paper, but frankly I should have been doubtful about its value. It is not altogether a question of wanting a plan; what is required is the best plan, and I think that the best plan is likely to be arrived at by putting several people in touch with one another, consulting those who have practical experience, and producing something to which they can give general agreement. It is for that reason that in the resolution itself all that we have asked from Congress is an instruction to go ahead and prepare plans, without restrictions as to whom we may consult.

There is also the question of collaboration between the I.C.A. and the international agencies. Mr. Crews deplored a reference to that in the paper and the statement in the resolution that such collaboration was desirable. Let me quote the example of Mr. Crews himself. The first time we were aware that Mr. Crews was going to Burma was when he walked into our office in London one day and said he was on his way. Now, the decisions leading up to that event had obviously been taken over a period of months before, and frankly I am not convinced even now that the I.C.A. is informed by the United Nations authorities and the Specialised Agencies at the earliest possible moment of what is being considered and contemplated. For that reason I think that that paragraph should remain in the resolution as drafted.

I ought to say in addition, I think, that each of the Organisations concerned has its own machinery, its own procedures, laid down very often by people who have not co-operation especially in view, general procedures to which all the departments conform; but at the same time, in the practical interests of the work, it is desirable that even when projects are only being thought of the I.C.A. should be brought in, asked what it thinks about them and what resources it could bring to bear, assuming they are adopted.

I might say many things in rejoinder to Mr. Evdokimov of the Soviet Union. There are more links between the I.C.A. and the Movements in the under-developed countries than appear, as it were, to the naked eye. There is a constant trickle of correspondence, which I have not mentioned at all in the paper, and a constant trickle of enquirers who happen to find themselves in London and come to the I.C.A. office. We have not made any display in the paper of what we know about the under-developed countries, but there are links which we can utilise once we have the appropriate plans of action.

I was glad that Mr. Hirschfeld mentioned the Association of Co-operators of French Overseas Territories, because the Chairman of that Association delivered a brilliant lecture to our International School rather less than a fortnight ago. It was, I think, a thrilling experience for all of us that this native of French Guinea came and lectured in perfect French, gave precise and concise answers to questions, and showed himself to be in all respects an excellent co-operator.

With regard to Mr. Yates's reference to C.U.N.A., there is no doubt that the Co-operative Credit Society is what I would call the pioneer type of Co-operative Organisation in many under-developed countries. By a "pioneer type" I mean a type of Society which is suitable for the first introduction of co-operation into a particular milieu. But it is necessary to remember that in a number of countries you cannot even begin with the Credit Society in its fully developed form; you have to lead up to it by what is sometimes called a Thrift Society, and in any case you have to put not merely the giving of loans but the saving of whatever income the members get into the forefront of the Society's activity. There is not time this afternoon to go into the importance of that, but it is fundamental, because not merely do the under-developed countries need the help of capital from outside but, if they are ever to achieve anything like economic independence, they must learn how to accumulate capital out of their own resources. In certain countries, where food is easily produced in a favourable climate, the habit of forethought scarcely exists among the population and has to be built up from nothing. I fully recognise the admirable work which has been done by Credit Unions, particularly in the Caribbean and even further south, and I may add that we have, in connection with the course in the Caribbean which we hope to hold this autumn, received from Mr. Yates's own Organisation an enquiry as to whether they can help by sending a lecturer, a suggestion which was very gladly received indeed.

Mr. Marshall was able to give you the result of some years of experience in training people from various under-developed countries in the Co-operative College at Stanford Hall, and Mrs. Ridealgh conveyed a suggestion from the

Women's Co-operative Guild in that respect, that where Societies were not using their own scholarships they might make them available for students from overseas. Here again, however, the limits of that kind of training are very apparent, and what is regarded as even more urgent, perhaps, is the provision of proper training courses in the territories in which the students live. For that reason the East African School of Co-operation in Kenya is of special importance, and is worthy of help and attention. I hope that it will be possible to secure help for that institution not merely directly but also through the UNESCO gift coupon scheme. Even that central institution, however, which serves three territories, is not near enough to the ground, and much more is needed in the way of financial and material resources before we can regard the position as satisfactory. With regard to Government initiative in general, I should like to use a figure of speech derived from my native town and the dockyard on which it lives. Government initiative in these matters is like the ram which helps the ship to get started down the slipway when it is launched; it should not be the tugboat which pulls the vessel about afterwards.

I would not worry over-much about economic soundness. It is obviously an ideal to be achieved if at all possible, but we should not be too discouraged by enterprises which fail or exaggerate the moral effect they may have. After all, when we look back on a century of co-operative history in Europe, in every country we can make a list of failures. Co-operation is not a dogma to be applied but a procedure in which those who practise it learn by trial and error, and it is essential to the ultimate strength of Co-operative Movements in the under-developed countries that their members should have sufficient freedom to make errors, should learn to make decisions and abide by the consequences of them, even when they are bad, in order that they may do better in future. The defect to which Government control and supervision is prone is to prevent the Organisations from having that experience, to give them insufficient freedom, in short, to coddle them and to aim at a kind of barren correctness instead of that kind of free movement of co-operative institutions which we ultimately desire. It is for that reason that contact with a Movement which has worked freely, which is responsible for its own decisions, which makes errors and recovers from them, is healthy for all these Movements, even from the very beginning.

I think that the remarks which I have made about raising money cover the points which were made by Mr. Rondeau of the U.S.A. With regard to money, I should be inclined to quote Kipling on the subject of tribal lays:—

There are nine and sixty ways
Of making tribal lays
And every single one of them is right.

So far as raising money for this purpose is concerned, short of burglary or something like that, each one of them which produces the resources is right, in the circumstances in which it is applied. I should like to say how heartening it is to receive the promise from the Swiss Co-operative Union of a contribution to the Development Fund. There will be no worry about the Fund if it develops in that way, and there is no doubt that the experience of the Swiss co-operators themselves, in helping certain backward villages and communities in their own country, is likely to be a source of valuable information on which to draw when we get down to work.

Mr. Kucera, from Czechoslovakia, gave us a piece of deductive thinking in which logic took the place of knowledge. I wonder whether he has ever met a Registrar! We were able to produce one or two at the recent School, and I think that they were the complete opposite of the character which he suggested. I have already answered one of Mr. Crews's points and given my view about that. He emphasised the importance of time, and I agree that time should not be lost. But, direction is, on the whole, more important; if you do not go in the right direction you lose more time than if you travel slowly. I think that in a good deal of this co-operative development the technical assistance experts are being pushed by the eagerness of the Governments to attempt larger enterprises in many respects than may be justifiable. I think that a number of small-scale pilot projects are likely in the long run to produce more satisfactory results. If you want a big snowball you can still begin by rolling a little one.

I was particularly glad to hear Mr. Banchieri's contribution, because it confirms the advice which I have given more than once to co-operators from the under-developed countries outside Europe, to study Italian co-operation and its problems. The Italian contribution, possibly because of language, is one which has been under-estimated in this respect hitherto, but Italy has herself had so much to contend with in the way of agrarian poverty that her experience is worthy of study by anyone faced with the same problems. It was interesting also to hear Mr. Melvin and to know that the Canadian co-operators are also interested in a people that has lost its sense of direction and does not seem to have any place in the modern world.

With these remarks, having already over-run my time, I would conclude my reply to the discussion by saying how much encouraged we in the Secretariat have been by the attention which delegates have paid to this paper to-day.

The President put to the vote the resolution on the Paper and declared it adopted unanimously.

The President: We have the long resolution on this subject from our friends in Japan, recommending certain action so far as some of the under-developed countries are concerned. I should like to ask the Japanese delegates whether, since the resolution has been brought before Congress and they have spoken on it, they would agree that it be referred to the Executive and Central Committee to consider the action which it suggests along with other forms of action.

Mr. Tanaka and Mr. Aoki having agreed, The President continued: The Japanese resolution will, therefore, go to the Executive and Central Committee for consideration. The Israeli resolution has been accepted. I am sure you would desire me to convey to Mr. Watkins our thanks for the time and thought given to the preparation of his paper and for the way in which he has dealt with it before Congress.

Agreed.

I.C.A. Jubilee Triennial Prize.

The President: As many delegates will know the Third Award of the I.C.A. Jubilee Triennial Prize was made to Dr. Fauquet, but before it could be handed to him he passed away. What is doubly unfortunate, Madame Fauquet has since died, so that the Prize cannot be presented. The Central Committee felt, however, that a tribute should be paid to Dr. Fauquet and his work at this Congress, as it would have been, though in a different manner, if he had been here to receive the Award. The tribute will be paid by Mr. Barbier.

Homage to Georges Fauquet.

Mr. Ch. H. Barbier: By their decision to award the Jubilee Triennial Prize posthumously to Dr. Georges Fauquet, the members of the Executive and Central Committee desire to manifest their affection and loyalty to the friend ever present for many of them, as well as their admiration for the writer and his work. At the same time, the I.C.A. Prize itself gains in eminence and dignity. Its aim was to sanctify a work; it has itself been sanctified.

The life and career of Georges Fauquet have often been retraced. He was born on 11th June, 1873, at Lillebonne, in Seine-Inférieure, and I would like to pause here, to think with you about the years of his childhood in Normandy; how I would like to know the good men and women who bent over his cradle and what they used to say about the baby; how I would like to know the wise and hardy peasants, eloquent, precise and enjoyable in their use of their language, tenacious, skilful and practical in their reasoning, and to see that lovely bright expression—which we were only to know much later—with which the child followed and listened to them.

The years between 1892 and 1899 were spent in the Faculty of Medicine at the University of Paris. Our friend Edgard Milhaud, who is here, could tell us about Fauquet as a student, and it is a pity that it is not he, or Maurice Colombain, speaking now. Having completed his studies, which were crowned by a doctorate thesis on "Work at Home from the Point of View of Health," Fauquet practised medicine until 1905. Those years during which France was shaken by the Dreyfus affair were also those when, as Marcel Brot has well said, "intellectuals, universities and students allied themselves with the workers and, in the struggle against an injustice, revealed the immensity of social justice."

In 1900 Fauquet took part in the constitutive Congress of the International Association for the Legal Protection of the Workers; in 1903 he was the rapporteur for the French Section of this Association on "Rest for working women before and after childbirth." From 1905 to 1910 he was at Nantes, where he was appointed labour inspector, then at Niort. In 1910 he went to Martinique to study conditions of metropolitan labour legislation; it was following this mission that Books I and II of the French Labour Code were put in practice in Martinique, Guadeloupe and Réunion, and a Conciliation Board was set up at Fort-de-France. From this stay in the Caribbean

Fauquet made many observations and acquired a grasp of problems which was never to leave him. More important even than better living conditions, which he wanted to assure for the natives, are living conditions with dignity. "I am not an ox," retorted a native of Martinique one day in Fauquet's presence to a colonial who wanted to subject him to I do not know what kind of work. In this reply and this protest, Fauquet rightly saw the very expression of human dignity. For it has been said of man that "when he is treated like a brute, he responds like a man."

In 1914, after being Controller of Workers' and Peasants' Retirement and, with Albert Thomas, having inspired the Technical Office of the National Federation of French Consumers' Societies created in 1912, Dr. Fauquet was mobilised as doctor to the infantry. After three years in the army, he was put in charge of the social services to the Armaments Ministry. In January, 1919, when Alsace and Lorraine were liberated, he was called to Strasbourg by his friend François Simiand to be Assistant-Director of Labour and Social Insurance at the General Commissariat of the Republic.

In June, 1920—I am now quoting Marcel Brot—"Albert Thomas called him to the International Labour Office (that was the beginning of a fraternal collaboration with the co-operators of Geneva and the Swiss Union) and Dr. Fauquet also gave his help to the Haute-Savoie and Annemasse Societies. He became a member of the National Committee of the French Federation of Consumers' Societies, and of the Central Committee of the International Co-operative Alliance, in whose councils he gave the French delegation the authority of that deep and precise thought known throughout the world by the translation into many languages of his articles and of his principal work, "The Co-operative Sector."

We know how happy was the collaboration of Fauquet and Thomas at the I.L.O., how the Co-operative Section developed and what prestige it gave to the Co-operative Movement. In 1933, on reaching the age limit, Dr. Fauquet retired, giving the Co-operative Section into the hands of his disciple and friend, Maurice Colombain. Then studious leisure was beginning.

Until 1937 Dr. Fauquet lived at Cambrils, in Catalonia. He was passionately interested in the new-born Co-operative Movement of that country—Co-operation which was then so alive and so curiously mingled with anarchy—and often gave the benefit of his advice to the Catalan co-operators, just as, in his youth, he had helped those grouped around "La Ménagère" and "L'Avenir de Plaisance" in Paris, and later, the farmers of Charente and Poitou, associated in the working of their co-operative dairies. For, in Fauquet, the faculty of observation was accompanied by the taste for experiment; he did not restrict himself to establishing facts and understanding motives, but thought that the duty of the co-operator was to intervene, to improve, to exchange ideas and experiences. On 1st July, 1933, before going to Spain, he had presided at the foundation of the Dairy Union, which closely linked the Geneva Consumers' Society and the United Dairies, just as later he was to preside at the creation of the Labour Association of Roundsmen of the Dairy Union, that bold and successful experiment which prompted Edgard Milhaud to say that perhaps one day one would speak of the "Geneva Equitable Pioneers."

Fauquet made many observations and acquired a grasp of problems which was never to leave him. More important even than better living conditions, which he wanted to assure for the natives, are living conditions with dignity. "I am not an ox," retorted a native of Martinique one day in Fauquet's presence to a colonial who wanted to subject him to I do not know what kind of work. In this reply and this protest, Fauquet rightly saw the very expression of human dignity. For it has been said of man that "when he is treated like a brute, he responds like a man."

In 1914, after being Controller of Workers' and Peasants' Retirement and, with Albert Thomas, having inspired the Technical Office of the National Federation of French Consumers' Societies created in 1912, Dr. Fauquet was mobilised as doctor to the infantry. After three years in the army, he was put in charge of the social services to the Armaments Ministry. In January, 1919, when Alsace and Lorraine were liberated, he was called to Strasbourg by his friend François Simiand to be Assistant-Director of Labour and Social Insurance at the General Commissariat of the Republic.

In June, 1920—I am now quoting Marcel Brot—"Albert Thomas called him to the International Labour Office (that was the beginning of a fraternal collaboration with the co-operators of Geneva and the Swiss Union) and Dr. Fauquet also gave his help to the Haute-Savoie and Annemasse Societies. He became a member of the National Committee of the French Federation of Consumers' Societies, and of the Central Committee of the International Co-operative Alliance, in whose councils he gave the French delegation the authority of that deep and precise thought known throughout the world by the translation into many languages of his articles and of his principal work, "The Co-operative Sector."

We know how happy was the collaboration of Fauquet and Thomas at the I.L.O., how the Co-operative Section developed and what prestige it gave to the Co-operative Movement. In 1933, on reaching the age limit, Dr. Fauquet retired, giving the Co-operative Section into the hands of his disciple and friend, Maurice Colombain. Then studious leisure was beginning.

Until 1937 Dr. Fauquet lived at Cambrils, in Catalonia. He was passionately interested in the new-born Co-operative Movement of that country—Co-operation which was then so alive and so curiously mingled with anarchy—and often gave the benefit of his advice to the Catalan co-operators, just as, in his youth, he had helped those grouped around "La Ménagère" and "L'Avenir de Plaisance" in Paris, and later, the farmers of Charente and Poitou, associated in the working of their co-operative dairies. For, in Fauquet, the faculty of observation was accompanied by the taste for experiment; he did not restrict himself to establishing facts and understanding motives, but thought that the duty of the co-operator was to intervene, to improve, to exchange ideas and experiences. On 1st July, 1933, before going to Spain, he had presided at the foundation of the Dairy Union, which closely linked the Geneva Consumers' Society and the United Dairies, just as later he was to preside at the creation of the Labour Association of Roundsmen of the Dairy Union, that bold and successful experiment which prompted Edgard Milhaud to say that perhaps one day one would speak of the "Geneva Equitable Pioneers."

This busy retirement was marked in 1935 by the publication of the *Co-operative Sector* in 1949 by *Observations on the Co-operative Movement*, which consisted of some of his articles and other publications. His retirement was also marked by many lectures at the University of Geneva and at our Co-operative Schools at Freidorf and Chexbres, by sustained collaboration with the French and Swiss Co-operative Movements, with the International Co-operative Alliance and even—Dr. Fauquet believed that “little things are often great things”—by the presidency of one of the Geneva co-operative study circles.

An engaging career, but a still more engaging personality! Let those who were fortunate enough to know him cast their minds back; you will see once more, behind the glasses, the eyes which look at you, those sparkling and malicious eyes impatiently awaiting your reply; that mouth stretched in a smile, the lips already preparing to retort, for your reply has already been guessed and found wanting; see again the eternal pipe, often extinguished, often relighted, the wisp of smoke, the fine little white beard; you will hear, once more, his often jerky speech, in which firmness and hesitation so curiously mingled to arrive at formulas astounding in their exactness and perfection.

That such a personality should have had a most profound influence on his friends and disciples, it would suffice to read the series of moving tributes collected by Alberto Basevi in the magnificent volume which he published as a homage to the memory of Dr. Fauquet in April, 1953, hardly three months after the death of our friend—Colombain, Brot, Gausssel, Milhaud, Ramadier, Orizet, Lafrance, Lavergne, Daudé-Bancel, Hirschfeld, speaking for the French co-operators; and for International Co-operation, Sir Harry Gill, Miss Polley, Watkins, Alberto Basevi himself, Spinelli, Dami, Saragat, Warbasse, Johansson, and others.

From amongst these many tributes, which should all be re-read, let me quote a few lines of the homage of Georges Gausssel—

“A Co-operator indeed he was, as no one after him will ever be. In him Co-operation was made man. In the sphere of personal relations, as in the intellectual sphere, everything in him was an exchange. And his true pleasure, his only one, was, I think, conversation . . .

“This Norman with the sparkling eyes (yet with Gallic malice beneath that twinkling glance) liked to see in his name—Fauquet, the little serpent—a symbol of his character. Actually, there was in his wit something rather sharp and cutting, an Attic finesse which explained his taste for dialogue in which the subtlety of his remarks recalled the style of the Greeks. He was made for disciples. He would have been an excellent tutor for a king.

“Amongst the disciples around him at Geneva, the foremost of them was Maurice Colombain. And I think it was, above all, for this that throughout his life Fauquet remembered his years in Geneva with emotion and regret. Those years were the *Iliad* of his career, the time when he really had the use of all his innate gifts.

“He made the annexe to the great international edifice a Seminar in the university meaning of the word. A saintly layman, he pursued with the patience of an entomologist the endless study of the co-operative species. But this scientific work had other aims than science for its own sake. It

was not without importance that he had the good fortune to be close to men like Péguy, Simiand and Albert Thomas. A spiritual flame animated him. How mistaken are those who, never having met him and knowing him only through his books, saw in him only a cold theorist! Rarely will a man have been more passionate. He studied passionately, discussed passionately, persisted passionately. When he had an idea at heart it was impossible to make him detach himself from it. His obstinacy was only equalled by the skill with which he thwarted the wiles of his opponent, determined to divert him from his purpose."

An engaging career, an engaging personality. And then his work!

The Co-operative Sector—"an imposing synthesis in a very few pages," said Professor Edgard Milhaud—of only 97 pages in its first edition and of 133 in the last edition. And yet the work was accomplished, everything had been said at page 52, the rest consisted of "Supplementary Notes." But in the preface to the first edition Louis de Brouckère said: "I understand my own thought much better since Dr. Fauquet has explained it so clearly to me"; and he concluded: "Dr. Fauquet will doubtless have contributed more than any other living author to the revival of the co-operative spirit. By this he has earned a special right to the gratitude of all co-operators."

As I recall my first reading of the *Co-operative Sector* at the time of its publication, I remember that this little volume spoke to me at first in a foreign language. Then it shocked me. It was in opposition to all that I passionately wished for our Co-operative Movement. It changed its future, seeming to me to limit it. But the author's impeccable logic, the searching gaze of the doctor, perhaps even more of the naturalist, which he fixed upon the economy could not but compel me. I understood that Fauquet was not expounding spiritual views, that he was not choosing to say what he was saying, that he was only at the stage of a humble scholar in the school of facts, and that the philosopher of the social sciences, whom I discovered behind these pages, had no previous experience.

What still strikes me to-day in this work, which I have read many times, is its revolutionary force. Though the author recalls, as underlying the thought of Charles Gide, "All doctrine evolves even in the hands of those who would piously wish to be its guardians," does he not go much further in his foreword? "Confronted by the new forms of capitalism," he writes, "and by the increasing intervention of the State in economic life, co-operative thought cannot remain wedded to nineteenth-century conceptions which have only an elementary propaganda value and have, in fact, ceased to guide and direct the practical activities of the Movement." It is sufficient to be able to read and think to understand the extent of this condemnation and at whom it is directed. We are here face to face with a sociologist sure of himself and who assumes full responsibility for the results at which he arrives. But only his task and his progress interest him, and he continues: "I have refrained from exposing and criticising ideas which I regard as out of date. It seemed to me more immediately useful to present co-operative institutions as they offer themselves directly for observation, to analyse their structure, note their conditions of working, the rules they apply to themselves and the conduct which they encourage in their members, and finally to indicate what are and what can be their relations with other forms of economy."

The *Co-operative Sector* does not really lend itself to a résumé, for it is all so concentrated and so essential. Just as the great philosopher Leibniz was able to concentrate in his little volume, *Monadology*, a most complex system, so Fauquet was able to include in his work data, observations, most diverse constructions, that is, all the problems which derive from the place of man in co-operative institutions and all those which derive from the place of co-operative institutions in economy.

Each of the pages, each of the observations and ideas in this book, which one has never finished reading, lends itself to the discovery of new depths. It is from the little chapter of only seven pages, "State-ism and Co-operation," that is derived the whole attitude of the International Co-operative Alliance since the war as regards relations between co-operation and the public authorities. If these pages are severe for unrepentant partisans of state control, they are no less severe for those obstinate supporters of liberalism who do not wish to understand the necessities of an articulation of the different sectors of economy. Fauquet insisted strongly upon the necessity of this articulation. He was convinced that the co-operators of all countries grouped within the International Co-operative Alliance would succeed much more in maintaining its unity, which he so loyally supported, if they took more care to understand and solve in each country the problem of relations between the public authorities and their institutions.

In addition to the *Co-operative Sector* and those admirable *Observations on the Co-operative Movement*, which we have mentioned, Dr. Fauquet published numerous articles and two pamphlets: "La coopération une et diverse" and "L'Organisation du travail par équipes coopératives." His work, as a whole, is profound, sound, equal to itself; throughout one sees the mark of the great writer, of the man, of the co-operator.

It is to this work—and more particularly to *The Co-operative Sector*, already translated into eight languages—that the International Co-operative Alliance has decided to award its Triennial Prize to-day. Certainly no one was more worthy to receive it than the co-operator, Georges Fauquet.

Mr. President: In the Fauquet estate, administered by the Geneva Co-operative Society, the French Co-operative Movement and the Swiss Co-operative Movement, there is a portrait of our friend attributed to the Rouen painter Gaston Duhamel.

We know that he loved this portrait, and the question has arisen to know to whom it should go—to William Grandjean, Director of the Geneva Society, who was such a close friend of Dr. Fauquet, to the National Federation of French Consumers' Co-operative Societies, or to the Swiss Union of Consumers' Societies?

By common accord, we have thought, Mr. President, that this portrait should have its place in the new Headquarters of the International Co-operative Alliance in London, and I have the great honour to present it to you, in the name of the French and Swiss Co-operative Movements, in the hope that it will hang where all who visit the headquarters of our Alliance will see again the face of our dear friend.

The President: I should like to say, Mr. Barbier, that we honour the gift and that it shall be placed in the headquarters of the I.C.A. where it will be a reminder of a dear friend and a great co-operator.

I think the most fitting way in which we can close the eloquent tribute which Mr. Barbier has paid is by rising for a minute and allowing our thoughts to go out to our old friend.

The Congress stood in silence.

The President: The Central Committee have considered the question of the Fourth Award of the Prize, and Mr. Thedin will report upon it.

Mr. N. Thedin: The Central Committee at its last meeting agreed upon new rules for the I.C.A. Jubilee Prize which considerably change the character of the Prize. Previously, as you know, writers were invited to send in manuscripts on given co-operative subjects, to be judged by an international jury. The experiences of this procedure, however, have all proved that the scheme needed revision. The main reason was that one could not expect great economists and co-operative experts to devote a considerable amount of research work to a special subject, to write an essay upon it and perhaps to have it translated into one of the official languages of the I.C.A., all in the hope of ultimately winning a prize which was clearly too small to encourage prominent writers to take an interest in it. The question was raised, therefore, of whether it should not be changed into a Prize awarded on the same principles as are literary prizes in general, that is, to a work or a number of works already published. It is true that the Prize is a modest one, but, after all, there is something more important than the money.

By this method the I.C.A. would have the possibility at each Congress of honouring the work of a prominent co-operative author who, through his writings, had really done something of value for co-operation. In fact, we already did this as an extraordinary measure when we dedicated the Award this year to Dr. Fauquet. I say it was an extraordinary measure, but then it was given to an extraordinary man.

The new rules which have been decided upon by the Central Committee are as follows: Each affiliated Organisation will be invited to consider whether, since this Congress, any of its members or any national author has published a work on co-operation which in its opinion sufficiently corresponds to the spirit in which the Jubilee Prize was conceived to be considered for the Fourth Award. Having selected a work or works, the National Organisation concerned will inform the I.C.A. The Central Committee will appoint an International Jury who will judge all the works recommended by National Organisations, or by national juries which may be set up in the various countries. This International Jury will consist of five members, so chosen that it shall be able to cover the languages most used by Co-operative Organisations, more, we hope, than the four official languages.

It has, furthermore, been decided that the value of the Fourth Award shall be fixed by the International Jury between the limits of £100 and £250, so that the Jury will have the possibility of recommending an award of no less than £250 for a work or a number of works of extraordinary value. The Alliance, moreover, will undertake the publication of the Prize work in one or more of the official languages if it has already been published in a

language other than one of the official languages of the I.C.A., provided the affiliated Organisations guarantee a sufficient circulation to make the edition self-supporting.

Finally, I should mention that, in connection with the Award, the National Organisation which recommended it will be asked to prepare a brief synopsis of the work to which the Prize has been awarded which, with a foreword by the Secretariat explaining the genesis and award of the Prize, will be printed for circulation to delegates to the Congress and to the press. This scheme has been unanimously approved by the Central Committee, and I have the honour to submit it to Congress for, I hope, your unanimous approval.

The President: Will the Congress accept Mr. Thedin's report and the recommendation of the Central Committee with regard to the Fourth Award of the Jubilee Triennial Prize?

The Congress agreed.

Recommendation from Education Conference.

The President: There is one additional matter which the Central Committee have decided to submit to Congress. At their meeting on 5th September, it was decided to ask Congress to endorse the following recommendation formulated by the Conference on Co-operative Education held in Paris on 1st September:—

“That the National Movements should pledge themselves to do all in their power to ensure that their respective Governments shall ratify and implement the UNESCO agreement of February, 1949, to facilitate the international division of audio-visual material of an educational, scientific, and cultural character.”

I think that you can formally endorse that recommendation and take the necessary action with your Governments when you get home.

The Congress agreed.

Votes of Thanks.

The President: My next duty is a regrettable one and at the same time a pleasant one. It is to thank those who have made the Congress possible, workable, and, I believe, a happy Congress for most of us.

At the head of my list I have the French Co-operative Movement, and I would first like to refer to the arrangements which were made for our pleasure yesterday evening. There was no opportunity to do that at the time, but I am certain from the remarks which have been made to me that those who had the opportunity to go to Versailles greatly enjoyed the evening and appreciated the programme which was interesting and unusual.

An event of that kind, in which nearly a thousand people took part, is not easy to organise, as only those who have had experience of arranging similar events know. I am sure that Congress would like to pay tribute to you, Mr. Brot, and that you in turn would wish to pay tribute to certain members of your staff for the wonderful organisation and for the most pleasant time.

Throughout our stay in Paris everything has been made as comfortable and as easy as possible for us, and for that our thanks are due to the French Co-operative Movement. I could say much more, but I hope Mr. Brot will take what I have said as coming from the hearts of those on the platform and those on the floor of the Congress, as an expression of their very sincere appreciation of all that has been done to make the 1954 Congress in Paris a happy event and a great success.

Next we wish to thank the French Government. I understand that in the arrangements made by the French Movement they found the Government very helpful, while we all have to thank the French Government for the visit to Congress of one of its Ministers and for the splendid address which he gave. I hope that Mr. Brot will convey to those in the Government to whom he had to look for assistance our appreciation of their sympathetic and helpful attitude.

Then there are those who have been working behind the scenes, the authorities and staff of the Palais de Chaillot, who, whenever we have met in session, have made everything ready for us. The least we can do is to say that we thank them very much for all that they have done for us.

Now I come to the press. On the whole the Co-operative Movement has always found the press a good friend, and when at our Congresses we discuss matters that are of some public importance we always get fair play from the press. I am certain that when I have an opportunity of reading the English papers I shall find that that is so on this occasion, and that it will be so for the press in other languages. If for no other reason. I thank our friends of the press for the patience with which they have listened to all the speeches.

I wish also to thank the tellers, who have done their duty effectively and well.

Next come the interpreters, with whom I think we must include the technical staff, having in mind the way in which this hall has been wired for interpretations. In view of the ease with which the arrangements could be upset, with the passing to and fro, the absence of any trouble speaks well for the technicians and those who have been responsible for keeping the installation in order. We owe the technical staff, therefore, a deep debt of gratitude. So far as the interpreters are concerned, I can only speak personally of those who have been responsible for the interpretations into English, which have been perfectly satisfactory. I am certain that the interpretations into other languages have been equally good.

That ends the list prepared for me by Miss Polley, who with her usual modesty has said nothing about the I.C.A. staff. I am, I think, in a better position than anyone else to know the tremendous amount of work which

was entailed in organising this Congress months beforehand and since we came to Paris. Big Congresses are, I know, held by all kinds of organisations, but I doubt whether there is another Congress in the world the size of this one, with four official languages and with the variety of subjects which have to be dealt with. Before the Congress met there was all the work of organising some seven Auxiliary Conferences, all of which had to be covered by interpreters, for all of which documents had to be prepared. This has been, I can assure you, a tremendous task for Miss Polley and the staff, and if anyone deserves a word of praise it is our officers and their loyal staff, who have done their work cheerfully and well.

Mr. Brot: I should like to say to all of you, my dear friends, that for the French Co-operative Movement it has been a great honour to receive you. At the end of this Congress, in the name of all those who are associated with me, I would say how happy we have been to see you all, those of you whom we have known for years and others whom we have met for the first time. We were very happy yesterday evening to show you at Versailles something which is part of the history of France. I hope that you will take away from your meetings the recollection of a working Congress which has dealt with questions some of which were difficult, and at the same time of a Congress which has been agreeable. We shall always be glad to see you again, and whenever you come to France do not forget to visit the French co-operators.

Date and Place of the Next Congress.

The President: The concluding item on the Agenda is the date and place of the next Congress. At the moment we have no invitations for the Congress which will presumably be held three years hence, but, whether we have invitations or not, I suggest that you leave the exact date and the place of the next Congress in the hands of the Executive and the Central Committee, who will determine nearer the time, in the light of all the existing circumstances, the best venue for Congress.

Agreed.

The President: I now declare the 19th Congress closed and wish you all a safe journey home.

Close of the Congress.

Appendices
to the
Report
of the
Central Committee.

Reports of Auxiliary Committees—

Appendix I. International Assurance Committee.

Appendix II. International Banking Committee.

Appendix III. Committee of Representatives of Workers' Productive and Artisanal Societies.

Appendix IV. International Committee on Agricultural Co-operation.

Appendix V. International Committee on Housing.

Appendix VI. International Committee on the Rationalisation of Commodity Distribution.

Appendix VII. International Co-operative Petroleum Association.

Appendix VIII. List of Gifts to the New I.C.A. Headquarters.

Appendix IX. Donations to I.C.A. Fund for Italian Flood Relief, 1951-1952.

Appendix X. Aid for the Flooded Areas of Great Britain, Belgium, and the Netherlands, 1953.

Appendix XI. Organisations affiliated to the I.C.A.

Appendix XII. Membership Subscriptions for the years 1951, 1952, and 1953.

Report of the International Co-operative Assurance Committee

During its 32 years' activity the Assurance Committee of the International Co-operative Alliance has studied many questions, but there are two which have received special consideration—nationalisation of assurance and the establishment of an International Society for Co-operative Re-assurance.

In view of the importance of the principles involved, we think it necessary, on the occasion of each Triennial Congress, to explain the point of view of the Executive Committee on these two questions.

I. Nationalisation of Assurance.

At some time or other in their history most of the socialist parties of Europe have had nationalisation of assurance on their programmes, and this is still the case in England as regards industrial life assurance. Such nationalisation aims, of course, at replacing the private interest of the shareholders by the general interest of the community.

But Co-operation is based on the idea of substituting "service" for the profit motive. Here the interest of the consumer, alone, is taken into consideration.

In either case, the aim is to abolish the capitalist organisation of society, but we are faced with a duality of methods, very similar to one another, for attaining the aim. Emile Vandervelde, undisputed leader of the Labour and Socialist International for many years, wrote: "Co-operation is Socialism in action."

Co-operators, who are often socialists, may wonder what is the best method for improving the Society we know.

After the war nationalisation in many fields was decided in a number of countries, but as regards insurance, only nationalisation of workmen's compensation insurance became general. In France there was a certain amount of partial nationalisation. East European countries, on the contrary, instituted State-managed insurance monopolies. The results of these experiments have been the subject of much controversy.

During its different meetings the Assurance Committee has considered the problem many times, in order to reach some practical conclusions:—

The last Resolution on the question was adopted at Prague in 1948 by the International Co-operative Assurance Conference, as follows:—

"This Conference emphasises that in all countries where the Co-operative Movement has the liberty and power to establish enterprises in the assurance field, and is strong enough to realise co-operative ideas for the service of the consumers, nationalisation will not be found necessary for the solution of insurance problems, apart, perhaps, from compulsory insurance of an essentially social character,

pensions, for example. Experience has shown that for those services which cater directly for individual consumers and correspond to the needs of fixed individual groups, co-operative methods are superior to nationalisation."

We do not think that anything that has since happened can change the Committee's decisions, which, as will be mentioned later, were confirmed at Copenhagen.

2. International Co-operative Re-assurance.

The promoters of our Committee envisaged the constitution of an international society to deal with the re-assurance of all Co-operative Insurance Societies. Unfortunately, this conception came up against many practical obstacles, and the former leaders of the Assurance Committee, having renounced the complete realisation of this ideal, initiated a system of re-assurance contracted directly from society to society by means of individual agreements.

At the Zurich Conference, in 1946, the new Executive Committee was elected, whose members directed their efforts towards another solution. Thus, at Prague in 1948, they proposed the constitution of a Study Subcommittee and were given permission by the Conference to put into operation a collective system of re-assurance, if this proved to be realisable and advantageous to the affiliated Societies.

At Stockholm in June, 1949, the Executive decided not to create an independent international co-operative re-assurance society, but instead to create a Co-operative Re-assurance Bureau, the management of which is in the hands of a Committee comprising one English, one Swedish and one Belgian member. The Secretariat for the time being is in Manchester.

The Committee of the Bureau has worked remarkably well. The best way of giving an idea of its activity is to show the amount of re-assurance exchanged between Co-operative Societies during 1952:—

Number of contracts in being: 121, of which 88 have been realised since the International Re-assurance Bureau was created.

Countries to which the contracting Societies belong: England, Sweden, Belgium, Israel, Canada (2), Iceland, Australia, Austria, Norway.

Amount of premiums exchanged in 1952: £187,634.

Since 1952, a few new members have been registered in South Africa, Ceylon, India, Pakistan, Holland, Denmark.

At the Conference of Copenhagen, in 1951, two questions of organisation were submitted by rapporteurs nominated by the Executive:—

1. Are weekly and monthly premium payments for Industrial Life Assurance still necessary? Rapporteur Mr. Edvin Stor-Rank.

2. Open competition or cartel agreements between insurance companies? Rapporteur Mr. Seved Apelqvist.

A very interesting exchange of views took place on these two subjects. On the second, a resolution was passed recalling the point of view expressed at Prague, concerning the nationalisation of insurance, and adding:—

"This Conference desires once again to place on record its firm belief that co-operative insurance is the best form of insurance enterprise and should be recognised as a form of collective ownership and

encouraged by the Governments of all countries. Its principal aim is to safeguard the interests of the assured persons and to combat monopolistic tendencies inherent to organisations based upon price agreements, whether sponsored by the State or by insurance companies themselves."

Discrimination.

In 1952 the United Nations Commission on Transport and Communications submitted to the I.C.A. the question of the discrimination imposed by some Governments with regard to transport insurance in favour of their national companies. This was referred to the International Assurance Committee whose Executive unanimously passed the following Resolution:—

"The Executive of the Assurance Committee of the International Co-operative Alliance, which has member Societies in many countries throughout the world and which exists to further the unrestricted interchange of co-operative trade in the insurance field, has noted with regret the action taken by certain governments in discriminating in transport insurance and would support any measures which may be taken by the United Nations Organisation to ensure that, in the best interests of the consumers, transport insurance shall remain free from all government restrictions."

Marine Insurance.

Marine insurance has also been discussed by the Executive in the course of its meetings since the last Conference, but, after an exchange of views, it appeared that it was difficult, for the moment, to envisage reciprocal re-assurance in this branch. Marine insurance generally covers considerable amounts and is only practised by a few Co-operative Societies. The intervention of brokers and settlements experts is essential in this branch.

As the Re-assurance Bureau is not organised for this purpose, the Executive considers that the generalisation of this type of re-insurance between Co-operative Societies is premature.

In conclusion, and in accordance with the decisions of the Copenhagen Conference, three problems have been studied by individual members of the Executive, namely:—

1. Collective Life Assurance—Mr. Robert Dinnage.
2. Participation in the Profits—Mr. Edvin Stor-Rank and Mr. Mordacray Zilist.
3. Publicity and Sales Organisation—Mr. Henri Lemaire.

The rapporteurs will submit the result of their studies to the Conference at Paris in September.

* * * * *

Composition of the Executive.

The Conference at Paris will elect a new Executive for the next term of three years.

The present Committee, in accordance with the Rules, is composed of five members, all of whom are eligible for re-election: They are:—

- Mr. Robert Dinnage, General Manager of the Co-operative Insurance
Chairman. Society, England.
Mr. Seved Apelqvist, General Manager of Folksam, Sweden.
Vice-Chairman.
Mr. Edvin Stor-Rank General Manager of Kansa, Finland.
Mr. Mordacray Zilist Manager of Hassneh, Israel.
Mr. Henri Lemaire, Manager of La Prévoyance Sociale, Belgium.
Secretary.

The President and General Secretary of the International Co-operative Alliance are, by right, members of the Assurance Committee. They follow with interest the work of our Committee and are present at our meetings as often as possible, whether it is the Triennial Conference or the meetings of the Executive.

It can be said that the Assurance Committee works in close contact with the organs of the I.C.A.

* * * * *

Affiliated Societies.

The Assurance Committee comprises 32 Societies in 17 countries:—

- Australia National Co-operative Insurance Society, Ltd.
Austria Wiener Städtische Versicherungsanstalt.
Belgium La Prévoyance Sociale.
Canada Co-operative Life Insurance Company.
Denmark Alka; Andels - Pensionsforeningen; Forsikrings-
Aktieselskabet Faellesvirke; Nerva; Mejeriernes
og Landbrugets Ulykkesfors; Tryg.
Great Britain ... Co-operative Insurance Society.
Finland Kansa; Pohja; Vara.
Germany Eigenhilfe; Alte Volksfürsorge.
Holland Centrale Arbeiders.
Iceland Samvinnutryggingar; Andvaka.
India All-India Co-operative General Insurance Society;
Bombay Co-operative Insurance Society; Hydera-
bad Co-operative Insurance Society.
Israel Hassneh.
Norway Samvirke Skadeforsikring; Samvirke Lifsforsikring.
Pakistan Co-operative Insurance Society of Pakistan.
Sweden Folket; Samarbete; Leire; Vålfård.
Switzerland Coop-Vie.
U.S.A. Ohio Farm Bureau.

As this short report clearly shows, the Assurance Committee of the International Co-operative Alliance fulfils a need. From its foundation it has rendered valuable services, not only to affiliated Societies, but also to the co-operative ideal itself.

This is why we have confidence in the future and are convinced that all the Co-operative Societies in the world will give the Committee their active collaboration.

For the Executive Committee,

HENRI LEMAIRE, Secretary.

Report of the International Co-operative Banking Committee

The International Co-operative Banking Committee, which after some preliminary meetings was reconstituted at the Prague Congress in 1948, did not meet in the interval between the Prague and Copenhagen Congresses and consequently did not submit a report to Copenhagen.

The Committee consists of representatives of the Arbeiterbank, Austria; Coop-Dépôts, Belgium; Andelsbanken, Denmark; Banque Coopérative des Sociétés Ouvrières de Production, France; Bank für Gemeinwirtschaft Aktiengesellschaft, Germany; C.W.S. Bank, England; Banque Centrale Coopérative, Switzerland.

Mr. S. Tyldesley, Manager of the C.W.S. Bank, is Secretary to the Committee and Mr. L. Cooke its Chairman.

At the Conference at Copenhagen the Rules of the Committee were approved, statistics showing the operations of National Co-operative Banks were discussed, reciprocal facilities accorded by Co-operative Banks as regards imports and exports were considered, as well as the future work of the Committee.

At a meeting at Cannes in May, 1953, the only occasion on which the Committee has met since 1951, consideration was given to proposals for the uniformity of the Balance Sheets of Co-operative Banks, the desirability of representation on the Boards of public financial institutions, and to recommendations from the C.W.S. Bank with a view to the development of co-operative banking business.

These recommendations, which were approved unanimously, were that each Co-operative Bank in Western Europe should open a sterling banking account with the C.W.S. Bank in London with an initial deposit equivalent to \$3,000, which accounts would be used for making payments to or receiving payments from the United Kingdom; that the C.W.S. Bank should open an account with each Bank which agrees to this proposal with an initial deposit equivalent to \$3,000 dollars, through which the C.W.S. would to the utmost extent possible pass all remittances to Western Europe.

Reciprocal banking arrangements with the C.W.S. Bank have been entered into by—Andelsbanken, Copenhagen; Bank für Gemeinwirtschaft A.G., Hamburg; Bank für Gemeinwirtschaft, Nordrhein-Westfalen A.G., Düsseldorf; Samvirkebanken A/S, Oslo; Banque Centrale Coopérative, Basle; and an increasing volume of business is passing through these accounts.

S. TYLDESLEY, Secretary.

Report of the Committee of Representatives of Workers' Productive and Artisans' Societies.

Largely owing to the resignation of the former Secretary, shortly after the Conference at Copenhagen in 1951, the work of the Committee was in abeyance for a period, during which time, however, informal discussions took place between the member Organisations, particularly as regards the future work of the Auxiliary Committee.

At a meeting at Cannes in May, 1953, the new Secretary was elected and the following programme was approved:—

1. Statistical study of the organisations and of the functioning of Workers' and Artisans' Co-operative Societies in the different countries.

2. Comparative study of the laws governing Workers' and Artisans' Co-operatives in the different countries, both as regards their control of the working of co-operatives and the possible assistance they may give to co-operation or fiscal provisions favourable to Workers' Co-operation.

3. The organisation of technical courses for specialist employees of Workers' Co-operative Productive Societies of different countries.

4. Publication, from time to time, of an *Information Bulletin* for the dissemination of technical and commercial information.

5. Exchange study visits of responsible technicians.

On the first question, a statistical enquiry was addressed to the member Organisations in June, 1953. If we have their full collaboration and, in addition, are able to obtain information on Workers' Co-operation in other countries, it will be possible to prepare a true picture of Workers' Productive Co-operation in the world, as well as to decide the types of Organisations which offer the best results.

On the second question, the comparative study of the legislation relating to Workers and Artisans' Co-operation has already been commenced on the basis of documentation supplied by the International Institute of Private Rights, at Rome, supplemented by information from affiliated Organisations. Again, provided we have the help of all interested countries, it will be possible within a relatively short time to prepare a complete documentation, such as has not hitherto existed.

As a first and experimental step towards the proposed organisation of technical courses—question 3—it was agreed between the President and the Secretariat to organise this year a French-Italian Seminar for co-operative building workers, the results of which, it is hoped, will indicate the lines upon which future courses shall be organised.

The idea of an *Information Bulletin*—question 4—will be discussed by the Conference at Paris.

The realisation of exchange study visits between responsible technicians of the different member Organisations—question 5—is one of its future tasks which will best manifest the importance and usefulness of the Committee. The objective, however, is not merely to develop relations between existing Organisations and to exchange experiences; it is also to assure that Workers' Co-operative Production shall play its full rôle in the present historic circumstances, so that just as co-operative experts in the problem of distribution are already at work in under-developed countries, so the technical specialists in Workers' Co-operation will, in their turn, go out to prepare the industrial evolution.

The foregoing five questions may be regarded as the orientation of the Committee's future work.

E. MONDINI, Secretary.

Appendix IV

Report of the Committee on Agricultural Co-operation.

When the 18th Congress of the I.C.A. at Copenhagen in 1951 approved the Resolution to establish an Auxiliary Committee on Agricultural Co-operation and, by so doing, emphasised the importance of promoting Co-operation with agriculture through collaboration within the I.C.A., this was in full accordance with the desires expressed repeatedly within the organs of the I.C.A., particularly in recent years. These desires were manifested, for example, by the decisive amendments of the Rules at the Prague Congress, to the effect that the I.C.A. should include every type of Co-operative Organisation, Producers' as well as Consumers'.

Already, during the preparations for the final establishment of the Auxiliary Committee on Agricultural Co-operation, its constitution had been worked out and adopted by the Executive and the Central Committee. The type of Organisations which may be affiliated and the administration are defined in the constitution, and the aims and tasks of the Committee are stated as follows:—

The principal aim of the Committee shall be to promote, in every country, good understanding and economic agreements between Co-operative Organisations of agricultural producers and consumers, and, in the international sphere, economic relations between the Agricultural Co-operatives of different countries. It shall also have the task:—

- i. To build up a comprehensive documentation on Agricultural Co-operation in all countries, to analyse and synthesise this documentation from both the organisational and functional points of view, to circulate such documentation in the name of the International Co-operative Alliance.

ii. To study the problems which concern Agricultural Co-operation in the different countries, in order to ascertain which problems are common to Agricultural Co-operatives as a whole.

iii. To formulate and to make known to its constituent Organisations recommendations for the solution of these common problems both on the national and the international plane.

iv. To carry out any specific task which shall be referred to it by the Executive or Central Committee of the I.C.A.

The following Organisations were members of the Committee from its foundation:—

Allgemeiner Verband für das landwirtschaftl. Genossenschaftswesen in Oesterreich, Vienna, Austria.

Institut Provincial de Coopération Agricole, Liège, Belgium.

Ustredni Bada Druzstev, Prague, Czechoslovakia.

De samvirkende danske Andelsselskaber, Copenhagen, Denmark.

Yleinen Osuuskappojen Liitto, Helsinki, Finland.

Caisse Nationale de Crédit Agricole, Paris, France.

Fédération Nationale de la Coopération Agricole, Paris, France.

English C.W.S., Manchester, Great Britain.

Samband Islenzkra samvinnufélaga, Reykjavik, Iceland.

Lega Nazionale delle Cooperative, Rome, Italy.

Confederazione Cooperativa Italiana, Rome, Italy.

Norges Kooperative Landsforening, Oslo, Norway.

Kooperativa Förbundet, Stockholm, Sweden.

Glavni Zadruzni Savez, Belgrade, Yugoslavia.

The activity of the Committee has, so far, in the nature of things, been largely preparatory and exploratory. The old saying that every beginning is hard has been confirmed. Primarily this is due to the fact that the tasks in front of us are absolutely fundamental and that to some extent they had already been dealt with in other circles, but without reaching any final solution. This is the case as regards the question upon which all the discussions and interests of the Committee have primarily centred, namely, Relations between Consumer Co-operation and Agricultural Co-operation. The problem, as presented to the Congress at Prague in the Report of the Policy Sub-Committee, was referred by the Central Committee to the Agricultural Committee for study and for suggestions as to how the Recommendations of the Policy Sub-Committee could be implemented.

As the first step in this direction, the Committee has tried to produce factual information of existing general relations between Co-operative Organisations of Consumers and Agriculture; of existing joint enterprises; and existing relations between consumers in one country and producers in another country for the purpose of selling and buying.

A valuable documentation has been produced, partly in response to a request by the Committee to the National Organisations and partly by the use of material already existing in another form. By the examination of this

material the Committee has increasingly reached the conviction that the practical conditions in the individual countries are of vital importance to the fulfilment of its tasks, and, therefore, considers it necessary that the closest possible contact must be established between the I.C.A. and the National Organisations.

The Committee is equally convinced that a decisive condition for such contact is that not only the Consumers' Organisations of all individual countries but also the Co-operative Organisations of Agriculture and other producers shall be affiliated to the I.C.A. The promotion of efforts in this direction the Committee considers as one of its most obvious and first tasks. In recommendations to the Committees of the I.C.A. it has emphasised the desirability of the direct steps in this direction, also that the activity of the I.C.A. in general should include questions of special interest for Agricultural Co-operation.

More recently the Committee's treatment of this problem has been influenced by the fact that the question of inter-co-operative relations in general has been dealt with in other Committees within the I.C.A. The situation which may result from the Resolution coming before the Paris Congress as to a rationalisation and concentration of the future treatment of this latter question, may give rise to a reconsideration of the lines of direction for the future working programme of the Agricultural Committee.

The activity of the Committee as a centre for the treatment of agricultural affairs in general—that is to say, its function as the agricultural "corner" within the I.C.A.—has included discussions of different questions referred to it by the Executive. For instance, the plan for inter-European collaboration concerning the market for agricultural products, the "Green Plan"; also the attitude to be taken regarding international commodity agreements. On the first question, the Committee suggested to the Executive that the closest possible contact should be sought by the appointment of an I.C.A. Observer at the proposed Conference. As regards international commodity agreements, the Committee expressed the view that the I.C.A. should try to exercise its influence to assure that agreements of this sort do not consider the interests of producers only, but provide also a fair protection of the interests of the consumers against any monopolistic exploitation.

Maybe the picture of the development of the Auxiliary Committee on Agricultural Co-operation does not come up to the expectations set at its foundation three years ago. But, besides what is said in the foregoing paragraphs, it is natural to emphasise, in conclusion, that the possibilities of securing results primarily depend upon the positive interests of the Organisations within the individual countries. In this respect the past three years must be considered as an introduction to a collaboration. We hope, and we are entitled to expect, that the future work will show progress in the directions mentioned:

A. AXELSEN DREJER,
Chairman.

Report of the International Committee on Housing.

The Housing Committee, constituted in the autumn of 1952, is the youngest of the I.C.A. Auxiliary Committees. The background for its establishment is to be found in the acknowledgment of the fact that an increasing part of all housebuilding, especially in Europe, is carried through on a co-operative and non-profit basis, and that enormous possibilities for expansion within this branch of co-operation exist, in the so-called economically less developed countries, as elsewhere.

It must be admitted that the I.C.A., so far, has not been able to establish a sufficiently close contact with the existing very powerful Co-operative and non-profit Housing Organisations; many of them are not yet members of the Alliance. As a consequence there is a risk that these Organisations, which must be said to stand in a natural relationship to the Co-operative Movement, may not be brought into that fruitful collaboration with the rest of the Movement which is so desirable, but, on the contrary, may join non-co-operative international organisations.

Furthermore, the Housing Organisations as importers and buyers of building materials ought to be able to have their commercial needs satisfied through co-operative channels. On the national, as on the international, plane a series of possibilities for practical collaboration between the Housing and Building Organisations and Consumer Societies (Wholesales) exist, which to-day are far from being utilised.

The Constitution of the Committee.

The desirability of a special Committee within the Alliance for Co-operative Housing Organisations was first discussed at the Prague Congress, when Dr. W. Ruf, on behalf of the Central Committee, moved a resolution recommending the Alliance to seek closer contact with Co-operative Housing and Building Societies which conform to its rules with a view to bringing them within its membership; also, with their assistance, to draw up general principles for inter-co-operative action in the field of housing.

The resolution was carried, but the question was not taken up for further consideration until the Copenhagen Congress in 1951, when a successful Conference of representatives of Housing Organisations was held. At this Conference there was a very interesting discussion on the ideas outlined in the Prague resolution, and the Conference accepted a new resolution, which, among other things, recommended the Central Committee to constitute an Auxiliary Committee on Housing.

At the next meeting of the Central Committee in Iceland, June, 1952, the question was on the agenda for final decision, together with a draft Working Programme for the Committee, which was also approved.

The first meeting of the Committee was convened at Vienna in October, 1952, when a detailed and final Working Programme, also Memoranda on the future work of the Committee, were presented and adopted. At this

meeting Mr. Thor Pedersen, General Secretary of Det Kooperative Faellesforbund, Denmark, was appointed Chairman of the Committee, and Miss G. F. Polley was requested to take over the Secretaryship.

The Working Programme, as approved by the Central Committee and the Housing Committee, was as follows:—

Constitution.

1. Participation in the work of the Auxiliary Committee of the International Co-operative Alliance on Housing shall be open to the following types of Organisations which are affiliated to the I.C.A. either directly or indirectly through the National Unions of their respective countries—

(a) National Unions or Federations of Co-operative Housing Societies (Planning, Surveying, Tenants', etc.);

(b) National Unions or Federations of Co-operative Building Societies (Artisans', Builders', Contractors');

(c) National Unions of Co-operative Productive Societies concerned in the production and/or supply of building materials;

(d) Unions of Co-operative Credit Societies whose special aim is to finance co-operative housing and building activities;

(e) Co-operative Wholesale Societies which are engaged in the production and/or sale of building materials;

(f) Individual Co-operative Housing, Building or Productive Societies or Credit Societies of the types referred to in sub-sections (a) to (d) which are not affiliated to any National Union or Federation;

(g) Other types of Organisations affiliated to the I.C.A. which are themselves interested in housing and/or building or whose members are interested—

provided they have for their object the economic and social betterment of their members by means of the exploitation of an enterprise based upon mutual aid.

2. Each participating Society shall appoint one representative and each Federation of Societies shall appoint two representatives to the Committee, who shall be recognised as experts in housing questions.

3. The Committee shall elect a Chairman and a Vice-Chairman from amongst its members; its meetings shall be convened, as a rule, at the same time and place as meetings of the Central Committee of the I.C.A.

4. The I.C.A. shall be represented at all meetings of the Committee by its President and/or its Director and General Secretary.

5. The Committee in all its activities shall act in accord with the Executive of the I.C.A.

6. The principal aims of the Committee shall be:—

(a) To study the scope of the activities and the general possibilities of development of the Co-operative Housing Movement in the different countries, especially from the point of view of contributing to the solution of the economic and social aspects of the housing problem in all countries, including those at present under-developed.

(b) To encourage the regular exchange of information, technicians and technical personnel between the Societies or Federations of the different countries; also whenever possible to promote collaboration between the Housing, Consumers' and Producers' Co-operative Organisations with regard to financing and to joint production of building materials.

(c) To assist the International Co-operative Alliance in any way that may be desired in its participation in the work of the Economic Commission in Europe or of any other United Nations Organs concerned with the housing problem.

(d) To promote the direct affiliation with the I.C.A. of all National Co-operative Housing or Building Societies or Federations of such Societies which conform to its Rules.

(e) To formulate an International Co-operative Housing Policy.

Programme.

General Objectives.

1. Co-operative Housing Societies.

To study existing Co-operative Housing Organisations in various countries with reference to—(a) Constitution; (b) Methods; (c) Finance; (d) Achievements.

To assess, as far as possible, the ideal basis for the co-operative contribution to housing, and to take account of the variations necessitated by differing conditions.

2. Building Construction and Supply of Building Materials.

To examine, in the field of building construction and the manufacture and supply of building materials, what has been achieved by Co-operative Organisations; and to assess what possibilities exist for further development in this field.

3. Relationship between Housing Societies, Construction and Materials.

To examine in what ways the efforts of Co-operative Societies providing dwellings can be related to and assisted by co-operative development in building construction and the manufacture and supply of building materials.

In accordance with this Programme, members of the Committee started to study the available documentation (much of which has been worked out by other international housing organisations), to seek contacts in different directions with the object of extending the membership of the Committee, and to investigate which points of the Working Programme were immediately practicable.

At a meeting at Copenhagen in July, 1953, the Committee simplified its immediate tasks to an Agenda which comprised the following points:—

(a) Collaboration between the Housing, Consumers' and Producers' Movements in joint production of, and trade in, building materials;

(b) Housing Finance;

(c) Organisation of the exchange of information, technicians, etc.;

- (d) Collaboration between the Committee and other organisations;
- (e) Model Rules for Housing Societies.

After full discussion it was agreed, as a first step, to study (a) Housing Finance and (b) Production of and Trade in Building Materials, and two small Sub-Committees were appointed.

On the question of Housing Finance the Sub-Committee were asked to investigate all existing possibilities for financing of co-operative housing, also where such possibilities might be created in collaboration with Co-operative Organisations of other types or with the aid of international funds.

The Committee also agreed at Copenhagen that special investigations be undertaken to ascertain in which fields existing Co-operative Wholesales might be able to meet the requirements of the Housing Organisations on a national and an international plane.

The second Sub-Committee was requested to study the possibilities of joint production of building materials.

The two Sub-Committees have held meetings and have reported on their work to date, but in view of the shortness of time, side by side with the magnitude of their problems, these results cannot be other than preliminary.

Sub-Committee on Housing Finance.

The main function of the Sub-Committee was to study problems connected with the provision of capital for housing. It was felt that this was a subject well worthy of investigation—for some time the supply of sufficient building capital at reasonably low rates of interest had constituted one of the more important aspects of the housing problem in certain European countries.

It was soon discovered that information on housing finance was plentiful but diffuse. A mass of data had been published relating to most European countries, but there had been few attempts to collate the information in a conveniently concise form.

Accordingly, the Sub-Committee has been engaged in collecting data on the current methods and techniques of financing house building in the various countries represented on the Housing Committee. Draft reports on housing finance in all the various member countries were prepared and sent to the member Organisation in each country for correction, amendment and addition of supplementary information. These country by country reports will be incorporated in a final report, "Housing Finance in Europe."

The Sub-Committee has also been engaged on the preparation of reports on interest rates, housing subsidies and the capital needs of Co-operative Housing Associations.

At its meeting in London on 31st March, it was proposed that an approach be made to the International Co-operative Assurance Committee to ascertain whether the members of that Committee would be interested to make funds available to Co-operative Housing Organisations; also that additional information be obtained on the use made of Mutual Security Agency Counterpart Funds for housing purposes in Europe.

Sub-Committee on Building Materials.

Following the suggestion made at the Copenhagen meeting of possible attempts to promote inter-co-operative trade in building materials on a regional basis, the Sub-Committee as a first step has made a preliminary analysis of existing possibilities in Scandinavia.

The background for this step is to be found in the fact that in the Scandinavian countries there exist powerful Housing Organisations comprising a total number of 300,000 dwellings; further, all the Scandinavian Wholesales, to a certain degree, trade in building materials, though not by any means to an extent comparable with the Housing Organisations' actual requirements. It is also well known that the Co-operative Wholesales in these countries have established a Scandinavian Co-operative Wholesale Agency which might act as a medium for the desired collaboration.

The Sub-Committee, therefore, invited the leaders of the Scandinavian Housing Organisations and Co-operative Wholesales to express their opinion regarding the possibilities for a more intensive practical collaboration between the Housing Organisations and the Consumers' Co-operative Movement. The replies received, as well as informal discussions, revealed severe difficulties as regard free inter-co-operative trade. But while the Sub-Committee is fully aware of these difficulties, and understands certain reservations which have been made, the members are convinced that practical collaboration can be established, even if on a modest scale.

At the request of the Sub-Committee the problem was discussed in June at a meeting of the Scandinavian Housing Federation at which representatives were present from the Housing Organisations of Denmark, Finland, Norway and Sweden, with the result that a Committee of four experts, one from each Organisation, was appointed to ascertain the exact requirements of each individual Housing Organisation as regards building materials, imported or purchased nationally, also what possibilities exist for these requirements to be met by Co-operative Wholesale Societies. It is greatly hoped that these initial efforts to establish practical inter-co-operative collaboration between the different branches of the Co-operative Movement will be successful.

The fact that the first attempts reported have been confined to the Scandinavian region does not imply that the Committee is not aware of other international possibilities. On the contrary, as already mentioned, the reason for choosing Scandinavia for these initial investigations is the fact that in the Scandinavian region, as a close collaboration already exists between the Consumer Organisations on the one side and the Housing Organisations on the other side, the chances for a realisation of this one important aspect of the I.C.A. Housing Committee's Programme seem especially favourable in Scandinavia.

Certainly the experiences gained in this early stage of the Housing Committee's existence will be of great importance for its future work.

THOR PEDERSEN,
Chairman.

Report of the Committee on Rationalisation of Commodity Distribution.

The Committee on Rationalisation of Commodity Distribution was formed as a consequence of a Resolution of the 18th Congress of the I.C.A. held at Copenhagen in September, 1951. The terms of this Resolution, proposed by Kooperativa Förbundet, Sweden, were as follows:—

“ That Congress instructs the President and General Secretary of the International Co-operative Alliance to send a request to all Co-operative Wholesale Societies to nominate two representatives, one representing wholesale activity and the other retail distribution, to sit on an International Co-operative Committee for the Rationalisation of Commodity Distribution; also to invite representative central organisations for local Co-operative Societies to choose the representatives on the retailing side in countries where the system of central organisation of the Co-operative Movement so requires;

“ The Congress instructs the President of the International Co-operative Alliance, during the later part of 1951, to call the elected contact men to the first meeting in order to constitute the Committee and plan its work.”

In support of the proposals contained in the Resolution, it was pointed out that technical developments in distribution lagged far behind the advances made in productive industry and agriculture as the result of methodical technical and scientific research and experimental work down the years. To a very great extent, the technical handling of internal transport, storage and sale of commodities still took place according to established practice and by manual labour. This was particularly true in retailing, where, for ordinary household goods, the largest part of the costs of distribution occur. Very few attempts, it was stated, had as yet been made to stimulate investigation into the introduction of modern working methods and machine techniques to reduce costs in commodity distribution.

The Consumers' Co-operative Movement should, it was suggested, take the lead in promoting investigations of this kind. Already it possessed a wealth of practical experience in many countries. The main purpose of the proposed Committee on Rationalisation of Commodity Distribution was to provide a forum for expert representatives of the retail and wholesale societies of different countries to discuss common problems.

In moving Kooperativa Förbundet's resolution, Mr. Albin Johansson pointed out that it was essential that the participating Organisations should be those which were in a position to import and export commodities freely and to carry out the solutions agreed upon. From their discussions new ideas and the results of experiments could be disseminated more rapidly and satisfactorily than by casual contacts between the different countries, with consequent advantages to the International Co-operative Movement as a whole.

The Composition of the Committee.

Invitations were sent to Organisations to nominate representatives, according to the terms of the Resolution, and the first meeting of the Committee was held in London on 18th December, 1951. The countries responding to the invitation, and their wholesale and retail nominees were as follows:—

	RETAIL	WHOLESALE
Austria	Mr. O. Sagmeister	Mr. A. Korp
Belgium	Mr. J. Polet	Mr. J. Vandersmissen
Canada	Mr. J. R. Love	Mr. G. Fast
Denmark	Mr. K. Nielsen	Mr. E. Groes
Finland	Mr. J. Jalava	Mr. E. Salovaara
	Mr. K. B. Lindberg	Mr. L. Hietanen
France	Mr. M. Langard	Mr. R. G. Orsini
Germany	Mr. B. Priess	Mr. F. Klein
Great Britain	Mr. J. A. Hough	Lord Williams
		Mr. J. M. Davidson
Holland	Mr. J. A. Bastiaans ...	Mr. J. Roos
Israel	Mr. J. Efter	Mr. I. Shapan
Norway	Mr. P. Fremstad	Mr. R. Semmingsen
Sweden	Mr. C. A. Anderson	Mr. A. Johansson
Switzerland	Mr. A. Vuilleumier	Mr. P. Seiler
U.S.A.	Mr. S. Ashelman	Mr. J. A. Smaby

There have been a few subsequent changes in the composition of the Committee. Owing to the untimely death of Mr. P. Seiler, Switzerland, his place was filled by the nomination of Mr. E. Horlacher, while Mr. J. Biesinger replaced Mr. B. Priess as the West German retail representative. In addition, Dr. L. Malfettani, of the Confederazione Cooperativa Italiana, attended the third and fourth meetings of the Committee. Finally, the Director of the I.C.A., Mr. W. P. Watkins, and various members of the staff of participating Organisations have attended the Committee's meetings in an advisory capacity.

It will be appreciated that, for geographical reasons, it has not been possible for the members from Canada, Israel and the U.S.A. to attend all meetings, but they have otherwise participated as fully as possible in the Committee's activities. The Federation of Iceland Co-operative Societies also agreed to supply documentation to the Committee, though it was unable to be represented at its meetings.

The Committee's Programme.

At its inaugural meeting in London the Committee was presided over by Sir Harry Gill, President of the I.C.A. After unanimously electing Mr. Albin Johansson, Sweden, as its permanent Chairman, the Committee proceeded to consider the suggestions of subjects for study submitted by the participating Organisations. It was eventually decided that the three problems to be studied initially should be: Cash Control in Co-operative Stores; Self-Service; Stocks and Stock Control.

Three Sub-Committees were appointed to investigate these problems, and Mr. Johansson, Chairman of the main Committee, was given the right to attend their meetings.

In the spring of 1953, a fourth Sub-Committee was established to examine the problems of Inter-Co-operative Trading.

It was agreed at the same time to ask the Executive of the I.C.A. to ascertain whether or not affiliated Organisations were interested in a study of Conditions in the Bakery Trade.

Apart from the Inaugural Meeting held in London in December, 1951, the Committee has met on three occasions—at Rüdeshheim-am-Rhein, Germany, on 24th April, 1953; Stockholm, Sweden, on 25th August, 1953; London, 12th and 13th November, 1953. Meetings of the Sub-Committees have been held both independently of, and in conjunction with, the meetings of the main Committee. The results of their work are surveyed below.

Cash Control Sub-Committee.

Members: Retail—Messrs. Hough (Great Britain); Langard (France); Nielsen (Denmark).
Convener: Mr. Hough.

The Cash Control Sub-Committee presented an interim report to the Rüdeshheim meeting, and its final report to the London meeting.

An examination of the systems of cash control operating in 14 countries revealed a larger variety of methods than can probably be justified by differences in needs and circumstances between country and country. Most of the systems are open to technical criticisms, and while none is perfect, some do not even satisfy the requirements of a fully effective check system. The Sub-Committee believed, in particular, that hand-written check systems were slower and less efficient than a mechanised system. It was desirable, therefore, to effect a greater mechanisation of cash control, both to reduce the long-term cost of the system and to speed up its operation.

There are two broad functions which have to be satisfied by a cash control system in a co-operative society: (a) that it should provide a reliable check on cash received; (b) that it should facilitate the computation of members' dividend. As far as (b) is concerned the Sub-Committee found a considerable divergence of opinion on the degree to which Consumers' Societies were responsible for calculating the dividend due to members and crediting them with that dividend if it was not drawn in cash. This responsibility was most fully discharged by the "Climax" and other systems—collectively described by the Sub-Committee as the "British system"—as distinct from the "Continental system," where the responsibility for totalling purchases and claiming dividend is placed on the individual member. The difference between the two types of system is fundamental and there can be no easy reconciliation of the two. In both cases, however, there is scope for greater mechanisation.

The Sub-Committee felt that the great need was for a cash-register specially designed to meet the needs of Co-operative Societies, and that it would be possible to devise one capable of fitting in with a mechanisation of the "British" check system facilitating "auditing" in the "Continental" system and, if necessary, of producing a small punched card for processing in the office. It recommended that the Wholesale Societies should

co-operate with necessary trade specialists and the Retail Societies with a view to producing a cash register which would meet these needs and at the same time considerably reduce the cost of recording members' purchases and calculating dividends.

The Sub-Committee also urged that mechanisation should be carried forward to the office stage of the work as far as possible. While the largest Societies could mechanise their own office systems, it envisaged that smaller Societies might combine to establish federal check offices or use the facilities of a special Service Department to be provided by the Wholesale Societies for this purpose. It might then be worth-while to examine the possibility of carrying such centralised work a further stage to cover the calculation of members' dividends for the Retail Societies.

The Sub-Committee emphasised that its report was only concerned with the systems of cash control at the point of the Society's receipt of the money from the member and the associated problem of dividend computation. It left untouched the problem of the quick handling of cash with the Society and the payment of money by Retail Societies to wholesalers and producers. Since the speedy handling of liquid cash saves interest on outstanding money and eventually conserves the use of capital funds, the Sub-Committee recommended the continuation of study of the wider aspects of cash control.

Self-Service Sub-Committee.

Members: Wholesale—Messrs. Davidson (Great Britain); Hietanen (Finland). Retail—Messrs. Anderson (Sweden); Vuilleumier (Switzerland).

Convener: Mr. Anderson.

The Self-Service Sub-Committee presented reports on its work to each meeting of the full Committee. At the London Meeting, Mr. Sagmeister (Austria) and Mr. Biesinger (Germany) were elected members of the Sub-Committee.

From its initial survey of the development of self-service in ten countries, the Sub-Committee found that a number of countries were still hesitating in their adoption of the new system of retail selling. There were a number of factors which had a bearing on the practical application of self-service, and the Sub-Committee considered each in turn.

Building of Self-Service Shops. A memorandum was prepared, with illustrative material, on the building of self-service shops, while an album illustrating their design, layout and equipment has been compiled for circulation and study by the Architects' Departments of National Organisations.

Prepackaging. An analysis of prepackaging costs showed that it would only be carried out economically for certain groceries if done at central warehouses supplying hundreds of shops. This problem must, therefore, be tackled for their member Societies by the Central Organisations. A list has been compiled of satisfactory weighing and packaging machines employed by Co-operative Organisations.

Legal Hindrances. In a number of countries, legal and statutory regulations which restrict the sale of particular commodities to special shops tend to check the satisfactory development of self-service. At the invitation of

the Sub-Committee, the Economic Section of the I.C.A. made a special enquiry into these legal hindrances. After considering this report at its Rudesheim meeting, the main Committee agreed that it should be submitted to the I.C.A. Executive, together with a suggestion that the whole question might be brought before the United Nations Economic and Social Council, possibly in conjunction with the International Chamber of Commerce.

Development of Superettes and Supermarkets. Recognising that the trend is towards self-service shops with a wide assortment of goods, the Sub-Committee recommended that Co-operative Organisations should take the lead in the development of superettes and supermarkets in Europe. It suggested that the range of articles stocked should first be widened by the inclusion of everyday household articles, and that further extensions in articles stocked should depend on the availability of suitable premises and an adequate density of population.

Sale of Co-operative Products by Self-Service. Satisfactory sales of co-operative products required special measures when exposed to severe competition from private brands under self-service. The Sub-Committee recommended that co-operative products should occupy the best "selling" points and be grouped together in a special line of show-cases, as well as side-by-side with competing private products. It urged that attention should be given by Co-operative Wholesale Societies to attractive packaging, advertising and display material, etc., and new ideas on these points be reported to it.

The Sub-Committee has also considered the following questions: Pilfering; Home-Delivery; Cashier Training.

Stocks and Stock Control Sub-Committee.

Members: Lord Williams (Great Britain); Messrs. Groes (Denmark); Klein (Germany); Roos (Holland).

Convener: Lord Williams.

A report on the replies to the Sub-Committee's questionnaire, received from nineteen Organisations in fourteen countries, was prepared by the I.C.A. Economic Research Section and submitted by the Sub-Committee to the Rudesheim meeting of the full Committee. Commenting on this report, Lord Williams declared that, although the Sub-Committee could not point to one system which would suit all countries and Organisations, its report would enable any Wholesale Society to improve its present methods.

A separate memorandum, submitted by Mr. Albin Johansson, explained the system of ordering and invoicing employed at the central warehouse at Gävle, Sweden. The mechanism employed there could be improved so as to combine the stamping of invoices with the simultaneous stamping of stock-cards, thereby providing a system of stock control. Progress along these lines was subsequently reported by Mr. Johansson to the Stockholm meeting of the main Committee.

The Sub-Committee has followed up its initial report by investigating the comparative costs of different systems of stock control and the operation of the peg-board system employed in France.

Inter-Co-operative Trading Sub-Committee.

Members: Lord Williams (Great Britain); Messrs. Roos (Holland); Orsini (France); Groes (Denmark); Klein (Germany).
Convener: Lord Williams.

After the appointment of the Inter-Co-operative Trading Sub-Committee at the Rudesheim meeting, a questionnaire was circulated to National Organisations. The problems with which the Sub-Committee was concerned were:—

(a) Is there any possibility of inter-trading in respect of those things which the Wholesale Societies produce?

(b) Can Co-operative Movements in the different countries act as purchasers for other Movements?

(c) Is there any possibility, on the basis of the information supplied, of bulking purchases in order to obtain price advantages?

A preliminary report on the information supplied was presented by the Sub-Committee to the London meeting of the main Committee.

Future Work of the Rationalisation Committee.

The tasks assigned to the three Sub-Committees appointed in December, 1951, have been largely discharged. Yet it would be entirely mistaken to assume that the problems falling within the scope of the Rationalisation Committee have been exhausted. Indeed, what was envisaged as the central work of the Committee has not yet been fully explored. What has been accomplished so far only serves as a preamble to the real work of the Committee. Questions of rationalisation are dynamic. New problems are constantly coming to the fore, as the decisions to enquire into inter-co-operative trading and the bakery trade amply demonstrate.

The Rationalisation Committee are convinced that the results of their work in the last two of three years justify the belief that such a body has a vital task to perform in the interests of the world-wide Co-operative Movement. The compilation and examination of co-operative experience in different countries is capable of throwing a new and clear light on many complex technical, economic and trading problems, to the ultimate benefit of the whole Movement.

In this spirit the Rationalisation Committee presents the report on its work since its formation and seeks a renewal of its mandate to investigate the problems connected with a more efficient and orderly distribution of commodities.

ALBIN JOHANSSON,
Chairman.

Report on the International Co-operative Petroleum Association.

The International Co-operative Petroleum Association, organised in 1947, to serve Oil Co-operatives around the world and incorporated and capitalised at \$15 million, now has 25 member Wholesale Co-operatives in Australia, Belgium, Canada, Denmark, England, Egypt, France, Holland, Iran, Israel, Japan, Norway, Sweden, Switzerland, Scotland, South Africa, Yugoslavia, and the United States. Headquarters are at 11 West 42, New York City, U.S.A., and a branch office will be opened in London as soon as necessary arrangements can be completed.

Officers of the Association are: President, Albin Johansson, Stockholm, Sweden; Vice-President, John Davidson, Glasgow, Scotland; Secretary-Treasurer, Howard A. Cowden, Kansas City, Mo., U.S.A. The other Directors are: A. J. Cleuet, Paris, France; H. Rudin, Basle, Switzerland; Mohamed Zaky Aly, Cairo, Egypt; and S. L. Kassell, Manchester, England.

The seventh fiscal ended on 30th April, 1954, with higher volume but somewhat lower returns than the previous year. Its finances are sound and its services have been extended. Egypt, Holland, Iran, Yugoslavia, and Sweden continue to lead in the tonnage and the value of the petroleum products purchased from the Association within the fiscal year. Numerous other shipments were made from the United States for dollar payments or from England for sterling payments for Belgium, Denmark, England, Norway, Scotland, and South Africa. The European refinery expansion has restricted imports of refined fuels more than lubricants, and regular shipments of high-quality motor oils from the Co-operative Refinery Association at Coffeyville, Kas., have been made to many of the countries in good volume. These co-operative lubricants have gained a splendid reputation for quality and service among co-operatives and private traders in the free markets of the world. A total of 4,300,000 U.S. gallons of lubricants was shipped within the past twelve months, with a substantial tonnage on order for future delivery at the fiscal closing.

A readjustment of many phases of international economy has brought about a resurgence of competition in many product lines during the year and petroleum has been no exception. This condition has been the outcome of a temporary over-production in the United States, the increased crude oil development in the Middle East, and refinery expansion in the European countries. With this expansion has come the steady growth of American and European international companies in an effort to match the steadily increasing consumption. Through a system of control and through ability to effect economies by mass production and mass distribution, the oil cartels

are gradually expanding their power not only in commercial fields, but in the field of social relations. If this growth of big business should continue at the present rate over the next century, the little man will find himself ruled, directed, and even propagated to meet the dictates of those in control of great business enterprises.

Never before have governments, industries and people been so conscious of the importance of petroleum and its products. Never before has there been such a realisation of the benefits that can be obtained from the use of petroleum and the progress that it makes possible in raising standards of living.

Therefore, the experience of the past few years in co-operative oil trading strongly supports the belief that the "middle-way strategy" of the Co-operative Movement helps to hold the answer to the common man's economic problems. The I.C.P.A. is helping the movement forge ahead on an international level, with a practical application of the thought that people, through their self-help organisations, can provide themselves with an effective weapon against the encroachment of big business.

The people of all free nations benefit from world trade, but many difficulties exist in these operations to-day. Most of these arise from the balance of payments problem and many manifest themselves in currency, especially dollar, shortages. Exchange controls and restrictions hold a firm hand over imports for dollar payments in most foreign countries. These current restrictions will continue to exist until currencies are freely convertible on current account, and, although there is a broad movement under way toward the convertibility of most currencies, the convertibility into dollars remains the crucial one that hampers the I.C.P.A. operations to the greatest extent. Under the circumstances, the opening of a European office to handle non-dollar transactions is most essential. The Bank of England has granted the association permission to open a sterling account in London with the payment of capital stock subscriptions from members unable to fully qualify for membership in the past because of dollar requirements.

The Association entered the oil production field for the first time this year and now holds a half-interest in Kansas oil well. An agreement was made with the Co-operative Refinery Association late in the year on a share-and-share-alike basis for a lease and a drilling contract on property in Barton County, Kansas. Oil saturation was discovered in commercial quantities at three levels around a depth of 3,300 feet. It is estimated that this well will produce 55,000 barrels of oil during a three-year period under the State of Kansas restricted production for a minimum well of not more than 25 barrels of crude oil a day. The drilling of this well serves best to demonstrate that Co-operatives can unite and develop petroleum resources for their own use, with no more than the ordinary risks assumed by others in this field. It is a fitting tribute to the willingness of co-operative leadership to work together and help bring about a more abundant life.

In broad perspective of this co-operative oil movement; one should have justifiable faith in its continued development. The association is sturdy, yet flexible. It has risen to the challenge and the opportunity of the changing times by demonstrating its ability to operate in face of the fluctuating trends in the petroleum industry of the world. It has reached the point where plans should be made far beyond the present scope of operation if the member organisations are to be assured of having control of adequate supplies for their future needs. More active member participation will be required to do this.

It is impossible at this juncture to forecast the economic conditions that will prevail in the world during the coming year. However, the demand for petroleum in the world is expected to continue its upward trend as petroleum is assuming a new and far more important place in the economy of practically every nation each year.

The I.C.P.A. is a part of the pattern of democratic, non-profit international trade. It has helped strengthen the bonds of international friendship and good will. As time travels on, the Association should strengthen its ranks and greatly improve its operations and service. In no other way can the organisation justify its existence. As we recognise the great opportunities ahead of us, we must broaden our perspectives with energy and foresightedness, commensurate with its scope.

HOWARD A. COWDEN,
Secretary.

Appendix VIII

Gifts to new I.C.A. Headquarters.

Australia	
Co-operative Federation of Australia...	Oil painting.
Austria	
"Konsumverband"	Carpet for Board Room.
Belgium	
Société Générale Coopérative.....	£178.
Canada	
Canadian Union	Five reproductions of Canadian paintings.
Czechoslovakia	
Ustredni Rada Druzstev	Crystal vase.
Denmark	
Andelsudvalget	Grandfather clock.
Det Kooperative Faellesforbund	Wall clock.
Finland	
Yleinen Osuuskappojen Liitto	Three pedestal desks.
Kulutusosuuskuntien Keskusliitto	Granite top table and four chairs. Small reproduction of Jubilee Monument, Tampere.
France	
Fédération Nationale des Coopératives de Consommation	Louis XV clock.
Confédération Générale des Sociétés Coopératives ouvrières de Production	Granite and steel hall table.
Germany	
Zentralverband deutscher Konsumgenossenschaften and G.E.G.	Furniture for Director's Room.
Great Britain	
Co-operative Union, C.W.S., S.C.W.S., Co-operative Productive Federation, Co-operative Party	Furniture, carpet and curtains for Conference Room.
Holland	
Centrale der Nederlandse Verbruikscoöperaties	£100.
Israel	
"Hevrat Ovdim"	Bronze Menorah (7-branch Candelabrum).
Italy	
Lega Nazionale delle Cooperative	Furniture for Board Room.
Confederazione Cooperativa Italiana ...	Bronze statuette.
Japan	
Nippon Seikatsu Kyodokumiai Rengokai Zenkoku Shido Nogyo Kyodokumiai Rengokai	} Two porcelain plaques, and an oil painting.
Norway	
Norges Kooperative Landsforening.....	Tea-service and silver spoons; £200 for furnishing Staff Room.

Sweden		
Kooperativa Förbundet	Furniture, curtains, carpet, light fittings for Secretary's Room.	
Switzerland		
Verband schweiz. Konsumvereine	Complete equipment and furniture for library.	
U.S.A.		
Co-operative League	£100.	
Consumers' Co-operative Association...	\$500.	
U.S.S.R.		
"Centrosoyus"	Furniture for Publications Department, and two Persian carpets.	
Yugoslavia		
Coopérative de Travail "Koca Racin"	Persian carpet.	

Appendix IX

Donations to I.C.A. Fund for Italian Co-operative Flood Relief.

Gifts in Money.

International Co-operative Alliance	£5,000
Argentina	
Argentine Federation of Consumers' Co-operatives.....	Pesos 2,000
Belgium	
Société Générale Coopérative	Lire 2,100,000
"Economie Populaire"	Frs.10,000
Institut Provincial de Coopération Agricole.....	Frs.200
Finland	
Yleinen Osuuskauppojen Liitto.....	Fmk.250,000
Kulutusosuuskuntien Keskusliitto	Fmk.250,000
France	
Fédération Nationale des Coopératives de Consommation...	Frs.500,000
Confédération Générale des Sociétés Coopératives Ouvrières de Production.....	Frs.100,000
Great Britain	
Co-operative Union	£1,897
Israel	
"Hevrat Ovdim"	I£750
"Merkaz" Audit Union.....	I£50
Switzerland	
Verband schweiz. Konsumvereine	Sw.Frs.15,000
U.S.A.	
Co-operative League	\$500

Gifts in Kind.

Austria

"Konsumverband" and Grosseinkaufsgesellschaft österr. Consumvereine... 500 woollen blankets (value Shillings 500,000).

Denmark

Andelsudvalget 2 wagons of foodstuffs.

Faellesforeningen for Danmarks Brugsforeninger 12 tons flour; 5½ tons margarine.

Germany

Zentralverband deutscher Konsumgenossenschaften and G.E.G. Foodstuffs, medicines, clothing (value DM.75,000).

Norway

Norges Kooperative Landsforening..... Foodstuffs (value £1,250).

Sweden

Kooperativa Förbundet Blankets (value 100,000 crowns).

U.S.S.R.

"Centrosoyus" 20,000 centner wheat flour; 10,000 centner wheat seed; 500 centner sugar; 20 caterpillar tractors, trailer ploughs, spare parts; 10 million lire.

Yugoslavia

Glavni Zadruzni Savez FNRJ..... Goods (value 3,000,000 dinars).

Centrale der Nederlandse Verbruikscoöperaties, Holland, and the Federation of Iceland Co-operative Societies contributed to Funds opened in their respective countries by the Red Cross; certain Societies in Western Germany made contributions through the German Red Cross.

Appendix X

Donations for Flood Relief in Belgium, Great Britain and Holland.

Austria

"Konsumverband" 1,000 woollen blankets (Holland).

Belgium

Société Générale Coopérative..... Belgian francs 206,657 (Holland).

"Economie Populaire" Gulden 1,000 (Holland).

Denmark

Faellesforeningen for Danmarks Brugsforeninger Textiles, footwear (Holland).
Contribution to Danish Red Cross.

Finland	
Kulutusosuuskuntien Keskusliito, Osuustukkukauppa, Yleinen Osuuskauppojen Liitto, Suomen Osuuskauppojen Keskusliitto, Hansa	£8,500 building material (Holland).
Suomen Osuuskauppojen Keskuskunta	Clothing (Holland).
France	
Fédération Nationale des Coopératives de Consommation	Frs. 5 million (Holland).
	Frs. 1½ million (Britain).
Confédération Générale des Sociétés Coopératives ouvrières de Production	Frs. 2 million each Holland and Britain.
Caisse Nationale de Crédit Agricole...	Frs. 100,000 (Holland).
Germany	
Zentralverband deutscher Konsumgenossenschaften and G.E.G.	Gifts to Holland and Britain.
Iceland	
Samband Isl. Samvinnufélaga	Contribution Icelandic Red Cross.
Israel	
Histradut	I£2,000 (Holland).
	I£1,000 Britain and Belgium.
Italy	
Confederazione Cooperativa Italiana ...	Lire 6½ million Italian Red Cross.
Norway	
Norges Kooperative Landsforening.....	100 woollen blankets, Kg. 500 chocolate.
Sweden	
Kooperativa Förbundet	Kr. 500,000.
Switzerland	
Verband schweiz. Konsumvereine	Woollen blankets, rubber boots, mattresses (Holland).
Verband ostschweiz. landwirtschaftl. Genossenschaften, V.O.L.G.....	Sw. Frs. 5,000 through Swiss Red Cross.
U.S.A.	
Co-operative League	\$500 (Holland).
U.S.S.R.	
"Centrosoyus"	£20,000 (Britain); Gulden 250,000 (Holland).
Yugoslavia	
Glavni Zadruzni Savez FNRJ.....	Dinars 350,000 (Holland).
	Dinars 150,000 (Great Britain).

Affiliated Organisations.

Argentina	Federación Argentina de Cooperativas de Consumo, Buenos Aires.
Australia ✓	The Co-operative Federation of Australia, Sydney.
Austria	“Konsumverband” Zentralverband der österreichischen Konsumgenossenschaften, Vienna. Oesterreichischer Verband gemeinnütziger Bau-, Wohnungs- und Siedlungsvereinigungen, Vienna. Oesterreichischer Genossenschaftsverband, Vienna. Allgemeiner Verband für das landwirtschaftliche Genossenschaftswesen in Oesterreich, Vienna.
Belgium	Société Générale Coopérative, Brussels. Fédération Nationale des Coopératives Chrétiennes, Brussels. “L'Economie Populaire,” Ciney (Namur). L'Institut Provincial de Coopération Agricole, Liège.
Brazil	Centro Nacional de Estudos Cooperativos, Rio de Janeiro.
Bulgaria	Central Co-operative Union, Sofia.
Canada	Co-operative Union of Canada, Ottawa, Ontario.
Colombia	Co-operativa Familiar de Medellín, Ltda., Medellín.
Czechoslovakia	Ustredni Rada Druzstev, Prague.
Denmark	De samvirkende danske Andelsselskaber, Copenhagen. Det Kooperative Faellesforbund, Copenhagen.
Egypt	Société Coopérative des Pétroles, Cairo.
Finland	Kulutusosuuskuntien Keskusliitto, Helsinki. Yleinen Osuuskauppojen Liitto, Helsinki. “Pellervo-Seura,” Helsinki.
France	Fédération Nationale des Coopératives de Consommation, Paris. Confédération Générale des Sociétés Coopératives Ouvrières de Production, Paris. Fédération Nationale de la Coopération de la Mutualité et du Crédit Agricole, Paris. Caisse Nationale de Crédit Agricole, Paris. Fédération Nationale de la Coopération Agricole, Paris. Fédération Nationale des Sociétés Coopératives d'Habitations à Loyer Modéré, Paris. Fédération des Communautés de Travail, Paris.
Germany	Zentralverband deutscher Konsumgenossenschaften, Hamburg. Grosseinkaufs - Gesellschaft deutscher Konsumgenossenschaften, m.b.H., Hamburg. Gesamtverband gemeinnütziger Wohnungsunternehmen, Cologne.

Gold Coast	Gold Coast Co-operative Federation, Ltd., Accra.
Great Britain	The Co-operative Union Ltd., Manchester. Also about 600 Societies.
Greece	Pan-Hellenic Confederation of Unions of Agricultural Co-operatives (S.E.S.), Athens.
Holland	Centrale der Nederlandse Verbruikscoöperaties, Rotterdam.
Iceland	Samband Isl. Samvinnufjelaga, Reykjavik.
✓ India	All-India Co-operative Union, New Delhi.
Israel	General Co-operative Association of Jewish Labour in Erez-Israel "Hevrat Ovdim," Ltd., Tel-Aviv. "Merkaz" Audit Union of the Co-operative Societies for Loans and Savings, Tel-Aviv.
Italy	Legg Nazionale delle Cooperative, Rome. Confederazione Cooperativa Italiana, Rome.
Jamaica	The Jamaica Co-operative Union, Ltd., Kingston.
✓ Japan	Nippon Seikatsu Kyodokumiai Rengokai, Tokyo. Zenkoku Shido Nogyo Kyodokumiai Rengokai, Tokyo.
New Zealand	Hutt Valley Consumers' Co-operative Society, Ltd., Lower Hutt.
Nigeria	Co-operative Union of Eastern Nigeria and the Cameroons, Ltd., Aba.
Norway	Norges Kooperative Landsforening, Oslo. A/L. Norske Boligbyggelags Landsforbund, Oslo.
✓ Pakistan	All-Pakistan Co-operative Association, Lahore. Punjab Provincial Co-operative Bank, Ltd., Lahore. Punjab Co-operative Union, Lahore.
Roumania	Uniunea Centrala a Cooperativelor de Consum "Centrocoop," Bucharest.
South Africa	Pietermaritzburg Co-operative Society, Ltd.
Sweden	Kooperativa Förbundet, Stockholm. Hyresgästernas Sparkasse- och Byggnadsföreningars Riksförbund u.p.a., Stockholm. Kooperativa Kvinnogillesförbundet, Stockholm.
Switzerland	Verband schweiz. Konsumvereine, Basle. Verband ostschweiz. landwirtschaftl. Genossenschaften, Winterthur.
U.S.A.	The Co-operative League of the U.S.A., Chicago. Consumers' Co-operative Association, Kansas City.
U.S.S.R.	The All-Russian Central Union of Consumers' Co-operative Societies of the U.S.S.R. and R.S.F.S.R., "Centrosoyus," Moscow.
Yugoslavia	Glavni Zadruzni Savez FNRJ., Belgrade.

Appendix XII

**Subscriptions Received
for the Years 1951, 1952, 1953.**

	1951.			1952.			1953.		
	£	s.	d.	£	s.	d.	£	s.	d.
Argentina	88	0	0	88	0	0	95	19	0
Australia	—	✓		—			40	0	0
Austria	126	0	0	389	2	0	410	8	6
Belgium	332	0	0	498	8	0	565	15	0
Brazil	*			2	7	0	2	7	0
Bulgaria	80	0	0	96	0	0	96	0	0
Canada	167	4	6	219	11	7	217	3	1
Colombia	10	0	0	12	0	0	12	0	0
Czechoslovakia	1,235	0	0	1,482	0	0	1,548	19	6
Denmark	480	0	0	496	0	0	600	0	0
Egypt	4	0	0	4	16	0	7	4	0
Finland	991	13	0	1,191	3	0	1,194	16	0
France	2,052	19	0	2,372	7	0	2,237	11	0
Germany	873	0	0	1,227	0	0	1,267	0	0
Gold Coast		†			†		25	0	0
Great Britain	8,521	5	0	9,416	1	0	9,474	10	4
Greece	80	0	0	96	0	0	96	0	0
Holland.....	303	10	0	462	0	0	457	0	0
Iceland	80	0	0	96	0	0	96	0	0
India ✓.....	40	0	0	60	0	0	—		
Israel.....	350	0	0	350	0	0	350	0	0
Italy	2,021	0	0	2,021	0	0	861	0	0
Jamaica	*			10	0	0	—		
Japan ✓.....	*			192	0	0	192	0	0
New Zealand	—			7	0	0	2	0	0
Norway.....	249	16	0	345	15	7	345	19	9
Pakistan ✓.....	100	0	0	128	0	0	48	0	0
Roumania	80	0	0	96	0	0	96	0	0
Sweden	1,200	0	0	1,200	0	0	1,200	0	0
Switzerland	480	0	0	695	18	0	695	14	0
U.S.A.	860	0	0	860	0	0	860	0	0
U.S.S.R.	5,000	0	0	6,000	0	0	6,000	0	0
Yugoslavia	80	0	0	96	0	0	96	0	0
	<u>25,885</u>	<u>7</u>	<u>6</u>	<u>30,210</u>	<u>9</u>	<u>2</u>	<u>29,220</u>	<u>7</u>	<u>2</u>

*Members admitted in 1952.

†Members admitted in 1953.

LIST OF SPEAKERS.

	Page
Afonin, N. T.	119
Akhremchik, I. P.	45, 61
Ancion, Mme. C.	64
Anderson, C. A.	57
Antoni, A.	77
Aoki, K.	84, 205
Apelqvist, S.	167
Ashelman, S.	93
Aujoulat, L. P., French Minister of Labour	98
Baart, F.	57
Banchieri, G.	213
Barbier, Ch.-H.	52, 66, 70, 221
Blöten-Baars, Mrs. M.	63
Bokov, G. A.	95
Bonow, Dr. M.	111, 124
Brot, M.	2, 82, 88, 229
Buresova, Mrs. M.	55
Capek, M.	60
Carlson, D.	160
Cerreti, G.	72, 86, 132, 167
Ceseri, M.	92
Cook, Mrs. Cecily, International Co-operative Women's Guild	10, 49
Crews, C.	212
Curti, I.	122
Dahrendorf, G.	123, 159
Dietiker, H.	70
Droppa, A.	67
Efholm, M.	161
Efter, J.	54, 196
Evdokimov, A. S.	68, 203
Frietema, H. J.	71
Gaussel, G.	172
Gill, Sir Harry, President of the I.C.A.	2, 11, 12, 13, 41, 44, 51, 53, 67, 72, 75, 81, 84, 85, 86, 96, 100, 132, 173, 176, 197, 220, 221, 226, 227, 229.
Gosling, R. G.	201

	Page
Grazia, V.	96
Green, E.	69
Guelfat, Y.	162
Handschin, H.	120
Harris, Miss P., United Nations Educational, Scientific and Cultural Organisation.....	7
Heckathorn, H. D.	79
Hederlingova, Mrs. M.	61
Hewlett, R., International Federation of Agricultural Producers	8
Hirschfeld, A.	204
Johansson, A.	56, 94, 169
Korp, A.	168
Koski, J. W.....	165
Krayushin, I. S.	42
Kucera, O.	210
Küng, H.	166
Kyle, J. K.	68
Lamming, N., International Labour Organisation	4
Lemaire, H.	76
Lincoln, M. D.....	200
Machacova, Mrs. B.....	62
Malfettani, Dr. L.	46, 63, 71
Malikov, S. F.	163
Marshall, R. L.....	206
Mateesco, C.....	85, 94, 169
Meins, H.	171
Melvin, W. B.	162, 214
Milhaud, Professor E., International Centre of Research and Information on Collective Economy	9
Milillo, V.	121
Mondini, E.	117
Nepomucky, J.....	116
Novak, S.	46
Odhe, T.	89
Osipov, M. G.	92
Papart, J.....	163
Pedersen, C.	79, 211

	Page
Pedersen, T.....	79
Podlipny, J.....	172
Polley, Miss G. F., General Secretary, I.C.A.	4, 73
Popovitch, V.	91, 216
Ravenhill, E. J. H.....	47
Ridealgh, Mrs. M.	50, 209
Rohde, E.....	170
Rondeau, F. F.	208
Roos, J.....	158, 174
Ruzicka, F.	97
Sanseverino, Miss L. R.	114
Score, H. L.	81
Serwy, W.	65, 199
Smaby, A. J.	118
Søiland, P.	53, 170
Southern, R.....	44, 97
Spinelli, O.	63, 123, 207
Styriakova, Mrs. P.	87
Tajurski, R. S.....	86
Takov, P.	87, 118
Tanaka, S.	83, 160, 198
Taylor, H.....	58, 119
Thedin, N.	41, 226
Timofeev, D. S.	12, 43, 54, 87
Tolino, G.....	60
Van Netten, J. F.	91, 202
Vasseur, P., International Chamber of Commerce.....	9
Veillet-Lavallée, M., Food and Agriculture Organisation.....	6
Vlcek, L.	58
Voorhis, J.	49, 115
Vuilleumijer, A.....	209
Watkins, W. P., Director, I.C.A.	73, 191, 216
Williams, Lord.....	164
Wood, N.	77
Yates, H. B.....	205
Zabarsky, A.....	113
Ziegler, Mrs. G.	65
Zmrhal, A.	45