

ICA REGIONAL BULLETIN

INTERNATIONAL COOPERATIVE ALLIANCE
REGIONAL OFFICE & EDUCATION CENTRE FOR SOUTH-EAST ASIA

The whole concept of a national state and national freedom rests on the cooperative endeavour of individuals who live in the State to maintain its freedom and achieve its prosperity.

—JAWAHARLAL NEHRU





Season's Greetings and Best Wishes for the New Year.



(R. B. RAJAGURU)
ICA Regional Director for S-E Asia

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OUR COVER

Fabrication of farm implements in the Agro Tools
Workshop of TUCAS (see page 19)



27th ICA Congress

held in

M O S C O W

The Twenty Seventh Congress of the International Cooperative Alliance was held in Moscow from 13 to 16 October 1980, under the Chairmanship of its President, Mr. Roger Kerinec. 604 delegates from 110 affiliated organizations in 52 countries, 300 observers from 34 organizations in 34 countries attended the opening ceremony, together with representatives of international organizations.

Opening of Congress

Greetings of the government of the Soviet Union were presented from Mr. Leonid Brezhnev by Mr. P. Y. Strautmanis, Vice-President of the USSR Supreme Soviet Presidium. Mr. Brezhnev stressed in his greetings the importance of the cooperative movement in promoting international peace and raising the welfare of the people.

Mr. A. Y. Biryukov, Vice-Chairman of the Executive Council from the Moscow City Soviet welcomed the delegates to their city.

In his opening speech Mr. Roger Kerinec, France, President of the ICA, reminded delegates of the unanimous decision taken at the 1976 Paris Congress to accept the invitation of Centrosoyuz to hold the 27th Congress in Moscow. He underlined the universality of the

problems facing mankind and stressed the importance of the cooperative movement in developing exchanges of experience and trade relations and for the ideas of the Alliance to seize the minds of even more people

There were three main items on the Agenda of the Congress: the report of the Central Committee, detailing the work done by the ICA over the past four years; a look into the future under the heading "Cooperatives in the Year 2000"; and an assessment of the Cooperative Development Decade 1971-1980.

Central Committee Report

The Report of the Central Committee was introduced by the Director, Dr. S. K. Saxena. Speakers in the debate particularly emphasised the need for peace and praised the ICA's work in this field. Other subjects discussed included the case for increasing collaboration between cooperatives and the need to improve the state of finances of the ICA. An account was given of the "Buy a Bucket of Water Campaign" in which cooperatives in many countries had helped to raise money to provide water for villages in need.

Chairmen of various ICA Committees and Working Parties reported on recent activities and meetings;

Ms. U. Jonsdotter, Chairman of the Women's Committee declared that the aim of her committee was to abolish itself but only when women held 50% of all places in all cooperative boards and committees.

A motion proposed by Central Committee on "Collaboration between Cooperatives" calling for closer trading relations and more joint ventures between cooperatives was unanimously adopted.

Cooperatives in the Year 2000

The report before Congress describes the economic environment in which cooperatives will probably operate during the next twenty years; it takes a sombre view of economic prospects, recognises the difficulties facing cooperatives and makes a number of proposals and recommendations as to the choices available now.

The paper was introduced by the author, Dr. A. F. Laidlaw, Canada, and by Mr. Y. Daneau on behalf of the Central Committee, who said that the report was the beginning of a process of evaluation, and not the end; cooperatives must plan their future—if they failed to do so others would plan their future for them. A separate report prepared by the socialist countries was introduced by Mr. A. A. Smirnov, Vice-President of

the ICA, who referred to the rather different role of cooperatives in planned-economy countries. An animated debate, with some forty speakers from many countries, from many types of cooperatives and with varying points of view, followed. A motion calling for further study of the topic, and asking the UN to pursue their objective of a new international economic order to help create more favourable conditions for sustained cooperative development was adopted.

Cooperative Development Decade

A paper recording and evaluating the activities of the ICA in promoting cooperative development in the 1970's was presented by Mr. P. Soiland, Vice-President of the ICA. Numerous speakers took up the need for cooperatives to participate in the development process, often illustrated with examples from their own countries and sectors of the cooperative movement. Practical assistance provided by various countries was highlighted and suggestions were made for further help which could be offered, either bilaterally or through the ICA. In summing up the debate, Mr. Soiland stressed the need for greater information exchange amongst countries engaged in assistance, through the ICA. He also stated that the major problem was the need to produce more food which meant that the development of agricultural and fisheries cooperatives must be an important aspect of future work. A motion proposed by the Central Committee, calling on member organizations to expand the ICA's Development Fund and asking Central Committee to draw up a long-term policy for cooperative development to provide guidelines for the ICA technical assistance work was unanimously adopted.

Motions Adopted

Motion on Peace, underlining

Kerinec Re-Elected ICA President

VISHWANATHAN NEW MEMBER IN THE EXECUTIVE FROM S-E ASIA

The Central Committee of the ICA at its meeting held in Moscow, USSR, on 15th October 1980, re-elected Mr. Roger Kerinec as President and Messrs P. Soiland and A. A. Smirnov as Vice-Presidents of the ICA.

Mr. B. S. Vishwanathan, President, National Cooperative Union of India, was elected to the Executive Committee of the ICA from the South-East Asian Region. Mr. S. Fujita, President, Central Union of Agricultural Cooperatives of Japan, who has been a member in the Executive from the Region, was also re-elected.

The full Executive Committee is as follows :

Mr. R. Kerinec, France	<i>President</i>
Mr. P. Soiland, Norway	<i>Vice-President</i>
Mr. A. A. Smirnov, USSR	<i>Vice-President</i>

Members :

Mr. A. E. Rauter, Austria
 Mr. Yvon Daneau, Canada
 Mr. M. Marik, Czechoslovakia
 Mr. R. Heikkila, Finland
 Mr. O. Paulig, Germany, Fed. Rep. of
 Mr. B. S. Vishwanathan, India
 Mr. V. Magnani, Italy
 Mr. S. Fujita, Japan
 Mr. J. J. Musundi, Kenya
 Mr. J. Kaminsky, Poland
 Mr. Lars Marcus, Sweden
 Mr. H. Whitehead, UK
 Mr. F. L. Lair, USA

the ICA's determination to support the United Nations in its endeavours to develop constructive programmes for peace and international cooperation was also unanimously adopted, as was an emergency motion to permit the Central Committee to decide on the location of the seat of the ICA.

Congress concluded with the examination of a number of motions submitted by organizations affiliated to the ICA. The following were adopted by Congress : Aid to Self-

Help in Housing Provision, Measures on Consumer Protection; The Role of the Family in Housing Cooperatives; International Year of the Disabled; Cooperation of the ICA with other Mass Organizations; Role of the ICA in the Consolidation of the Cooperative Movement; The Use of Mass Media in the Cooperative Movement; Women in the Cooperative Movement. A motion on Vietnam and Kampuchea was referred to Central Committee for consideration.

(Contd. on page 8)

ICA Council for South-East Asia Meets in Colombo

The twenty second meeting of the ICA Council for South-East Asia was held in Colombo, Sri Lanka, on 15th and 16th November 1980. Fifteen members of the Council representing Bangladesh, India, Japan, Korea, Malaysia, Singapore, Sri Lanka and Thailand participated in the meeting. Dr. S.K. Saxena, Director, ICA, London and Mr. Malte Jonsson, Swedish Cooperative Centre, Stockholm, also attended the meeting.

Inauguration

The meeting was formally inaugurated by Mr. S. B. Herat, Minister of Food and Cooperatives, Government of Sri Lanka. Delivering the inaugural address, the Minister welcomed the Regional Councillors and expressed a hope

that they would have a pleasant stay in Sri Lanka. In his address he identified some of the more common problems faced by the cooperatives in the country such as the difficulty of finding convinced and committed leaders, the inadequacy of inter-cooperative relationship, member apathy and indifference, the lack of sufficient managerial skills within the movement and the sad fact of the more capable and efficient employees "draining" away from the movement for more lucrative jobs in the private sector. He made reference also to the complex question of "State and Cooperatives" where there were divergent views ranging from total independence of the movement to that of strict control of the movement by the government. He, however was of the opinion that in the develop-

ing countries there was a need for state assistance and some guidance while ensuring and respecting the democratic control by the members who own the cooperatives.

He also stressed the need for the national cooperative organisations like the National Cooperative Council to increase its membership and thus get stronger and be the true leader and spokesman of the movement.

Mr. C. M. B. Bogollagama, President, National Cooperative Council of Sri Lanka, welcomed the councillors.

He was of the view that the holding of the Regional Council Meeting in Sri Lanka at this time would help to focus attention of all concerned on the problems faced by the cooperatives in Sri Lanka and also that the exchange of views between experienced cooperators in the region would help in finding suitable solutions. The problems in the region were very similar and hence cooperators of the region could find cooperative solutions to such vital aspects like inter-cooperative trade, cooperative financing etc.

The inaugural meeting was also addressed by Mr. R. B. Rajaguru, ICA Regional Director for SE Asia. Mr. Rajaguru drew the attention of all cooperators to the socio-economic problems faced by the various countries of the Region and the need for cooperatives to do some very hard rethinking in regard to the role of cooperatives in socio-



Inauguration of the Council meeting by lighting the traditional coconut oil lamp.

economic development. He pointed out, that numerous studies had shown that cooperative effort had not really helped those in real need and hence arose the need for devising strategies for greater involvement of the members and for greater participatory activities which would strengthen the cooperatives and consequently the movement. He mentioned that the 27th Congress of the ICA held recently in Moscow had tried to look at Cooperatives in the Year 2000 A.D.—and what emerged was the awareness of the tremendous role cooperatives had to play, if they were to ensure a better quality of life for those in real need of cooperative support. He stressed the need for the strengthening of the bonds between the members and their society, between cooperatives in the country and inter-cooperative bonds between the movements of the region. He said the emphasis would have to be better member relations programmes and more meaningful economic activities which will help the membership at large to get the best benefits from their efforts. He

said that the problems facing the Regional Councillors at this meeting would be considerable but he was sure the wealth of experience available in the Regional Council will help to draw up the necessary effective guidelines for ICA activity in the Region for the year ahead.

Mr. Rajaguru thanked the National Cooperative Council of Sri Lanka for the invitation extended to hold the meeting in Sri Lanka and also for the excellent arrangements made. He also thanked the Minister, the Ministry and Department officials and all cooperators for their continuing support for ICA activities.

Mr. J. M. Rana, Director, (Education), ICA ROEC, proposed a vote of thanks.

Election of Chairman

Mr. C. M. B. Bogollagama, Member for Sri Lanka, was unanimously elected Chairman of the Council till the holding of the next Council meeting.

In addition to Mr. R. B. Rajaguru, ICA Regional Director for SE Asia, Mr. J. M. Rana, Director (Education), Mr. Lionel Gunawardana, Joint Director and Specialist in Agricultural Cooperation, Mr. M. K. Puri, Joint Director and Specialist in Consumer Cooperation and Mr. Per Eric Lannhagen, Specialist in Agricultural Cooperative Marketing, ICA ROEC, attended the meetings.

Education Centre

Educational activities carried out by the ROEC during the previous year was noted by the Council.

The Council approved the following programme of work for 1981-82 :

1. *Two follow-up seminars on Agricultural Cooperation* for participants from the region who had participated in SCC international seminars on Agricultural Cooperation held earlier in Sweden and for selected participants from agricultural seminars held in the Region



The Council in session.

by the ICA ROEC. Twenty five participants from Thailand, Malaysia, Philippines, Indonesia and Iran will participate in a seminar to be held in Sri Lanka in July 81 and a similar number from India, Bangladesh, Nepal, Sri Lanka, Pakistan and Korea will participate in a seminar to be held in Thailand, in November 1981.

2. A *Regional Seminar on "Consumer Cooperation"* to be held in Tokyo, Japan, in August-September 1981 in collaboration with the Central Union of Agricultural Cooperatives, Japanese Consumers Cooperative Union and the IDACA. The seminar will be preceded by a week's study visits in the Republic of Korea.

3. An *Open Asian Conference on "Cooperative Management"* to be held either in Sri Lanka or India for a duration of one week.

4. A *Regional Seminar on Agricultural Cooperative Credit* to be held in Bangladesh for three weeks for about 25 participants.

5. A *Regional Course in Research Methodology and Training Techniques* for 20 participants to be held in India in January-March 1982.

6. National Seminars

The Councillor from Malaysia requested that national seminars on "Consumer Cooperation" and "Cooperative Education with special reference to Training Methodology and Techniques and Member Education" be held in Malaysia. The Councillor from Thailand requested that a national seminar on consumer cooperation be held in his country.

7. Projects

The on-going Project for Training of Cooperative Teachers and the

Project for Consumer Education and Information through Cooperatives in Sri Lanka will be continued.

Technical Assistance and Trade

The meeting was informed that the recent International Cooperative Trade Conference held by the ICA in collaboration with the Centrosyoyus in Moscow from 9th to 11th October 1980 produced very good results and that there was a demand that this type of conferences should be held more frequently. The participants were divided into commodity groups and the suppliers and buyers were able to establish meaningful contacts with the cooperative organisations of the two countries concerned. The meeting was informed that except India and the Philippines, other countries of the region were not represented at the Conference.

Publications and Public Relations

The meeting noted that the first meeting of the ICA Regional Working Party on Cooperative Press for South-East Asia was held in Malaysia in May 1980 and that the deliberations were found useful by the members who are working in the field of cooperative journalism. The Council also took note of the various steps taken by the ROEC to improve the ICA Regional Bulletin and the suggestions made by the press working party in this regard.

The Council noted that the following publications would be brought out during 1980-81 :

1. Open Asian Conference on Cooperative Management—report and papers.
2. Readings in Cooperative Marketing.
3. How to Improve the Effectiveness of National Coop Unions.
4. Amalgamation of Primary Agricultural Cooperatives—the Japanese Experience (revised edition).

5. Cooperative series—3 to 4 titles.
6. Speeches on Cooperation—3 to 4 titles.
7. Publicity material—ICA Regional Bulletin and other publicity material.

IDACA Activities

The activities carried out by the Institute for the Development of Agricultural Cooperation in Asia (IDACA), Tokyo, Japan, which forms part of the agenda of the Council meeting from this year, were presented to the meeting. The Council noted that the following activities would be carried out by the IDACA during 1981 :

1. Reunion meeting for Indian participants to be held in January-February 1981.
2. A survey and research project for Thailand.
3. A training course for participants from the Republic of Korea for 14 participants to be held in March 1981.
4. An introductory course for Thai Cooperators on Agricultural Development Project to be held from July 6 to August 7, 1981.
5. ICA/CUAC/IDACA Regional Seminar on Consumer Cooperation to be held in September 1981.
6. A Training Course for Cooperators from selected countries to be held in Sept-October 1981.
7. A Refresher course in Agricultural Cooperatives for participants from the Colombo Plan member countries.

The meeting was informed that the "IDACA News" will continue to be published. The meeting was also informed that due to budgetary limitations it may not be possible to include any additional courses during 1981.

Relations with Member Organisations

The Regional Director informed the meeting that out of funds collected for the "Buy a Bucket of Water Programme" of the ICA, assistance has been provided for digging nine wells in the area covered by the Women's Consumer Education Project in Sri Lanka. Dr. Saxena informed that a fairly extensive programme was undertaken in Peru and Latin America. Assistance was given to dig 20 wells in Afghanistan to the FAO PACCA Project in Afghanistan through this programme.

Dr. Saxena told the meeting that ICA relations with international organisations has been very sound and said "at no time in ICA history have we a stronger team than we have now at present representing the Alliance at various UN agencies". He said that the ICA has signed an agreement with the UNDP to act as a consultant to UNDP on cooperative matters.

Mr. Malte Jonsson, SCC, requested the members to assist the ICA ROEC in finding new projects and new ways to support cooperative development in the region. He felt that assistance from the Swedish Cooperative Movement to these new projects would be possible in collaboration with the SIDA.

Council Chairman to attend ICA Central Committee Meetings

The Director of the ICA, Dr. Saxena, said that there is no direct link between the ICA Council and the ICA Authorities at present. He said that "it will therefore seem appropriate to bring the regional councils more centrally into ICA affairs so that they share our problems and we speak with the same

27TH ICA CONGRESS . . .

(Contd. from page 4)

Pre-Congress Meetings

During the week before Congress started, meetings and conferences of many ICA Auxiliary Committees and Working Parties were held in Moscow. The ICA Executive Committee and the Central Committee also met.

The Executive Committee admitted two new members to the Alliance. The Oljekonsumenternas Forbund, Sweden, an organization for car owners and oil consumers' cooperatives, and the Central Union of Swaziland. It approved the setting up of a Mission to visit Spain in order that the ICA should have a better understanding of the Movement in that country and its inter-relationships.

Mr. R. B. Rajaguru, ICA Regional Director for SE Asia and Mr. J. M. Rana, Director (Education),

voice". The Council felt that the Chairman of the Regional Council should attend the meetings of the Central Committee and participate in the discussions.

Venue of Next Meeting

The Member for Korea invited the Council to hold its next meeting in the Republic of Korea in October 1981. The invitation was accepted.

attended the Congress and some auxiliary committee meetings from the ICA ROEC.

The International Cooperative Housing Development Association, the Auxiliaries Committees of the ICA such as Housing, Agricultural Committee and its Economic Subcommittee, Fisheries and Consumers Committees, Women's Committee, The Advisory Group for International Training of Cooperators, International Liaison Committee on Cooperative Thrift and Credit, the International Committee on Workers Productive and Artisanal Cooperatives, INTERCOOP, the Press Working Party, and the Librarians and Documentation Officers Working Party held their meetings before the Congress.

Venue of the next Congress

The invitation of the Cooperative Movement of the Federal Republic of Germany to hold the next Congress in Germany was accepted.



ICA Sub-Committee for Agriculture

The meeting of the ICA Sub-Committee for Agriculture for South-East Asia was held in Colombo on 14th November 1980.

Mr. R. G. Tiwari, Member for India and Mr. Palitha Ratnayake, Member for Sri Lanka, were unanimously elected Chairman and Vice-Chairman of the Sub-Committee respectively.

A brief resume of the developments in agricultural cooperative movements in the different countries was presented by the members of the committee. The Committee noted that the courses held by the ROEC on Better Living Activities through agricultural cooperatives have been found useful by the movements.

The Secretary of the Committee, Mr. Lionel Gunawardana, informed the meeting that a project has been submitted by the Philippines for having a pilot project to increase better living activities through agricultural cooperatives.

A talk on "Agricultural Cooperative Movement in Sri Lanka Problems and Prospects" was given by Dr. J.M. Gunadasa, Lecturer, University of Peradeniya, Sri Lanka.

The Members of the Sub-Committee were requested to identify and send suitable projects under FAO's Programme—People's participation in rural development through promotion of self-help organisations. Projects in which planning could be

done at the grass root levels and which are likely to benefit people right from the planning stages and which can be replicated elsewhere would be considered by the FAO.

The Sub-Committee was informed that the Research Study on "Cooperatives and Small Farmer Development : Implications for government guidance and supervision" is progressing well and that an international workshop of the researchists will be held in January 1981 to collate the experiences of the researchists. A technical meeting will be held in 1982 in Sri Lanka to test out the material that has been collected and then to produce a document which would be of use to policy makers in respect of small farmer development. The final report of the document will be circulated among the members of the Sub-Committee.

The tenth meeting of the ICA Sub-Committee for Fisheries for South-East Asia was held at the office of the National Cooperative Council of Sri Lanka on 13th November 1980.

Haji Aziz Ibrahim, Member for Malaysia, was unanimously elected Chairman of the Sub-Committee.

Mr. J. Saito, Chairman, ICA Fisheries Committee, briefed the members on the deliberations of the main committee meeting held in Moscow in October 1980. He said that the representation from the region in the main Committee was satisfactory and requested for more active participation in the future meetings by representatives from this region. Fifteen items were discussed by the Fisheries Committee at its Moscow meeting,

ICA Sub-Committee for Fisheries

he said. He informed the meeting that an expert on cooperative fisheries has been seconded by the Japanese Fisheries Cooperatives to work with the ICA headquarters in London. He also informed that the third seminar on fisheries cooperatives for South-East Asia was held in Tokyo, from 2nd to 10th September 1980. Sixteen fisheries cooperators from eight countries attended the seminar. He also informed the meeting of the launching of a new publication "Cooperative Fishermen's Bulletin" by the ICA with the assistance of Japanese and Iceland cooperatives and requested the members to send in their contributions to the journal regularly.

A talk on "Fishery Cooperatives

in Sri Lanka Problems and Prospects" was presented by Mr. M.D. Fernando, Secretary/General Manager, Sri Lanka Fisheries Cooperative Federation.

The Sub-Committee was informed that all arrangements for holding the Regional Seminar on Organisation and Development of Fishery Cooperatives in the Republic of Korea from 17th to 30th March 1981 are proceeding well. One week's study visits to fishery cooperatives in Japan will follow the seminar.

The meeting was informed that the publication on fishery cooperatives in the region would be brought out following the forthcoming regional seminar.

The ICA Committee on Consumer Cooperation for South-East Asia held its fourth meeting in Colombo, Sri Lanka, on 13th November 1980. Seven members from Japan, India, Malaysia, Singapore, Sri Lanka and Thailand attended the meeting.

In the absence of Mr. S. Nakabayashi, Chairman of the Committee, Mr. M. Ohya, alternate Councillor for Japan, presided over the meeting.

Mr. Chong Thin Huatt from Malaysia was elected as the Chairman of the Committee for the new term. A proposal was made that a representative from Thailand be appointed as Vice-Chairman which was unanimously accepted by

ICA Committee on Consumer Cooperation

the Committee. The Cooperative League of Thailand was requested to nominate a representative for the post.

The members were informed of the proposed follow-up seminar, to be held in Malaysia in May 81, of the International Seminar on Consumer Cooperation held in Sweden and were requested to ask the participants/concerned organisations to prepare their implementation reports on the action plan and send it to the secretariat. The meeting was informed that only those partici-

pants who have sent these reports will be invited to participate in the follow up seminar to be held in Malaysia in May 1981.

The Committee noted the holding of a Regional Seminar on Consumer Cooperation in collaboration with the Japanese Cooperative Movement in September 1981.

A talk on Consumer Cooperation in Sri Lanka was given by Mr. C.M.B. Bogollagama, President of the National Cooperative Council of Sri Lanka.

ICA Sub-Committee for Trade Development

The second meeting of the ICA Sub-Committee for Trade Development for South-East Asia was held at the office of the National Cooperative Council of Sri Lanka, Colombo, on 12th November 1980. Seven members from Malaysia, Singapore, Sri Lanka and Thailand attended the meeting. In the absence of Mr. I.H. Hunter, Chairman of the Sub-Committee, Mr. C.M.B. Bogollagama from Sri Lanka was unanimously elected as Acting Chairman.

Mr. Malte Jonsson, Swedish Cooperative Centre and Mr. Rolf Akeby, ILO/SIDA Coop. Trade Project, Bangkok, also attended the meeting.

The meeting was informed of the National Workshops on Promo-

tion of Export Trade held in Sri Lanka, Bangladesh, India, Philippines, Malaysia, Thailand and Indonesia, held by the ILO/SIDA Cooperative Trade Project in collaboration with the ICA ROEC. Mr. Akeby presented the members with a copy each of "Cooperatives with Export and/or Import Potential in Bangladesh, Burma, India, Indonesia, Malaysia, Nepal, Philippines, Singapore, Sri Lanka and Thailand" and "Report on the activities of the Coop-trade project". The meeting was informed that the Coop-trade Project will function till 1981 and thereafter the activities of the Project would have to be taken over by the Sub-Committee. A suggestion was made that the Project should concentrate on a few commodities such as spices and tea in Sri Lanka and similar commodities with an export potential from

other countries and should work on a project basis to achieve effective results. Possibilities of getting short-term consultancy assistance from the ILO and SIDA/SCC for marketing of specific commodities was also indicated.

Mr. R.B. Rajaguru, ICA Regional Director for SE Asia, said that strong national organisations are essential to develop inter-cooperative trade. He said the two world conferences on cooperative trade held by the ICA in New York and Moscow have been useful to develop personal contacts among cooperatives. The participants who were divided into commoditywise groups held discussions among themselves and a fair amount of trading was effected. He informed the meeting that some kind of phased programme for promotion of trade will be prepared by the ROEC, in collaboration with the ILO Coop. Trade Project, and will be presented to the Sub-Committee at its next meeting to be held in Seoul in 1981.

Regional Seminar on

***Agricultural Cooperative Marketing
with
Special Reference to Export Trade***

The ICA Regional Office and Education Centre for South-East Asia, organised jointly with the National Agricultural Cooperative Marketing Federation Ltd. (NAFED) and National Cooperative Union of India (NCUI) as host organisations a Regional Seminar on "Agricultural Cooperative Marketing with Special Reference to Export Trade" from 24th November to 2nd December 1980.

The seminar was formally inau-

gurated by Mr. Pranab Mukerjee, Minister of Commerce, Government of India. He urged the marketing cooperative organisations in the region undertaking business activities to jointly set up one or more multinational trading enterprises which could operate on the same levels of efficiency as other multinationals for the benefit of the farmers.

He emphasized the need for assessing their strength and weaknesses and said every effort should

be made to identify the drawbacks and eliminate the same.

He added that there were many possible areas of joint collaboration between countries, which produce common crops, such as exchanging production know how and establishing joint projects for research for increasing productivity, financing market studies and developing new products, and also improving the quality of products by establishing common standards.



The Seminar in session.

Mr. R. G. Tiwari, Chairman, National Agricultural Co-operative Marketing Federation of India, who presided over the inaugural session, stressed the need for a marketing system without which the economic growth of the farming community may remain unattainable. He said if the co-operative marketing system was to render purposeful services to the farmers, they need to be strengthened in efficiency and service.

The inaugural meeting was also addressed by Mr. R.P.B. Davies, Deputy Director, ICA, London and Mr. J.M. Rana, Director (Education), ICA ROEC.

The participants were from co-operative organisations and governmental organisations concerned with cooperatives. In all there were 28 participants from 11 countries in the Region. Resource Persons came from the ILO-SIDA COOPTRADE PROJECT on "Strengthening of Inter-Cooperative Trade Relations" in Bangkok (Thailand); the Trade Promotion Centre of the U.N. Economic and Social Commission for Asia and the Pacific, Bangkok (Thailand); Food and Agricultural Organisation of the U.N. (FAO); Fishery Industries Division, Rome (Italy); the Norwegian Raw Fish Organisation, Tromsø (Norway); the Trade Development Authority of India (TDA); the Indian Institute of Foreign Trade (IIFT), New Delhi; the Institute of Economic Growth, Planning Commission, Government of India; the ICA London; the Economic Bureau of the Agricultural Sub-Committee of the ICA, Paris (France); the FAO Project Market Planning and Design Centre (India); Ministry of Agriculture, Government of India; and from the National Cooperative Development Corporation (NCDC), New Delhi.

The seminar consisted of two main parts : (i) Six days Conference

and (ii) Three days of study visits in the States of Uttar Pradesh, Punjab, and Haryana. The programme of activities included sessions on Export Promotion, Trade Facilitation, Market Information, Intelligence, Research, National Integrated Planning for Cooperative Exports, the Importance of Export of Agricultural Produce from developing countries and How to Streamline the Cooperative Marketing Structure for Exports. There was also a session on "Comments on Promotion of International Cooperative Trade in some developing countries in Asia" by the ILO-SIDA Coop-Trade Team. Three different case studies were presented on three different commodity groups :

- (i) Marine Products;
- (ii) Fruits and Vegetables; and
- (iii) Cattle Feed Raw Material

An important part of the seminar was group discussions and the seminar was divided into four groups discussing —(i) Marine Products, (ii) Fruits and Vegetables, (iii) Tea and Spices, and (iv) Cattle Feed Raw Material. During the session on Trade Exchange, information on trade possibilities was exchanged. Business contacts were established among the participants and follow-up actions will be taken eventually to execute business transactions.

Dr. A. F. Laidlaw passes away

DR. A. F. LAIDLAW, a former general secretary of the Co-operative Union of Canada, died in hospital in Ottawa on Nov. 30, 1980 after suffering a heart attack a week earlier. He was 72.

In 1958 he was appointed general secretary of the Co-operative Union of Canada, and while in that position was active in various national organisations in the fields of adult education, broadcasting and housing. He served as director of Central Mortgage and Housing Corporation, the national housing agency, for three terms, 1959 to 1968.

He has had long experience in international development, serving as consultant on cooperative training in India during 1956-58 and as chairman of the Royal Commission on the Co-operative Movement in Ceylon (Sri Lanka) during 1968-69. He has studied cooperatives at first hand in many countries of the world and was the first Canadian elected to the executive of the International Cooperative Alliance, London, the world federation of cooperative movements.

In recent years Dr. Laidlaw has been engaged mainly in the international field, in lecturing and in cooperative housing. He was the author of *Housing You Can Afford*, dealing with non-profit housing coops in Canada.

He was well known as a writer on cooperatives and as the author of two works on the Antigonish Movement, *The Campus and the Community* and *The Man from Margaree*. He held the degree of Doctor of Education from the University of Toronto.

His most recent work was a study of the future prospects of cooperative organizations to the end of the century, written for the International Cooperative Alliance Congress held in Moscow in the fall of 1980.



Cooperative Developments in South-East Asia During 1980

The members of the ICA Council for South-East Asia at the meeting held in Colombo, Sri Lanka, in November 1980, made brief statements regarding the recent changes, trends and developments of the cooperative movements in their respective countries.

Some of the more important items are detailed below :

Bangladesh

- 1980 was declared Cooperative Year and the National Convention of Cooperatives was held in March 1980.
- Government was taking action to clearly define the roles of the cooperative department and of the IRDP with a view to having a unified approach to development.
- A high powered committee was being appointed by the government to revise the cooperative laws in the country.

India

- In some states in India, cooperatives were under government control—no elections have been held in some cooperatives for a long time.
- A Cooperative Agricultural Bank is to be set up—the cooperatives have requested that the shares of this bank should be owned by the cooperatives.
- The Golden Jubilee Celebrations of the Cooperative Union and the Platinum Jubilee Celebra-

tion of the movement were held in 1980.

- CLUSA is assisting the Indian Movement to set up an Asian Institute for Cooperatives.
- NAFED has been entrusted by the government with a significant role both in internal procurement of agricultural commodities and also in the export and import of agricultural commodities and especially the import of fresh fruits, pulses, etc.

Japan

- Japanese agricultural cooperatives were facing severe problems in the face of over production in such commodities as rice, milk, oranges and swine.
- a recent government regulation prohibits the distribution of cooperative newspapers to non-members.
- action is being taken to set up cooperative banks in collaboration with trade unions.

Korea

- The process of amalgamation of small cooperatives continued during the year. The total number of primary cooperatives was 1470 at the end of 1979 as compared to over 20,000 in 1960. There were in addition 140 County or City Agricultural Cooperatives and 142 Special Agricultural Cooperatives. The NACF remained the apex of the agricultural cooperatives with a

membership of over 2 million farmers.

Malaysia

- There has been a steady growth of cooperatives in the urban, agricultural and fishery sectors.
- all cooperatives were required by law to make a specified contribution towards the National Apex.

Singapore

- A new Cooperative Societies Law was promulgated on 1.1.80.
- a new National Apex Cooperative Society was registered on 18.9.1980 under this law.
- The apex society is now charged with the responsibility of providing, organising and supervising effective centralised services for cooperative education and training, supplies, marketing, banking, transport, accounting, audit etc.
- Membership in secondary cooperative societies are restricted to registered cooperative societies and trade unions.
- A central cooperative fund has been established and every society is required to contribute 5% of its annual surplus to this fund. The fund will be used to further cooperative education, training, research, audit, etc.
- Bonus certificates or bonus shares can now be issued by societies to their membership.

(Contd. on page 18)

ICA ACTIVITIES

"DRINK THIS WATER—IT IS CLEAN"

Clean drinking water is now available in places which had 'never a drop to drink,' as a result of some of the wells constructed under ICA's Buy a Bucket of Water programme being commissioned. Funds for this programme were collected by ICA London through the cooperative movement from all over the world and already several wells have been completed or are in the process of completion in India (18), Philippines (7), Sri Lanka (14) and Thailand (8), so far as the member countries of the ICA in Asia are concerned.

Non-availability of clean drinking water is a perennial problem in many villages in Asia and this programme would help in making the life of at least a few thousand people healthier and less arduous. The construction of wells is undertaken in all cases in collaboration with the local cooperative and with the actual beneficiaries contributing their labour and where possible their material in a participatory approach to solve the problem.

Sri Lanka commissions the first "BBWC" wells in Asia

The approach to the construction of wells under this programme in Sri Lanka was at two levels. Five wells are under construction by the National Council of Sri Lanka in collaboration with four village level multipurpose cooperative societies and one cooperative hospital society. The funds for the construction of these wells have been released by ICA London.

The Women's Consumer Educa-

tion and Information Project in Sri Lanka which is a project implemented by the National Cooperative Council in collaboration with the Swedish Cooperative Centre and the ICA ROEC has a programme to provide potable water by constructing nine wells in the areas covered by three of the MPCs covered by the Project. The Consumer Guilds in Sweden and the concerned women's committees in Sri Lanka held a common flag day in Sweden and in Sri Lanka to raise funds for these wells. The funds raised in Sweden have been made available through ICA London to the project.

On 21st November 1980 three wells in the area of operation of the Harrispatuwa North Multipurpose Cooperative Society were commissioned, with Mr. C. M. B. Bogollagama, President, National Cooperative Council, Ms. Jayantha Tennekoon, Project Director, Women's Project and Mr. R. B. Rajaguru, Regional Director, ICA, taking part in the ceremonial openings organised by the society and the beneficiaries.

One of the wells provides water not only to a village with about a hundred households, but has given a pipe line connection and a storage tank to the school which has a student population of over 500 students and which had no water facilities before.

In many situations the land owners have either gifted or given long leases of the land to the cooperative society to enable the construction of the well. The users in collaboration with the women's committees of the local cooperative will be responsible for the manage-

ment of the wells. It is expected to commission all the wells by the end of 1980.

NATIONAL WORKSHOP ON COOPERATIVE RETAIL MANAGEMENT

A National Workshop on Cooperative Retail Management was conducted in Malaysia from 6th to 18th October, 1980 at the Cooperative College of Malaysia in Kuala Lumpur. The workshop was sponsored by ANGKASA, Cooperative Union of Malaysia and the Cooperative College of Malaysia, and it was assisted jointly by the International Cooperative Alliance, Regional Office & Education Centre for South-East Asia (ICA ROEC), New Delhi and ILO-MATCOM.

The Workshop was directed by Mr. M. K. Puri, Joint Director and Specialist in Consumer Cooperation, ICA ROEC. He was assisted by Mr. K. Abrahamsson, Management Consultant from MATCOM, Mr. Chong Thin Huatt, General Manager, Malaysian Cooperative Super Market Society, and Mrs. Armi Zainudin, Senior Lecturer of the Cooperative College of Malaysia.

The main objectives of the Workshop were :

- (i) to improve overall performance of operation in cooperative retail shops,
- (ii) to improve economic results of operations, and
- (iii) to make the management understand and identify the right priorities in retail management.

The subjects discussed at the Workshop included Economy of a Consumers Cooperative Shop, Shop Layout, Assortment, Display of Goods, Stock taking, Stock control, Leakage, Planning, Budgeting and Controlling the business, etc. In conducting the workshop maximum

use was made of participative teaching techniques such as case studies, group discussions, practical assignments and exercises.

Visits to some cooperative and private shops were also arranged as a part of the programme to enable the participants to observe and apply whatever had been highlighted in the class room and for carrying

them out in practical assignments. After visits to shops, the participants had fruitful discussions on their visits and they made constructive suggestions in regard to improvement in the layout, assortment display of goods in the shops visited by them.

The workshop was attended by 20 participants, who were managers

or senior employees of Consumers Cooperative Societies in the country.

Mr. Sha' aya Basheer b. Mohd. Basheer, Director, Cooperative Department, Malaysia, inaugurated the Workshop and the valedictory address was given by Y. B. Tan Sri Datuk Arshad Ayub, Secretary General, Ministry of Agriculture, Government of Malaysia.

A Course in Training Methodology and Techniques for Cooperative Teachers in the Philippines was held at Agricultural Credit and Cooperatives Institute (ACCI), University of the Philippines at Los Banos (UPLB), Laguna, Philippines from 6th October to 5th November 1980. The course was attended by 23 cooperative teachers as participants and several observers. It was organised and held by the ACCI in collaboration with the Bureau of Cooperative Development (BCOD), Cooperative Education and Training Fund (CETF), and the ICA Regional Office & Education Centre for South-East Asia (ICA ROEC). The course was directed by Dr. Rodolfo M. Matienzo, Director, ACCI and Dr. Dharm Vir, Joint Director (Education) of the ICA ROEC.

NATIONAL COURSE IN TRAINING METHODOLOGY AND TECHNIQUES FOR COOP. TEACHERS IN THE PHILIPPINES

Dr. S. C. Mehta, Vaikunth Mehta National Institute of Cooperative Management, Pune, participated in the Workshop as a Resource Person.

The course was inaugurated by Dr. P. Sandoval, Dean, College of Development Economics and Management, UPLB, on the 6th October and the key note address at the closing ceremonies was delivered by Dr. Higinio A. Ables, Vice-Chancellor for Academic Affairs, UPLB. The certificates of completion were awarded to the participants by Dr. R. M. Matienzo, Director, ACCI.

The course programme was designed on the basis of the following objectives :

- (1) To orient the participants in participative methods, especially in the case study method of cooperative training.
- (2) To guide and assist them in the preparation and use of case studies for management training of cooperative personnel.
- (3) To encourage the participants to make increasing and effective use of participative techniques so as to improve their performance on the job.

The programme was divided into :

- (a) General Introduction
- (b) Case Workshop
- (c) Role Play, Business games and other techniques
- (d) Audio-Visual aids and training packages.

The main emphasis during the course was laid on case study method. As a part of the course, a case workshop was conducted mainly to provide knowledge and skills in the preparation and use of management cases.

The participants were oriented in Psychology of Adult Learning,



Inauguration of the Course.

Communication Process, various methods and techniques of cooperative education and training, audio-visual techniques and training packages. An exhibition of selected educational and training materials produced by the ICA-CEMAS and other agencies was arranged in the auditorium of ACCI.

The participants were divided into functional groups and held a short seminar on "How to improve the effectiveness of cooperative training and education in the Philippines." They also gave their suggestions on the facilities needed by cooperative teachers for improvement of their performance on the job. The main recommendations which emerged were provision of expanded and systematic training of cooperative teachers at different levels in the Philippines, and furnishing of adequate facilities and incentives. The groups have also suggested that the integration of cooperation with the school/college curricula should continue and these be made more practical oriented.

COOPERATIVE EDUCATION MANAGEMENT WORKSHOP HELD

The ICA/NCC/SCC Cooperative Teachers' Training Project, Sri Lanka, held a Cooperative Education Management Workshop at Kahagolla, Sri Lanka, from August 25 to September 5, 1980, for 12 participants. The teachers/participants were exposed to gain skills to manage a job-oriented education programme and were asked to use the skills in developing an internal education system suitable for the multipurpose cooperative society to which they are attached under the Cooperative Field Study Programme of the Project.

Subject areas covered during the workshop included analysing the overall system of cooperative organisation, task analysis, identification of training needs, development of training policy and objectives,

programme designing, management of facilities, budgeting and budgeting control and techniques of programme evaluation.

WOMEN AND WORK IN COOPERATIVES

A Women's Conference on "Women and Work in Cooperatives" was held by the ICA in Moscow, USSR, on 10th and 11th October 1980. 200 delegates from all over the world attended the Conference. Mrs. M. D. Cruz, Education Officer, ICA ROEC, attended the Conference and introduced a paper on women's involvement in cooperatives in the region of South-East Asia.

ICA REGIONAL CENTRE EMPLOYEES COOPERATIVE THRIFT AND CREDIT SOCIETY

The annual general body meeting of the Society was held on Friday, 24th October 1980, under the chairmanship of Mr. Prem Kumar, Vice-President. The general body elected the following office-bearers for the term 1980-81 :

Dr. G. Ojha—President

Mr. I. S. Gupta—Vice-President

Mr. Ram Prakash—Secretary

Mr. Jawaharlal—Treasurer

Mr. Ramesh Parmar—Member

ICA FORTHCOMING MEETINGS

A National Seminar on Better Living Activities through Agricultural Cooperatives to be held in Thailand from January 12-17, 1981, in collaboration with the Cooperative League of Thailand.

The fifth International Conference on Cooperative Thrift and Credit will be held in New Delhi, India, 16-20 February 1981, jointly by the National Cooperative Union of India, the International Cooperative Alliance and the International Raiffeisen Union. The theme of the conference will be

Thrift and Credit Cooperatives in a Changing World, reflecting a situation that is world-wide. It will study thrift and credit cooperatives as they relate to the changes and the rapid transformation taking place in the world namely, changes in social and economic environments, thrift and credit cooperatives confronted by the most underprivileged populations, inter-cooperative loan programme (ICCIP)—present position, and cooperatives as banking institutions.

The Fellowship Programme for Cooperative Teachers will be held in New Delhi and Colombo. The first part of the Programme will be held in New Delhi from 2nd February to 15th March and the second part in Colombo from 16th March to 30th April, 1981, in collaboration with the Project for Training of Cooperative Teachers in Sri Lanka and the National Cooperative Council of Sri Lanka.

A Regional Seminar on "Organisation and Development of Fishery Cooperatives" will be held in the Republic of Korea from March 16 to 31, 1981, in collaboration with the National Federation of Fishery Cooperatives of the Republic of Korea. The seminar will be followed by study visits in Japan from 1st to 8th April 1981.

A Sub-Regional Workshop for Cooperative Librarians and Documentation Officers will be held by the ICA ROEC in the Philippines in April 1981, for a duration of 15 days. Mr. B. D. Pandey, Librarian and Documentation Officer, ICA ROEC, visited several cooperative libraries during August-October 1980 and studied the library and information systems in Thailand, Malaysia, Singapore, Indonesia, the Philippines and the Republic of Korea. The study was undertaken with a view to prepare a need based syllabus for the workshop and to identify suitable participants from these countries.

Indian Cooperative Movement Celebrates Platinum Jubilee

The underlying principle of Co-operation is faith in the human being, in man's capacity to build and to share, said the Prime Minister of India, Mrs Indira Gandhi.

Mrs. Gandhi was inaugurating the Platinum Jubilee Celebrations of the Indian Cooperative Movement organised by National Cooperative Union of India in New Delhi on 1st and 2nd October 1980. Over 2000 cooperators from all over the country attended the celebrations.

Congratulating the Movement, the Prime Minister said that "great

and selfless men have been connected with this movement. Since its modest beginnings it has grown to an impressive size, 350,000 societies with a membership of 100 million is no small achievement." Mrs. Gandhi recalled her father, Jawarharlal Nehru's belief that "cooperatives could mitigate the private sector's greed and exploitativeness and the public sector's callousness and bureaucratism." That is why she said "he enthusiastically encouraged this third sector."

Mrs. Gandhi added that "in fostering cooperatives we hoped that the movement will promote people's organising and administering

abilities and serve as a nursery for self-government." "Some of the notable successes of our cooperative movement, such as the cooperative dairy movement, have attracted world-wide notice."

Emphasizing the role of education and training the Prime Minister said that "the National Cooperative Union and other similar institutions should have a well-designed, outgoing programme to spread the ideals of the movement and emphasis should be on practice rather than precept. People must be exposed to the enormous benefits that can flow to an area from cooperative endeavour. Every cooperative society which does good work should be encouraged and its efforts publicised. Leaders of cooperative movement should be trained not to be static or power centered. they must make a conscious effort to involve the weaker sections."

Earlier Mrs. Indira Gandhi also laid the foundation stone of the National Cooperative Union of India Jubilee auditorium. The inaugural function was presided over by Mr. Vidya Charan Shukla, Minister of Civil Supplies, Government of India. Mr. Shukla underlined the importance of the cooperative movement in the country's socio-economic development and emphasized increasing involvement of the cooperatives in the developmental activities aimed at uplifting particularly the rural poor.

Rao Birendra Singh, Minister of Agriculture, Rural Reconstruction and Cooperation, Government



Mr. B. S. Vishwanathan, President, National Cooperative Union of India, welcoming the Prime Minister of India, Mrs. Indira Gandhi. Mr. R. G. Tiwari, Chairman, National Agricultural Cooperative Marketing Federation of India and Dr. R. C. Dwivedi, Chief Executive, National Cooperative Union of India, are also seen.

of India, unveiled the bust of Pt. Jawaharlal Nehru, to whose memory the National Cooperative Complex has been dedicated and later released the souvenir brought out by the NCUI on the occasion. Addressing the inaugural session, Rao Birendra Singh appreciated the "great success achieved by the cooperative movement in influencing the life of millions of people in various fields." The Minister assured the movement of government's policy of complete democratisation of the cooperative movement and wished it to build up self-reliance and self-confidence to carry forward the movement dedicated to the weaker sections of the society.

Mr. B. S. Vishwanathan, President, National Cooperative Union of India, who welcomed the Prime Minister on behalf of the 100 million Indian cooperators, highlighted the achievements of the movement during the 75 years of its life and touched upon some of the problems faced by the movement. He drew the attention of the Prime Minister towards restrictive clauses of the

cooperative laws and requested her intervention to "safe-guard the popular character of the movement."

Greetings from the ICA

Fraternal greetings on behalf of the ICA were conveyed to the Indian Cooperative Movement by Mr. J. M. Rana, Director (Education) ICA ROEC. He said "the completion of 75 years by the Indian Cooperative Movement and the erection of the National Cooperative Complex dedicated to the memory of noble Shri Jawaharlal Nehru is a momentous occasion. I wish the Indian Cooperative Movement and the National Cooperative Union of India a glorious future in the years ahead."

Symposia on "Nehru's Vision of Cooperation and Community", "Cooperative Democracy" "Mahatma Gandhi, Gram Swaraj and Cooperative Movement" and "Role of Cooperatives in the Development of Women and Youth" were held on 1st and 2nd October, 1980. Eminent cooperators, both from

official and non-official sectors of the movement, participated in these symposia.

The Valedictory address was delivered by Mr. Vasant P. Sathe, Minister of Information and Broadcasting, Government of India. Mr. Sathe called upon the cooperators to "make cooperatives a nucleus of total development." Emphasizing that "there should be a happy blending of economic and social contents in the operations of cooperative institution," Mr. Sathe called upon "the cooperative leaders and all those involved in the cooperative movement to strive hard towards the achievement of this goal."

COOP. DEVELOPMENTS . . .

(Contd. from page 13)

- The powers of the Registrar have been increased.
- The SNCB which was the National Apex till recently will identify a new role for itself for the future.

Sri Lanka

- The National Cooperative Council was in negotiation with the government to set up a Co-operative Insurance Society and a Cooperative Bank.
- Sri Lanka was now operating an open economy policy and as a result cooperatives have no special privileges and are required to compete in the open market.
- The National Cooperative Council would hold a National Cooperative Congress in 1981.

Thailand

- The reorganisation of the Co-operative Movement in collaboration with CLUSA was going on—substantial progress has been made so far.

Request

"Ex-participants of Swedish International Seminars and ICA Regional Seminars held in or after 1975 are requested to send their official addresses to the Editor, ICA Regional Bulletin, 43 Friends Colony, New Delhi-110065 (India), if it is different from the ones given at the time of the seminar. This is necessary for follow-up work we intend to undertake."

—EDITOR



TUDIYALUR COOPERATIVE AGRICULTURAL SERVICES LTD.*

Genesis

About two and a half decades ago, Tudyalur a town panchayat situated about 12 kms., away from Coimbatore (Tamilnadu, India), was a small village, like many others in the country. Here in the year 1955 the initiative and drive of a few farmers under the leadership of Mr. Palaniswamy Gownder, a revenue officer turned agriculturist, led to the organisation of a cooperative society namely 'the Tudyalur Cooperative Rural Bank' with a modest membership of 397 and a share capital of Rs. 32,446. This small society gradually diversified and expanded its activities and has grown into a gigantic multi-purpose cooperative society with multi-farious activities giving a new dimension to the economic and social life of the village and the surrounding areas which culminated in bringing green revolution and integrated development. The rural bank was converted into *Tudyalur Cooperative Agricultural Services Ltd.*, popularly known as TUCAS, in the year 1966 and continues to be a symbol of service and success.

*Prepared by Mr. P. K. M. Raja, Faculty Member, Vaikunth Mehta National Institute of Cooperative Management, Pune, India.

Objectives

The primary objective of the society is to provide its members all farm requisites along with a package of services like assistance to subsidiary farming occupations, marketing etc.

The society is conducting most of these activities to the best advantage of the members.

Area of Operation and Membership

The area of operation of the society extends to an area of about 135 sq. kms. with a population of about 111,000. The 13 revenue villages with their hamlets are included in the area of operation.

The membership of the society and its share capital as on 20-5-1980 is 12386 and Rs. 1.25 million respectively. 'B' class membership is given to individuals and cooperatives all over the State to enable them to avail the multifarious services rendered by the Society. The authorised share capital of Rs. 2 million is divided into 190,000 'A' class shares of Rs. 10/- and 100,000 'B' class shares of Re. 1/-. The details of paid up share capital as on 30-6-1979 are as below :

Class of members	No.	Amount of share capital
'A' Class	9057	823,346
'B' Class	2746	16,589
Government	1	430,000
		1,269,935

The endeavour of the society to inculcate the habit of thrift and savings has resulted in mobilising a deposit of Rs. 5.81 million. It is laid down that every member shall at least purchase one share but not more than 200 shares.

Management and Administration

The Board of Management of society consists of 13 members of whom 11 are elected and one nominated by the Registrar of Cooperative Societies. Of the 11 elected members, nine are representatives of agriculturists, while the remaining two are representatives of depositors holding unencumbered fixed deposits of at least to Rs. 2,000.

Out of the Board, the following sub-committees have been consti-

tuted :

- Purchase Sub-Committee consisting of five members
- Appointment sub-committee of three members
- Pay Sub-Committee consisting of five members.
- Disciplinary action Committee of three members.

The chief executive of the society, the secretary, is a joint registrar of cooperative societies on deputation and assisted by other administrative and field staff numbering 130. The monthly expenditure on establishment comes to Rs. 100,000.

The officers incharge of the society have been delegated with authority and are responsible for performance in their sphere of activities. The decision making power is decentralised and these officers are responsible for planning, organising, directing and controlling the activities of their sections.

Finance and Working

The working capital of the society is derived from four sources i.e., share capital, deposits, government loans and subsidies and borrowings from bank. Till the year 1970, the Coimbatore Central Cooperative Banks were the main financiers of the society. When the Reserve Bank of India permitted the commercial banks to finance the cooperative sector, the Canara Bank under special order of State Government, came forward to finance the society. The credit limit sanctioned as on date is Rs. 15 million.

The particulars of the item-wise sources of working capital of the Society as on 30-6-1979 are as below :



Formulation and packing of liquid pesticides at the Society's factory.

	Rs.	Percentage of working capital	Particulars	Amount Rs. million	% of total business
Share capital	1,269,935	10.05%	Banking	6 00	23.10
Deposits	5,122,828	40.55%	Fertilizers/ Manure	2.20	8.66
Borrowings from Bank	4,718,300	37.34%	Cattle feed	0 04	0.19
Govt. loans and subsidy	1,524,047	12.06%	Agro tool	0.90	3.38
			Insecticides/ Pesticides	13.5	51.63
			Petrol Bunk	1.35	5.17
TOTAL	12,635,110		Seeds	1.28	4.89
			CARE Section	0.57	2.21
			Lorry Section	0.07	0.30
			Cloth Section	0.07	0.28
			Fair Price	0.04	0.19

It may be observed that the deposits constitute major portion of the working capital.

The total business transactions of the Society during the year ended on 30-6-1979 was worth about Rs. 26.2 million. The item-wise details are given below :

It could be seen that the major

item of business of the society is in insecticides/pesticides section followed with banking and fertilizers.

Operations of the Society

Loaning Operations

Short term, medium term and jwell loans are the main types of loans provided by the Society. Cotton, being the main crop cultivated in area of operation of the society, @ Rs. 1670 per acre, 50% each in cash and kind, is provided to the members. Medium term loans for land improvement, jwell loans are the other important types of loans issued by the society. The details of the loaning operations of the society may be seen below :

Type of loans issued	1977-78	1978-79	1979-80 (as on 30.4.80) (Rs. in 000,000)
Short term	17.73	18.26	16.97
Medium term	21.41	21.26	18.49
Jwell loan	11.37	20.98	37.70
Overdues	23.91	24.87	25.60
Percentage of overdues	47%	41%	35%

Due to the overdues, the quantum of loans disbursed as short and medium term loans are showing a downward trend, while issue of jwell loans have increased considerably.

Manures

Apart from distribution of fertilizers of various brands, first started in 1961, the society prepares its own manure mixtures and markets it throughout the district through the network of 85 cooperative societies. About 10 varieties of mixtures, known in the brand name of 'ASHOKA' are prepared and marketed by the Society. This includes a special tea-plant manure supplied to the tea cooperatives in Nilgiri District.

Insecticides/Pesticides

With a view to meet the demand for insecticide/pesticide of cotton cultivators, the society commenced the distribution of the same in 1965 when it was granted permission to sell pesticides with government subsidy on par with depots in development blocks in the district. Gradually there was a large scale demand for different varieties of pesticides which prompted the society to set up its own pesticides formulation unit in the year 1970. With the assistance of the National Cooperative Development Corporation (NCDC) the formulation unit was set up at a cost of Rs. 700,000 and commenced production in December 1970. At present about 12 various formulations are made strictly conforming to the ISI specifications. The pesticides unit functions under the guidance of the State Department of Agriculture and the first priority for the products is given to the State Agriculture Department under rate contract system. Second preference is given to members on the basis of land owned. Stocks are distributed through a network of cooperatives. The society also maintains a well equipped modern

laboratory for testing the pesticides formulated before marketing. There is heavy demand for TUCAS' products and in the year 1978-79, the business in pesticide/insecticide, which is the largest single business of the society at present, has crossed Rs. 13.5 million.

The society is also considering to enter into an agreement with IFFCO in its *Malathion* Seeding Programme.

Farm Implements

(A) Fabrication, Sale and Services

The Society has set up an agricultural implements workshop for fabrication/manufacture of various farm implements at a cost of about Rs. 200,000 of which NCDC assisted to the tune of Rs. 73,500 by way of share capital, loan and subsidy. This unit is engaged in fabrication of farm implements, seed processing machines and accessories as well as power sprayers. It also undertakes servicing and repairs of implements. The following are the various implements prepared by the society in their unit.



Seed testing for genetic purity and germination.

(1) Cultivators, (2) Thrashers, (3) Ridgers (4) Cage wheels, (5) Turmeric polishers, (6) Chaff cutters, (7) Power sprayers, (8) Seed cleaner-cum-grader, (9) Cotton Seed delimiting machine, (10) Seed treaters, (11) Groundnut graders, (12) Groundnut decorticators.

Besides sales of sprayers, society also provides contract spraying to farmers on nominal rent. It also undertakes motor and pumpset servicing.

Farm implements division also undertakes fabrication and installation of gobar gas plants with the aid of Tamilnadu Khadi and Village Industries Board, in its workshop. The total business handled by this section was worth Rs. 886,000 in 1978-79.

(B) Hiring of farm implements

On seeing the good services rendered by the society to the farming community, the American agency "CARE" (Cooperative for American Relief Everywhere) donated agricultural machinery like tractors, well-deepening equipments, thrashing machines etc., worth Rs. 475,000 in 1969. Later the society also invested some of its own funds in expanding its activities. At present machinery worth Rs. 955,000 are owned by this Section. The machineries are rented out to the farmers at reasonable rates to adopt modern and mechanised methods of farming. During the off-season these implements are also sent to neighbouring districts and adjoining state of Kerala. In the year 1978-79 this section earned an income of Rs. 578,000.

(C) Petrol Bunk-cum-Service Station

In order to cater to the needs for diesel and petrol of its own vehicles/equipments as well as to serve the needs of its members and general public, this Society is main-

taining a well-equipped petrol bank-cum-service station since 1977. Total sales of petrol, diesel and lubricants stood at Rs. 1.35 million during the year 1978-79.

Cattle & Poultry Feeds Manufacturing Unit

Under the intensive cattle development programme, launched during the third five year plan and to promote subsidiary farming occupations, the society set up a cattle and poultry manufacturing unit investing Rs. 240,000. This unit is preparing Ashoka brand cattle and poultry feeds and supplying the same to members, private breeders, cooperatives and government agencies. However due to keen competition from established private undertaking, the business in feeds is showing a declining trend and it stood at Rs. 490,000 in 1978-79 when compared to Rs. 840,000 in 1972-73 and Rs. 720,000 in 1975-76.

Rural Distribution of Consumer Articles

Under the scheme of the NCDC for distribution of essential consumer articles in rural areas, the Society opened two shops at Vellakinar and Pannimadai villages. Besides, some of the depots of the society in other villages are also distributing consumer articles to the villagers. The business of the society under this head was worth Rs. 1.21 million in 1978-79.

Processing Activities

With a view to facilitate marketing of cotton produced by members, the society installed a ginning unit with ten gins and constructed two godowns. To cope up the power cut, the society has also installed a generator of 63 KW.

Kovai Seeds Cooperative Consortium

A massive scheme on a pilot basis for production, multiplication and propagation of seeds

of all varieties, covering an area of 23,000 acres in Coimbatore district and involving a total cost of Rs. 17 million, sanctioned by the National Cooperative Development Corporation, is being implemented by a consortium of ten cooperatives with Tudiyalur Cooperative Agricultural Services as the *Lead Society*. Out of the total cost, 70% will be provided by N.C.D.C., 10% by State Government in the form of share capital, and 20% to be raised by participating societies in the form of share capital.

The first stage of the scheme involving a capital cost of Rs. 9.4 million was implemented from 1-8-1977. This covers six centres viz., Tudiyalur, Tirupur, Gobi, Pollachi, Coimbatore and Udumalpet. Farmers engaged in production of seeds are supplied foundation seeds and necessary inputs alongwith necessary technical guidance right from sowing period till harvesting and processing. The second phase of the scheme would commence shortly involving a capital cost of Rs. 3.6 million. In all nine marketing societies have joined the consortium for implementing the scheme. During the years 1977-78 and 1978-79, 447,103 kgs. of seed valued Rs. 1.75 million were produced under the scheme. A central coordination committee consisting of 16 members, with the President of the TUCAS as the Chairman and the Secretary as the Administrator was constituted for implementation of the scheme.

A seed testing laboratory with modern equipments and facilities for testing seed samples has been set up at Tudiyalur in the premises of the society.

Public Relations and Extension Education

The Institution has a Public Relations department headed by a full time Public Relations Officer.

He keeps the members and the public informed about the various activities through personal contacts, hand-outs, press, radio etc. Literature, pertaining to the latest techniques and developments in agriculture are supplied to members. This section also owns audio-visual equipments, tape recorders, public address system etc., for the effective communication and propaganda of the activities of the society.

Social and Educational activities

Though not directly engaged in running any educational or social institutions for the welfare of the people at large, the society has liberally contributed for construction of buildings for three high schools and one Arts and Science College. Also a contribution of Rs. 5,000 for providing mid-day meals to the wards of poor farmers has been made by the society. Awards of two gold medals to rank students in agricultural engineering and agriculture and another prize in seed technology have been arranged by the society in Tamil Nadu Agriculture University. The society has also contributed Rs. 10,000 each to Chief Minister's Flood Relief and Drought Relief funds.

Working Results

Despite ups and downs in business, the Society has been earning profit throughout and during 1977-78 and 1978-79 the net surplus earned were to the tune of Rs. 260,196 and 351,877 respectively. Except in four years of its existence of 25 years, the Society has been given audit classification of 'A', which is a creditable achievement.

New Schemes

It is gratifying to note that the Society is proposing to launch certain novel schemes for further diversification of its activities, and bring economic and social develop-



The President of India, Mr. N. Sanjiva Reddy, inaugurated the Society's Silver Jubilee Celebrations on 15th September, 1980.

ment of the area. The proposed schemes are given below :

Jasmine oil extraction

Jasmine Grandi Florum and Tuber Roses are cultivated in about 500 and 700 acres of land in Tudiyalur and surrounding areas. These flowers are now used for religious and decorative purposes fetching meagre prices to the cultivators.

Tamil Nadu agriculture university has designed a plant for solvent extraction of jasmine concentrate. The society has submitted a project costing Rs. 3 million for extracting jasmine concentrate with a capacity of 1,000 kg. flower per day with employment potential of 350 rural women. The production cost of jasmine concentrate will be Rs. 6,500 per kg. while the selling price would be ranging from Rs. 7,000 to Rs. 14,000 per kg. depending upon the quality of the oil. It is estimated that while the society will be able to earn a net income of Rs. 200,000 annually it will generate an income upto

Rs. 1,500 per hectare for the farmers.

Paper Mill Project

Huge quantities of paper and card boards are required by the society every year to meet the requirements of packing materials for its insecticides—pesticides. To enable the society to meet this requirement, a project report for setting up a paper mill with a capital cost of Rs. 500,000 and capacity to produce one tonne per day is being prepared. The raw materials for this unit would be farm wastes like paddy grass, cotton and maize stacks, tapioca leaves, banana sheaths etc.

Papain and Catharanthus Roseus Processing Unit

With the technical guidance of Central Institute of Medicinal and Aromatic Plants at Bangalore and Central Food Technological Research Institute, Mysore, the Society is preparing project report for extraction of Papain and Catharanthus Roseus. Availability of machinery

and the economy of the project are under investigation.

Dairy Development Scheme

The Society has formulated a Scheme for Dairy Development under which loan of Rs. 15,000 will be provided in three instalments to members on the security of immovable properties and hypothecation of animals for a period of 7 years till the full loan is cleared. The repayment period is 7 years. Society will arrange supply of good animals to the members and recovery of loans would be made out of sale proceeds of milk.

Problems and Difficulties

The construction of building of the society at the cost of Rs. 3.2 million is in progress. As per the existing arrangements, all construction work of cooperatives should be undertaken by construction wing of the cooperative department through contractors. Now considering the experience of the society, they have been permitted to construct the building as contractor of the construction wing of the Department which is insisting the society to execute agreement bond as a contractor in the matter. This will add the cost of buildings by about Rs. 800,000 more. Since the society is constructing their own building, they have approached authorities to permit them to do the work without signing formal agreement etc., and under overall supervision of the construction wing. This is yet to be finalised.

(2) The society is participating in tenders for supplies of insecticides/pesticides, manure, implements etc. to State Agriculture Department, Director of Rural Development, INCOSERVE, National Seed Corporation, Tamil Nadu Plantation Corporation etc., and is required to pay E.M.D. and security deposit. However agencies like Tamilnadu

Handloom Apex Society, Agro Engineering Service Centres are exempted from these conditions. The society also deserves similar facilities and considerations.

(3) According to the order of the Registrar, prior permission is to be obtained for taking vehicles of the cooperatives outside the State. In respect of the society this condition is creating problems as they are required to send their vehicles like tractors etc., to adjoining states within short notice.

(4) Profits earned by the Society from the business of insecticides/pesticides and manures were exempted from payment of income tax till 1976. Subsequently income tax has been levied taking it as manufacturing activity and also sales to non-members. The society's appeal for exemption is pending decision with income tax tribunal.

(5) In the marketing of insecticides/pesticides the society is facing keen competition from private sector. In order to meet the situation and fall in line with the practice, some incentives to the salesmen of marketing societies and village level societies have been suggested for which approval of the authorities are awaited.

(6) Quite often the society is not getting materials in sufficient quantity for pesticides formulation. The Government of India and Hindustan Insecticides Ltd., should consider this favourably and ease the problems of the society in the matter of procurement of raw materials.

(7) In the implementation of seed project, the society is not getting the foundation seeds in sufficient quantity. This has slightly slackened the implementation of the scheme. At present the Nation-

al Seeds Corporation, Department of Agriculture and Tamilnadu Agriculture University are the only suppliers of foundation seeds in Tamilnadu. In other states like Maharashtra, reputed private agencies like Shaw Wallace are also allowed to supply foundation seeds. It appears that as an exceptional case if this can be allowed in the case of Tudiyalur Society, it will facilitate timely and total implementation of the seed scheme as per schedule.

Conclusion

The progress of TUCAS as an outstanding and exemplary multi-purpose cooperative society setting an example to all cooperatives in the country is the result of dedication, pragmatism and the innovative spirit of the people connected with it. Anyone, visiting the area can observe and experience the prosperity of an advance agricultural tract as a result of the diversified activities of the society. From the position of a small rural bank it emerged as an industrial multi service complex benefiting not only the members in the area but also the farming community in the State as well as outside. It has created enormous employment opportunities for the people of the area covering the farming operations into a full-time profitable venture by creating irrigation facilities, by supplying inputs, providing facilities for subsidiary occupations and on the whole generating additional income to the farmers. The society has thus heralded an era of prosperity and success to the farmers in the area and can be considered a harbinger of socio-economic success of the rural society.



Australia

AUSTRALIA EARNS MOST FROM WHEAT EXPORTS

Wheat exports from Australia more than doubled, from 7,120,000 tonnes in 1978/79 to 15,400,000 tonnes in 1979/80, making Australia the world's second largest exporter of wheat.

Australia earned about a \$2,229 million in 1979/80 from wheat exports, the largest sum for any single commodity.

Bangladesh

THE NINTH NATIONAL COOPERATIVE DAY OBSERVED

The Ninth National Cooperative Day and Week were observed throughout Bangladesh from 1st to 7th November, 1980. The week was celebrated as Women's Cooperative Day, Agricultural Cooperative Day, Industrial Cooperative Day, and Transport Cooperative Day. Co-operative flags were hoisted in all cooperative institutions in the country. Meetings, conferences, and group discussions were held to highlight the significance of the observance of the Day and the week in "Cooperative Year 1980" which coincided with the beginning of the Second Five Year Plan of the country.

BANGLADESH JATIYA SAMABAYA KARMACHARI SANSKRITIK PARISHAD

The officers, employees and workers of cooperative organizations of Bangladesh have formed a cultural organization in the name and style of "Bangladesh Jatiya Samabaya Karmachari Sanskritik Parishad" under the leadership of the Bangladesh Jatiya Samabaya Union. The Bangladesh Jatiya

REGIONAL NEWS ROUNDUP

Samabaya Karmachari Sanskritik Parishad staged a drama on Cooperation on the occasion of the 9th National Cooperative Day. Mr. A.Z.M. Naziruddin, Registrar of Cooperative Societies, Bangladesh, inaugurated the drama.

India

CO-OPS ENTER ENGINEERING SECTOR IN A BIG WAY

With the commissioning of four new sugar mills with latest machinery in the next few months, beginning with the Gurdaspur sugar plant on November 15, the cooperative movement in India will enter the engineering field in a big way.

The cooperatives, which had hitherto confined themselves to operation of milk plants, textile units, fertiliser complexes and sugar mills, have successfully undertaken the manufacturing activity of basic heavy machinery required for these plants.

A newly set-up cooperative venture National Heavy Engineering Cooperative Ltd. (NHEC) is not only setting up the four sugar mills during the current financial year, but is also working on a number of cold storage, alcohol and edible oil plants, which involve designing of complicated heavy machinery besides, developing a sound engineering system.

NHEC has recently got offers from some third world countries to set up cold storages and sugar factories. These offers have come from Sri Lanka and Tanzania.

ALL INDIA COOPERATIVE WEEK OBSERVED

The 27th All India Cooperative Week was celebrated throughout India from November 14 to 20, 1980. This year's celebrations had an added significance as it was held during the Platinum Jubilee celebrations of the Indian Cooperative movement.

The week was formally inaugurated in New Delhi by Mr. S.S. Sisodia, Minister of State for Finance, Government of India on 14th November, 1980.

The week was divided into All India Cooperative Day, Rural Development and Farmers' Day, Artisans and Weaker Section's Day, Consumer Protection Day, Women, Youth Education and Leadership Day, Cooperative Employees Day and Cooperative Democracy Day.

The celebrations helped the movement to create an allround awareness and understanding among masses about the philosophy and role of the cooperative movement as also its potential in helping the people—both in rural and urban areas—in solving their problems. It also provided an opportunity to the cooperative workers to review the progress, performance and achievements of the movement, undertake introspection and determine further projections and directions of the movement.

SEPARATE CADRE FOR COOPERATIVE DEPARTMENT DEMANDED

The third Delhi Cooperative Congress held on 14th and 15th November 1980 in Delhi has

demanding separate cadre for the cooperative department, three-year term for the Registrar, more educational and training facilities and land for a cooperative complex in Delhi.

The Congress, convened by the Delhi State Cooperative Union was inaugurated by Mr. S. S. Sisodia, Minister of State for Finance, Government of India, on 14th November 1980. Nearly 500 co-operators attended the congress. Mr. Mir Mushtaq Ahmed presided over the function.

The congress felt that without a separate cadre for the cooperatives it was difficult to bring about improvement. At present cooperatives were manned by the common cadre pattern adopted by the Delhi Administration in 1963. It also observed that the Registrar of cooperative societies was frequently transferred resulting in disruption of work. It resolved that the Delhi Administration should follow the central policy of a three year term for the Registrar.

The congress further resolved that the cooperative rules amendments suggested by the rules amendment committee appointed by the Delhi Administration in 1977 be notified within one month and a separate committee for amending the Delhi Cooperative Societies Act be constituted by the Delhi Administration.

Japan

INCREASING USE OF COMPUTERS BY AGRICULTURAL COOPERATIVES

A recent national survey carried out by the Central Union of Agricultural Cooperatives of Japan on "Computerization effort by agricultural cooperatives" has shown

that 85.3% of agricultural cooperatives in Japan are using computers to rationalise their work. Out of 4494 agricultural cooperatives in Japan, 3832 responded to the survey. The computerization efforts, introduced in 1965, came to be widely accepted in the 1970s. Some of these cooperatives have their work handled by computers installed at the prefectural unions, prefectural credit federations of agricultural cooperatives or an independent prefectural computer centre on a consignment basis. Others have introduced their own computers.

CUAC LAUNCHES BOOK-KEEPING CAMPAIGN

The CUAC and its affiliate Te-No-Hikari Publishing Association have jointly launched a nation-wide book-keeping campaign in Japan. This movement, started on August 20 and which will last till December 20, is designed to encourage member farmers of agricultural cooperatives to maintain family accounts in order to use their incomes rationally. The women's associations of agricultural cooperatives have pledged their full cooperation and support to this campaign.

CAMPAIGN FOR PLANNED SHIPMENT OF PORK

A pork glut, as serious as last year's, is expected to hit Japanese livestock farmers in the September-December 80 period. There already is an oversupply in the face of a bleak demand. To cope with the situation, the Hog Raising Stability Promotion Council with the cooperation of hog breeders across the country, decided on July 25 to launch a campaign for the planned shipment of pork. The campaign, which began on August 15, calls for unifying the target weight of a hog to be slaughtered to 105 kilograms and the age to 180 days

with a view to cutting the total quantity of pork to be marketed by 7%. Farmers are also required to improve the quality of pork during the Campaign. Meanwhile, the Council will continue to press the Government to curb the import of pork.

Malaysia

BIGGER ROLE FOR SCHOOL COOPERATIVES ENVISAGED

The school cooperatives in Malaysia, numbering 260 with a total turnover of M \$ 2.2 million, are expected to play a bigger role in the future with the establishment of a Schools National Cooperative Society recently. The school cooperatives originally started in 1965 to create solidarity among the students and to encourage them to solve problems collectively have developed rapidly since then. With the help of Angkasa, the school cooperatives along with their national organisation, have drawn up national plans for provision of uniforms to the students manufactured through the vocational school cooperative societies and women's cooperative societies in the country, establishment of banks and employment opportunities for former students.

Nepal

ASSISTANCE IN AGRICULTURAL CREDIT PLANNING

FAO has approved US \$ 87,000 Technical Cooperation Programme Assistance in strengthening Nepal's agricultural credit planning. The Ministry of Food and Agriculture and Nepal Rastra Bank are the government agencies responsible for project execution.

The assistance will be used in setting up a national-level forum for facilitating coordination in agricultural credit policy and monitoring of agricultural credit programmes. It will also be used in undertaking an in-depth study of financial resources needed for meeting regional/national credit targets and of different ways of mobilizing resources. For this project, the services of a credit expert (10 months) and 2 specialists on bank inspection and rural credit programme (1 month) will be required. Provision has also been made for the training of four officers abroad and the purchase of several equipments.

Philippines

MARKETING SEMINAR FOR STAFF HELD

The National Association of Training Centres for Cooperatives of the Philippines held a "Marketing Seminar for staff" from October 6 to 12, 1980. Eighteen participants from training centres and auditing unions under NATCCO participated in the seminar. The seminar was the first module on marketing designed specifically to introduce the staff to the cooperative marketing idea. This will be followed by successive modules during 1981 on the technical part of marketing.

Sri Lanka

MILK COLLECTION INCREASES BY 40%

For years, the Milk Producers Cooperative Societies in the Polonnaruwa district had been experiencing difficulties as regards the marketing of milk, maintaining quality standards and ensuring fair prices to farmers. The subsequent amalgamation of all producer cooperatives into one district level Milk Producers Cooperative Society was the first step towards achieving better performance. At this stage it was realised that an efficient marketing system capable of eradicating some of the major weaknesses in the existing pattern needed priority consideration.

A system was developed by Cooperative Management Services Centre, Sri Lanka, at the request of the society and covers such important aspects as control, supply and delivery of milk to National Milk Board which is the state buyer of locally produced milk, and payment of prices to producer farmers.

Within three months of operation of the new system, milk collection through a network of collecting centres operated by the cooperative society has increased by 40%. Earlier, the collection and all mone-

tary transactions pertaining to supply and delivery of milk were concentrated in one person, namely the collecting agent, who had opportunity to manipulate basic data.

More field programmes are now being undertaken to provide many other useful services to members such as the supply of calves, artificial insemination and other veterinary services, supply of cattle feed, and farmer education and training programmes for improving the level of animal husbandry in the area.

Thailand

BOOST FOR AGRI-CREDIT PROGRAMME

A project to help small farmers in Thailand will receive a loan of \$ 19 million from the World Bank.

The project is designed to support the general expansion of the Thai Bank as the major supplier of agricultural credit and the strengthening of the cooperative system.

It will help improve about 11,200 hectares of paddy fields in the Central region, and assist farmers engaged in shrimp farming and in oil palm cultivation in the Southern region.

The project is expected to benefit some 9,000 farm families and will create employment equal to about 2,000 man-years.

ICA Journals

Review of International Cooperation, Quarterly. £ 6.00.
(Air Mail)

Agricultural Cooperative Bulletin, Monthly. £ 2.00.
(Sea Mail)

Annual supplies, January-December basis, can be obtained by writing and remitting money to :

The Publications Section
INTERNATIONAL COOPERATIVE ALLIANCE
"Bonow House", 43, Friends' Colony, New Delhi 110-065, India
or directly to the
International Cooperative Alliance
11, Upper Grosvenor Street, London W1X 9PA, England.

NEWS AROUND THE WORLD

MORGAN WILLIAMS ELECTED PRESIDENT OF CLUSA

Mr. Morgan Williams, (40) has been elected President of the Cooperative League of USA. Mr. Williams succeeds Glenn M. Anderson, who died on June 25, 1980. He has 19 years experience in agricultural and cooperative related management, rural economic development and educational and legislative responsibilities.

WOCCU URGES UN TO ADOPT ICA PLAN

The World Council of Credit Unions has urged the United Nations to increase its reliance on the cooperative sector by following a three-point plan outlined by the International Cooperative Alliance.

WOCCU put forward this view in a statement to the UN special session on international economic issues at which it urged the general assembly to add mobilization of local savings and the building of cooperative financial institutions to its economic strategy.

The ICA plan calls for a series of UN-sponsored meetings to familiarize governments and people with the benefits of cooperatives, and a series of regional conferences on cooperatives sponsored by UN regional economic commissions.

After the regional conferences, a world conference on cooperative development would be held to stimulate further growth of cooperatives.

The programme would be coordinated through a new office of cooperative development within the

UN secretariat, or through the UN development programme.

CROP INSURANCE SCHEMES IN ASIAN COUNTRIES

Crop insurance schemes as an integral part of food production and agricultural development policies are being promoted by FAO, with cooperation of Asian and Pacific Regional Agricultural Credit Association (APRACA). During the Asian Crop Insurance Seminar, held from 16-20 September 1980 in Tokyo, organised by APRACA and National Agricultural Insurance Association of Japan, with the support of FAO and the Government of Japan, the 12 participating countries exchanged information and experiences on crop insurance schemes and presented tentative plans of action in each country. In addition to Japan and Sri Lanka where the scheme has been in operation for the past 30 years, pilot schemes started in India, Bangladesh and Thailand. The scheme will start in 1981 in Philippines, Korea, and Pakistan. A feasibility study has been completed in Malaysia and a study is being planned in Indonesia. During the Seminar, an Asian Regional Project to promote crop insurance programmes in Asian countries was strongly recommended.

CONTRIBUTIONS TO INTERNATIONAL EMERGENCY FOOD RESERVE

Sweden and Greece have announced contributions to the International Emergency Food Reserve (IEFR) during the current meeting of the Committee on Food Aid Policies and Programmes, the governing body of the UN-FAO World

Food Programme (WFP).

Sweden said it will give 2,500 tons of edible oil to be channelled through the WFP and pay for its transportation to the needy countries. The Swedish contribution is worth about \$ 3.7 million. Greece announced a cash contribution of \$ 200,000 for use in African countries.

The IEFR was established by the UN General Assembly to provide for a total of 500,000 tons of grain annually on a replenishment basis to be used by the World Food Programme for meeting emergency food needs in addition to the part of its own regular resources devoted to emergency feeding programmes.

WFP FOOD AID TO 15 COUNTRIES

Food aid for development worth \$ 225 million to 15 countries, was approved by the governing body of the UN-FAO World Food Programme (WFP), which ended its session in Rome in October 1980.

Seventy-eight percent of the aid is directed to countries classified as least-developed or most seriously affected.

The largest share of development food aid—\$ 140 million is for seven projects for improvement of nutrition of mothers, children and students. These are in Nicaragua, Cuba, Syria, Morocco, Cape Verde, Pakistan and Bangladesh.

Aid to the remaining eight projects, totalling \$ 85 million, is for agricultural and rural development. Two of these are for the settlement of refugees in Sudan and Somalia.

WHY THE POOR GET POORER

Growing mass poverty is simply the result of lack of access to opportunities to participate in development, says an FAO study on the Participation of the Poor in Rural

Organisations. The study, which covered 16 countries, shows that nearly one-third of the world's people are seriously poor by their own or anyone's standards and that they number about 1,210 million.

It is noted that as far as rural development and agrarian reform in Asia are concerned, very few efforts have been made to build up people's organisations. Rather,

bureaucracy has been used to implement government programmes.

Cooperatives, rural local governments, community development, the green revolution and bureaucratic government organisations have not been able to reach the rural disadvantaged.

In its conclusion, the FAO report deplores the fact that, though the

basic goal of rural development policies in most countries has been and is still to increase agricultural production equity and distributive justice have been given relatively low priority.

Indeed, the current productivity-oriented policies of many governments are widening the income gap between rural and urban areas and within rural societies.

Our Recent Books . . .

- (i) **Experts' Consultation on Cooperative Member Education Report and Papers**, pp. 332+viii, price Indian Rs. 50.00.

This is the report of the Experts' Consultation on Cooperative Member Education held in April 1979 at Trincomalee, Sri Lanka. Background papers distributed at the Consultation, indepth studies and papers on on-going member education activities and plans for Cooperative Member Education in Sri Lanka are included in the publication.

- (ii) **Open Asian Conference on Cooperative Management, Report and Papers**, Singapore, 1977, pp. 120+viii, price Indian Rs. 25.00.

The publication consists of the working papers presented at the Open Asian Conference on Cooperative Management held in Singapore in December 1977 i. e. Member Communication, Staff Relations and Manpower Development and the Conference Report.

- (iii) **Open Asian Conference on**

- Cooperative Management, Report and Papers**, Bangkok, 1978, pp. 136+viii. price Indian Rs. 25.00.

The publication comprises the working papers presented at the Open Asian Conference on Cooperative Management held in Bangkok in December 1979, viz Impact of Multinationals on Cooperatives, Better Planning in Cooperatives and Better Living through Cooperatives and the Conference Report.

CEMAS UNIT, ICA ROEC

- (iv) **Manual of Role Plays for Cooperative Teachers**, pp. 158+viii, price (Indian Rs. 48.00) US \$ 6/-

This publication consists of three sections. The first section deals with "Role Play as a Teaching Technique" and the second deals with "Writing of a Role Play". The third section contains eleven role plays prepared by the participants who attended the ICA follow-up programme in Teaching Methodology and Techniques for Cooperative Teachers in Asia held in

the Philippines in February-March 1979. This publication has been prepared under the Cooperative Education Materials Advisory Service (CEMAS) of the ICA ROEC and has been edited by Prof. (Miss) S. Khandwala.

- (v) **An Annotated Bibliography of Cooperative Management Cases jointly compiled and Edited by Dharm Vir and G. Ojha** pp. 69 (mimeographed)

The bibliography lists over 120 management case studies along with annotations and brief comments about their suitability for different types of management training programmes conducted by cooperative training institutions in South-East Asia.

Each case study has been included simultaneously in the following types of lists presented in the bibliography :

- (a) By titles of case studies,
- (b) By author's names,
- (c) By functional sectors of cooperatives, and
- (d) By management functions.

ICA Member-Organisations in South-East Asia

AUSTRALIA

Cooperative Federation of Australia,
Box 5211 AA GPO,
Melbourne Victoria 300 Australia
Tel : 6631674

BANGLADESH

Bangladesh Jatiya Samabaya Union, 9/D Motijheel
Commercial Area, Dacca-2
(Cable : RANGDHENU) Tel : 255846

INDIA

National Cooperative Union of India,
3, Sri Institutional Area, Panchshila Marg,
Hauz Khas, New Delhi-110016
Tel : 662750 & 662751 (COPUNION)

National Agricultural Cooperative Marketing Federation of India Ltd., Sapna Building, 54 East of Kailash, New Delhi-110024.
Tel : 630002, 631416 (NAFED)

National Cooperative Consumers' Federation Ltd., Deepali, (5th Floor), 92, Nehru Place, New Delhi-110024. Tel : 634650/3 (KONFED)

National Cooperative Land Development Banks Federation, Shivshakti, 2nd Floor, B. G. Kher Road, Worli, Bombay-400018 (BHUMIVIKAS)
Tel : 395349

National Federation of State Cooperative Banks, Garment House, 2nd Floor, Dr. Annie Besant Road, Worli, Naka, Bombay-400018. Tel : 379936

Indian Farmers Fertiliser Cooperative Ltd. (IFFCO)
34, Nehru Place, New Delhi-19. Tel : 682506

INDONESIA

Dewan Kooperasi Indonesia, Komplek Pusdikop,
Jalan Jenderal Gatot Soebroto, Jakarta
Tel : 74081-88

IRAN

Central Organisation for Rural Cooperatives of Iran,
225, Mossaddagh Avenue, Teheran.

Consumers and Services Cooperative Society for the Ministry of Labour and Social Affairs Employees, Ministry of Labour and Social Affairs, Teheran.

JAPAN

Central Union of Agricultural Cooperatives
8-3 1-chome, Otemachi, Chiyoda-ku, Tokyo
(CHUOKAI) Tel : 2700041

Japanese Consumers' Cooperative Union
1-13, 4-chome, Sendagaya, Shibuya-ku, Tokyo.
(CONSUMUNION) Tel : (404) 3231

National Federation of Fisheries Cooperative Associations, "Coop. Building" 1-12 Uchikanda, 1-chome, Chiyodaku, Tokyo (NAFEDFISH)
Tel : 2949611

National Federation of Forest Owners Cooperative Associations, Cooperative Building, 8th Floor, 1-12, 1-chome, Uchikanda, Chiyodaku, Tokyo.

Central Cooperative Bank for Agriculture and Forestry, 8-3, 1-Chome, Otemachi, Chiyodaku, Tokyo (CCBAF) Tel : 2790111

Hokkaido Federation of Fisheries Cooperative Associations, West 7, North 3, Chou ku Sapporo. Tel : 231-2161

Zen-Noh (National Federation of Agricultural Cooperative Associations), 8-3-1, chome, Otemachi, Chiyodaku, Tokyo. Tel : 03-279-0211

IE-NO-HIKARI Association, 11 Funagawara cho, Ichigaya, Shinjuku, Tokyo. Tel : 260-3151
National Mutual Insurance Federation of Agricultural Cooperatives, 7-9, Hirakawa cho, 2 chome, Chiyodaku, Tokyo. Tel : 265-3111

REPUBLIC OF KOREA

National Agricultural Cooperative Federation, 75 1st Street, Chungjong-Ro, Jung-ku, Seoul (KONACOF) Tel : 73-0021, 752681

National Federation of Fisheries Cooperatives, 88, Kyung Wun Dong, Chongro Ku Seoul 110. Republic of Korea

MALAYSIA

Cooperative Union of Malaysia, WISMA MCIS, Jalan Barat, Peti Surat 345, Petaling Jaya
Tel : 772577

Angkatan Kerjasama Kebangsaan Malaysia Limited ANGKASA, 103 Jalan Templer, Petaling Jaya.
Tel : 771258, 773666

Malaysian Cooperative Insurance Society Limited, WISMA MCIS, Jalan Barat, Peti Surat 345, Petaling Jaya

Cooperative Central Bank Limited, Peti Surat 685, 29 Leboh Ampang, Kuala Lumpur.
Tel : 26533

National Land Finance Cooperative Society Ltd., Bangunan Tun Sambanthan, No. 2, Jalan Sultan Sulaiman, Peti Surat 2133, Kuala Lumpur 02-12 Tel : 207044

Federation of Housing Cooperatives Ltd. c/o Railway Cooperative Multipurpose Society Ltd., Wisma Merlin, Jalan Siltan Ismail, POB 2528, Kuala Lumpur-0404

PAKISTAN

Mercantile Cooperative Finance Corporation
197-A, The Mall, Rawalpindi.

PHILIPPINES

Central Cooperative Exchange, Inc., Room 113-115, Arle Building, Aurora Boulevard Ext. Corner J Rizal Street, San Juan Rizal. (CENCOPEX) Tel : 70-60-09

Sugar Cooperatives Development Institute of the Philippines Inc., Rms. 107/110, DOLL Building, 6th Street, Bacolod City. 6001.

Cooperative Insurance System of the Philippines 300 de la Merced (Delta) Building, West Avenue, Quezon City (COOPINSURE)
Tel : 973568, 972756, 973192, 976119

National Association of Training Centres for Cooperatives (NATCCO)
Pleasant Home Subdivision
Punta Princesa, P.O. Box 950, Cebu City

SINGAPORE

Singapore National Cooperative Union Ltd., P.O. Box 366, Singapore 9007, Tel : 2221890

SRI LANKA

National Cooperative Council of Sri Lanka
455, Galle Road, Colombo-3 (NACOSIL)
Tel : 84638, 85496

THAILAND

Cooperative League of Thailand, 4 Pichai Road, Dusit, Bangkok, Tel : 24-13634

COOPERATIVE PRINCIPLES

Voluntary Association and Open Membership

1. Membership of a cooperative society shall be voluntary and available without artificial restriction or any social, political, racial or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.

Democratic Control

2. Cooperative societies are democratic organisations. Their affairs shall be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies should enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.

Limited interest on Capital

3. Share capital shall only receive a strictly limited rate of interest, if any.

Equitable division of surplus

4. The economic results arising out of the operations of the society belong to the members of that society and shall be distributed in such a manner as would avoid one member gaining at the expense of others.

This may be done by decision of the members as follows :

- (a) By provision for development of the business of the Cooperative;
- (b) By provision of common services; or,
- (c) By distribution among the members in proportion to their transactions with the society.

Cooperative Education

5. All cooperative societies shall make provision for the education of their members, officers, and employees and of the general public, in the principles and techniques of Cooperation, both economic and democratic.

Cooperation among Cooperatives

6. All cooperative organisations, in order to best serve the interests of their members and communities shall actively cooperate in every practical way with other cooperatives at local, national and international levels. ■

THE INTERNATIONAL COOPERATIVE ALLIANCE

is one of the oldest of non-governmental international organisations. It is a world-wide confederation of cooperative organisations of all types. Founded by the International Cooperative Congress held in London in 1895, it now has affiliates in 66 countries, serving over 355 million members at the primary level. It is the only international organisation entirely and exclusively dedicated to the promotion of cooperation in all parts of the world.

Besides the Head Office of the ICA, which is in London, there are three regional offices, viz., the Regional Office & Education Centre for South-East Asia, New Delhi, India; the Regional Office for East and Central Africa, Moshi, Tanzania and the Regional Office for West Africa, Bingerville, Ivory Coast. The Regional Office in New Delhi was started in 1960, the office in Moshi in 1968, and the West African Regional Office in 1979.

The main tasks of the Regional Office & Education Centre are to develop the general activities of the Alliance in the Region, to act as a link between the ICA and its affiliated national movements, to represent the Alliance in its consultative relations with the regional establishments of the United Nations and other international organisations, to promote economic relations amongst member-movements, including trading across national boundaries, to organise and conduct technical assistance, to conduct courses, seminars and conferences, surveys and research, to bring out publications on cooperative and allied subjects and to support and supplement the educational activities of national cooperative movements. The Regional Office and Education Centre now operates on behalf of 15 countries, i.e. Afghanistan, Australia, Bangladesh, India, Indonesia, Iran, Japan, Republic of Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka and Thailand. ■

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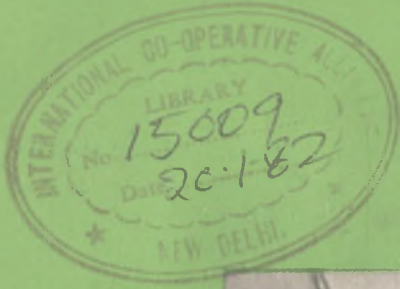
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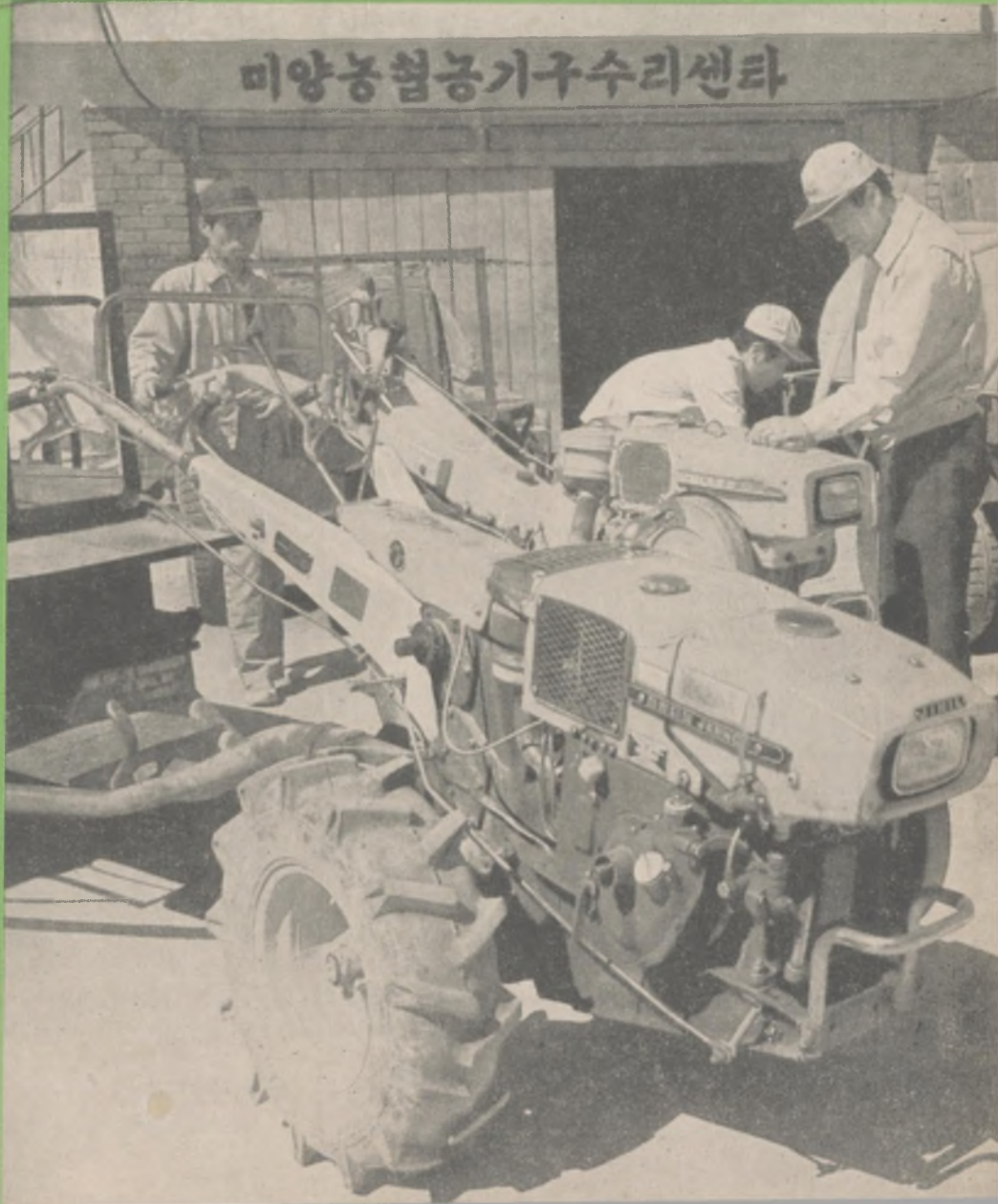
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*Knowledge is of two kinds. We know
a subject ourselves or we know where we
can find information on it.*

—Samuel Johnson



Virtue is more clearly shown in the performance of fine actions than in the non-performance of base ones.

—Aristotle

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OUR COVER

Farm machinery service centre of the Miyang Primary Agricultural Cooperative (see page 26)

Fifth International Conference on Cooperative Thrift and Credit Meets in New Delhi

Opening

The Fifth International Conference on Cooperative Thrift and Credit was held at Vigyan Bhawan in New Delhi from February 16 to 20, 1981 under the Presidency of Mr. Theo Braun, President of the International Liaison Committee on Cooperative Thrift and Credit. The Conference was welcomed by Mr. B.S. Vishwanathan, President of the National Cooperative Union of India. He

remarked that this was a historic conference since it was being held for the first time in an Asian country. Highlighting the characteristics of the Indian Cooperative Movement, its diverse forms and its role in the removal of poverty and unemployment, he particularly brought to the notice of the conference the proposal for the establishment of a National Bank for Agriculture and Rural Development by the Government of India. He expressed the hope that the Indian Cooperative

Movement will have a significant role in the working of the bank. The conference was a symbol of solidarity of the world cooperative movement. He hoped that the credit movement in India will be further expanded and strengthened as a result of Government policies and the present Conference.

The conference was inaugurated by Rao Birendra Singh, Union Minister for Agriculture, Rural Re-



A view of the Conference in Session.

construction and Irrigation, Government of India. Mr. S. S. Sisodia, Minister of State for Finance, Government of India, was also present at the opening ceremony. The Ministers were welcomed by Mr. Theo Braun, Mr. Roger Kerinec and Mr. B. S. Vishwanathan. The conference generated extensive documentation and provided an opportunity for a lively exchange of views on problems of Thrift and Credit throughout the world and for national delegations to renew and establish useful contacts.

Emphasising the significance of the extensive cooperative thrift and credit movement in India, Rao Birendra Singh, Minister for Agriculture, stated that for reasons of poverty and the need for motivating the poorer sections, the emphasis of the Movement had shifted, over the course of years, from thrift to credit. He described the efforts being made in India to reach the most under-privileged sections of the population who were the landless labourers, marginal and small farmers and artisans etc. Making a broad division between agricultural and non-agricultural credit, he cited figures of the achievements of the agricultural credit sector and of long-term credit provided by the Land Development Banks. However, the organisational structure at the village level was weak and it needed strengthening. The urban credit sector was strong in terms of its resources and profitability. Such institutions included urban cooperative banks and salary earners' societies. Main problems faced by these banks were: consumption oriented finance, mis-utilisation of loans and lack of proper investment planning. He pleaded for collaboration among thrift and credit cooperatives at the international level and for assistance from the World Bank and cooperatives to India. The Minister concluded by wishing the Conference every success.

Mr. Roger Kerinec, President of the International Cooperative Alliance, described the scope and activities of the International Cooperative Alliance giving particular attention to the work of its three regional offices for South-East Asia, East and Central Africa and West Africa. He saw the regional offices developing into training, economic and commercial centres in collaboration with ICA Auxiliary Committees. There was a need for ICA to further extend and re-inforce its ties with the thrift and credit sector of the cooperative movement.

Paying a tribute to Indian culture, its richness and diversity, Mr. Braun made a particular reference to the role played by Gandhi and Nehru and quoted from several of their speeches. At the same time, it was significant that the Indian Cooperative Movement had drawn its inspiration from Raiffeisen and that the thrift and credit sector was the biggest part of the movement in the country. He stressed the importance and need for collaboration between cooperatives.

Mr. S.S. Sisodia recalled his own ties with the Cooperative Movement and with the National Cooperative Union of India which had been doing pioneering work for the social and economic development of the country. He welcomed the delegates to India and hoped they will have time to visit the interesting and well-known historical sites of the country.

The valedictory address was delivered by Mr. R. Venkataraman, Minister of Finance, Government of India, on February 20, 1981. He assured the movement that its demand for an effective say in the running of the proposed National Bank for Agriculture and Rural Development would be sympathetically considered by the government. Mr. Venkataraman said that the Government of India would

continue to do everything possible to nurture and strengthen the cooperative movement in the country.

In addition to Dr. S.K. Saxena, Director, ICA, Mr. R.P.B. Davies, Deputy Director, ICA, London, Mr. R.B. Rajaguru, ICA Regional Director for SE Asia, and Mr. J.M. Rana, Director (Education) ICA ROEC, also attended the Conference.

Keynote Address

In his keynote address, Dr. S.K. Saxena, Director of the ICA, referred to the earlier four Conferences on Thrift and Credit organised in Kingston (Jamaica), Paris, London and Rio-de-Janeiro. The Thrift and Credit sector was very extensive in many countries and if the resources and energies of the sector could be pooled together internationally, it would be possible to move in the direction of creating an alternative social and economic system which the Pioneers of the Movement had wished. He paid tribute to Mr. Braun, the Chairman of the International Liaison Committee, for his dynamic leadership and to Madame Robert for continuing the work of the ILC on very limited resources. The main contemporary economic problems were: lack of food, unemployment, energy shortage, inflation and the urgent need to ensure that benefits of the working of thrift and credit cooperative accrued to the poor. Cooperative principle lend themselves to application in a variety of human activities; thrift and credit cooperatives were perhaps the most basic of all kinds of cooperatives. Especially in developing countries, credit cooperatives were mainly rural oriented and had developed close working ties with marketing and processing societies. Extensive network of thrift and credit cooperatives existed in France, the Federal Republic of Germany, Japan, India and many other countries, while

credit unions were playing an important role in Canada, USA, Latin America and Africa. As the organisation of the societies had become more complex in response to members' needs, there was an urgent requirement for the education of leadership/members and employees to subserve the especial objectives of cooperative institutions. Loan utilisation had to be supervised if they were not to be used unproductively. COLAC in Latin America had pioneered the scheme of Directed Agricultural Production Credit. India also had considerable experience in the field of supervised agricultural credit.

Unemployment was widespread in both industrialised and developing countries and Industrial Cooperatives had an important role to play in ameliorating this situation. However, experience had shown that the success of such societies depended also upon the links which they were able to establish with financial institutions. For example an important factor contributing to the success of industrial cooperatives in Mondragoan in Spain was the Bank built upon the savings of local people.

Inflation has been rampant throughout the world and has caused serious problems for thrift and credit societies. Basically, the problem ought to be approached at its roots by dealing with the maldistribution of wealth, income and power.

Thrift and credit cooperatives needed to ensure that benefits accrued also to the poor sections which formed a large part of the population in the third world countries. Discussions on the subject were initiated in publications of the U.N. Research Institute for Social Development. There were also projects set up in Nepal, Bangladesh and the Philippines sponsored under ESCAP/FAO auspices which dealt

specifically with the needs of small marginal farmer.

There was a hiatus in the cooperative movement between the consumer and producer sectors. Both sectors had impressive achievements to their credit, but both had created parallel structures to meet the needs of their own members. For example, banking and insurance organisations had been created by consumer and agricultural movements; in some countries agricultural organisations had created consumer shops and were in direct competition with shops established by the consumer wing of the movement

Dr. S K. Saxena stressed the need for cooperatives to remain voluntary organisations and of initiatives in forming them coming from the people themselves and not from governments. It should not be possible for democratically elected boards of management to be superseded for political considerations, and not because they were incapable of cooperative work. Government support should take the form of providing more adequate infrastructure in which thrift and credit societies could develop.

Perhaps there was need for a wide-ranging study of the experience in a number of developing countries and of the minimum and maximum tasks governments should perform in the essentially voluntary area of cooperation.

He concluded by outlining three main activities the International Liaison Committee should undertake. It should develop a vigorous communications network which will link the members in active and meaningful dialogue. Study visits and training programmes at the international level should be organised and extended; secondly, programmes of research and evaluation were needed to emphasise inter alia,

the shared history of the various branches of the thrift and credit cooperative movements. And finally, support should be given to major international initiatives in the search for a New International Economic Order, of which a well-organised international interlending programme could be an important element in relieving poverty in the third world.

Thrift and Credit Cooperatives confronted with the needs expressed by the most under-privileged population

The Conference discussed "Thrift and Credit Cooperatives confronted with the needs expressed by the most under-privileged populations", both in the national and international contexts.

The conference felt that an important event to be taken note of in rural institutions concerning themselves with problems of the poor was the FAO World Conference on Agrarian Reform and Rural Development held in Rome in 1979. A more aggressive long-term strategy seeking the involvement of the rural poor in cooperatives as well as in economic development was called for on the part of cooperatives.

Some limitations faced by cooperatives in serving the poor were caused by the following factors :

- (a) Adverse tenurial and production structures;
- (b) Inadequate supporting structures and the rural institutional infrastructure;
- (c) Vacillation in government policies;
- (d) Excessive domination of cooperatives by the bureaucracy;
- (e) Inadequate financial policies of the State and the central banks with regard to support to cooperatives, and

(f) Uniform and inflexible national plans of cooperative development.

A proposal was made for "the establishment of a study commission by the I.C.A. with representation from thrift and credit cooperatives, insurance cooperatives, workers productive cooperatives, UNIDO, ILO, ICA and attachment of a couple of international experts in legislative and monetary matters. The Commission could suggest 4 or 5 projects for establishing industrial and artisanal cooperatives. The Commission should also examine ways in which a Special Fund could be created by the credit cooperatives for providing financial support to the projects. The Fund may be managed by a Committee of 5 or 6 persons selected from among the best known presidents of the banking and insurance cooperative system"

It was noted that poverty in the urban areas could be very demoralising. Perhaps the most obvious expression of this fact is the existence of shacks and hovels in the urban areas of developing countries. And thrift and credit cooperatives had an important role to play in improving this situation.

The International Inter-lending Programme

This part of the programme was discussed in four parts; a presentation of the basic COPAC Report outlining the main features of the international inter-lending programme; a description of the WOCCU—COLAC Scheme operating successfully in Central & Latin America, an indication of the borrowing requirements of a cooperative movement in a developing country, an outline of the work of INGEBA in this field and some general considerations, and an examination of some of the issues.

Cooperatives as Banking Institutions

The subject was presented by a series of speakers from industrialised countries connected with Cooperative Banks and Credit Unions in the U. K., France, Argentina, Israel, Canada and Ingeba.

There is a wide variety of services provided by these financial institutions to their members and also to the general public. As cooperative organisations, they are of course subjected to control by their members. Moreover, it is in the nature of cooperative organisations to make relevant information available to their members. Sometimes, these efforts, necessary though they are, add to the operating cost of the organisations. Democracy has to be combined with efficiency and a web of reciprocal obligation has to be created and maintained between the members and these organisations. Due to the rationalisation and amalgamation process, often dictated by conditions of economy and intense competition, there is a problem for the individual member to be able to influence and identify his own role in these large financial bodies. Extra efforts are, therefore, needed, and practised, by a number of organisations in ensuring a free two way flow of information and exchange.

A number of technological innovations had greatly benefited cooperative financial institutions especially data processing and telematic programmes. This had enabled members, for instance in Canada, to watch and participate in members' meeting from their own homes through internal television circuits. Information could be quickly and easily disseminated among the various branches of the Bank and financial data could be

made available to the managers of individual credit unions through a centralised operation. In the Banque Populaires in France there was currently a programme of "Cooperative Renewals" in hand intended to achieve the greatest possible members' participation in the Organisation.

A wish was expressed for the creation, in the not too distant future, of an International Cooperative Financial System which would reinforce the sense of solidarity among cooperators throughout the world and enable the rich to assist the weak.

Conclusion

The conference reaffirmed the principles of cooperation and especially emphasised the aspects of solidarity, as exemplified by the International Liaison Committee; thrift as the basis of the thrift and credit movement; and the need for the creation by Governments of an environment conducive to the growth and independence of the cooperative movement.

The conference expressed the wish that the thrift and credit institutions should follow jointly through their thinking, continue to exchange information and experiences; identify means by which they can improve their functioning to reinforce their presence on the international scene both in the industrialised countries and in the developing countries.

The conference suggested that in countries where government establishes national financial bodies to support and serve Agricultural and Rural Development, adequate representation in such bodies should be given to the cooperative movements in view of the important role which they play in such development. ■

Thrift and Credit Cooperatives in A Changing World

DR. S. K. SAXENA

Director, ICA, London

I feel deeply privileged to have this opportunity of speaking to the 5th International Conference on Cooperative Thrift and Credit. It is nearly fifteen years since the first International Conference was held in Kingston, Jamaica, in 1966. Since then we have come a long way; we have met in Paris in 1970, in London in 1974 and in Rio de Janeiro in 1977. And now we are in New Delhi, in a country where the movement started with thrift and credit in 1904 and continues to remain the dominant form despite the considerable diversification of the movement which has taken place. These four-yearly conferences of leaders of the world thrift and credit movement have been more than social events: they have bred a sense of solidarity among practitioners of thrift and credit; contacts have been established and have often led to sustained relationships between organisations. This has no doubt created a feeling among many—and I count myself among these—that if the institutions involved and their leaders could pool their resources and energies together, we could genuinely move towards establishing what the founders of the cooperative movement saw as an

alternative social and economic system and in creating a world community which would be altogether more enlightened than the present one. I must here pay a warm tribute, to the International Liaison Committee which, under the dynamic leadership of M. Braun and with the support of Madame Robert has been doing important work on extremely meagre resources. This Liaison Committee, about which more later, was formed on the occasion of the Paris Conference; its constitution was ratified in 1974 in London, and with a characteristically low profile, the Committee has been doing important work and has been the prime mover in bringing the leaders of this sector together.

This time, Mr. President, we have the broad theme of "Thrift and Credit Cooperatives in a Changing World." We shall be concerning ourselves with four major topics, viz., the social and economic environment in which thrift and credit cooperatives have to operate; their role in helping the underprivileged; the International Inter-Lending Programme, and, finally, the role of thrift and credit cooperatives as banking institutions. I hope that we shall all be able to learn from the experience of each other and that we shall see a significant expansion of thrift and credit cooperatives in the eighties in spite of the many problems with which the world is faced.

As we enter the eighties, I must recall the 27th Congress of the International Cooperative Alliance held in Moscow last October. The main paper for this Congress had been prepared by the late Dr. Laidlaw, and was about prospects for "Cooperatives in the Year 2000." I should like to pay tribute to Dr. Laidlaw's dedication and to the imaginative way in which he tackled his task. He warned the Congress of the many formidable economic and other problems likely to be facing the world in the year 2000, some of which have already begun to make their appearance. At the same time he expressed the hope that there would be a significant expansion of many kinds of cooperatives during the next twenty years and increasing collaboration between them. He argued that cooperative development is highly relevant to many of the problems which we encounter today.

Cooperative principles, Mr. President, can be applied to a wide variety of human activities and can, according to many, provide the world with an alternative to conventional capitalism on the one hand and state socialism on the other. Thrift and credit cooperatives and credit unions are, perhaps, the most basic of all kinds of cooperatives, for they help people to accumulate savings out of small earnings. These savings are needed for the development of other kinds of cooperatives, especially, perhaps, in

*Text of Key Note Address delivered on 16th February 1981 by Dr. S.K. Saxena, Director, ICA, London, to the 5th International Conference on Cooperative Thrift and Credit held in New Delhi from 16th to 20th February 1981.

developing countries, of agricultural food production cooperatives.

Food is basic to human survival. Millions of people in developing countries do not get enough to eat. It is estimated that the world population will have increased by 25% by the year 1990 and by 50% by the year 2000. Increased food production seems only too likely to fall short of human need. In most countries agricultural cooperatives and credit cooperatives are the most important kinds of cooperatives and they often work very closely together. Agricultural marketing and supply cooperatives can and do exercise a major influence both on the prices paid to the farmer and those paid by the consumer—and help in reducing distribution costs. They are often closely linked with agricultural policy making and with land conservation and with thrift and credit cooperatives.

Credit Cooperatives

In France strong agricultural cooperatives are closely associated with Credit Agricole, one of the biggest banks in the world. In the Federal Republic of Germany, the Raiffeisen network of cooperatives is extensive and effective and is concerned with credit as well as with supply and processing. In Japan the agricultural cooperatives are at the same time credit cooperatives, and also concern themselves with retailing, insurance, and even health care, and have their own bank, the Norinchukin Bank. The whole country is covered by an extensive network of multi-purpose cooperatives without which the farmers would be deprived of an extremely important institutional support in the fields of credit, marketing, processing, supply and farm guidance. The scope of their activities now extends beyond the local and national to international markets. The Purchas-

ing and Marketing Organisation, Zen-Noh, had a turn-over last year of 23 billion dollars, and is currently building a facility in the US. The Bank is seriously considering establishing its offices in Europe. The Cooperative Movement has come of age; it is international not only in its ideology; it is playing an increasingly active part in commerce across national frontiers!

In a number of countries and in Japan, thrift and credit societies have diversified their activities and responded to the needs of their members and in the process assumed a more complex organisational form. The needs of the members are seen as a continuum, rather than as a series of isolated wants. This development which is perhaps more characteristic of the Third World is caused partly by the relative absence of normal commercial banks who have historically ignored the rural areas, and partly because of the attempt to build around the member a protective casing which prevents entry to the exploitative private money lender-cum-trader. Experience has shown that the pressures on the member for unproductive expenditure are so persistent that there is a real danger, in the absence of supervisory measures, of the loan becoming delinquent, thus causing serious harm to the organisation as well as to the individual borrower. The representatives of COLAC, Mr. President, will no doubt tell us of their experiences of what is called the Directed Agricultural Production Credit Scheme, with its commitment on four aspects: training, investment, repayment and service, an aspect which was briefly mentioned at the Paris Conference. India of course has a considerable body of experience in what is called the Supervised Agricultural Credit and I am aware that since the probing research of the All India Rural Credit Survey in 1952, considerable

thought has been expended on the subject.

Education and Management Training

As the number of functions of the cooperative thrift and credit society have increased, they have begun to experience problems which are complex and beyond the ken of well-meaning amateur managers. Efficient management, always a scarce resource in developing countries, has been revealed as a major constraint on growth. Efficiency and democracy, the two imperatives of our Movement, are not altogether easy partners; the London Conference devoted itself to the theme of "Democracy and Efficiency in Thrift and Credit Cooperatives". It has therefore been an age-old practice with all cooperative movements to have their own educational and management facilities at various levels. ICA's three Regional Offices for South-East Asia, East and Central Africa and the recent one for West Africa provide an opportunity for interaction among educationists at the international level. The World Council of Credit Unions' continental chapters like the ACOSCA, COLAC and ACUL have provided training facilities in the field of cooperative credit, through their establishments in Panama, Nairobi and Togo. I had the privilege of visiting the impressive training institution set up by the Caisse Populaire Desjardins in Levis in Quebec. In English speaking Canada, there is the Cooperative College in Saskatoon. The Movement in our host country, India, is underpinned by an extensive network of educational institutions which span the whole country. However, our educational techniques and philosophy have been borrowed entirely from business colleges which prepare managers for institutions whose ethos is dissimilar to our own. The point to examine, therefore, is what

approach do we need to adopt in training people for leadership positions in an institution which holds the member-owner as supreme and whose origins stem from the idea of providing a commonly felt service rather than maximizing its own profits. Pushed to its logical end, this will call for an almost total revolution in our educational work.

Literature will need to be produced which will emphasize cooperative ideology and aspirations and help in the formation of skills in making realistic market decisions. Faculty members will have to be re-trained. We will have to move away from advising the managers on how to "manipulate the consumer" to areas of accurate consumer information and protection, to steer the consumer through the plethora of goods, all basically the same available in industrial societies and which involve considerable waste, the recent attempts of the Swedish consumer movement in this respect are praise-worthy, highly innovative and worth further study. If service, rather than the maximisation of profits, is the object of cooperative activity, is it not worth while developing the social balance sheet—as is done in the French industrial cooperatives—as an evaluation tool of a cooperative's end of the year result rather than the mere enumeration of assets and liabilities? Clearly the whole subject needs deeper and sustained reflection. Although education and management training do not figure directly in our conference programme, we will ignore it at our own peril.

Cooperation in India

The immense range and scale of cooperative development here in India, Mr. President, is particularly impressive. Something like 40% of the people of the world live in the two countries, India and China. I am very glad that participants at this Conference will be

able to study the situation in these countries at first hand and that my countrymen will be able to present their experience to them. Mention should certainly be made of the Indian fertilizer project and of cooperative sugar mills in India. Some rural banks in India are now nearly a hundred years old. As against the supply of only 3% of the credit requirements in 1950-51 cooperatives now meet more than 40% of the credit needs of the farmers. Short-term loans advanced by the credit cooperatives increased from Rs. 230 million in 1950-51 to Rs. 11,000 million (Rs. 11 billion) in 1977-78. The loans advanced for medium-term and long-term purposes have also considerably expanded from Rs. 13 million in 1950-51 to Rs. 1520 million in 1977-78. I think it is fair to say that cooperative development has now reached a stage where it has begun to exercise an important influence on wider social and economic change. New forms of social and economic endeavours which lend themselves to cooperative forms of organisation should be explored. I know small examples, for instance, of medicine being organised on a cooperative basis exist; its possibilities of replication in a society where cheap health care is an urgent need must be examined.

Unemployment

One of the major problems currently being experienced both in industrialised and in developing countries is unemployment. It is estimated there are more than a hundred million registered unemployed in the world—and many millions more under-employed, especially in the developing countries. More young people will be looking for jobs during the next ten years. Attempts to reduce unemployment during the post-war years by Keynesian policies have had some success; but have tended to lead to inflation, especially since the

increase in oil prices in the seventies. Attempts to control inflation by monetarist policies have often resulted in more unemployment. The present UK economy is a case in point.

Cooperative development, however, can help to reduce unemployment without adding to inflationary pressure and increasing attention is being paid in both industrialised and developing countries to the formation of workers' cooperatives as a way of reducing unemployment. Our comparative study of this kind of cooperative in Indonesia, India, Senegal and Peru has yielded some interesting results. In Britain the Government set up a Cooperative Development Agency in 1978 which has been mainly concerned with the formation of workers' cooperatives; it has already achieved some success. In Italy, Law 258 was passed in 1977 with the specific purpose of encouraging the formation of workers cooperatives to reduce unemployment among young people.

Workers' Coops

Historically workers' cooperatives have made rather less progress than many other forms of cooperatives, partly because of the problem of providing adequate finance and partly because of the blurring of lines in the respective roles of workers and managers. Capital required per member is often greater than in the case of other kinds of cooperatives; risks tend to be higher. Today interest in worker' cooperatives is increasing in many countries and where they are successful it is often because they have close links with financial institutions—such as thrift and credit cooperatives and with professional training institutions. One of the most remarkable examples of a successful industrial cooperative is at Mondragon in the Basque Province of Spain where

considerable industrial activity has been sustained over a period of time. It is important to note that the key to the success there has been the Caja Laboral Popular, the bank built upon the savings of local people. We have only three days ago sent an ICA mission to Spain to bring them closer to the international family of Cooperators. In the complex of organisations which constitute the Caisse Populaire Desjardins, "Le Credit industriel Desjardins, Inc." is envisaged to play a more active role in redressing the distortions in the Quebec manufacturing sector and in rectifying the manifold problems which small and medium sized firms are facing in Quebec. I recall that some time ago while visiting the Maharashtra Cooperative Bank in Bombay, I was informed of the creation of a small cell which had been set up to develop, identify, and evaluate projects for setting up small industries in the countryside which would both counter unemployment and provide expanding investment opportunities for the Bank. Thrift and credit cooperatives thus play an important role in helping to provide workers' cooperatives with much needed capital without themselves becoming involved in commercial risks.

Inflation and Savings

The situation for credit institutions, Mr. President, has been made difficult by the worldwide phenomenon of inflation. Inflation is sometimes regarded as an alternative to unemployment; but many countries in the 1970's have been faced with high unemployment combined with high inflation. The rate of inflation is now more than 10% in most countries and more than 25% in far too many. It has affected both the planned economy and market economy countries and has tended to increase since the sharp increase in oil prices at the end of 1973. Inflation is a matter of

particular concern to thrift and credit cooperatives because the return on savings may be offset to a very large extent by the fall in the real value of money. How can people be asked to save if the value of those savings is destroyed by inflation? Of what worth are long-term deposits if their real value is in continuous decline?

The thrift and credit cooperatives and credit unions are studying the problems of inflation which is a very serious one for them. A Study Group formed by the International Liaison Committee on Cooperative Thrift and Credit met in October 1974 at Bischoffsheim in France, and came to the conclusion that while various governmental or other guarantees might help to protect small savers, the problem ought to be attacked at its roots by dealing with the maldistribution of wealth, income and power and bringing about a more equitable distribution of wealth and a greater diffusion of power. The problem has been that attempts to control inflation by monetarist policies have tended to lead to unacceptable levels of unemployment while attempts to introduce incomes policies to prevent rising costs driving up prices have been resisted by trade unions on the ground that they do not apply fairly to all incomes. At the recent ICA Congress, it was suggested that in the longer term cooperative development itself could help to bring inflation under control by bringing about a fairer distribution of incomes. But, in more practical terms inflation has brought the time tested practice of limited return on capital in cooperatives under severe strain. In an era of high interest rates, members have been attracted to placing their money in more remunerative channels and this has adversely affected the financing of cooperative societies from internal sources by reducing the rate of capital formation. It is important to remember that the principle is

that the return on capital in cooperative societies is to be limited, not necessarily low; we are sometimes confused on this point conditioned as we are by our history and origins which go back into poverty. An adequate return linked to the productivity of an organisation will not necessarily make a cooperative into a speculative organisation.

Exchange Fluctuations and Currency Speculations

It was the varying success of different governments in keeping inflation under control that led to the collapse in 1972 of the international monetary system created at Bretton Woods at the end of the Second World War. This brought floating exchange rates and currency speculation and also led governments to raise interest rates to protect their currencies. Interest rates were also raised as a result of monetarist policies to control inflation and the interest rates in excess of 20% in some countries have had adverse economic consequences.

For example high interest rates may result in a currency being over valued and have an adverse effect upon exports. They also make it more difficult for new enterprises to be established and provide new jobs—and more difficult for new industrial cooperatives to be established. Excessive interest rates have particularly adverse effects upon thrift and credit cooperatives and credit unions, especially when combined with inflation and currency speculation.

Exchange fluctuations and currency speculation also have a highly adverse effect upon international cooperative lendings; and this aspect will no doubt figure in the discussions of the International Inter-Lending Programme initiated by COPAC. I should like to congratulate the Joint Committee for the

Promotion of Aids to Cooperatives (COPAC) on its work in this field, and the World Council of Credit Unions which has been behind this important initiative and especially COLAC on progress so far with inter-lending and guarantee funds in Latin America. Our Raiffeisen friends will no doubt tell us how their guarantee funds operate.

Thrift and credit cooperatives and credit unions, Mr. President, have an important role in coping with the problems created by the collapse of the international monetary system. It is no part of their purpose to make profit from speculation in currencies of gold or commodities—cooperators can only deplore such speculation by transnational corporations, by financial interest or by governments. They need to collaborate to build a better system. The International Cooperative Bank in Basle has been providing banking services to the International Cooperative Movement for many years. A report from the International Cooperative Alliance published by the ILO and the FAO in 1974 put forward suggestions about extended international collaboration between cooperative banks, the Regional Development Banks and United Nations Agencies for the further development of a strong international cooperative banking system.

Cooperatives and Energy

The dramatic development of industry and agriculture over the last hundred years has been to a large extent built upon cheap oil. There may be major new discoveries of reserves of oil; but the era of cheap energy is drawing to a close. Those countries that have large reserves know that they are not unlimited and oil prices will continue to rise faster than other prices as they have done in the seventies. The need to conserve energy calls for a more responsible approach by

producers and distributors. Oljekonsumenterna, the Cooperative Organisation of Oil Consumers which has the largest market share in Sweden, and the International Cooperative Petroleum Association have shown that Cooperatives can handle oil in a responsible way. The big international oil companies, however, are driven by their thirst for profit like other transnational corporations and have shown little regard for the protection of the environment or the conservation of natural resources.

It is interesting to recall with pride cooperatives concern with the supply of petroleum long before the subject burst upon the attention of the world so spectacularly in recent years. As long ago as the 16th Congress of the ICA held in Zurich in 1946, a resolution was passed calling for the international control of world oil resources and the administration of Middle East oil by an authority of the United Nations. This objective was pursued by the ICA through a series of sessions of the Economic and Social Council of the United Nations. My distinguished predecessor, Mr. Thorsten Odhe, the then Director of the ICA, presented the resolution at the 5th Session of the Council. It was welcomed by a majority and actively supported by the World Federation of Trade Unions; but was unfortunately blocked by the British. A new resolution was passed at the 17th Congress of the ICA in 1948, and was presented to the 9th and 10th Sessions of the Council and supported by impressive documentation, and was included in the Council's working programme, but in the 12th Session, it was again blocked.

Mr. President, the world's dwindling oil resources are today controlled by OPEC and the big oil companies, instead of by any international organisation. If real pro-

gress should be made towards a New International Economic Order the domination of world trade and production of oil and other commodities by giant transnational corporations run for the profit of a few is likely to become unacceptable to world opinion. Economic colonialism may go the way of political colonialism and ways and means may be found of harnessing the immense energies and capacities of the transnational corporations for the good of mankind—perhaps by a wider application of cooperative principles.

The consumption of energy by the cooperative sectors—fisheries, agricultural, housing is substantial. The ICA has recently taken new initiatives to promote support for the conservation of energy by agricultural cooperatives in the interests of the world community. At the meeting of our Agricultural Committee in Moscow, a Working Group on Cooperatives and Energy was established which produced a note on the development of an FAO/ICA Energy Programme for Agricultural Cooperatives. This was presented to the FAO which reacted positively and who will produce a paper outlining an action programme in the field of energy and cooperatives including promotion and project proposals for consideration by an international conference.

All kinds of cooperatives do what they can to promote energy conservation and the energy crisis was discussed at the Meeting of the ICA Central Committee in Stockholm in 1975. Electricity cooperatives in the USA and elsewhere have shown that electricity can be generated and distributed by cooperatives at the lowest possible price to consumers. Agricultural cooperatives have contributed to the development of alternatives to petroleum such as Gasohol in the USA and Biomasse in France. In Brazil alcohol already accounts for 20% of fuel

consumption; but the energy crisis makes the conservation of forests and reforestation programmes a matter of extreme urgency. While companies have exploited forests as ruthlessly as farmlands, cooperatives can make a major contribution to conservation programmes as the full extent of environmental damage becomes apparent.

Cooperatives and the Poor

While thrift and credit cooperatives are important in rural areas, especially in association with agricultural cooperatives, they are also important in towns and people are moving into towns so fast that half the world's population may soon be living in towns. Extreme poverty can be even more devastating in big cities than in the countryside; and small savings even more important. Thrift and credit cooperatives have been very much involved in the raising of living standards in developing countries and have had much first-hand experience of this. But developing countries have changed considerably since the first International Conference of Thrift and Credit Cooperatives in Jamaica in 1966. All countries that do not belong to OCED or Comecon are not regarded as developing countries; but they vary greatly. More than 120 of them now belong to the so-called "Group of 77." Some such as Korea, are industrialising fast. Some are immensely rich from oil. About 30 are desperately poor. And it is with the problems of the poorest countries and of the poorest people in other countries that thrift and credit cooperatives and credit unions are particularly concerned.

In the early seventies, Mr. President, the United Nations Research Institute on Social Development published a series of eight studies on agricultural and other cooperatives in developing countries. These argued that in certain developing countries, cooperatives tend to be

of benefit mainly to the larger and more successful farmers without reaching the poorest sections of the community. The studies were not however, very specific about possible alternatives to cooperatives and did not demonstrate that private or state organisations would be likely to be any more successful in reaching the poor. In 1976 the Government of Tanzania set up some parastatal organisations to replace agricultural cooperatives that had been established for many years, but recently has appointed a Commission to consider whether regional marketing unions might not, after all, make a better job of agricultural marketing and supply, as was the case before these were superseded by Ujamaa villages.

In July 1977 the ICA organised an Experts' Consultation on Cooperatives and the Poor. The Consultation discussed a variety of ways in which cooperatives might help the poor more effectively, but pointed out that poverty was not so much the result of any weakness of the cooperative method as of the inadequacies of the policies of governments that tolerated extremes of wealth and poverty. It is only with great difficulty that the very poor can accumulate sufficient savings to form cooperatives and help themselves. It is primarily thrift and credit cooperatives that are able to do this but their task is all the more formidable if government tolerates the exploitation of the many for the profit of the few instead of adopting measures such as land reform and tax changes designed to bring about a more equitable distribution of wealth and income.

Small Farmers Development Programmes

In some countries, deliberate efforts are being made to ensure that the benefits of developmental projects reach the poorest sections

of the community. The FAO World Conference on Agrarian Reforms and Rural Development with its emphasis on people's participation and organisation has provided a major fillip to this approach and underlined the role of non-governmental organisations and we shall no doubt watch its follow up with interest and care. The Small Farmers Development Programme in Asia and the Far East, conducted under the joint auspices of ESCAP and FAO, with its twin objectives of "increasing the ability of the target groups to receive and to utilize services and supplies of government departments and agencies, thereby increasing their income, and the capacity and motivation of these organisations to serve the low-income rural families" has led to the establishment of pilot projects in Nepal, Bangladesh and the Philippines. A recent workshop in Kathmandu noted that evaluation studies had indicated an overall positive economic impact; income had increased and higher agricultural production and employment—generation had been registered. It is, however, early days yet. Ultimately the success of such projects will depend upon the political will governing a nation which would favour equitable distribution of wealth and, therefore, power rather than the obscenity of extreme riches and abysmal poverty.

Collaboration among Cooperatives

I must now refer, Mr. President, to the great divide which has characterised our movement, and which, unfortunately, has denied the potential power which a unified movement can exercise in giving direction to social and economic change. I am referring of course to the producer and consumer aspects of the Cooperative Movement. Both these broad streams of the movement in the course of their impressive advance to present day achievement—and the achievements are

impressive—have created additional activities according to the needs their members have experienced. Thus one finds, for instance, parallel banking and insurance structure being created by their parent consumer or agricultural organisations; in some countries agricultural organisations have created consumer shops and are thus in direct competition with the consumer movement. In some cases, they are not even aware of the existence of the other; more often they stubbornly refuse to reach across to each other for undertaking joint initiatives. ICA's Commission on Cooperative Principles was aware of this when at the Vienna Congress it added the new principle of Collaboration among Cooperatives

Recognising the scope for coordinated action, the International Cooperative Alliance appointed an International Working Party to study the subject and to make recommendations to the members. The Working Party noted a number of examples of intra and intersectoral collaboration at the national and international levels in the fields of production, commerce, banking, trade, etc. Much of this is achieved under the auspices of our nine Auxiliary Committees. In Hungary, for instance, the consumer and the industrial cooperatives have formed a joint enterprise, the Hungarcoop, which collaborates with cooperatives in developing countries in building complete factories. The International Cooperative Re-Insurance Bureau had in 1980 forty-one member societies from 26 countries; they participated in treaty exchanges and the value of annual premium exchanges was £18 million from over 600 contracts in force.

There is also sectoral collaboration across national frontiers in the Scandinavian countries in the form of Nordisk Andelsforbund and Nordisk Andelsexport. The French agricultural cooperatives sell wine

to the Danish consumer movement, the biggest purchaser in the country. Nevertheless, examples of intersectoral collaboration are few and far between at the national level and still more so at the international plane. If, as I said at the beginning of my speech, we are to move in the direction of an alternative cooperative social and economic system, we must enlarge such collaboration by giving preference to other parts of the cooperative system and thus playing a mutually re-inforcing role. Clearly there are genuine difficulties and no economic transaction can lead to a sustained relationship unless it offers advantages to both the parties. But I do think that the producer-consumer dichotomy has been over-drawn. The fact is that one cannot exist without the other and it is this complementarity which needs underlining in our kind of economics. We in the Movement must not fall into this trap, and be constantly aware of the threads that tie together the various elements which go to form the Cooperative Movement in all its rich diversity. The thrift and credit cooperatives, dealing in the neutral area of finance required both by the production and consumption wings, and the power which finance confers, can help to provide the glue.

In a world dominated by large corporations and by governmental agencies, cooperatives seek a diffusion of power through a genuine and effective democratic control by the men and women who are their members. I want to emphasise the essentially voluntary character of cooperatives and the importance of the initiative in forming them coming from the people themselves and not from government. In many developing countries governments have been so active in promoting cooperative development that many cooperatives have become unduly dependent upon governmental support; a long-term advantage has been sacrificed for an apparent short-term

gain. The skill in the responsible exercise of power so important in the building of a nation will be lost.

Let me hasten to add, Mr. President, that I am by no means running down the work of a large number of sincere and devoted government officials who have given of their best in the promotion of cooperatives. But I am also not forgetting the pernicious intrusion of politics and political elements where Boards of Management, democratically elected, have been superseded not because they were unfit for cooperative work but because they did not belong to the group which had power at a particular point of time. Such peremptory changes inhibit the emergence of long-term policies, limit members faith in their society and deny to the average individual a chance to see this thinking and effort work through to worth-while fruition. The cooperative should not be deflected from its principal aim under the force of external pressures.

I suggest, therefore, that governments should concentrate more on creating conditions favourable to cooperative development by the provision of a more adequate infrastructure. But in proportion as governments concentrate more on creating conditions favourable to cooperative development rather than on direct financial support, the role of thrift and credit cooperatives becomes even more important. They can provide the savings from which other kinds of cooperatives can grow. Perhaps there is a need for a wide-ranging study of the experiences in a number of developing countries and of codifying, the minimum and maximum tasks governments should perform in the essentially voluntary area of the Cooperative Movement.

Conclusion

Mr. President, distinguished delegates, ladies and gentlemen: I have been rather long and I must

now close. Before I do so, however, let me make three very brief remarks about the future work of the International Liaison Committee. While the Committee has done, as I said, valuable work on extremely modest resources, it is not enough to organise periodic conferences, important though these are. It is short-sighted economy not to put more strength and dynamism into the Secretariat, which serves the widespread and important sector of thrift and credit. I suggest as a first measure it should undertake work along the following three lines.

First, it should continue its present activities and expand these in response to the needs of its members. This would require an interactive process between the Secretariat and the members. A vigorous communications network which will link the members in active and

meaningful dialogue will need to be developed. Study visits and training programmes at the international level should be organised; the Rabobank has made a start and its initiative should be studied and, if found useful, emulated; ICA's Banking Committee has an old-standing exchange programme. The International Liaison Committee should help to accelerate these schemes.

Secondly, the ILC should undertake programmes of research and evaluation. If the thrift and credit movement is not to split according to countries or ideology, there is need for emphasising the shared history of the various branches of our movement. Ideological connections should be traced and articulated forcefully at the international level. The origins, similarities, shades of differences between credit unions, Caisse Populaire

Raiffeisen societies, and Mutuels need to be understood and brought out clearly in ideological and historical terms. We originated from a broadly similar philosophy and, in course of time, have had national particularities imprinted on us. Diversity lends richness but we must not forget our common heritage. We must emphasise our unity and not take pride in our differences.

And, finally, in the highly volatile financial situation when inflation is rampant and the Bretton Woods system is showing signs of cracking, we must be bold enough to support international initiatives in the quest for a New International Economic Order of which a well-organised International Interlending Programme can be an important element in relieving poverty in the Third World. ■

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Sd/- A. H. Ganesan
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Thrift and Credit Cooperatives in South-East Asia—An Overview

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Background

The cooperative form of organisation as we know it, came to be introduced into most Asian countries in the form of credit cooperatives as a means to fight chronic indebtedness among the mass of the people who were mostly farmers. At the turn of the century, peasant agriculture was mostly at subsistence level, hardly contributing any surpluses to the mass of the peasantry who were mostly impoverished. Absence of clear title to land, insecurity of tenure, absentee landlordism, low yields, unrestricted import policies, and consequent low prices for agricultural products all contributed to perpetuating rural poverty and enriching the bigger landlord and in usurious money lender, whether from the village itself or from outside. The commercial banking sector had little or no time and money to be spared to satisfy the small needs of the small farmer. Governments too, whether colonial or otherwise, were far too busy concentrating on revenue collection and international commerce and hence had no effective programmes to meet the massive problem of rural poverty. Other institutional sources from which assistance was available to other sectors, were woefully absent in the rural peasant sector

and over 80 per cent of the population at that time would be mostly rural peasant. The peasantry notwithstanding their levels of poverty had evolved mutual assistance schemes which provided them with the necessary labour and other minimum support on a non-monetary basis for their agricultural and other pursuits but such mutual assistance schemes hardly helped to generate surpluses which would eventually pull them out of the rut of poverty—these schemes helped in maintaining a subsistence economy—and surpluses when such were available went to enrich the landlord or the moneylender, and not the peasant.

It was against a background of this nature that the more enlightened colonial administrators of the then British Empire, sought to find cooperative solutions to alleviate the conditions of the peasantry. Success achieved through the Raiffeisen approach in Europe inspired these administrators to experiment with the model and consequently the cry was "Find Raiffeisen" as a means to overcome the chronic indebtedness of the peasantry. Thus the cooperative credit society, in the first instance of unlimited liability and later of limited liability made its appearance in many of the Asian countries around the first two decades of the 20th century, thus giving birth to a century of significant cooperative development in many of the countries of the region, the developments extending to practically all facets of economic activity even

in the post-war complex industrial society of today.

Organisation

The early credit cooperatives were small in size, with a very limited membership, often of the more well to do in the village, the quantum of the loans too were limited, and were mostly of a short-term nature. The loans were given on the guarantee of two sureties who were also members of the society—the guiding principle was that of self-help and mutual help and the only external assistance, when such was available, was from limited funds provided by the government under various schemes of assistance to the poor. The organisers of the societies emphasized both thrift and credit and in some situations borrowings could be only upto a percentage of one's own savings. Personal knowledge between members was given much emphasis. The Maclagan Committee in India commented as follows: 'we would lay stress on the importance of small beginnings. The members of a society should be few to start with and increases should be gradual and the ultimate total moderate. The main advantage claimed for large societies is economy of management, but this consideration scarcely affects rural society. On the other hand, small societies are more easily supervised and trained in cooperative principles just as small classes are more easily taught in schools.'

Paper presented at the Fifth International Conference on Cooperative Thrift and Credit, held in New Delhi, in February 1981.

The emphasis from the beginning was therefore on small size and a high educational content. To this day many of small sized cooperative credit societies set up in the early years, still function, performing a useful service at the village level.

Pattern of Development

The general pattern of development in the cooperative credit sector was as follows :

- (i) Thrift and Credit Cooperatives with unlimited liability being converted to those with limited liability. This step helped in broadening the base for membership and enabled a larger number to benefit from the society.
- (ii) Thrift and Credit Societies being established among employees in the institutionalised sector—these were to grow to mammoth proportions in certain countries, with membership extending to several thousands—in some countries these went under the name of credit unions—e.g. Australia (669 societies, 1.3 million members and 1.7 billion Australian Dollars assets.) Thailand, etc.
- (iii) Federation of primaries into secondaries at district or regional levels leading to formation of an apex organisation at the national level.
- (iv) The primaries federating to form Cooperative Banks at the district level, affiliat-

ing with central cooperative banks at the regional and national levels.

- (v) Where development did not take place in line with (iii) or (iv) above, the credit function in some situations got integrated with the Agricultural Cooperatives and Multipurpose Cooperatives that emerged after World War II.
- (vi) Continuation of the Thrift and Credit Societies on the same basis as in the beginning, but now depending on cooperative or commercial banks for their borrowings and for the investment of their surpluses. In many countries of the Region the simple village level credit cooperative society flourishes to this day, organised and maintained by a hard core of committed cooperatives who are happy, in some situations, that their smallness has left them outside the pail of increasing governmental attention and control.

The growth in this sector could be seen from two examples given below :*

The Cooperative Credit Movement in Sri Lanka had strengthened its structure with a network of District Cooperative Banks and a National Federal Bank—but these were taken over by the People's Bank which now functions as a Nationalised Bank, but with a greater force on cooperatives.

Loans were given mostly in cash on a short-term basis—to cover such needs as cultivation expenses, purchase of raw materials for artisans, capital for petty traders and at times for the redemption of mortgages or the repayment of old debts. Very few societies went into medium-term loans to cover such needs as improvement of lands, purchase of bullocks etc.

In the case of institutionalised cooperatives covering mostly salary earners, the purposes were more flexible with recoveries being made on the monthly pay sheet of the employee. Where this latter facility was denied at a later stage e.g. in Malaysia, the apex National Organisation set up its own Bureau to perform this service.

It must be mentioned however that notwithstanding the steady growth of cooperatives, in the credit sector and elsewhere in such fields as agricultural production, agricultural Marketing and Multipurpose, the cooperative share in the total lending operations vis-a-vis the agricultural sector was insignificant—in most situations it was less than 10 per cent, with the balance funds coming from friends, relatives or the money lenders.

The aftermath of the war, the emergence of independent states and the introduction of planning into the sphere of economic development had their repercussions on the cooperatives, with most governments looking on the cooperatives as useful instrument for the very onerous task of social and economic development.

*	Year	No. of coops	No. of Members	Working capital
Malaysia	1925	4	500	8,980 M\$
	1929	30	5933	399,817 M\$
	1979	700	593,000 (approx)	over 400 million M\$
Sri Lanka	1916	71	6027	10,000 US\$ approx.
	1945	1697	49,638	700,000 US\$ „
	1977	3075	238,120	2,541,000 US\$ „

The post-war period showed the importance of credit in the massive efforts made by most countries to increase productivity and to achieve their goal of self-sufficiency in food. To achieve this objective, many a government had to evolve new strategies for financing which involved more the agricultural cooperatives and the multipurpose cooperatives than the small sized village credit cooperatives. The recommendations of the Royal Commission on the Cooperative Movement in Ceylon, which was headed by Dr. Laidlaw, reflects this changed emphasis. The Royal Commission said: "whatever may be said for social values of small cooperatives—and it cannot be denied that they are often great—their economic benefits are often slight and of short duration. We therefore recommend that the number of primary societies be greatly reduced, and that the first general objectives of a new structure should be a much smaller number of large primary societies." This is a trend that is noticeable in all countries of the region, where the concept of viability was given first consideration in determining the size of the cooperative.

Integrated Credit Service

Along with this concept evolved also the idea that any sound credit policy could be developed only if the supply of credit in cash and kind, was linked with the marketing of the produce, with the entire procedure being accompanied by a system of well planned advisory services, whether it be in the farm sector or in the handicrafts and small scale industrial sector. What was now being encouraged was a package programme which included credit, extension, supply and marketing. Many of the small size village cooperatives, by their own limitations, were unable to match the services, now being rendered by the large-sized agricultural or multipurpose cooperative society. But

yet many of them continued to contribute their mite in meeting at least some of the credit needs of those with limited means. A factor of significance and one which has to be taken into consideration is that notwithstanding the massive support provided by the banks and the governments to this sector of agricultural credit through the new organisations, many a small village credit cooperative still continues to function which would in effect mean that there is yet a sector which cannot qualify for assistance through the government schemes and who are satisfied through these village cooperatives.

It would be appropriate to trace the growth of the credit function in situations where the credit function became a part of the agricultural/multipurpose cooperative society. A good example would be that of Japan. The Cooperative Society Law of 1900 made provision for the organisation of credit cooperatives besides marketing, processing etc.—but by 1906 the credit cooperative had taken on marketing functions too. In time these societies performed credit, marketing and supply functions—but they were operated independently and there was not much linkage between the functions.

The new policies followed by the government in the post-war period led to the establishment of the multipurpose type with all services required by the farmer being provided under an integrated approach—the societies to perform Guidance Activities, Marketing Business, Purchasing Business, Credit Business, Mutual Insurance Business, Utilisation and Processing Business, Education Activities, and also legal activities such as measures to safeguard prices, easing taxation, trade liberalisation etc.

Cooperative financing, covering over 15,000 agricultural and fishery

cooperatives and over 10 million members are combined into a vertically integrated structure with the agricultural and fishery primary cooperatives at the base, 47 credit federations at the prefectural level all combining in the Norinchukin Bank (the Central Bank for the nationwide systems of Agricultural, Fishery and Forestry Cooperatives) at the apex. The financial details in respect of the Norinchukin Bank are quoted below to give some idea of the strength of the credit structure in the Japanese Cooperative System (the figures relate to March 1980):

Total Assets	47,358	million US\$
Deposits	34,049	„ „
Bank Debentures	8,262	„ „
Loans & Bills Discounted	21,786	„ „
Securities	19,403	million US\$
Capital funds	301	„ „
Profits after taxes	46	„ „

The growth pattern is similar in Korea where the National Agricultural Cooperative Federation functions as the Apex Level Bank both for internal and international transactions.

The overall situation in respect of Credit Societies in the member countries of the Region excluding India would be that there are over 38,500 credit cooperatives with a membership of over 48 million with capital reserves of over 15 million U.S. Dollars (this figure refers only to the credit cooperatives/credit unions and do not include the credit sector in the agricultural and multipurpose cooperatives).

Problems and Prospects

In many countries of the Region which commenced cooperative activity with the introduction of the cooperative credit society, the small size village cooperative credit society

and the institutionalised cooperative credit union or thrift and savings society still exists. Where such societies are linked with a cooperative banking structure, there seems to be greater progress, better disciplines in financial management, better schemes for increasing savings and better recovery performance.

Where such societies are dependent on commercial banking sector for their borrowings the societies appear to be handicapped in their operations due to insufficient funds and consequently appear to be unable to infuse the necessary confidence to facilitate greater savings from members. As the societies at the village level are often quite small, the management is weak and is able only to perform routine functions—often the management is performed by voluntary workers in their spare time. There is no supporting scheme to enthuse these organisations to dynamic action—even the government departments concerned with cooperative development have tended to place low priority in this sector, as compared with their intimate involvement in respect of the agricultural credit sector often operated under government plans and subsidy schemes.

Overall, both in the small size credit cooperative and in the integrated type, many of the cooperatives suffer from the absence of guarantee support both in respect of deposits and in respect of loans. Though some movements have been able to obtain limited government or central bank guarantee, even to set up a Cooperative Credit Guarantee Systems (Indonesia), yet the performance has not been as would inspire confidence. This is an area where much can be done which will help the credit cooperative to perform better.

Another factor to be considered is the increasing competition credit cooperatives and integrated coopera-

tives are facing in this field from commercial banks, government savings schemes, post offices and other institutions, which in recent times have intensified their activities in this field.

Another factor to be noted is that with increased mechanisation and even computerisation of services, the customer stands to get a better service from the private sector banking institution as against the old systems followed in many cooperatives, involving a large amount of paper work, authentication and consequent delay.

A further factor to be considered is that the new institutions are offering new loan schemes coupled with insurance schemes which tend to make their propositions most attractive to the borrower. In the cooperative sector, even under some government schemes, loans are still available for the cultural operations and do not cover such aspects as subsistence of the farming family during the cultivation period or even contingencies—all of which makes the borrower, borrow from several sources to meet his credit needs, and often being compelled to postpone repayment of the cooperative loan to the lowest priority.

Conclusion

In most countries of the Region, cooperative thrift and credit continues to perform a valuable and a significant service. The prospects

are that cooperative credit will continue to be available both through the small sized credit cooperative and through the integrated cooperative. The need would be one of enthusing and energising this sector to (i) inspire the necessary confidence among the members to make this aspect more dynamic, (ii) to provide mutual guarantee system as will inspire the necessary confidence, (iii) to build up the necessary resources to make more funds available for lending, (iv) to develop sufficient managerial skills as would help to introduce a touch of dynamism in the credit and savings operations, (v) to develop attractive savings schemes to mop up surpluses at the rural level, (vi) to devise attractive loaning policies and schemes as will enable a member to get all his credit needs from one source, (vii) to develop insurance schemes which would ensure some support to the farmer/fishermen in the event of calamities like crop failure, (viii) to gradually introduce schemes which will avoid unnecessary paper work and consequent delay, (ix) to make available through the cooperative assistance in financial planning, family budgeting etc., (x) to develop better and more meaningful member relations programmes, (xi) to strengthen the supporting structure for credit cooperatives with District and Apex level Federations or Co-operative Banks, (xii) to strengthen the international supporting structure both by way of providing guarantee and avenues for borrowings and investments. ■

REQUEST

Readers of the ICA Regional Bulletin are requested to intimate any change in their mailing address.

—Editor

NEW ICA REGIONAL OFFICE FOR WEST AFRICA

The ICA announces the opening of its Regional Office for West Africa with effect from 1 February 1981, in Bingerville, near Abidjan, Ivory Coast. The Office will serve the cooperative movements in the 16 countries in West Africa. The emphasis of its work will be in education and training.

The Regional Director of the West African Office will be Mr. Babacar Ndiaye of Senegal. He has over 20 years of practical experience and service with the cooperative movement of Senegal, and studied at the National Agronomy Institute, Paris and the Hebrew Institute, Rehovot, Israel. He has also worked in the Senegal Foreign Service, serving in Nigeria and Guinea. He spent a year working with the United Nations in New York and since then has worked in cooperative marketing of agricultural produce. From March 1978, he had been Chef de Cabinet at the Ministry of Industrial Development

and Artisanal Crafts and Inspecteur de la Cooperation. He is married with 6 children.

Mr. Eilif Bremdal (Norway) has been appointed as Director (Education) to work for 3 years at the Regional Office. The Royal Society for Rural Development in Norway is financing the running of the education programme. Mr. Bremdal was Chief Inspector of Commercial Studies in Norway and has spent 4 years in Zambia, where he trained teachers in commerce. A West African counterpart will be appointed as soon as possible to work in collaboration with the Director (Education). It is planned that an educational materials service will also be established for the region, to be run in conjunction with the Cooperative Education Materials Advisory Service (CEMAS) London.

ICA ACTIVITIES

FELLOWSHIP PROGRAMME FOR COOPERATIVE TEACHERS

A Fellowship Programme for Cooperative Teachers from South-East Asian Countries has been organised by the ICA Regional Office & Education Centre for South-East Asia (ICA ROEC) in collaboration with the ICA/SCC/NCC Project for Training of Cooperative Teachers (TTP Project), Colombo, Sri Lanka. The first part of the Programme was held from 2nd February to 15th March 1981 in India and the 2nd part of the Programme is being held from 16th March to 30th April 1981 in Sri Lanka.

Six teachers from Bangladesh, India, Indonesia, Republic of Korea, the Philippines and Sri Lanka, are participating in this Programme. The main objectives of the Programme are :

- (i) to give participants command of effective training techniques;
- (ii) to enable the participants to develop curriculum for training programmes;
- (iii) to enable the participants to develop and produce their training material; and
- (iv) to enable the participants to study the objectives and the activities of the ICA/SCC/NCC Teachers' Training Project and if the experience is relevant, produce for their own movements a project proposal for the purpose of enhancing training effectiveness of the cooperative training institutions in their respective movements.



Mr. Seung Hwan Lim, Fellow from the Republic of Korea, seen presenting the training package prepared by his group.

During the first part of the Programme emphasis was on preparation of training packages based on audio-visual aids. The participants who were divided into two groups, prepared, and tested their training packages, during February-March 1981.

The Fellowship participants also attended the 5th International Conference on Cooperative Thrift & Credit, which was held at Vigyan Bhawan, New Delhi by the International Cooperative Alliance, London, in collaboration with the National Cooperative Union of India, New Delhi from 16th to 20th February 1981. A study visit programme was arranged for the participants from 6th to 14th March 1981 in the State of Maharashtra. They visited the Vaikunth Mehta National Institute of Cooperative Management (VMNICM) and a few cooperatives in Pune, Pravara Nagar and Aurangabad before going to Sri Lanka.

The Fellowship participants are working under the supervision and guidance of Mr. J.M. Rana, Director (Education) and Dr. Dharm Vir, Joint Director (Education). In Sri Lanka, Mr. W.U. Hearth, Project Director, Teachers Training Project, will be their guide.

COURSE IN COOPERATIVE MANAGEMENT FOR AFGHAN COOPERATORS

A four week course in Cooperative Management was held for twelve cooperators from Afghanistan at the Vaikunth Mehta National Institute of Cooperative Management (VMNICM) Pune, from 26th November 1980 to 2nd January 1981. The Course was organised by the ICA ROEC in collaboration with the VMNICM on behalf of the FAO PACCAs Project, Afghanistan. The Course was directed by Mr. Lionel Gunawardana, Specialist in Agricultural Coopera-

tion, ICA ROEC, in collaboration with Prof. D. R. Oza of the VMNICM.

Study visits to cooperatives in the States of Gujarat and Maharashtra were arranged as a part of the course programme.

The objectives of the course were to appraise the participants about the role and functions of cooperatives in socio-economic development and to orient them in the operational aspects of cooperative management with particular focus on the working and management of credit, supply and marketing cooperatives in India.

Important topics covered during the course included : farm guidance for development and diversification of agriculture, structure and sectors of cooperative movement and inter-relationship of credit-supply and marketing, integrated agricultural and rural development, principles and functions of management, executive-board-member relations in cooperatives and communication process in management.

NATIONAL SEMINAR ON "BETTER LIVING ACTIVITIES THROUGH AGRICULTURAL COOPERATIVES"

A National Seminar on "Better Living Activities through Agricultural Cooperatives" was held from 12th to 17th January 1981 by the International Cooperative Alliance in collaboration with the Cooperative League of Thailand (CLT). The seminar was inaugurated by the Deputy Minister for Agriculture and Cooperation, Government of Thailand. The inauguration session was addressed by Mr. Lionel Gunawardana, Joint Director & Specialist in Agricultural Cooperation, ICA ROEC, and Mr. Teerawit Koonsap, Director of the CLT. Col. Surin Cholpraserd, Chairman of the CLT, also participated in the inaugura-

tion function. The seminar discussed the possibilities of introducing better living activities in agricultural cooperatives in Thailand. Experience of the Women's Consumer Education Project in Sri Lanka was presented to the seminar. Based on this experience and the local conditions in the country action plans for each participating societies were formulated. 23 participants from agricultural cooperatives and Cooperative Promotion Department took part in the seminar. The seminar was directed by Mr. Lionel Gunawardana. Mrs. Margaret D' Cruz, Education Officer (Women and Youth), ICA ROEC, assisted him in the conduct of the seminar. Miss. J. C. Tennakoon, Project Director, Women's Consumer Education Project, Sri Lanka also, participated as a resource person.

COOPERATIVES AND SMALL FARMERS DEVELOPMENT

A two week workshop on "Cooperatives and Small Farmers Development" Research Project was held at the ICA ROEC, between 6th and 18th January, 1981 to discuss the research findings and review the progress of the study. The Research Study is sponsored by the ICA, Netherlands' Government and the Royal Tropical Institute (RTI), Amsterdam.

The Research Team consisting of Dr. Van Dooren (Supervisor) and Mr. K. Verhagen from R.T.I., Dr. Preeda Preparatchob and Mr. Chumporn Pahakij from Thailand, Mr. C.M.B. Bogollagama, President, National Cooperative Council of Sri Lanka, Dr. J.M. Gunadasa, Mr. M. Etampawela and Mr. P.A. Kiriwandeniya from Sri Lanka participated in the discussion. Dr. Rolf Stephen from the Institute for International Partnership, Asian Branch Office, Thailand, attended the workshop as an observer.

Mr. R.B. Rajaguru and Dr. G. Ojha from the ICA ROEC, New

Delhi, participated and coordinated the Workshop proceedings.

Dr. Van Dooren was elected the chairman of the workshop and Dr. Ojha acted as the rapporteur.

An important area of focus during the workshop was on the methodologies used by the researchers in identifying the needs of the small farmer and in motivating them towards joint and participatory activity leading towards improving their levels of income and their standards of living. It was found that in the case of both Sri Lanka and Thailand efforts of the researchers had resulted in the emergence of micro projects with a potential for income generation which depended largely on joint effort with little or no external input. The methodologies used and the progress made were found to be very encouraging.

Another area of interest of the workshop was to find ways and means on communicating the experiences of the Research Study to those who would be in a position to influence decision-making in programmes pertaining to the small farmer. The workshop conclusions were that it was necessary to communicate the experiences at several levels in each country and that future action would depend greatly on the acceptance of the results of the Research Study by those concerned. Action in this regard would be pursued during the course of 1981-82.

The Workshop was followed by a study visit programme of small farmers project in the State of Maharashtra with active support from the Maharashtra State Co-operative Bank.

MANAGEMENT OF AGRICULTURAL COOPS. IN BANGLADESH

Bangladesh Jatiya Samabaya Union (BJSU) and the International Cooperative Alliance Regional



The Seminar was inaugurated by Capt. (Retd.) Abdul Halim Choudhary, Minister for Cooperatives, Bangladesh. (l-r) Mr. Per Eric Lannhagen, Seminar Director, (ICA ROEC), Capt. Choudhary, Mr. Lutfor Rahman, Vice-Chairman, BJSU and Mr. A. Z. M. Naziruddin, Registrar of Coop. Societies.

Office & Education Centre for South-East Asia (ICA ROEC) organised a jointly a National Seminar on "Management of Agricultural Cooperatives" from 15th to 20th February 1981 in Dacca. There were 28 participants from different cooperative organisations and government organisations concerned with cooperatives.

The programme included sessions on a Review of Agricultural Cooperatives in Bangladesh, Principles of Management, Increasing Agricultural Production through Cooperatives, Role of Government in assisting Agricultural Co-operative Marketing, Supply of Agricultural Inputs through Cooperatives and Development of Managerial Cadre for Agricultural Cooperatives.

An important part of the seminar was Group Discussions and the seminar took full advantage of the opinions and ideas given by the different Resource persons.

The Seminar Director was Mr. Per Eric Lannhagen, Specialist in

Agricultural Cooperative Marketing, ICA ROEC and Mr. A.K.M. Zahirul Haque, Chief Executive Officer, BJSU was the Seminar Co-ordinator.

NATIONAL SEMINAR FOR FISHERY COOPERATIVES

A national seminar for fishery co-operatives was held in Malaysia by the ICA Regional Office & Education Centre for South-East Asia in collaboration with ANGKASA from 23rd to 27th February 1981. Chairmen, Members of boards of directors and managers of cooperative fishery societies attended the seminar. The seminar was inaugurated by Royal Professor Ungku Aziz. Inaugurating the seminar Royal Professor Ungku Aziz urged the fishery cooperatives to do their part to uplift the lot of fishermen in the country. He said that the Government of Malaysia should follow the example of Japan and the Republic of Korea which have introduced advanced technology in their fishing industry. The inaugural session was also addressed by Mr. Lionel Gunawardana, Joint Director

& Specialist in Agricultural Cooperation, ICA ROEC and Haji Aziz Mohd. Ibrahim, Chairman, ICA Sub-Committee for Fisheries for S-E Asia.

AUDIO-VISUAL EQUIPMENT GIFTED TO SELECTED CENTRES

Under the Cooperative Teachers Training Project in Sri Lanka, the cooperative teachers working with the district cooperative education centres of the National Cooperative Council have been exposed to the production and use of audio-visual aids. Several introductory courses have been held and several others are planned during the period of the Project. The teachers have been able to produce several graphic aids and projected aids to support their training material.

To provide the teachers with some basic projected aids so that they could make use of their projected material, the Project has given some audio-visual equipments to some of the selected centres. According to the present work programme, four higher-level district cooperative education centres have been covered by the activities of the project, in addition to several others. Audio-visual equipment like overhead projectors, overhead projection transparencies, tape-recorders with cassettes, and other material like flannelboards, chalkboard, flip charts, have been handed over to district cooperative education centres in Jaffna, Galle and Colombo.

More equipment for the use of cooperative teachers would be given over as the work progresses.

SELF-EVALUATION SEMINAR : PARTICIPANTS REVIEW PROJECT ACTIVITIES

A two-day seminar on 'Self-evaluation of Project Activities' was held by the NCC, on December



The seminar in session.

18-19, 1980, in Colombo. The seminar was called at the initiative of the International Cooperative Alliance and the National Cooperative Council of Sri Lanka. The seminar was attended by about 45 participants.

The objectives of the Self-evaluation Seminar were : to review the overall objectives and the activity programmes of the Project in relation to their own need.; (ii) to evaluate the activities held by the Project hitherto and to suggest improvements, if necessary; (iii) to suggest guidelines for future activities of the Project; (iv) to identify the problems confronted by them in the application of the knowledge and skills gained and suggest solutions; (v) to express their own ideas on the future of the Project.

Since this was a self-evaluation activity, the Project staff did not get themselves involved in the discussions. The project, however provided the participants with background papers, conference/seminar evaluation reports and other material needed by them. The participants elected their own chairmen and carried on with their discussions in groups. The groups prepared their group reports and presented them at the plenary session.

The opening session of the seminar was addressed by the President,

and General Secretary of the National Cooperative Council of Sri Lanka, who impressed upon the participants of the need of having a free and frank discussion on the work of the Project.

The participants discussed the programmes offered services rendered and the future plans of the Project.

ICA's FORTHCOMING SEMINARS

A *Sub-Regional Workshop on Cooperative Press and Publicity* will be held in Bangkok, Thailand, in collaboration with the Cooperative League of Thailand, from April 27 to May 6, 1981, for participants from Thailand, Malaysia, Singapore, Indonesia, the Philippines and the Republic of Korea.

A *Sub-Regional Follow-up Seminar on Consumer Cooperation* for the former participants of Swedish International Seminars on Consumer Cooperation will be held in Malaysia/Singapore from 7th May to 24th May, in collaboration with the Cooperative Union of Malaysia and Angkasa in Malaysia and the Singapore National Cooperative Union. The first part of the Seminar in Kuala Lumpur will be from 7th to 15th May and the second

(Contd. on page 25)

Contribution of Agricultural Cooperatives to Agricultural Development in Japan

M. KUNII

Managing Director, Central Union of Agricultural Cooperatives, Tokyo

Throughout much of Japan's long history to the 1940s, poverty and famine used to be synonyms of petty farmers. In the face of exploitation by landlords, money-lenders and merchants, they were forced to lead a miserable life, and many of them had to sell their daughters. Indeed, the farming village was called a pool of latent unemployment.

In 1947, a major land reform was carried out in Japan. Ownership of farming lands was limited to 2 hectares and all surplus lands held by landlords were transferred to tenant farmers whose farming rights were protected by Law. Tough restrictions were imposed on the sale of farm lands to those other than farmers. This reform enhanced the farmers' enthusiasm towards agricultural production.

Japan suffered a chronic food shortage and the situation was particularly serious in the 1940s and 1950s. Priority areas of the Government policy were to rehabilitate the industry from the war devastations and to expand the food production.

Among important measures taken to this end were the rigid state control on rice production, distribution and price under the Food Control Act, the structural reform of agriculture under the Basic Agricultural Law (in which government subsidy was made

available to cover an average 50% of the costs needed to develop new farm lands, improve the irrigation facilities, and expand and mechanize the production and distribution facilities), and the re-organization of agricultural cooperatives (rehabilitation of deficit-ridden cooperatives and managerial improvement of cooperatives through amalgamation). These measures were reinforced and continued throughout the 1960s.

Japan's heavy industry and chemical industry began to develop rapidly as the world's economy grew fast in the 1960s.

This helped to accelerate technological innovation of Japan's agriculture.

Impressive technological innovation was seen in the following four areas:

(1) Introduction of High-powered Large Machinery

An integrated mechanization was attained especially in the rice growing areas.

(2) Introduction of Inorganic Fertilizers

Farmers now purchased almost all fertilizers and agricultural chemicals they needed from domestic industry. Inorganic fertilizers were used in increasing quantities.

(3) Specialization

Specialization was made particularly in the fields of stock raising and horticulture. Farmers have expanded animal huts and greenhouses with a view to ensuring an extensive utilization of their limited land space.

(4) Organization of Farmers in Small Groups

Agricultural cooperatives played a key role in organizing farmers in accordance with major farm commodities and much progress was made in the cooperative activity in each of such small groups.

In order to avert a chronic food shortage in the 1940s and 1950s, Japan imported grains other than rice mainly from the United States. This led to the growing consumption of bread and westernization in the eating habits of Japanese people. As they earned more income, the Japanese began to consume more livestock products, which in turn increased Japan's import of feeding-stuffs (such as maize and sorghum) year after year.

As a result, Japan's self-sufficiency in grains (other than rice) fell to less than 5%. Even including rice, the ratio was now low at 34% compared with the 82% in 1945.

Following is an assessment of

the technological innovation in Japan's agriculture.

(1) Introduction of machinery, inorganic fertilizers and large-scale facilities has had the effect of saving labour input in agriculture. Total labour input in rice growing has been cut to less than 160 hours per hectare on the average. Farmers now have had no work to do unless they engage themselves in stock raising or horticulture in addition to rice growing. More farmers began to be employed in manufacturing industry and tertiary industry, which now could offer more jobs after years of sustained economic expansion. In 1979, as many as 87% of Japanese farmers were engaged in non-agricultural business. On an average, two-thirds of their total annual income came from non-agricultural sources.

(2) At the same time, technological innovation has made the production costs of Japan's agriculture extremely high by international standards. Japan's farm products have lost their competitive edge in the world markets.

For example, the combined production and distribution cost of Japanese rice was 290,000 Yens per ton compared with 100,000 Yens per ton for Californian rice.

(3) Furthermore, more use of inorganic fertilizers and chemicals has resulted in the loss of organic elements in the soil, and soil fertility has decreased year after year.

(4) Specialization and mechanization in stock raising and horticulture have had the effect of increasing the income of farmers through increased production and regular marketing of their crops. However, consumers

have begun to shun some crops saying that they are artificially grown in air-conditioned greenhouses and as such have lost their seasonal character and natural flavour.

The roles played by agricultural cooperatives in development of agriculture were :

(1) Supply of Funds needed for Agricultural Production

Multi-purpose agricultural cooperative societies play the key role in Japan's cooperative movement. They concern themselves with almost everything pertaining to the management of agriculture and living of their member farmers, ranging from credit, purchasing and marketing to insurance coverage and provision and management of facilities to process their farm products. Traditionally, the societies have supplied their member farmers with all the funds they need for the development of agriculture.

They are also commissioned by the Government to lend its long-

term, low-interest loans to finance major projects undertaken by farmers, such as acquisition of farm lands and development of new farm lands.

Supply of inputs

(2) Agricultural cooperative societies also supply their member farmers with everything they need for agricultural production, such as seeds, seedlings, breeds, fertilizers, feedingstuffs, agricultural chemicals, etc. They acquire and run large-scale production and distribution facilities for joint use by their member farmers.

(3) Farming Guidance

Every agricultural cooperative society has an average of 3.4 farm advisers to provide farmers with technical guidance in agricultural production. Their advice covers :

- i. Setting of regional agricultural promotion targets
- ii. Planning for individual farmers
- iii. Organization of crop-wise production groups and helping their activity



Mr. M. Kunii, Managing Director, Central Union of Agricultural Cooperatives (extreme right) seen presenting his paper. (l-r) Mr. K. Fujimoto, Managing Director, IDACA, Mr. Shiro Futagami, CUAC and Mr. Kunii.

- iv. Improvement of production techniques
- v. Supply of information relevant to production
- vi. Promotion of marketing
- vii. Managerial counselling for individual farmers
- viii. Other important technical and professional matters related to agricultural production and marketing

(4) Recommendation of Policies for Agricultural Promotion

Agricultural cooperative societies recommend to the central and local governments policies covering every matter pertaining to the development of agriculture and provide advice necessary for their implementation. Thus they act as political lobbyists.

Major Problems faced by Japanese farmers are :

(1) Oversupply of rice, milk, orange and pork

Because of increasing imports of farm and livestock products and a slow consumption at home, Japanese farmers have been suffering a glut of rice, milk, orange and pork for the past few years. To cope with the situation, they have been exercising voluntary production adjustments under the lead of

agricultural cooperative societies.

(2) The higher oil prices brought about a steep increase in power, lighting and heating costs, which had a major impact on farmers highly dependent on machinery and facilities. For two years running from 1979, their annual income fell by 5-10% on a year to year basis. With the energy costs likely to go up further in the years ahead, the prospect is bleak for Japanese farmers, whose production costs are already one of the highest in the world.

(3) On an average, Japanese farmers own one hectare of farm land. Gross agricultural product (GAP) in 1979 accounted for only 4.9% of Japan's gross national product (GNP). The price of farmland is abnormally high (35 million Yens per hectare on the average), reflecting the constant demand for its conversion to industrial and housing use. Under this circumstance it is impractical for Japanese farmers to expand the scale of their production by making use of farm land.

(4) In 1980 Japan had the coolest summer for 87 years, which caused heavy damage to farm crops.

(5) Roughly 60% of those who are engaged in agriculture in Japan are aged 50 or more, over 50% of them being women. This means that

the Japanese agriculture is supported by aged women and most of the male farmers are engaged in non-agricultural business. Moreover, 95% of the farmers' children advance to senior high schools, with about 20% of them proceeding to universities. Statistics show that only 3% of the farmers' children are engaged in agriculture. One of serious problems for the farmers is the absolute shortage of their successors.

(6) Japan exports manufactured goods and are under constant pressure to free the import of farm products for the balance of payments reasons. This makes it extremely difficult for Japan to raise its self-sufficiency in food.

However, we are not necessarily pessimistic about the future of the Japanese agriculture. While the percentage of the population engaged in agriculture is expected to decrease to less than 13%, there are still a good number of farmers who are competent and enthusiastic about the development of agriculture. Other reasons for our optimism are the strong organization of agricultural cooperative societies and the growing awareness of the importance of agriculture among the people in anticipation of a global food shortage that may come in the 1990s. ■

ICA ACTIVITIES

(Contd. from page 22)

part will be in Singapore from 17th to 24th May.

A Sub-Regional Follow-up Seminar on Agricultural Cooperation for selected participants who had earlier participated in the Swedish International Seminars and ICA Regional

Seminars held on the subject will be held in Colombo, Sri Lanka, from 27th July to 11th August 1981. The seminar in Sri Lanka will be followed by a week's study visits to Cooperatives in India.

Commodity Conference

ICA ROEC is now planning to hold a Commodity Conference on Cattle Feed Rawmaterial as a follow-up and continuation of the Regional

Seminar on "Agricultural Cooperative Marketing with special reference to Export Trade" which was recently held in New Delhi. The Conference will take place in Bangkok, Thailand from 27-30 April, 1981.

Participants from exporting cooperatives have already been identified during the recent seminar. Buyers will be invited from developed countries. ■



MIYANG PRIMARY AGRICULTURAL COOPERATIVE*

Introduction

Location and Situation

The Miyang Primary Agricultural Cooperative is located at Hupyeong Ri (village), Miyang Myeon (township) of Anseong Gun (county), Gyeonggi-Do (province) in the Republic of Korea. It was established as a large-unit cooperative in March, 1969 by merging 18 village agricultural cooperatives.

In 1972, it was upgraded as a self-supporting agricultural cooperative. The total assets operated by the Cooperative amounted to 1.1 billion won and had a membership of 1,252 farmers. Its operational area includes 18 administrative villages in the Miyang township.

The total land area in the operational area of the Cooperative was 3,391 ha and the arable land represented 62 per cent of the total as of the end of 1979. The number of households totalled 1,619 and the farm households accounted for 88 percent or 1,428.

The major products in this area include rice, fruits, such as apple and peach, and livestock products.

*Prepared by Mr. Byoung Joon Suh, Assistant Manager, Agricultural Economics Division, Research Department, National Agricultural Cooperative Federation, Seoul, Korea.

Organization of the Cooperative

The Cooperative has a president, four directors and two auditors. The Representatives Meeting of the Cooperative elects 53 representatives from the villages in the operational area. The managerial organization is comprised an executive manager, 6 assistant managers, 6 sections, and a branch officer under the president, Mr. Dong Pil Kim. The number of staff members, including managers, totalled 25 as of the end of 1979.

Under the primary cooperative, there are 29 farming societies, 15 commodity groups, 29 women's clubs and 29 one-trillion treasuries organized at village levels. The items of the commodity groups include cash crops, fruits, beef cattle and poultry.

Facilities and Business performance

The Cooperative has various facilities such as : a head office, a farmers hall, 2 farm machinery hangers, a cooperative chain store, a marketing centre, 10 warehouses, a branch office, a rice milling plant, a farm machinery service centre, a cattle shed, a residence house, two trucks, a silo and various kinds of farm machinery including tractors.

The paid-in capital of member farmers through investments in

stock amount to 106 4 million won with an average amount of 85.4 thousand won per member farmer as of the end of 1979. Total deposits received and loans outstanding by the mutual credit programme amounted to 250.9 million won and 703.7 million won, respectively. Supply of farm inputs including fertilizer was valued at 438.1 million won. The distribution of consumer goods in 1979 reached 85.8 million won.

The sale of agricultural products handled by the Cooperative amounted to 315.9 million won. Total value of effective policies of cooperative insurance increased to 125.3 million won. The value of other businesses such as utilization, processing and transportation was 47.4 million won in 1979.

Integrated Development Project for Income—Increase

Goal of the Project

Since 1977, the Miyang Primary Agricultural Cooperative has promoted an integrated development project for the increase of income in the rural areas, the Saemaul Undong (new community movement) which was initiated since 1970 in Korea. The goals of the integrated development project is to increase the income and welfare of the rural community through ex-

panded mobilization and utilization of resources in rural areas.

While playing its important role as a key economic organization and to achieve its goal, the Cooperative has made an effort to encourage member farmers to participate in its activities through the following methods.

- (a) Continuing closer relationship between the business activities of the cooperative and farming of member farmers.
- (b) Organizing and leading a joint and cooperative farming system.
- (c) Establishing a solid basis for efficient cooperative management.

Taking into account the environment and the geopolitical situation, the Cooperative has set the direction of the income-increase project and has chosen income-oriented commodities such as rice, horticultural products and livestock products. The Cooperative has been extending guidance and support activities since the initiation of the integrated income-increase project.

Implementation of the Development Project

The Cooperative began the implementation of the integrated

development project by means of major items for income-increase. The project has been promoted with the cooperation of the member farmers, administrative organization, farm extension organization and the agricultural cooperative in the Miyang township.

The cooperation among these organizations was ensured right from the stage of planning for the project, as illustrated in the chart shown below.

The Cooperative has encouraged member/farmers to participate in the promotion of the project through (1) rearrangement of production bases, (2) expansion of production facilities, (3) improvement of marketing facilities (4) promotion of farm mechanization, and (5) plantation and raising of income-oriented commodities.

The income-increase project is classified into three categories: increase in rice production, enhancement of the production and marketing of fruits, and the development of livestock industry.

(a) Increase in Rice Production

The increase in rice production has been promoted by joint farming and farm mechanization. The Cooperative extended farm guidance activities for the joint farming such as joint plantation of rice, joint cook-

ing in busy farm seasons, and joint protection work against harmful insects and diseases.

To accelerate farm mechanization, the Cooperative has expanded its supply of farm machineries including power tillers, operated a farm machinery service centre, and induced joint utilization of farm machineries among its member farmers.

Through the operation of its rice milling plant, the Cooperative has played a role not only in enhancing the marketability of rice by means of upgrading its quality and developing a standard package, but also in inducing joint shipments from the milling plant.

(b) Production and Marketing of Fruits

In order to enhance the production of fruits and expand the marketing, the cooperative has provided its member farmers with production funds and agricultural inputs, including farm chemicals in time.

Particularly, the procurement of agricultural inputs has been carried out by member farmers.

The cooperative occasionally conducted Workshops on the techniques of fruit production and disseminated advanced knowledge and

Cooperation in Planning

Administrative Office of Miyang Township	Miyang Primary Agricultural Cooperative	Miyang Township Branch of ORD
(a) Planning for re-arrangement of production bases.	(a) Choosing the strategic commodities.	(a) Review of the technological feasibility of strategic commodities, production facilities, and farm mechanization.
(b) Inducing Saemaul project for the environment improvement.	(b) Planning for production facilities.	(b) Planning for the dissemination of agricultural technology.
(c) Inducing facilities of social overhead capital.	(c) Planning for marketing facilities.	
	(d) Planning for farm mechanization.	
	(e) Basic Survey.	
	(f) Setting up project programme.	

technology. In addition, the cooperative induced the joint shipments to the agricultural cooperative marketing centres and consuming areas through grading and improved packaging facilities.

The money to be received by the member farmers was paid to their individual deposit accounts with the cooperative. This has largely contributed towards the increase in the total amount of deposits received as well as in the economization of expenditure of member farmers.

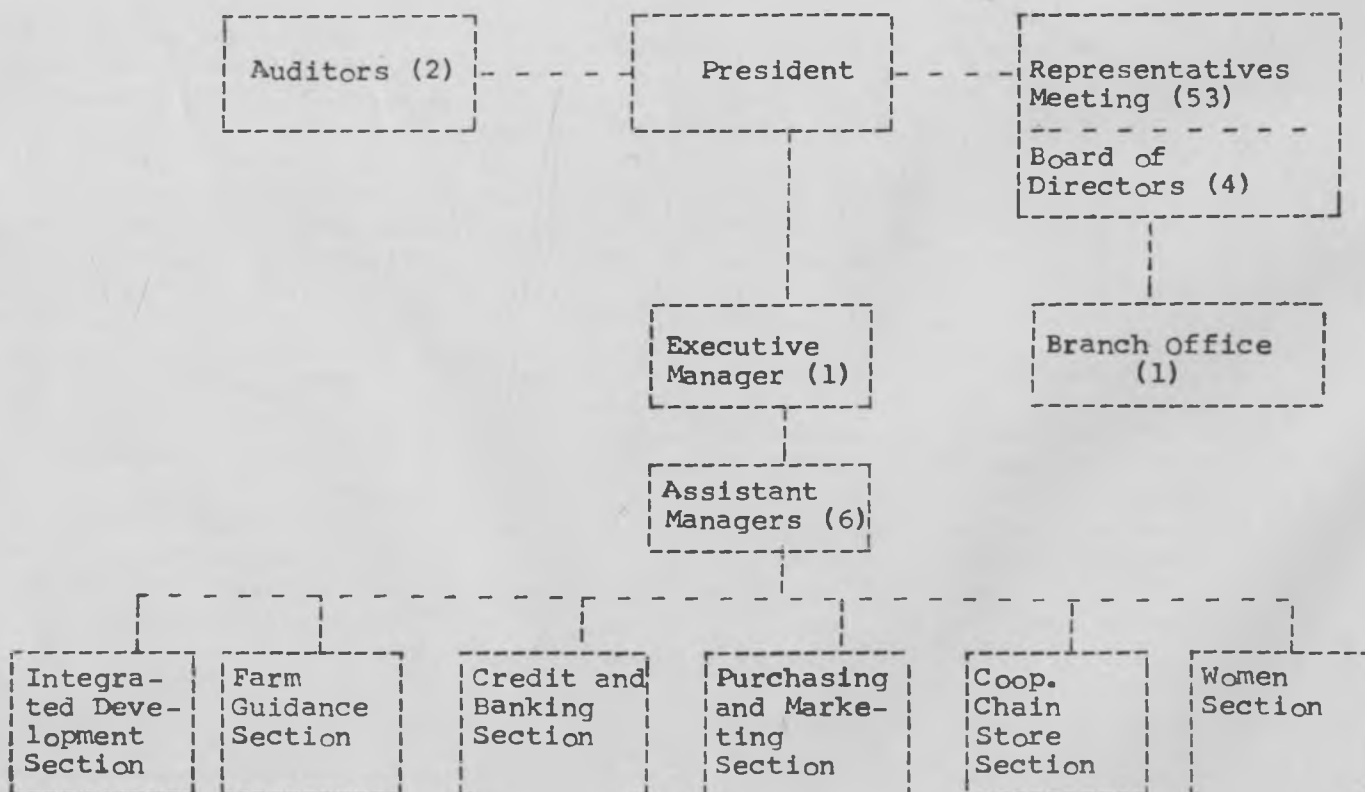
(c) *Development of Livestock Industry*

With a view to developing livestock industry at the village level and increasing the income of farm households, the cooperative encouraged members to raise livestock such as beef cattle, hog and chicken.



Hog raising by a member farm household.

ORGANISATIONAL CHART



The extension services and livestock farm guidance were implemented through the operation of cattle sheds, hoggerly and poultry farm yards owned by the cooperative.

The major activities for strengthening the livestock farming are as follows :

- (1) Expansion of loan funds for raising livestock.
- (2) Procurement and distribution of breeding stock with high quality.
- (3) Introduction of feed stuffs supplied by farm households.
- (4) Joint procurement of feed stuffs.
- (5) Operation of feed grinding machine.
- (6) Joint marketing of livestock products such as beef cattle, hog and eggs.

The Results of the Development Project

Through the promotion of the integrated development projects, the following results have been brought forth. (See Statement). →

Future programme of the Cooperative

The Cooperative has plans for future programmes in order to enhance the member farmers' income and improve the welfare in the areas. According to the plans, the Cooperative will continuously promote the integrated development project, expand its facilities, and strengthen cooperative education for member farmers.

In the early part of 1980's the Cooperative will construct welfare facilities such as public bathrooms, an integrated hospital, and a public cemetery. ■

Results of the Project (1977—1979)

Types	Performance	Fund invested (thou. won)
Production Infrastructure		
Arable land rearrangement	14 ha	19,182
Establishment of a pumping station	15 ha	23,120
Production Facilities		
Cowshed	225 head	36,050
Paddy seed-bed	60 ha	5,300
Vinyl house	0.1 ha	1,200
Farm sideline job centre	1 centre	4,700
Silo	20 silos	3,000
Poultry house	1,046.1 sq.M.	26,760
Piggery	165 Sq.M.	35,000
Marketing Facilities		
Warehouse	825 Sq.M.	31,552
Farm machinery service centre	1 centre	4,300
Storage house	693 Sq.M.	22,300
Cattle weighing machine	1 each	500
Truck	1 truck	5,500
Farm Machinery		
Tractor	1 tractor	6,411
Power tiller	50 tillers	33,840
Power sprayer	10 sprayers	3,100
Power tiller duster	25 dusters	2,165
Transplant machine	7 each	12,059
Power water pump	15 pumps	2,000
Power thresher	5 threshers	—
Power dryer	1 dryer	1,000
Combine	1 combine	3,542
Agricultural engine	5 engines	1,050
Livestock and Crops		
Milk cow	123 heads	52,500
Beef cattle	240 heads	113,420
Feed calf	400 heads	69,880
Egg breeder	3.5 thou.birds	4,250
Broiler	10 thou.birds	2,000
Apple	13 ha	7,240
Pear	1 ha	513
Peach	17 ha	7,960
Culture and Welfare Facilities		
Simple water supply system	135 households	7,025
Village hall	1 hall	2,000
Sewage facilities	1,300 m	2,600
Total investment		521,519

REGIONAL NEWS ROUNDUP

Bangladesh

AGRICULTURAL CREDIT TRAINING ASSISTANCE

Under the FAO's Technical Cooperation Programme, assistance was provided to Bangladesh Krishi Bank in strengthening its training activities in 1978 and 1980. Between 1st November 1978 and 30th November 1980, 23 training programmes were conducted at the Bank's Central and Regional Training Institutes for 445 Branch Managers, Investigation Officers, Accountants, Second Officers and Probationary Officers. As a follow-up of the TCP project activities, a UNDP Project, entitled "Training Assistance to Bangladesh Krishi Bank" with \$ 250,000 UNDP input for 14 months has been initiated.

India

KRIBHCO INAUGURATED

The Krishak Bharati Cooperative Limited (KRIBHCO) promoted by the Indian Farmers Fertiliser Cooperative (IFFCO) was formally inaugurated by Rao Birendra Singh, Minister of Agriculture and Rural Reconstruction, Government of India, in New Delhi, on 14th November 1980. Inaugurating the first meeting of the newly constituted board of directors of KRIBHCO, the Minister lauded the launching of the new venture in the cooperative sector. He cited the outstanding example of the IFFCO and its impressive record of work performance and management efficiency and said "the performance of IFFCO in respect of utilisation of

capacity by phosphatic fertiliser units was almost double the average of the three sectors, viz, public, private and cooperative taken together".

KRIBHCO is designed to set up the Hajira project, the Rs. 700 million project, in Gujarat State. The project will have an ammonia plant of 1350 tonnes capacity per day and two streams of Urea each with a capacity of 1100 metric tonnes per day. In full production, the project will turn out 891,000 tonnes of ammonia and 1,415,000 tonnes of Urea in a year, thus augmenting cooperative contribution to the production of this vital input of farm production.

Earlier welcoming the Minister, Mr. P. R. Dubhashi, Chairman of KRIBHCO, said that the setting up of a large-sized ammonia-urea fertiliser complex would be an event of great significance both for the cooperative movement and the fertiliser industry of the country.

NATIONAL COOPERATIVE LIBRARY AND DOCUMENTATION CENTRE PLANNED

A National Cooperative Library and Documentation Centre for India is being planned in New Delhi by the National Cooperative Union of India. The centre to be located in the premises of the National Union would comprise a Library section, a reference section and a documentation section. The Library would be set up on modern lines employing the latest techniques and expertise in library organisation and management.

Addressing the fifth meeting of

the National Working Party of Indian Cooperative Librarians and Documentation Officers held on 5th December 1980, Dr. R. C. Dwivedi, Chief Executive, NCU and Chairman of the working party informed the meeting that the centre would be established by amalgamating the libraries of the National Cooperative Union of India, the National Centre for Cooperative Education and the National Council for Cooperative Training.

The Working Party meeting was attended by eleven members who are working Librarians in various national level cooperative institutions in New Delhi. Mr. B. D. Pandey, Librarian and Documentation Officer, ICA ROEC, also attended the meeting. The meeting requested the ICA to issue a bi-monthly or quarterly newsletter listing books produced on cooperation in India and abroad for the benefit of cooperative libraries in the country. The meeting emphasized the need to provide the Librarians refresher courses in Cooperation and arrange for their training in professional short-term courses organised by the National Library and Indian Library Associations from time to time. It was felt that attendance at the meetings of the international working party of cooperative librarians would also be useful to the members in increasing their professional skills.

The meeting also felt that efforts should be made to organize and develop cooperative libraries at state level. It was suggested that condensed courses on library science should be organized for the persons-in-charge of state level unions training centres etc.

IFFCO TO PARTICIPATE IN SENEGAL PROJECT

The Indian Farmers' Fertiliser Cooperative (IFFCO) has decided to join in partnership for setting up a phosphoric acid plant

in Senegal, in the west coast of Africa. The project would cost Rs. 1000 million.

Indian participation in the project would be Rs. 240 million IFFCO's share being Rs. 100 million. The project is likely to go into production in the next two years.

The project would help solve the problem of phosphoric acid supply badly needed for the Kandla plant.

IFFCO imports 180,000 million tonnes of phosphoric acid at present. It hopes to get 265,000 million tonnes of phosphoric acid from the proposed Senegal plant.

In this multinational project with participation by a French company and the World Bank, IFFCO would have a bigger part in the management of the plant.

SINHA TEAM ON FISHERY COOPERATIVES APPOINTED

The Central Board of Fisheries at its eleventh meeting highlighted the problems of technological and institutional nature experienced by traditional fishermen and suggested that effective role of cooperative institutions in catching, processing and marketing of fish products would secure maximum benefit to them. The Board, therefore, decided among others that the Department of Cooperation with the assistance of Fisheries Division should carry out an indepth study of inland fishery cooperatives making recommendations and guidelines for revamping the inland fishery cooperatives.

In pursuance of the said recommendations, the Government of India has constituted a study team in January 81 with the following :

Shri B. K. Sinha Chairman
Shri Vijay Dev Singh Member

Shri V. K. Gupta Member
Shri R. S. Umre, Member-Secretary

The terms of reference of the Committee are as under :

- (i) To carry out an indepth study of the organisation and working of inland fishery cooperatives, in all their aspects, including fish production and fish marketing and make recommendations and suggest guidelines for revamping the inland fishery cooperatives;
- (ii) To assess the scope for marketing of fish through cooperative agencies with a view to raising the level of operational and managerial efficiency of fishery cooperatives and thus enabling them to become an effective instrument of improving the socio-economic conditions of fishermen members in particular; and
- (iii) To study the scope of linkages between the primary cooperatives of fishermen, with State level and inter-State cooperative fisheries marketing organisations and trade engaged in processing/transport, storage and marketing of fish (frozen iced or processed) and see if arrangements for the entire activity on the "Anand Pattern" or "Operation Flood Pattern" could be possible.

The Study team is expected to submit its report within six months.

Indonesia

COOPERATIVE INFORMATION CENTRE ESTABLISHED

As a follow up of the three workshops on Cooperative Press and Publicity held earlier in 1980 by the Indonesian Cooperative

Council and the Directorate General of Cooperatives, a meeting of the former participants of the workshops was held at Jakarta on January 28, 1981. Seventeen participants, mainly editors and publishers of cooperative magazines/bulletins in the country participated in the meeting.

It was decided to set up a "Cooperative Information Centre" to (i) publish bulletins containing information on all aspects of cooperative activities and disseminate it among the members, (ii) to improve the skills of the members and to collaborate with the government and other institutions working in the field of coop press and publicity. Mr. Djabaruddin, editor of KOPAL and a member of the ICA Regional Working Party on Coop Press and Publicity for SE Asia was elected as the General Chairman of the Centre.

Action programme for 1981 included bringing out a bulletin in April 1981 and to conduct training courses for editors/journalists in cooperative press and publicity.

SEMINAR ON INTER-COOPERATIVE NETWORK

A seminar on "Inter Cooperative Network" was held by the Directorate General of Cooperatives in Jakarta from 2nd to 7th February 81. The seminar inaugurated by Mr. Bustanil Arifin, Junior Minister of Cooperatives, was attended by 34 participants, who were mainly board members of eight national level apex organisations. The seminar was directed by Mr. Sularso, Director of Educational Affairs, in the Directorate General of Cooperatives.

Subjects discussed at the seminar included : production and marketing, consumption, financing and education. Study visits to two apex level cooperative organisations were also arranged.

Japan

IDACA HOLDS RE-UNION MEETINGS IN INDIA

The Institute for the Development of Agricultural Cooperation in Asia (IDACA) held the re-union meetings of ex-participants of IDACA seminars from India from 20th January to 7th February 1981. The reunion meetings were held in New Delhi, Ahmedabad, Pune and Trivandrum, in collaboration with National Cooperative Union of India.

Mr. M. Kunii, Managing Director, Central Union of Agricultural Cooperatives, (CUAC) Mr. K. Fujimoto, Managing Director, IDACA, Mr. S. Futagami, CUAC, Mr. S. Kumatsu, CUAC, Mr. H. Terunuma, IDACA, and Mr. Lionel Gunawardana, Joint Director and Specialist in Agricultural Cooperation, ICA ROEC, participated in the programme. Mr. R.B. Rajaguru, ICA Regional Director for SE Asia, attended the reunion meeting held in New Delhi.

Mr. Kunii addressed the National Cooperative Forum of the NCUI on "Contributions of agricultural cooperatives to agricultural development in Japan".

During their stay in India the Japanese Cooperators also visited cooperatives in Gujarat, Maharashtra and Kerala States.

Korea

CROP INSURANCE PILOT SCHEME

The Ministry of Agriculture of Republic of Korea is considering introduction of crop insurance scheme. According to the plan, the legal foundation will be laid in 1981 and the pilot project in three coun-

ties covering paddy will start from 1982 by the National Agricultural Cooperative Federation. It will be compulsory for all the paddy farmers to join the scheme and 50% of the premium will be subsidized by the Government. The Government is planning to carry out the test for 5-6 years and the national scale compulsory programme will be implemented from 1988, if the result of the pilot scheme proves to be positive.

ESCAP REGIONAL CONSULTATIVE GROUP VISITS KOREAN COOPERATIVES

The ESCAP Regional Consultative Group, comprising six members led by Mr. V. Schmidt Alts, Consultant to the UN ESCAP, visited agricultural cooperatives in the Republic of Korea in October/November 1980 to study the distribution of chemical fertilizers by the movement. The group observed chemical fertilizer distribution, including the policy of supply and price fixation, distribution channels and transportation facilities. They also observed handling and warehousing facilities of fertilizers.

Malaysia

NLF TO HELP MEMBERS TO OWN HOUSES

The National Land Finance Cooperative Society of Malaysia has drawn up a house-lot scheme to help its members to own their houses. 2063 members have already registered their names in the scheme. A sub-division plan has been submitted to the relevant authorities for approval.

Announcing this at the General Body Meeting of the society, held on 25th January, 1981, in Kuala Lumpur. Datuk Sami Velu, President of the Society, who is also the Minister of Works and Public Uti-

lities, Government of Malaysia, said that the society now owns eighteen estates covering 35,000 acres with assets worth M \$ 150 million. The Society membership is 60,000 and the number of employees during 1980 was 5,000.

CO-OP'S EASY-PAY WAY TO OWN A CAR

A scheme has been introduced by the National Postal Cooperative (KOPONAS) for its members to purchase cars at special prices.

Under the scheme Koponas will buy air-conditioned cars from Kobin Motors, and sell to members on instalment payment basis.

Kobin Motors is a joint-venture company between the National Youth Cooperative (KOBENA) and a private group.

Federal Territory Deputy Minister Abdullah bin Haji Ahmad, who is also the Chairman of Kobena and Kobin Motors, said this was a good example of cooperation between cooperative societies—Kobena (through Kobin Motors) and Koponas—to enable members to buy cars at fair prices in an easy-payment scheme.

In launching the scheme, the Deputy Minister of Agriculture Mr. Emund Langgu, said cooperative societies should work together for mutual benefit.

Nepal

SEPARATE COOPERATIVES FOR SMALL FARMERS

An Intensive Cooperative Programme has been launched recently by the Department of Cooperatives of the Nepalese Government. Under the programme, the small farmers holding less than one hectare of land in Terai (the plains) area, 0.5 ha in Hilly Region and

0.25 ha in Kathmandu Valley will be organized into cooperatives other than existing at present. Such small farmers' cooperatives will provide services exclusively for the small farmers. Also, the small farmers of the existing cooperatives will be encouraged to organize themselves into informal groups around a basic commodity or a common economic activity under the umbrella of the cooperatives. Provisions have also been made for representation of small farmers in the managing committee through election. The first year programme will start in seven districts, Sunsari, Morang, Bara, Parsa, Rautahat, Rupendehi and Kanchanpur, and the programme will cover 13 more districts during 1981.

Philippines

ASEAN SYMPOSIUM ON COOPERATIVE EDUCATION AND TRAINING HELD

An ASEAN Symposium on Cooperative Education and Training was held at Manila from November 23-30, 1980. Sponsored jointly by the National Association

NEW BOOKS . . .

AGRICULTURAL COOPERATION IN DEVELOPING COUNTRIES —A MANAGEMENT APPROACH

by Eugenio V Mendoza

(pp 200 + x) US \$ 20 00

The book has a wealth of detail, set against a broad backdrop that ranges from goals of development in general to roles of governments, to cooperative principles, to general considerations about organisation of cooperatives and their management structure, and then narrows down to a very detailed discussion of marketing and financial management—two very critical areas of management.

of Training Centres for Cooperatives (NATTCO) and the Friedrich-Ebert-Stiftung, Manila, the Symposium was attended by 45 delegates from Indonesia, Korea, Malaysia, Singapore, Thailand and the Philippines. A comparison of cooperative education and training systems existing in the participating countries was made at the Symposium. The Symposium concluded with the expressed desire to maintain close contact among the participating countries and to have a follow-up in the future.

Sri Lanka

AID TO FISHERIES INDUSTRY

Japan has agreed to provide 600 million yen to help develop Sri Lanka's fishing industry.

The aid will be used mainly for the training of young fishermen in deep sea fishing and in the use of modern gear.

The initial agreement contains provision for two fishing vessels for training purposes, a volume of fishing gear and equipment, and training in Japan for a number of young fishermen

In his Foreword, Dr. S. K. Saxena, Director, ICA, London, says "Mr. Mendoza deals in this study with of course the more traditional areas of management, viz. organisation policies and procedures, questions of structure, financial management and planning. In addition, the book gains considerably in usefulness by his reflections on at least three important areas which are of great concern to Co-operators all over the world and two of which have particular reference to the developing world.

"First he emphasizes, quite rightly the significance of cooperative principles—principles which if rightly understood and applied, infuse their own ethos and discipline into the working of the organisation. "Secondly, he gives prominence to

HELP FOR SRI LANKA'S LIVESTOCK PROJECT

The Asian Development Bank (ADB) has approved technical assistance to formulate an integrated live stock development project in Sri Lanka which is designed to help increase the country's livestock production and improve the economic and social conditions of the rural population.

The government places high priority on the development of the livestock sub-sector in its Public Investment programme (1980-1984) and in its Master Plan for Animal Husbandry Development (1979-83), particularly since it has been identified as an area which offers considerable potential.

The Bank's technical assistance is aimed at assisting the government to improve the economic and social conditions of the rural population by increasing the production of ruminants, pigs and poultry, augmenting the supply of breeding and draft animals to small-scale farmers, and promoting livestock rearing to increase employment and income opportunities for such farmers ■

the relationship of the cooperative movement and the government".

Dr. Saxena adds "Mendoza's book is comprehensive, readable and will be of use particularly to students of Agricultural Cooperation. It is a study written by an Asian, born and brought up in the social and cultural milieu of the East and who has had long experience of managing agricultural cooperatives. He has carried out the task with commendable clarity. I can recommend the book to students of Agricultural Cooperation and to those interested in problems and principles of Cooperation".

Copies of the publication can be had from "ELM Marketing, 20 M, Hemady Street, Santander Building, Quezon City, Philippines 3001, at US \$ 20.00 per copy. ■

NEWS AROUND THE WORLD

CUC ESTABLISHES ALEX LAIDLAW MEMORIAL FUND

The Cooperative Union of Canada has established a commemorative fund in memory of Dr. A.F. (Alex) Laidlaw, internationally known Canadian Cooperative leader whose sudden death shocked the cooperative world.

Known as the Alex Laidlaw Memorial Fund, it will be administered by the Cooperative Development Foundation and used to assist cooperatives and credit unions throughout the world.

Dr. Laidlaw died in hospital on Nov. 30, 1980 after suffering a heart attack. A former general secretary of the Cooperative Union of Canada and member of the board of Directors of Canada Mortgage and Housing Corporation, one of his most recent achievements was preparation of the Project 2000 report for the International Cooperative Alliance, which he presented to delegates of the world coop community at the ICA's 27th world congress, held in Moscow from October 13-16, 1980.

SWEDEN ADOPTS CO-OP LABEL IN A BIG WAY

The Swedish Co-op Group has introduced a brand name of its own: 'Co-op'. It is replacing about 40 other brands which the big countrywide supply and marketing Co-op is abolishing.

It is part of a plan to make COOP, one of the biggest trade names in the country.

So far, the COOP label is going only on goods produced by the

co-op itself, but eventually the group intends to redesign about 2,000 other products and market them under the new brand name.

Goods packaged under the COOP label will have more consumer information than other goods and will be cheaper than goods of corresponding private and national labels sold by coop stores.

ESCAP/FAO SMALL FARMER GROUP MARKETING PROMOTION PROGRAMME IN ASIA

A joint meeting of ESCAP and FAO to promote group marketing by small farmers in the countries in the Region was held in Bangkok from 17-19 December, 1980. The objective of the programme was to promote small farmer group activities in each country to stimulate other farmers to follow. The leaders of the successful groups are the key persons to influence other farmer leaders. Nine countries of the Region i.e. Bangladesh, India, Indonesia, Malaysia, Philippines, Nepal, Republic of Korea, Sri Lanka and Thailand were invited to attend the meeting. Except Nepal and Indonesia the representatives of the other countries were present in the meeting. Draft national workshop plans on small farmer group marketing, promotion and training at country level were submitted by the participants in the meeting.

The country level/field level training workshops, which will be the Phase II activities of the programme, will be followed by the final regional level evaluation meeting (Phase III) to evaluate the

progress and to plan for further follow up action.

DIFFICULT WORLD FOOD SITUATION MARKS START OF NEW YEAR

The world food situation at the start of 1981 remained difficult, with expected sharp declines in cereal stocks and increased import needs by developing countries and the USSR, the Food and Agriculture Organization of the United Nations (FAO) said in its latest Food Outlook report.

The monthly report placed world cereal production (wheat, rice, coarse grains) in 1980 at 1,438 million tons, only marginally higher than in 1979 and again below long-term trend.

The report forecast a record rise in world trade in cereals in 1980/1981 to 202 million tons. The increase would reflect higher imports by the Soviet Union and by developing countries whose own imports were expected to reach a record 95 million tons, 6 million tons higher than in 1979/80. In noting the high imports forecast for developing countries, especially low-income nations, the report expressed concern that total cereal food aid allocations in 1980/81 had been reduced.

World cereal stocks were forecast to decline by 40 million tons to 210 million tons by end of season as a result of a second drawdown in two years to meet current consumption needs. At this level, stocks would be equal to only 14 percent of apparent world consumption - well below the minimum 17 percent level generally considered necessary to safeguard world food security and on a par with the low levels of the 1973/74 global food crisis. The reserve margin would be only 30 million tons or one week's world consumption. ■

ICA Member-Organisations in South-East Asia

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Indian Farmers Fertiliser Cooperative Ltd. (IFFCO)
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Central Cooperative Bank for Agriculture and
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Zen-Noh (National Federation of Agricultural Co-
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Chiyodaku, Tokyo Tel : 03-279-0211
IE-NO-HIKARI Association, 11 Funagawara cho,
Ichigaya, Shinjukuku, Tokyo. Tel : 260 3151
National Mutual Insurance Federation of Agricul-
tural Cooperatives, 7-9, Hirakawa cho, 2 chome,
Chiyodaku, Tokyo. Tel : 265-3111

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Angkatan Kerjasama Kebangsaan Malaysia Limited
ANGKASA, 103 Jalan Templer, Petaling Jaya.
Tel : 771258, 773666
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WISMA MCIS, Jalan Barat, Peti Surat 345,
Petaling Jaya
Cooperative Central Bank Limited, Peti Surat
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Federation of Housing Cooperatives Ltd.
c/o Railway Cooperative Multipurpose Society
Ltd., Wisma Merlin, Jalan Siltan Ismail,
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Mercantile Cooperative Finance Corporation
197-A, The Mall, Rawalpindi. Tel : 3754

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Central Cooperative Exchange, Inc.,
Room 113-115, Arle Building, Aurora
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Rizal. (CENCOPEX) Tel : 70-60-09
Sugar Cooperatives Development Institute of the
Philippines Inc.,
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San Juen Street, Bacolod City. 6001.
Cooperative Insurance System of the Philippines
300 de la Merced (Delta) Building, West Avenue,
Quezon City (COOPINSURE)
Tel : 973568, 972756, 973192, 976119
National Association of Training Centres for
Cooperatives (NATCCO)
Pleasant Home Subdivision
Punta Princesa, P.O. Box 950, Cebu City

SINGAPORE

Singapore National Cooperative Union Ltd.,
P.O. Box 366, Singapore 9007, Tel : 2221890

SRI LANKA

National Cooperative Council of Sri Lanka
455, Galle Road, Colombo-3 (NACOSIL)
Tel : 84638, 85496

THAILAND

Cooperative League of Thailand, 4 Pichai Road,
Dusit, Bangkok, Tel : 24-13634

COOPERATIVE PRINCIPLES

Voluntary Association and Open Membership

1. Membership of a cooperative society shall be voluntary and available without artificial restriction or any social, political, racial or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.

Democratic Control

2. Cooperative societies are democratic organisations. Their affairs shall be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies should enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.

Limited interest on Capital

3. Share capital shall only receive a strictly limited rate of interest, if any.

Equitable division of surplus

4. The economic results arising out of the operations of the society belong to the members of that society and shall be distributed in such a manner as would avoid one member gaining at the expense of others.

This may be done by decision of the members as follows :

- (a) By provision for development of the business of the Cooperative;
- (b) By provision of common services; or,
- (c) By distribution among the members in proportion to their transactions with the society.

Cooperative Education

5. All cooperative societies shall make provision for the education of their members, officers, and employees and of the general public, in the principles and techniques of Cooperation, both economic and democratic.

Cooperation among Cooperatives

6. All cooperative organisations, in order to best serve the interests of their members and communities shall actively cooperate in every practical way with other cooperatives at local, national and international levels. ■

THE INTERNATIONAL COOPERATIVE ALLIANCE

is one of the oldest of non-governmental international organisations. It is a world-wide confederation of cooperative organisations of all types. Founded by the International Cooperative Congress held in London in 1895, it now has affiliates in 66 countries, serving over 355 million members at the primary level. It is the only international organisation entirely and exclusively dedicated to the promotion of cooperation in all parts of the world.

Besides the Head Office of the ICA, which is in London, there are three regional offices, viz., the Regional Office & Education Centre for South-East Asia, New Delhi, India; the Regional Office for East and Central Africa, Moshi, Tanzania and the Regional Office for West Africa, Bingerville, Ivory Coast. The Regional Office in New Delhi was started in 1960, the office in Moshi in 1968, and the West African Regional Office in 1979.

The main tasks of the Regional Office & Education Centre are to develop the general activities of the Alliance in the Region, to act as a link between the ICA and its affiliated national movements, to represent the Alliance in its consultative relations with the regional establishments of the United Nations and other international organisations, to promote economic relations amongst member-movements, including trading across national boundaries, to organise and conduct technical assistance, to conduct courses, seminars and conferences, surveys and research, to bring out publications on cooperative and allied subjects and to support and supplement the educational activities of national cooperative movements. The Regional Office and Education Centre now operates on behalf of 15 countries, i.e. Afghanistan, Australia, Bangladesh, India, Indonesia, Iran, Japan, Republic of Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka and Thailand. ■

INTERNATIONAL COOPERATIVE ALLIANCE

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South-East Asian Office

Regional Office & Education Centre for S-E Asia
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New Delhi 110-065. India, Tel. 63-5123, 63-5319

East & Central African Office

Regional Office for East and Central Africa
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West African Office

ICA Regional Office for West Africa
01 BE 3969, Abidjan 01, Ivory Coast. Tel : 303008

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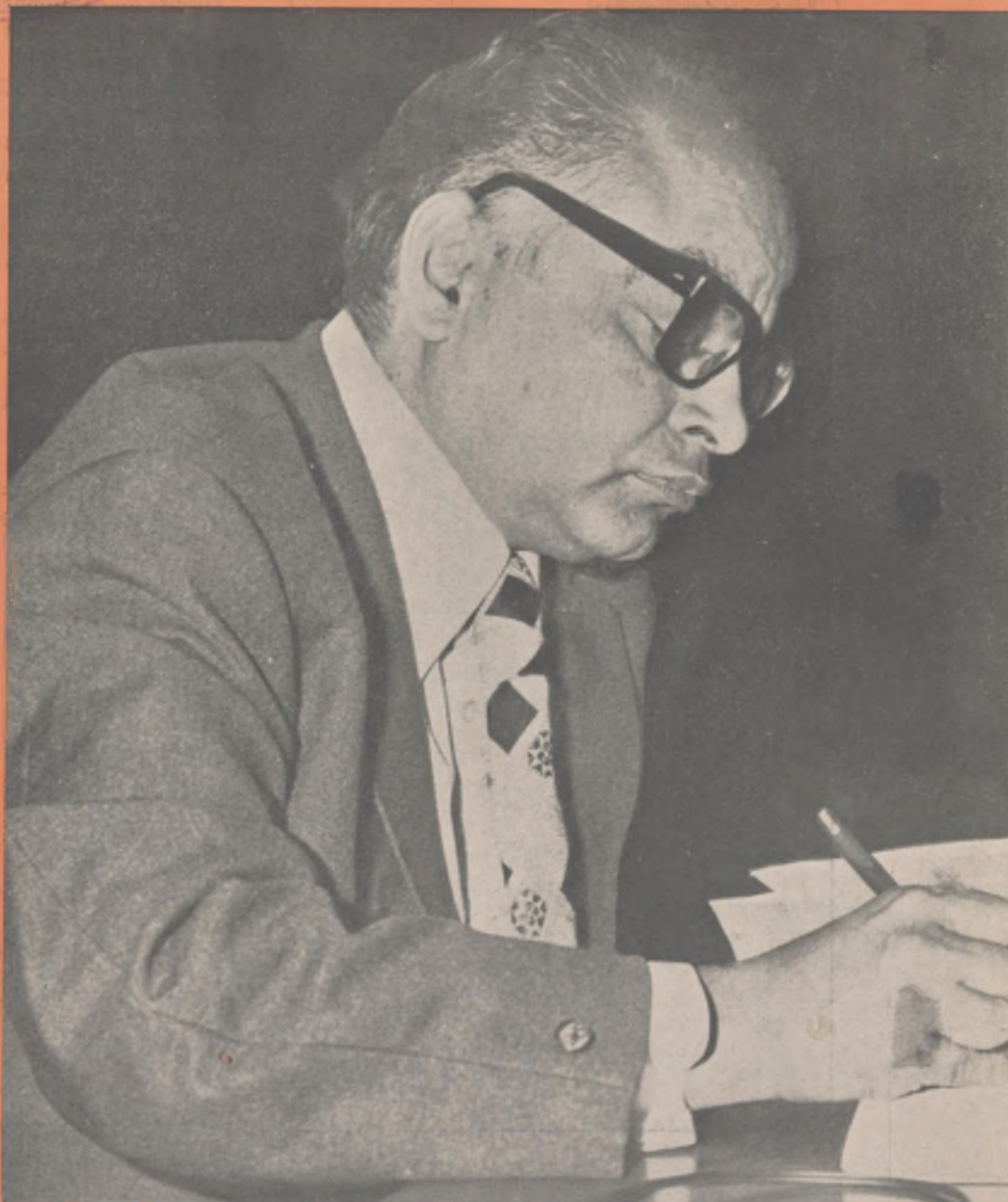
ICA REGIONAL BULLETIN

INTERNATIONAL COOPERATIVE ALLIANCE
REGIONAL OFFICE & EDUCATION CENTRE FOR SOUTH-EAST ASIA



*The causes of events are ever more
interesting than the events themselves.*

—Cicero



Subtlety may deceive you. integrity never will.

—Oliver Cromwell

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OUR COVER

DR. S. K. SAXENA

Dr. S. K. Saxena

Leaves the Alliance

Dr. Surendra Kumar Saxena, 55, Director of the International Cooperative Alliance, since August 1968, has resigned from his post for personal reasons. He left the services of the ICA on 27th April 1981. He is now working with the Swedish Cooperative Centre as a part-time Consultant.

Before assuming the post of Director of the ICA in 1968, Dr. Saxena served the ICA Regional Office and Education Centre for South-East Asia as its Regional Officer since 1961.

Dr. Saxena holds M. A. (first division) in economics from the University of Agra, India, and Master of Social Sciences (cum Laude) from the Institute of Social Studies in the Hague. His thesis for M. A. was on "Economic Rehabilitation of Refugees."

He also holds a Doctorate of Philosophy in Economics in the field of Industrial Relations from the Municipal University, Amsterdam. His thesis for the Doctorate was later published under the title 'Industrial Conflict: Example of British Coal Mining.'

Dr. Saxena's services to the world cooperative movement and his eminent stewardship of the Alliance as its Chief Executive has been acknowledged by the cooperative leaders throughout the world. In appreciation of his contribution to the development of the cooperative movement he has been, on



Dr. S. K. Saxena at the formal opening of the ICA Regional Office building by Dr. Mauritz Bonow, former President of the ICA, in February 1968.

many occasions, conferred honours by different cooperative movements in the world. He was conferred an honorary Doctorate in Economics from the University of Sherbrooke, Quebec, Canada, in 1975 "in recognition of his contribution towards promoting the cooperative idea, first in South-East Asia as Regional Director of the ICA and since 1968 as the Director of the ICA."

The citation read at the ceremony said "Dr. Saxena's career is of great interest...His writings and his participation at many interna-

tional seminars and conferences constitute eloquent proof of his desire to provide underprivileged groups with democratic tools of development. Already he is "a man of cooperation" and he seems particularly well prepared to carry on the important responsibilities that he will be called upon to assume within the International Cooperative Alliance"...Dr. Saxena is certainly the man capable of maintaining and accelerating this stream of cooperative solidarity for the under-privileged populations. It goes without saying that the Executive Director of the ICA is also

involved in various fields of activity.”

The Indian Cooperative Movement conferred honours on Dr. Saxena on 9th March 1979 on the occasion of the Eighth Indian National Cooperative Congress and the golden jubilee celebrations of the National Cooperative Union of India for his outstanding contribution to the world cooperative movement.

The ICA was awarded in October 1977 the International Trophy of Cooperation by the International Institute for Promotion and Prestige, France, during the period of Dr. Saxena's stewardship, to pay tribute to :

- “ICA's contribution and support to and renewal of the cooperative ideal throughout the world; and to its both educational and stimulating activities to the benefit of the developing countries;
- “to its continuous efforts aiming at better conditions in the economic and social status for all workers;
- “to the ideals which inspire its activities and which tend towards the implementation of a world



Dr. S. K. Saxena, Director, ICA, at a discussion with Dr. K. Waldheim, Secretary General, United Nations (left) and Mr. Glenn Anderson, President, CLUSA.

network of structured economic units, based on mutual aid and self-help.”

Under the leadership of Dr. Saxena, the ICA expanded its activities in the developing countries both in Asia and Africa. During his tenure regional offices were opened in Moshi, Tanzania, in 1968 and at Bingerville in West Africa in 1979.

Dr. Saxena has served the cause of cooperation for twenty eventful years. During these years in which

he served the International Cooperative Alliance with distinction, the world cooperative movement has been benefited tremendously by his association with it. The cooperators all over the world are saddened by his relinquishing the stewardship of the ICA. However, his present part-time assignment as consultant to the Swedish Cooperative Centre indicates that his services would be available to the world cooperative movement in the years to come. We join the cooperators all over the world in wishing him well.

R.P.B. Davies to act as Director of the ICA

On the resignation of Dr. S. K. Saxena as Director of the ICA, Mr. R.P.B. Davies, Deputy Director, will act as Director in all matters affecting the Alliance. A communication received from the President of the Alliance, Mr. Roger Kerinec, says that a decision to appoint a new Director to succeed Dr. Saxena will be made at the forthcoming meeting of the Executive Committee of the ICA to be held in September 1981 in Helsinki.

Tributes to Dr. Saxena

... by Mr. Roger Kerinec,
President, ICA

I have often previously had occasions to express my high opinion of Suren Saxena. His exceptional qualities are known to all: his intelligence, his clear mind, his understanding of people and things, his precision, his intellectual honesty, his sense of humour.

We all owe him a great deal for having greatly extended and increased appreciation of the Alliance within the UN group of organisations, which today recognises the quality of the contribution we can make to resolving the grave problems confronting our world: problems of peace and war, problems of assistance to developing countries, the problem of understanding between peoples which circumstances would and could divide.

We also owe him much for having given the regionalisation of our activities the importance it merited, in South-East Asia, in Africa, in North and South America, even in Europe as well as the work undertaken by our specialist Committees and Federations.

From my years of friendly collaboration with him, I shall preserve the memory of relaxed moments in an atmosphere particularly conducive to work, mingled with other moments when we shared our worries and anxieties. I thank him for the considerable work he achieved in the service of our Alliance.

... by Dr. Mauritz Bonow,
former President, ICA

In my capacity as President of the ICA between 1960 and October 1975 when I retired from the Presidency, I personally had the privilege of very close collaboration with Dr. Saxena.

Dr. Saxena has outstanding qualifications which have been manifested in his work during two decades both as head of ICA activities in New Delhi and later as Director of ICA headquarters in London. Dr. Saxena's very solid knowledge of economics and cooperation acquired both through his academic education in India, Holland and Sweden and his intimate experience of cooperative forms of enter-

prises with their many-sided activities, both in the developing countries and the industrialised countries, have enabled him to render the ICA especially, and the International Cooperative movement generally, a service the value of which can hardly be overestimated.

Dr. Saxena has dutifully and efficiently carried out the policy which the authorities of the ICA have drawn up, and has in several cases personally taken initiatives of far-reaching importance.

I would personally like to underline the fact that Dr. Saxena is very much appreciated both by the staff at headquarters and in the Regional Offices; because of his personal leadership qualities he has succeeded in establishing a spirit of teamwork with ICA personnel and with the elected representatives of ICA member-organisations, especially those who are active in ICA official bodies, thus contributing powerfully to enhancing the role of the ICA in economic and social development throughout the world.



A happy moment shared between Dr. S. K. Saxena, Mr. R. B. Rajaguru, ICA Regional Director for S-E Asia, (centre) and Mr. P.E. Weeraman, former Regional Director, ICA ROEC.

Now that Dr. Saxena is leaving the post as Director, all his friends and collaborators extend to him and his family their best wishes. We thank him most sincerely and hope that his future cooperative work will be just as successful as it has been in the past.

. . . by **Mr. P. E. Weeraman,**
former ICA Regional
Director for S-E Asia

Addressing Dr. Saxena at a function held at the time of the retirement of Mr. P.E. Weeraman, former ICA Regional Director for South-East Asia, Mr. Weeraman said "Quite sincerely I say that, not only I but all of us admire you for your efficiency, honour you for your integrity and love you for your humanity".

Dr. Saxena bids farewell to ICA ROEC Staff

In a letter to Mr. R. B. Rajaguru, ICA Regional Director for South-

East Asia, Dr. Saxena has written : "As I leave the ICA, I would like to convey to you and to all your colleagues my warmest thanks and appreciation of the unstinted support you have given me in my work here. To have run offices as far flung as ICA's Regional Offices is not an easy task, and it speaks of your spirit of cooperation and understanding that we have been able to work closely and effectively as a team "

"Please accept my very best wishes for the continued success of your work, and for the very important role which you are playing in building up the activities of the International Cooperative Movement."

In reply Mr. Rajaguru wrote to him :

"It is with very great sorrow that

we received your communication of the 27th April wherein you informed all of us about your final decision to vacate the post of Director of the ICA which you had held so eminently and efficiently for over 12 years. We at the ROEC would be some of those who will feel your absence most....."

"We for our part will make every endeavour to serve the cause of cooperation in the countries we are associated with and it is our fervent hope that the ICA Executive and the Central Committee gives the necessary emphasis to cooperative development in the developing countries".

"Let me convey my kindest personal regards and also the regards of all of us at the ROEC and also wish you on behalf of every one here continued success in your work."



I am delighted and honoured to have been asked to inaugurate this important seminar.

Mr. President, in the next 15-20 minutes I have at my disposal I am not going to speak on the subject *per se*: that is "How to increase the effectiveness of Cooperative Unions", since you will be devoting a large part of your time discussing it. It would I hope bring an additional contribution if I were to outline some of the recent tendencies in the Cooperative Movements in different parts of the world which throw up new or relatively new tasks or duties the effective discharge of which would be an important function of the Cooperative Unions.

I see the National Cooperative Union as an agency created by the Movement as a whole to interact on behalf with the wider social and economic environment. It has thus, on the one hand, the big responsibility of assisting in the creation of a climate which conduces to the growth of the Cooperative Movement, and, on the other, by virtue of the fact that it is set up by the Movement, it should provide certain services which the individual parts of the Movement or societies could not by themselves discharge effectively.

Two faces of Apex Organisations

So the apex really has two faces—one face turned inwards towards the Movement identifying and articulating the needs of the Movement, and the other face turned towards the society at large, making whatever impact it can in moulding society to the advantage of the Movement of which it is of course the spokesman. The series of tasks

—those stemming from the needs of the Movement and those of restructuring or modifying those aspects of the society at large which are of consequence to the Movement—should really be seen as one continuum and not disconnected with each other.

During the next decade or so, I can see a number of problems with which the apex bodies will be deeply concerned and I hope that your discussions will provide some clues to their resolution. Let me for the sake of clarity group them into four heads:

example, one can cite CLUSA, CUC, CCC, both of Canada, the Cooperative Federation of Australia, the CUAC, the NCUI, the Singapore Cooperative Union, the Cooperative Union and Angkasa in Malaysia, the Cooperative Federation of Nigeria and so on.

On the other hand, you have the apex which is a combination of both the ideological and business aspects. Let me give you some examples of this category: the NKL Norway which is both a Union and Wholesale Society, the KF in Sweden, the Konsum Osterreich in

Trends and Problems of Cooperative Unions

S. K. SAXENA

- (i) Organisational aspects; Austria, the FNCC in France, NACF in the Republic of Korea and so on.
- (ii) image of the Cooperative Movement;
- (iii) questions of economic efficiency;
- (iv) cohesion between the various sectors of cooperative activity.

Let me treat these briefly.

(i) Organisational Aspects

These relate firstly to the organisation of the Apex itself. If we look around the world we find broadly two kinds; one an apex body which is entirely an ideological educational organisation. As an

The two broad questions in this connection are really as follows:

If the Union is a purely ideological body and has no trading activities, how do you assure that its relevance is accepted by the business wings of the Movement so that they contribute to the apex and the apex organisation does not languish for want of funds; at the same time, how do you ensure—and this happens so very often—that as soon as there is business adversity, the members do not immediately cut off or reduce their subscription to

*Text of inaugural address of Dr. S. K. Saxena, Director, ICA, at the ICA/NCUI Regional Seminar on "How to improve the Effectiveness of National Cooperative Organisations" held in New Delhi on 14 February 1980.

the apex; the second question is : if the apex is a combined body both for ideological and business activities, how to ensure that a recession in business activities does not have an adverse effect on the Movement as a whole, as has recently happened with KNFC in Kenya. Or, as happens more often how do you ensure that the ideological aspects of the Movement do not get submerged in the more dynamic, quantifiable and more visible business wing of the Movement so that a cooperative enterprise in people's minds becomes indistinguishable from a private profit-motivated business.

Perhaps I have drawn the distinction too sharply, too much in either/or terms but this seem to be justified by the existing organisational patterns of apex organisations throughout the world.

(ii) Image of the Cooperative Movement

The second set of questions with which the apex is concerned are those which relate to the image of the Cooperative Movement in the minds of the public. There are broadly two issues involved here. A cooperative organisation should be a successful business organisation plus something else—and this something else is of course encapsulated in the set of cooperative principles which emphasize the democratic, egalitarian and service orientation of the cooperative institution. But when one looks at a big factory, the average person is unable to see the difference between the private profit-motivated enterprise and a cooperative enterprise—a cooperative dairy, a cooperative factory, a cooperative insurance society must have that extra bit which entitles it to be called a cooperative. The individual member feels as helpless in a large cooperative organisation as in a private organisation to be able to

influence the course of events. Is this only a fact of size? Or is it that the cooperative principles are not given their full and fair play in the operation of the enterprise?

The second issue involved here is the behaviour of leadership which sometimes gives the people the impression that the cooperative is a middle class organisation and leadership positions are the preserve of the few and the privileged. Where ask our critics, are the poor of the third world of whom McNamara speaks so cogently and with such sympathy? Is it correct to place a limitation on the term on leadership as I believe has been done in India? Is it important to ensure through some means—legislative or otherwise—that the composition of membership of a cooperative society should have a mix which is a reflection of the various classes in society as a whole? Is this an infringement of the voluntary and open membership principle, the word "open" not being used in an absolute sense but as judged by the general body of members?

Whatever one might say on these complex points, the composition of the membership and the people who gain as a result of the activities of the cooperative will have an influence on the image of the movement and I think the apex must give a lead in this direction.

Relationship between the Coop and Government

There is then the broad area of the relationship between the cooperative movement and the government and I know that this will occupy a fair share of your discussions—in fact at least one of the papers gives some attention to the subject. The pros and the cons are rather familiar and I do not plan to repeat them. But it is, I think, vital for the apex to ensure that

policy makers not only understand but, if possible, react with sympathy to cooperatives. This would require contacts to be established with almost every Ministry, because the cooperative form of organisation is susceptible for application to a wide range of human endeavours. Let me just give you an immediate example—in the current UNIDO Conference, which is the reason for my presence in India, there is an absence of people in government delegations who are aware of the potential role of industrial cooperatives in the industrialisation of developing countries with important implications for appropriate technology and widespread unemployment and underemployment which is prevalent in Asia, Africa and Latin America. If the cooperative movements had established contacts with their respective Ministries of Industries, we could have had a much better appreciation in the Conference of the role of cooperatives.

(iii) Economic Efficiency

The third cluster of problems which the apexes have to contend with relate to the improvement of economic efficiency of the constituent members. Even if the Apex is not involved in economic activities itself, by virtue of its umbrella position it can play an extremely important role in promoting economic efficiency. The first trend which immediately comes to mind, because it is universal, is that of amalgamation of smaller into larger viable units. To take two entirely different countries : in the United Kingdom there is the Regional Plan and more recently the call to create one single "Cooperative Great Britain". The questions which arise are : what would be the economic justification of this move? What would it cost in increasing member apathy and decline in member control?

Take a much smaller movement, that of Mauritius. When I visited

the Island as the Head of an ICA Team, we often found more than one society in one village, a quite unnecessary overlapping of several activities with resulting diseconomies for producers and consumers.

It is in fields like these that the Apex must play a leadership role, a mediating role, a role which it can play effectively by virtue of the wider canvas on which it operates.

Then there are questions of law, of model bylaws, of statistics, of taxation—we all know the important memorandum on taxation prepared by our member organisation, the Cooperative Union of Canada, emphasizing that while the individual member should pay tax on what he receives from the society, the surplus earned by the society itself is an overcharge on the price charged, to be returned later on to members by virtue of the fact that the cooperative is a service organisation and is able to obtain a cheaper price by exploiting the economies of scale on behalf of its members.

Then there are issues on which the Apex needs to sensitize its members—the current discussions on the International Development Strategy, the New International Economic Order, the Code on the Behaviour of Multi-National Corporations, the great global issues of our time of which Cooperators should be made aware and to which they have such pertinent contributions to make.

Splinter Movements

Above all, there are programmes of education, to be conceived intelligently and applied effectively; these have traditionally been the most important tasks of the Apex organisation, I have no doubt that your discussions will devote sufficient attention to programmes of education and also to ICA's Cemas

Project and ILO's Matcom Programme. For the central issue of cooperative education is one of relevance, to members and to executives at different levels. Perhaps one other aspect worthy of the Apex's attention especially in some countries is the relevance and place of number of splinter movements which have been engineered by the young, protest groups which are especially active in North America. Visiting a consumer cooperative at the University of Minnesota—I found the students were required to weigh goods themselves and also to fix the price of the products themselves! Is it possible to transfuse some energy from such protest movements which may help to give balance to the conservatism of what might be called "the establishment of the cooperative movement." I feel that the Apex has responsibility to study some of these aspects.

(iv) Cooperation among Cooperators

Finally, it must remain a perpetual concern of the Apex Organisation to ensure that there are built between the different sectors of cooperative activity mutually reinforcing links. A producer cooperative society, be it an agricultural

marketing society or a dairy one, should as far as possible sell through consumers stores; a Cooperative Housing Complex, in its planning, should make provision for the setting up of a credit union and a consumer shop; great, big cooperative enterprises should go for their insurance to cooperative insurance societies. I have seen too many cooperative institutions obtaining services from non-cooperative sources. This can only weaken the movement as a whole and stifle the emergence of a vibrant cooperative sector. Clearly there are difficulties of the producer/consumer conflict variety, problems caused by the differing levels of development of the different sectors. But the Apex Organisation, as the spokesman of the entire movement, must constantly strive to identify the points of economic interaction which can only benefit the movement as a whole. The economic power of cooperatives is massive, but unfortunately fragmented and its unity will lend it the power to conquer new and important fields.

In inaugurating your Conference and wishing it all success, your deliberations will, I hope, take some of the issues I have raised into consideration.

REQUEST

Readers of the ICA Regional Bulletin are requested to intimate any change in their mailing address.

—Editor

Summary of Statistics

	No. of Societies of	Percentage of Whole
Agricultural	255,501	37.38
Consumer	69,048	10.10
Credit	198,811	29.09
Fishery	17,241	2.52
Housing	60,654	8.87
Industrial	46,438	6.79
Miscellaneous	35,763	5.23
TOTAL	683,456	

	Individual Members	Percentage of Whole
Agricultural	68,105,121	18.78
Consumer	132,547,144	36.55
Credit	123,087,436	33.94
Fishery	211,202	0.58
Housing	14,950,590	4.23
Industrial	6,027,634	1.66
Miscellaneous	15,823,644	4.36
TOTAL	362,652,771	

TOTAL TURNOVER \$ 508,968,660

ICA World Membership

AFRICA		Korea	2,135,392
Botswana	36,221	Malaysia	1,732,620
Egypt	—	Pakistan	1,760,448
Gambia	8,969	Philippines	414,986
Ghana	680,002	Singapore	63,377
Ivory Coast	—	Sri Lanka	3,946,787
Kenya	1,137,497	Thailand	1,456,837
Mauritius	31,031	OCEANIA	
Morocco	—	Australia	4,022,098
Nigeria	302,506	Fiji	30,440
Somalia	—	EUROPE	
Tanzania	640,463	Austria	2,938,632
Uganda	980,076	Belgium	2,662,242
Zambia	95,528	Bulgaria	2,933,855
AMERICA		Czechoslovakia	4,416,260
Argentina	5,587,408	Denmark	1,472,134
Canada	10,998,729	Finland	2,070,625
Chile	358,556	France	13,889,396
Colombia	152,871	German Dem Rep	4,389,847
Guyana	29,085	German Fed Rep	7,201,879
Haiti	136	Greece	713,570
Jamaica	—	Hungary	4,542,194
Peru	—	Iceland	42,604
Puerto Rico	326,452	Irish Republic	—
Uruguay	149,326	Italy	5,215,381
USA	58,344,538	Netherlands	482
ASIA		Norway	1,189,113
Bangladesh	4,499,875	Poland	12,101,555
Cyprus	260,312	Portugal	642,533
India	65,658,321	Romania	14,976,698
Indonesia	8,492,197	Sweden	4,301,982
Iran	2,985,726	Switzerland	1,015,866
Iraq	531,156	Turkey	5,553,866
Israel	678,815	United Kingdom	10,565,406
Japan	17,551,759	USSR	62,200,000
Jordan	30,091	Yugoslavia	1,506,000

Note : 1978 figures have been used where available.



International Cooperative Day

SATURDAY, 4TH JULY, 1981

“As the representative of many millions of people, we in the ICA are concerned with the most important areas of life—the production of foodstuffs, housing, consumption, agriculture and fisheries, and insurance and credit. So let us not, as we sometimes tend to do, underestimate the great importance of economic cooperation.” “We must have a popular cooperative movement: we must make use of the entire experience of the people and use the technology developed by the masses of peasants, farmers, and industrial workers, and not only by the elite.”

(ROGER KERINEC)
President, ICA

Message from the Director of the INTERNATIONAL COOPERATIVE ALLIANCE

Dear Cooperators,

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

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

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

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

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

(S. K. SAXENA)
Director, ICA

A fifteen-day Regional Seminar from 17th to 30th March, 1981, on "Organisation and Development of Fishery Cooperatives" was held in Seoul by the ICA ROEC in collaboration with the National Federation of Fisheries Cooperatives (NFFC) of the Republic of Korea. While in Korea the participants had an opportunity to visit several fishing centres, cooperative fish markets and field level primary cooperative fishery societies. Some of the aspects that were studied during the field visits were : member relations programmes, infrastructure facilities to support the supply and marketing activities of primary cooperatives, various methods used in auctions of fish, fish market management and control, fresh water fish culture-especially, carp and eel and supporting services of NFFC vis-

Organisation and Development of Fishery Cooperatives

a-vis member societies. These were supplemented by study visits in Japan to several fishery cooperatives in Japan which included inland fishery cooperatives and also study visits to cooperative and other wholesale fish markets. The study visits in Japan were arranged in collaboration with the National

Federation of Fisheries Cooperative Associations (Zengyoren) of Japan.

Objectives

The main objectives of the seminar were :

- (i) To review the present state of



The Fisheries Regional Seminar in progress. Participants are seen with (l-r) Mr. Lionel Gunawardana, Mr. R. B. Rajaguru and Mr. B. K. Sinha.

fishery cooperatives in the Region;

- (ii) To discuss managerial problems of fishery cooperatives and suggest ways of improving their activities;
- (iii) To study the working of fishery cooperatives in the Republic of Korea and Japan;
- (iv) To discuss ways and means of organisation and development of fishery cooperatives in countries/areas where such society do not exist.

The experiences of the NFFC in regard to development of primary fishery cooperatives, federated supporting structures, savings and loan facilities, marketing, research, personnel management and supporting services were made the background against which the Seminar was developed.

Fourteen participants from India, Republic of Korea, Malaysia, Nepal, Thailand, Sri Lanka and Fiji attended the seminar. The seminar was directed by Mr. R. B. Rajaguru, ICA Regional Director for South-East Asia, assisted by Mr. Lionel Gunawardana, Joint Director & Specialist in Agricultural Cooperation, ICA ROEC. Mr. B. K. Sinha of the Department of Cooperation, Ministry of Agriculture and Cooperation, Government of India and Chairman of the Study Team on Fisheries Cooperatives appointed by the Government of India, participated in the seminar as a resource person.

The seminar was inaugurated by Mr. Kim Jong Soo, Administrator, National Fisheries Administration, Republic of Korea. The inaugural meeting was attended by a large and representative gathering covering both the governmental and the cooperative sectors and was addressed also by Mr. Lee Dong Yong, President, NFFC, and Mr. R. B. Rajaguru, Regional Director, ICA ROEC.

Recommendations

Given below are some of the major recommendations of the Seminar :

Recognising the importance of the development of fisheries as an integral part of the national economy, the seminar suggested that in each member country a national survey of fisheries should be made to assess fisheries resources, potential for its exploitation, classification of marine fishing, zoning of coastal fishing areas and to identify inland fish development prospects.

The seminar felt that mechanisation of fishing boats, increasing use of adequately equipped trawlers and inshore and offshore facilities for proper preservation of catches would be necessary to increase the level of fish production.

Incentives to fishermen should be provided for deep sea fishing in the form of adequate remuneration, personal insurance and family care programmes. The possibility of catch insurance may also be explored.

To provide maximum income for the fishermen out of their catch, the seminar suggested that introduction of open auction which has been found advantageous to fishermen, as it has eliminated a variety of malpractices. Fisheries cooperatives may open retail points in selected centres to act as price pace-setters as also for market intervention agency to safeguard the interests of producers as well as consumers.

Noting the risks involved in marine fishing, the seminar emphasized the introduction of a fishermen's insurance scheme in the form of group insurance scheme as a social security measure. As it has made a salutary impact on the fisheries cooperative movements of

the countries which have adopted the scheme, the seminar felt that this should be entrusted to the national federation of fisheries cooperatives for implementation with full government support.

Emphasizing the need for education among fishermen, the seminar called upon the movements to educate the fishermen as individuals, as cooperators and as cooperative leaders. Special programmes for training of fishery cooperative leaders should be introduced to inculcate the feeling of cooperative solidarity among them, as well as to equip them on matters of family budgeting, nutrition, health, better living activities etc. Training of employees of fishery cooperatives and government officials connected with fishery cooperatives should also be given greater emphasis.

A fisheries cooperative training institute may be set up either by the fisheries cooperative structure or by the general cooperative training network of the country.

Literature, films on fishery cooperatives should also be produced.

The seminar suggested that the Research Department of the NFFC may bring out a comprehensive book on organisation, operation and management of fisheries cooperatives in Korea, in English, for the benefit of other movements in the region.

The seminar recommended that a team of expert consultants on fisheries cooperative education and training may be constituted to suggest measures for evolving and strengthening the arrangements with reference to each country in the region and to draft a model education and training guide. The team may be appointed by the ICA ROEC with support from fisheries cooperative movements of Japan and Korea.

International Course for Principals and Senior Teachers held in Sweden

An international course for Principals and Senior Teachers of Cooperative Training Institutions in South-East Asia was held jointly by the Swedish Cooperative Centre (SCC), the ICA Regional Office & Education Centre for SE Asia (ICAROEC) and the ILO MAT-COM Project from April 19 to May 22, 1981. The course was held in two parts, the first in Colombo, Sri Lanka, from April 19-26, and the second part in Sweden from April 27 to May 22, 1981. Eighteen principals and senior teachers from cooperative training institutions from Afghanistan, Fiji, India, Indonesia, Korea, Malaysia, Philippines, Sri Lanka and Thailand participated in the course.

The Sri Lanka part of the course was formally inaugurated by Mr. S.B. Herat, Minister of Food and Cooperatives, Government of Sri Lanka. The inaugural session was also addressed by Mr. C.G. Akesson, Charge-de-Affairs, *ai*, of Sweden in Sri Lanka; Mr. R.B. Rajaguru, ICA Regional Director for South-East Asia; Mr. C.M.B. Bogallagama, President, National Cooperative Council of Sri Lanka (NCCSL) and Mr. J.M. Rana, Director (Education), ICA ROEC.

Mr. J.M. Rana and Dr. Dharm Vir, Joint Director (Education), ICA ROEC, served as resource persons. The resource persons from Matcom were Dr. Lennert Skaaret and Mr. Ruald Gustafsson. The course was jointly directed by Mr. J.M. Rana and Mr. Malte Jonsson, Director

(Education), Swedish Cooperative Centre, Stockholm.

The participants studied the working of the Teachers Training Project being conducted by the NCCSL with the collaboration and assistance of the ICA ROEC and the SCC, and the training system and methods of the consumers and agricultural cooperative movements of Sweden. The participants also studied some participative teaching techniques such as group discussions, case study and role play and teaching with visual aids. A part of the course was also devoted to techniques of curriculum formulation in the context of identification of training needs and defining training objectives in behavioural terms.

At the end of the course the participants adopted a set of recommendations directed at improving the effectiveness of training in their respective countries. They also indicated action commitments on their parts. Both these action commitments and recommendations will be useful aids to the ICA ROEC in its follow up activities.

Recommendations

The recommendations adopted by the course are given below :

1. The Seminar was given briefings on the Teachers Training Project in Sri Lanka and noted the following activities of the Project :

- (a) Programmes in Training Methodology;
- (b) Production of training materials;
- (c) Production and use of audio-visual materials;
- (d) Subject-matter courses;
- (e) Fellowship Programmes;
- (f) Revision of cooperative education system;
- (g) Publication and documentation programmes;
- (h) Field and on-the-job training

Since all these activities are very important in the overall scheme of further enhancing more and efficient cooperative training and education programme in the Region, the Seminar recommends that similar projects be started in a few other countries also. The Seminar noted that the same recommendation was made by the Second Seaspect Meeting.

2. The seminar studied the Cooperative movement and the cooperative training system in Sweden and made the following observations :

- (a) On the Cooperative Movement :
 - (1) The cooperative movement is independent and autonomous ;
 - (2) There is vertical and horizontal integration in both the agricultural cooperative

sector and in the consumer cooperative sector ;

- (3) There is a close inter relation between the trade unions and the cooperative movement ;
- (4) The cooperatives have grown too big that the democratic participation of members has decreased notably as a result of placing more emphasis on the business aspects of the cooperative enterprise ;
- (5) The cooperative movement has been effective as price setter and price stabilizer in the market ;
- (6) Cooperative societies, especially in agriculture, are generally single commodity cooperatives ;
- (7) There is little collaboration between agricultural cooperatives and consumer cooperatives within Sweden : for example, they are at

the opposite ends of the bargaining table. Also, KF, the national consumer cooperative apex body, is mainly left of centre politically while LRF, where the agricultural cooperatives are affiliated, is centre or right of centre. While noting that the various sectors of the cooperative movement such as consumer and agriculture collaborate through the Swedish Co-operative Centre in regard to international work, there is no umbrella organisation in Sweden like the National Cooperative Council of Sri Lanka or the National Cooperative Union of India.

(b) On the Training System :

- (1) Training, since it is considered as an important factor for efficient management, is treated as a commitment within the movement ;

(2) The cooperative training system is sectoral; there is one for the agricultural cooperatives and another for the consumer cooperatives ;

(3) There is autonomy in cooperative training institutions in such important matters as.

- course design
- personnel recruitment
- financing ;

(4) The objective of training is more for self-development, knowledge and skills to do a better job and not for seeking promotion or securing a position in the committees;

(5) Short-term institutional training is upwardly progressive (step by step) and alternated with on-the-job placement;

(6) Participative methods of teaching are widely used;



Participants to the International Course with Mr. Malte Jonsson (seated, 3rd from left) and Mr. J. M. Rana (seated, 5th from left)

(7) Training facilities are excellent.

The Seminar recognises that these observations are not exhaustive because some were left out after the production of the individual and group reports. It is felt, however, that the above mentioned observations are important enough to merit reporting so that their relevance can be considered as in the particular contexts of the conditions obtaining in the countries of the Region.

3. The Seminar recommends that a three-week follow-up course be held a year after to deal with the following main areas :

- (a) Techniques of evaluating training programmes including trainees,
- (b) Research Methodology,
- (c) Action commitment,
- (d) Field visits :
 - (1) Cooperative Organisations,
 - (2) Management Development Programmes,
- (e) Education Management.

It was agreed that the three-week period would not be sufficient to properly deal with the number of areas suggested above. Hence it was recommended that the ICA ROEC would decide the priorities in the context of needs in the Region.

The fourth SEASPECT Meeting is proposed to be held in one of the days within the three-week period. It is recommended that in future SEASPECT meetings provisions should be made for the presentation of research proposals and/or results of completed research undertakings

by the representatives of member institutions.

4. The Seminar reiterates the recommendations of the previous SEASPECT Meeting relative to intensifying the links of ICA with the different cooperative colleges/institutions and the links of the colleges/institutes with each other. The ICA and the colleges/institutes within the region are requested to make proposals how this can be effected.

5. The Seminar recognises the importance of regular contacts among cooperative training institutes/faculty members within the Region and due consideration was given to establishing a Regional Association (Society) of Cooperative Educators. The Seminar, however, sees the importance of effecting these contacts first among training institutes/faculty members within each country and therefore recommends giving consideration to establishing National Associations of Colleges/Faculty Members.

6. The Seminar noted the vigorous activities of the ICA Regional Offices and the CEMAS Units, ILO/MATCOM Project, ILO Manpower Development Programme, Intermediate Technology and other agencies in the area of materials production for cooperative management training and education. In view of this it is recommended that a Materials Production and Acquisition and Adoption Unit be established in each college/institute to be headed by a properly trained individual.

7. The Seminar, recognising the importance of adopting relevant curriculum for effective training, recommends that each college/institute constitute a Curriculum Deve-

lopment Committee to be in charge of seeing to it that Curricula are developed in the college with the assistance of qualified individuals from the user organisations and outside agencies.

8. The Seminar noted that a good enough attention has been given and is being given to develop college/institute staff in the area of teaching methodology and techniques. It is, however, recommended that attention should also be given to a more systematic approach to developing subject matter competence through the following :

- (1) Advance Degree Programmes (e. g , M.A., M.S., Ph. D.)
- (2) Non-degree programmes
- (3) Job-attachment or practical exposure in the field.

9. The Seminar recommends that due consideration be given to encouraging qualified staff members to do research. From the point of view of training institutions, research is used to make cooperative education and training more functional, practical and oriented to the particular problems and conditions of the movement. It is also used to develop literature, textbooks, and other training materials suitable to the local conditions and related to students, their typical experiences and the everyday problems they face; to expose the teaching staff to the realities of the situation in the cooperative movement; to develop methods of teaching, suitable teaching aids; and more meaningful courses of a reasonable duration; to develop a sufficient number of case studies for use in training; and to follow up the performance of the trainees in the field after their training in college/institute.

Commodity Conference

on

Cattle Feed Rawmaterials

A Commodity Conference on Cattle Feed Rawmaterials was held in Bangkok, Thailand, from 27th—30th April 1981 by the ICA ROEC in collaboration with the Agricultural Cooperative Federation of Thailand (ACFT).

This conference was a follow-up and continuation of the regional seminar on Export Trade held in Delhi in November, 1980 and several Coop. trade activities. Cattle Feed Raw material has been identified as having a good potential for export from this region and cooperatives in Japan and Europe are buyers of the products.

The conference was directed by Mr. Per Eric Lannhagen, Specialist in Agricultural Cooperative Marketing, ICA ROEC, together with Mr. M. K. Puri, Joint Director (Trade and Technical Assistance), and Specialist in Consumer Cooperation, ICA ROEC.

There were nine participants from five producing countries; India, Thailand, Malaysia, the Philippines and Indonesia. Resource persons came from buying cooperatives in Japan, Sweden and France.

The conference was jointly sponsored with Agricultural Coope-

ative Federation of Thailand (ACFT) and the opening ceremony was addressed by the Deputy Minister of Agriculture and Cooperatives.

There were two main objectives with the conference, (a) to provide training and trade information on specific subjects related to commodity trading, and (b) to pave the way for trade and eventually conduct business. The objectives were

fully achieved and some business deals were transacted. Agreements for further discussions for possible trade were also settled. Joint projects for trade development were also discussed.

The conference impressed upon the ICA to pay an increasing emphasis on trade and that serious efforts be made to increase the training opportunities in trade matters.



The Conference in Session.

A Sub-Regional Workshop on Cooperative Press and Publicity was held in Bangkok, Thailand, by the International Cooperative Alliance Regional Office and Education Centre for South-East Asia in collaboration with the Cooperative League of Thailand from 27th April to 6th May 1981. Fifteen participants from Indonesia, Republic of Korea, Malaysia, Singapore and Thailand attended the workshop. The workshop was inaugurated by Mr. Teerawit Koonsap, Director, Cooperative League of Thailand. Mr. Taweewat Charoensook, Dy. Director, CLT, welcomed the participants and resource persons attending the workshop. Mr. Lionel Gunawardana, Joint Director (P&PR), ICA ROEC, addressed the inaugural session and thanked the CLT for hosting the workshop and

Sub-Regional Workshop on Cooperative Press and Publicity

for the hospitality extended to the participants.

The workshop was directed by Mr. Lionel Gunawardana, assisted by Mr. A.H. Ganesan, Publications Officer, ICA ROEC. Mr. B. D Sharma, Director, National Co-operative Union of India, participated in the workshop as a resource person. Mr. Boonlert Supachiloke,

Dean, Faculty of Journalism & Mass Communication, Thammasat University and Mr. Prachuab In-odd, Manager (PR), Bangkok Bank, acted as resource persons from Thailand.

Objectives: The objective of the workshop were:

- (i) To review the cooperative



*Mr. Teerawit Koonsap, Director, Cooperative League of Thailand, inaugurated the Workshop.
Mr. Lionel Gunawardana, Joint Director, ICA ROEC (left) seen addressing the inaugural session.*

press and publicity activities carried out by the movements in the participating countries.

- (ii) To impart skills to the personnel working in the field of cooperative press and publicity and in the field of journalism in order to improve the quality of cooperative journals, books and publicity materials.

Study Visits

To give an insight to the participants about the Cooperative Movement of Thailand study visits to Minburi Agricultural Cooperative Society and Cholburi Fishery Cooperative Society were arranged. The participants were divided into four groups. While two groups interviewed the Chairman/Manager/some members of the two societies, two groups wrote short write-ups/features on a specific activity undertaken by each of the society for publication in a cooperative journal

Recommendations

Some of the important recommendations of the workshop include :

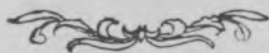
1. The workshop made a brief re-

view of the present position and analysed the problems faced in the field of cooperative press publicity.

2. Realising the low priority given to cooperative press and publicity, the workshop called upon the movements to publicise their achievements by increasing use of media like the press, TV and radio. Joint reading sessions of cooperative literature, as practised in Japan and the Rep. of Korea would enable even illiterate coop members to gain knowledge in the activities of the cooperatives and actively participate in them.
3. To improve the quality and contents of the cooperative journals the workshop recommended that in countries or regions where there is only one language for communication, efforts should be made to bring out a central publication serving the whole movement. Such publication would be more suitable for ideological and news-cum communication journals.
4. Emphasising the need to have financial independence for cooperative journals, the workshop felt that advertisements, special page catering to the different

sectors of the movement on cost basis-should be included in the cooperative journals.

5. To solve the problem of paucity of news, the workshop suggested that the national organisations should impress upon its membership the need to appoint liaison officers for supplying news on a regular basis.
6. Establishment of a Central Cooperative News Pool to act as a clearing house for transmitting information to various journals working under the National Cooperative Unions or an independent cooperative news agency was recommended by the workshop.
7. The workshop emphasized the need to have a well-defined editorial policy and the importance of the editor having the freedom to operate within the framework of that policy without any undue interference from others. It also emphasized the usefulness of proper layout and colour schemes supported by charts and photos and use of modern production techniques such as standardisation of sizes, typography, etc. to improve the get up of the cooperative journals.



Sub-Regional Workshop for Cooperative Librarians and Documentation Officers

A Sub-Regional Workshop for Cooperative Librarians and Documentation Officers was held by the ICA ROEC in collaboration with the Agricultural Credit & Cooperatives Institute (ACCI), Philippines, from 14th to 29th April 1981 in Los Banos, Laguna, Philippines. Twentythree participants from Afghanistan, Indonesia, Republic of Korea, Malaysia, the Philippines, Singapore and Thailand attended the workshop.

The workshop was inaugurated by Dr. P. R. Sandoval, Dean, University of the Philippines Laguna Philippines, on 14th April 1981, and the valedictory address was given by Atty. Clemente E. Terso, Jr.

Director, Bureau of Cooperatives Development, Philippines on 29th April 1981. Mr. Lionel Gunawardana, Joint Director (ICA ROEC) also addressed the inaugural session. He attended a few sessions of the workshop in the beginning.

The workshop was directed by Mr. B. D. Pandey, Librarian and Documentation Officer, ICA ROEC.

Mr. Bernard Howcroft, Manager Wholesale Cooperative Society Ltd., Manchester, UK, who is also the Chairman of International Working Party of Cooperative Librarians and Documentation Officers, participated as resource person and acted as the chairman of the workshop for its

full duration. The services of few more resource persons were drawn from the cooperative movements of India, Sri Lanka and the Philippines.

Objectives

The objectives of the workshop were to review the present state of cooperative libraries in the participating countries, and to impart skills to cooperative librarians and documentation officers.

Study Visits

To provide the workshop participants with an opportunity to know the working of cooperative libraries



Participants of the Sub-Regional Workshop



Dr. P. R. Sandoval, Dean, University of the Philippines, (3rd from left) inaugurated the Workshop. (l to r) Mrs. Estrella V. Manuel, Director, Dept. of Library and Related Services, Polytechnic University of the Philippines, Mr. Bernard Howcroft, Chairman, ICA Working Party of Cooperative Librarians & Documentation Officers, Dr. P. R. Sandoval, Mr. Lionel Gunawardana, Joint Director (P & PR), ICA ROEC, Mr. B. P. Faustino, ICA Counciller for Philippines, Mr. B. D. Pandey, Workshop Director and Dr. Rodolfo M. Marienzo, Director, ACCI.

National Information System for Cooperatives

Participants prepared a blue print for a "National Cooperative Information System" for their respective countries. Under the information system it was envisaged that each country should start a network of cooperative libraries. There should be a national cooperative library responsible for the development of national cooperative information system in the country. This system, the workshop felt, should function under a national advisory committee and that committee should prepare a plan for national cooperative information network. The committee should also be responsible for finance, building, selection and procurement of literature, training of library personnel etc.

Recommendations

The workshop emphasised the need to conduct national level condensed courses for prospective cooperative librarians and orientation courses for trained librarians. It recommended the formation of National Working Party for Coop. Librarians in each of the participating countries which could be affiliated to a Regional Working Party for Cooperative Librarians and Documentation Officers of South-East Asia. The workshop felt teaching packages on library and information science should be prepared for the training of Librarians and Documentation Officers. The development of regional/national clearing house for cooperative information system, exchange of accession list and other cooperative literature among the cooperative librarians of South-East Asia, and collaboration and cooperation with the activities of the International Working Party of Cooperative Librarians and Documentation Officers were also recommended by the workshop. It requested the ICA ROEC to consider offering a fellowship programme for cooperative librarians of South-East Asia.

in the Philippines, a two day study visit programme was arranged in and around Manila.

Workshop Methodology

Based on the information collected by Mr. Pandey during his study visit during September, 1980 to the participating countries, a need-based syllabus was prepared. The workshop discussed subjects connected with library and documentation services e.g library, documentation and information services and their role in cooperative education and training; cooperative library and its management; library routine, accessing, library records, lending operation, binding, etc., sources of cooperative information; classification—theory, concept and practical, role of libraries in community; periodicals, publication and press cutting services; cataloguing—theory & practical, documentation and information services; resource sharing in cooperative library network and

bibliography — methodology and preparation of documentation list.

The workshop discussed the present situation of cooperative library documentation, information service and system in the participating countries. The participants identified the various problems faced by the cooperative library movement of their countries and felt that library and information activities are given low priority within the cooperative movements. As a result of this apathy there is no cooperative library system in many participating countries resulting in users not getting cooperators and other interested persons adequate information on the cooperative movement of their countries.

Practical Work

The workshop also provided guidance in practical work such as : classification, cataloguing, documentation and bibliographical work.

The International Cooperative Alliance Regional Office and Education Centre for South-East Asia (ICA ROEC) in collaboration with Swedish Cooperative Centre, Stockholm, Sweden, organised a Follow-up Seminar on Consumer Cooperation in Kuala Lumpur and Singapore from 7-24 May 1981. The first part of the seminar was conducted in Kuala Lumpur from 7-15 May, 1981 and the second part in Singapore from 16-26 May, 1981. ANGKASA, Cooperative Union of Malaysia (CUM), Singapore National Cooperative Union (SNCU) and Singapore National Cooperative Federation (SNCF) extended their cooperation and assistance in practical arrangements for the seminar.

The Swedish Cooperative Centre in collaboration with ICA Regional Office in New Delhi held the 21st International Seminar on "Development of Consumer Cooperation" in

Follow-up Seminar on Consumer Cooperation

South-East Asia, from 4 September to 26 October, 1979 in Sweden. The International Seminar was preceded by two week national seminars in five ASEAN countries viz. the Philippines, Thailand, Malaysia, Singapore and Indonesia. From these national seminars, 19 participants were selected to participate in the 21st International Seminar in Sweden.

This seminar was a Follow-up at the regional level of the 21st International Seminar. Fifteen out of the nineteen participants at the Follow-up Seminar were the same

persons who had earlier attended the 21st International Seminar in Sweden. Out of the remaining four, one had attended the earlier SCC International Seminar in Sweden in 1972.

The follow-up Seminar was formally inaugurated on 7 May, 1981 at Hotel Jayapuri, Petaling Jaya, by the Minister for Agriculture, Government of Malaysia, Y. B. Dato Abdul Manan b. Othman and was addressed by Royal Professor Ungku Aziz, President of ANGKASA and Mr. M. K. Puri, Joint Director, ICA ROEC and



The Minister of Agriculture and Cooperatives, Y. B. Dato Abdul Manan bin Othman seen inaugurating the seminar. Seen in picture are Mr. Hans Ekvall, Prof Ungku Aziz and Mr. M. K. Puri (3,4 6th from left)

specialist in Consumers Cooperation.

Mr. Hans Ekvall, Management Consultant in SCC, who was the Course Director at the 21st International Seminar in Sweden in 1979 also addressed the inaugural function.

Objectives

The objectives of the Follow-up Seminar were as follows :

- (i) To discuss the application made by the participants of the knowledge and skills acquired by them in Sweden and to identify problems of such application.
- (ii) To discuss the strategies for the development of effective consumer cooperative movements in the participating countries.
- (iii) Keeping in view the specific problems and priorities of the developing countries, to discuss the options for action in the field of consumer protection.
- (iv) To evaluate the SCC seminars held in Sweden in terms of their relevance, usefulness etc. and to suggest how effectiveness of future SCC seminars can be enhanced.

Resource persons came from the Swedish Cooperative Centre, Malaysian Cooperative Supermarket Society, Phranakorn Cooperative Store Ltd, Bangkok, NTUC Welcome Consumer Cooperatives, SILO Multi-purpose Cooperative and Consumers Association of Singapore (CASE). Observers came from ANGKASA, Cooperative Union of Malaysia, Cooperative College of Malaysia, Singapore National Cooperative Union, Singapore National Cooperative Federation and the Cooperative Development Department of Malaysia.

The seminar consisted of technical sessions on sales planning and sales promotion, planning a new cooperative shop, assortment policy and inventory management, role of consumer cooperatives in consumer protection, personnel management and staff training. The participants also discussed the draft Consumer Programme worked out by a Working Group appointed by the ICA Auxiliary Committee on Consumer Cooperation and keeping in view the specific problems and priorities of the developing countries suggested options for action in their respective countries. They also discussed strategies for development and promotion of effective and viable consumer cooperative movements in their respective countries.

The participants worked out National Action Programmes for next 2-3 years for the development of consumer cooperative movements in their respective countries and the contribution that each one of them would make in pushing forward this programme.

Recommendations

The seminar was of the view that cooperative institutions at all levels should realise the urgent need for providing consumer information and consumer education to their members and they should, within the limitation of their financial and manpower resources, work out definite action programmes in this respect. These programmes should be carried out both in rural and urban cooperatives.

The seminar recommended that consumer cooperative movement in each country should actively support general consumer movement and should enhance their collaboration with consumer councils and housewives associations.

The seminar recommended that agricultural cooperative multi-purpose societies should play more

active role in supplying essential consumer goods and services to consumers in rural areas.

It was recommended that a time-bound action programme should be worked out in each country for organising a net-work of strong and large consumer cooperative societies covering all big cities and towns in urban areas. It also emphasised the vital need for having a strong wholesale society for consumer cooperatives which would besides enhancing competitive capacity of the retail societies also help in providing them managerial consultancy and other technical services.

The seminar recommended that ICA ROEC should persuade SCC to provide technical and financial assistance for establishing at least one Regional Warehouse in one of the participating countries. It was felt that besides strengthening the consumer cooperative movement of the country it would also provide a very useful and much needed readily available training facility for employees of consumer cooperative movements in this Region.

The Seminar felt that in addition to the international seminars arranged by the SCC in Sweden, the ICA ROEC should devote more attention in arranging national and sub-regional seminars on consumer cooperation in the participating countries of the region, with the help of resource persons from Sweden and other developed countries. The participants felt that national seminars could be more relevant to the requirement of each country and would also provide opportunities for training to a much larger number of people in each country. They also help in focussing attention of Governments and cooperative leaders to problems of consumer cooperatives in these countries.

(Continued on page 25)

ICA ACTIVITIES

FELLOWSHIP PROGRAMME FOR COOPERATIVE TEACHERS (PART-II)

Part-II of the Fellowship Programme for Cooperative Teachers held by the ICA ROEC in collaboration with the ICA/SCC/NCC Project for Training of Cooperative Teachers (TTP Project), Colombo, Sri Lanka, concluded at Colombo on 30th April 1981. Part-I of the Programme was held from 2nd February to 15th March 1981 in India and the Part-II in Sri Lanka from 16th March to 30th April 1981. Six cooperative teachers from different countries of the Region viz. Bangladesh, India, Indonesia, Republic of Korea, the Philippines and Sri Lanka, participated in the Programme.

During Part-II of the programme the fellowship participants were attached to the TTP Project, Sri Lanka. They studied the objectives and activities of the Project and had been able to produce the Project Proposals for their own countries for the purpose of enhancing training effectiveness of the cooperative training institutions.

The fellowship participants attended a workshop on case study method which was organised during the programme at School of Cooperation, Polgolla, Sri Lanka. Participants were divided into two groups and taken to two primary societies on which they prepared case studies. The case studies were presented by the participants in the class-room situation. A study visit programme for about 10 days to cooperative training institutions was also arranged by the TTP Project, in Kandy, Jaffna, and Anuradhapura.

During the last week of the programme, the fellowship participants were associated with the Regional Course for Principals and Senior Teachers of National Cooperative Training Institutions in South-East Asia, organised by the ICA ROEC from 20th to 24th April 1981 in Sri Lanka. They also attended as observers the meeting of the South-East Asian Specialists Group on Cooperative Training (SEASPECT), held in Kandy, Sri Lanka on April 24, 1981.

PER ERIC LANNHAGEN RETURNS TO SWEDEN

Mr Per Eric Lannhagen, has completed his three-year assignment with the ICA ROEC as its Specialist in Agricultural Cooperative Marketing, and has returned to Sweden in July 81 to join the Swedish Agricultural Purchasing and Marketing Organisation (SLR).



Mr. Per Eric Lannhagen

Before joining the ICA, Mr Lannhagen has worked as Product Manager of the Feed Department of the SLR.

DAMAN PRAKASH RESUMES DUTY AT THE ICA ROEC

Mr Daman Prakash, Education Officer (Audio-Visual Aids), ICA ROEC, has resumed duties in the ROEC in July 1981, after completing his assignment with the Teachers Training Project in Sri



Mr. Daman Prakash

Lanka. On his request he has once again been given one year no-pay leave to work as ILO Expert in Training Aids, Organisation of Production Unit and Production of Material at Jakarta, Indonesia.

PETER MASSEY RETIRES

Mr. Petter Massey, has retired from the services of the ICA ROEC, on 30th June 81, after 19 years of service as Cook with the ICA Regional Office and Education Centre for SE Asia.

ICA CENTRAL COMMITTEE TO MEET IN SEPTEMBER

The ICA Central Committee will hold its next meeting in Hotel Intercontinental, Helsinki, Finland, from 16th to 18th September 1981. The Prime Minister of Finland will formally open the meeting in the morning of 16th September.

The Central Committee will discuss the follow up action on the

two important Resolutions adopted at the 27th ICA Congress held in Moscow, in October 1980, relating to ICA and Technical Assistance and Cooperatives in the Year 2000. The discussions on ICA and Technical Assistance is designed to formulate a policy on Technical Assistance for the 1980s. The theme of Cooperatives in the year 2000 is designed to stimulate discussion on future action in relation to the trends and problems highlighted by the papers on this subject presented to the Moscow Congress.

The Central Committee meeting will be preceded by the different auxiliary committee meetings and the ICA Executive Committee meeting from the 12th through the 15th September 1981.

**ICA's FORTHCOMING EVENTS
ICA/SCC Followup Seminar on
Agricultural Cooperation**

A follow up Seminar on Agricultural Cooperation will be held by the ICA ROEC and the Swedish Cooperative Centre in Sri Lanka from 27th July to 11th August 1981. Selected participants from Indonesia, the Philippines, Malaysia and Thailand, who had attended the International Seminars in Sweden and ICA Regional Seminars on Agricultural Cooperation will participate in the seminar. A week's study visits to agricultural cooperatives in India has also been arranged as a part of the seminar.

**Consumer Cooperation Seminar
in Japan**

A Regional Seminar on Consumers Cooperation in Japan will be held in September 1981, in collaboration with Japanese Consumers' Cooperative Union (JCCU) and the Central Union of Agricultural Cooperatives (CUAC) in Japan. The seminar shall be conducted at the Institute for the Development of Agricultural Cooperation in Asia (IDACA) and shall be preceded by a week's study visits in the Republic of Korea.

POSTAGE STAMPS ON COOPERATION

A reader of our Bulletin, Mr. T. C. Berry of Manchester, has sent us information he has collected regarding postage stamps issued by the different countries to commemorate cooperative events in their countries. We are thankful to Mr Berry and are happy to share this information with our readers.

Indonesia	12th July 1957	Set of four stamps to mark Cooperation Day. Illustration Cooperative Prosperity.
	12th July 1979	32nd anniversary of Cooperative Day.
China	1957	Set of four stamps to mark Cooperative Agricultural Movement.
Vietnam, South	1960	Set of four stamps to mark Cooperative Rice Farming.
Pakistan	4.11.61	Set of two stamps to mark Cooperative Day.
	4.11.67	Stamp depicting Rainbow Flag to mark Cooperative Day.
Korea, North	1958	Furniture Cooperatives.
Sri Lanka	5.7.63	Golden Jubilee of Coop. Movement.
	1971	25th Anniversary of CARE.
	1.10.80	Golden Jubilee of Coop. Movement.
Iran	1974	Cooperative Day.
	1975	Cooperative Day.
	1976	Cooperative Day.
Cook Island	31.5.65	Solar Eclipse Stamp issued in Post Office at the Manual Development Cooperative Society.
New Zealand	1968	The last old style coin circle stamping used in New Zealand at the Edievale Post Office at the Farmers Cooperative Society Store. Post office closed in 1970.
Australia	21.5.79	Souvenir cover for the Credit Union World Conference, Sydney.

**FOLLOW-UP SEMINAR ON
CONSUMER COOPERATION**

(Continued from page 23)

The seminar felt that it would be equally useful for elected leaders, policy makers and trainers to make on-the-spot study of the outstanding achievements of the

Swedish Consumer Cooperative Movement and the process of its natural and systematic growth, under a very dynamic and far-sighted and high calibre leadership. It was, however, recommended, that separate seminars of shorter duration with different and more relevant objectives should be arranged for these persons.



NATIONAL LAND FINANCE COOPERATIVE SOCIETY*

In the late 1950's, when the independence movement in the country was gaining momentum, large foreign companies were selling off their rubber estates. Some of these were bought over by speculators who in turn fragmented them into small holdings and sold them in small lots. This enabled those involved in the exercise to reap large profits.

But in doing so, thousands of estate workers, the majority of them Indians, were out of work in the process which resulted in serious deterioration of living standards.

The late Tun (Dr.) V. T. Sambanthan SSM., LLD., the then President of the Malaysian Indian Congress and Minister of Works, Post and Telecommunications mooted the idea of setting up a cooperative society with the expressed purpose of preventing fragmentation of estates which threatened the livelihood of estate workers in this country. This was achieved by pooling the resources of the people and thus buying up these estates.

The National Land Finance Cooperative Society (NLFCS) was formed at a meeting held on 14th

May, 1960 at the Cooperative College, Petaling Jaya, Selangor, with 15 members elected to serve on the Board of Directors. The Convenor, the late Tun V. T. Sambanthan was elected President of the Society.

The late Tun V. T. Sambanthan had the challenging task of persuading the people to pool their resources, so that they could engage collectively in the plantation industry, for which they have been working for all their lives, that was beyond their individual means.



Tapping of rubber by an employee of the society.

The late Tun V. T. Sambanthan in his efforts to combat fragmentation, toured the country meeting estate workers, most often four to five estates in a day. He persuaded them to become members of the Society by paying \$10 every month towards \$100 shares. The workers responded to his call in large numbers.

In 1961 the Society made its first purchase—Bukit Sidim Estate, made up of 2,919 acres at a cost of \$3.3 million. The share capital of the Society was \$1.7 million and the rest was obtained from external borrowings.

With such a modest start in 1960, NLFCS has over the years, emerged as the singularly successful venture. As a cooperative institution it has grown into one of the largest in Malaysia and as an industrial enterprise it ranks among the leaders in the plantation industry.

The Society achieved tremendous growth and today owns 18 estates with a total acreage of 33,753 acreage of rubber, oil palm, cocoa, coconuts and tea in various parts of the country valued at \$130.9 million. The total membership stands at about 60,000 with a share capital of \$23 million.

*Prepared by Mr. K.K.V. Nathan, Public Relation Officer, National Land Finance Cooperative Society, Kuala Lumpur.



Splitting cocoa pods in one of the society's oil palm estates.

More than 3,000 workers are employed in the 18 estates and the resident population exceeds 15,000. The Society has set up two Standard Malaysian Rubber factories at Sungei Choh Estate and Seremban Estate, a coconut shell powder factory and a coir fibre factory at Kuala Perak Estate. The profits made from the economic functioning of these estates were ploughed back to the members in form of dividends and other services.

The plantation sector which is the backbone of the Malaysian economy contributing about 27% of the Gross National Product is controlled privately by large companies. In such circumstances, it is necessary, that the population should exercise some form of control and influence and have some way so that they are not exploited. This is where the Cooperative movement comes in, and there is no other way in making people realise that they can do, what they have all the while thought impossible. The Cooperative being a socio-economic entity and its role as an economic organisation should be to see that the factors of production are generally in the hands of the members. This was precisely what NLFCS has set out to do.

In line with our policy of diversification into the downstream activities of the plantation sector, we have invested \$2.5 million in Nalin Industries Sdn Bhd.—a joint venture palm-oil processing plant with a leading Indian company at Pasir Gudang Johore. The Society has also entered into a joint venture with Shamelin Cooperative Society and Pacific Gamble Robinson of USA to produce refined palm oil.

It has been our experience that for any cooperative society to

succeed it has to pay more than equal emphasis on being managed strictly as an economic enterprise. Unless and until we succeed in our economic operation (in other words making adequate profits) we would not be able to provide any form of service in terms of socio-economic development to the members.

From the profits, the Society has been able to provide following services to its members.

In order to promote house ownership among the members, a number of land schemes were started in various parts of the country. The Society made history in the plantation industry by starting house ownership schemes in its own estate—Bukit Sidim Estate in 1979, which proved to be a success.

The Society since inception has been paying dividends ranging from 5–10% to its members. Since 1974 till todate, the maximum dividend allowed under the Cooperative Societies Ordinance—10% has been declared.

(Continued on page 31)



Blue valley tea produced in the society's estates in Cameron Highlands.

REGIONAL NEWS ROUNDUP

Bangladesh

BODY FOR RE-ORGANISING COOPERATIVE MOVEMENT

An eight member Cooperative Movement Action Committee has been formed with the Minister of Local Government, Rural Development & Cooperatives, Mr. Abdul Halim Chowdhury, as its Chairman. Mr. Ali Hossain, M.P., Chairman, Bangladesh Jatiya Samabaya Union, is a member of the Committee.

The Committee will undertake the task of re-organising Cooperative Movement of the country with a view to bring about uniform cooperative system to enable it to play its role as one of the three sectors of development as incorporated in the Constitution.

The decision was taken in a joint meeting of the Bangladesh Jatiya Palli Unnayan Samabaya Federation and Bangladesh Jatiya Samabaya Union, held on 23 March.

The Committee considered steps for necessary amendments and modifications of the bye-laws of the Bangladesh Jatiya Samabaya Union and Bangladesh Jatiya Palli Unnayan Samabaya Federation and to bring about uniformity in the bye-laws of all other Cooperative Societies. It also suggested necessary amendments and modifications to the Cooperative Societies Act and Cooperative Societies Rules.

India

TAPESHWAR SINGH ELECTED PRESIDENT OF NCUI

Mr. Tapeswar Singh, M.P., was elected President of the National Cooperative Union of India at its general body meeting held on 31st March, 1981. Mr. Tapeswar Singh is also the President of the National Cooperative Consumers' Federation and has been actively involved in the movement for a long time. Mr. Singh succeeds Mr. B.S. Vishwanathan as President of the NCUI.

The general body also elected five vice-presidents representing the five zones in the country.

The first meeting of the reconstituted governing council of the NCUI was held on 22nd May 1981. The meeting was inaugurated formally by Rao Birendra Singh, Minister for Agriculture and Cooperation, Government of India. The meeting was addressed by Mr. Tapeswar Singh, President, NCUI Mr. B. S. Vishwanathan, former President, NCUI and Mr. R.G. Tiwari, Chairman of the National Agricultural Cooperative Marketing Federation of India.

FIRST COOP. SPINNING & WEAVING MILL GOES ON STREAM

India's first spinning-cum-weaving textile mill owned by a farmers' cooperative body went into production in Ahmedabad, on May 7, 1981. thus bringing about a complete vertical integration in production from the stage of cotton to the final product of textiles.

Addressing an audience of veterans in the cooperative field on the occasion of Sahayog Textile Mills commencement of functioning under the new management, the Gujarat State Cooperative Cotton Marketing Federation, Mr. Shivabhai Patel, Chairman of GSCCMF, said that the new management would try to give maximum economic benefits to the true owners of the mill.

Sahayog Textile Mills, formerly known as unit No. 1 of Sarangpur Mills has 40,000 spindles and 558 looms. The GSCCMF has recently purchased the block of the unit from the original owners of Sarangpur Mills for a price of Rs. 25.1 million. Sahayog Mill which lacks processing facilities, produces about 25,000 metres of fine count (between 608 to 1208) grey cloth daily.

SHAH NOMINATED ASIAN REPRESENTATIVE OF WORKERS PRODUCTIVE COMMITTEE

Mr. M. Shah, President, National Federation of Industrial Cooperatives of India, has been nominated as the Asian representative of the ICA's International Committee of Workers' Productive Cooperatives. The decision taken by the Executive meeting of the Committee held in Paris on 27th April 1981, will help implement its policy of decentralisation of the Workers' Productive Committee which intends to have a representative and an office in each geographic Region served by the ICA.

Indonesia

PRIMARY COOPERATIVE DEVELOPMENT PROJECT IN INDONESIA

The United Nations Development Programme has recently approved a project named "Primary

Cooperative Development—KUD/PPK” (Tasikmalaya), Indonesia. The UNDP input is US \$ 1,201,720 and local government input in kind is RP. 187,790,000 in local currency. The duration of the project is three years and four and a half months. The main objective of the project is to develop the capability and responsibility of the rural people for self-help and genuine participation in rural development through organizations which are owned and managed by themselves.

TRAINING WORKSHOP ON COOPERATIVES

As a follow-up action of the decision made by the third Annual Meeting of the ACO Council in March 1980 in Manila, a Training Workshop on Cooperatives was held in Jakarta from 9th to 18th June 1981.

The main aim of the workshop was to exchange information and experiences among ACO members to improve the efficiency and effectiveness of cooperative societies in ASEAN countries so that they can serve their members better.

The opening ceremony was attended by the Junior Minister of Cooperative, Government officials and other invitees. The Chairman of the ACO Council, Mr. Eddiwan, also addressed the meeting.

Japan

FALL IN FARM HOUSEHOLDS IN JAPAN

The 1980 Agricultural Census Survey, the results of which were announced by the Government of Japan recently, has shown that the number of households in Japan has dropped by 5.9% or 2,92,000 families from the previous census year in 1975. The present farm households in Japan stood at 4,661,000. The 1980 fall was lower

than the 8.3% fall registered between 1970 and 1975. The number of farmers operating more than 20 hectares of land increased in Hokkaido. The number of farmers with more than 2.5 hectares of land increased in other areas.

The number of full time farm households increased by 1.1% to 623,000 during the last five years. The average agricultural income per household in 1980 was 13.5% or 12,669 less than a year ago, due to the crop damage caused by the cold summer in 1980. The survey also revealed that while the earnings has decreased the costs have increased by 11.7% compared with the previous year.

FALL IN RICE CONSUMPTION FORCES FURTHER CONVERSION OF PADDY FIELDS

The Foodstuff Supply-Demand Table for Fiscal year 1979, recently announced by the Government of Japan, shows a fall in the consumption of rice by the Japanese people. Rice consumption in Japan, the staple food of Japanese, totalled 79.8 kg. per capita a drop of 1.3% in 1979. This has resulted in the Government introducing the second phase paddy field conversion programme. The programme envisages conversion of 677,000 hectares of paddy-field to other crops for three years beginning from April, 1981. Each farmer will be paid Yen 70,000 per 10 acres for converting the paddy field to crops, for which the rate of self-sufficiency is low, such as wheat, soyabean and feedstuff and secular crops such as garden plants, chestnut, persimoon etc. and Yen 50,000 per 10 ares for other crops.

SHIRO FUTAGAMI —NEW CHIEF OF CUAC INTERNATIONAL DEPARTMENT

Mr. Shiro Futagami, who has been working with the Inter-

national Department of the Central Union of Agricultural Cooperatives in different capacities for the last several years, has been appointed as the Chief of the International



Mr. Shiro Futagami

Department of the CUAC from April 1981. As Chief of the International Department he will be responsible for relations with other national cooperative organisations in the world and also with international organisations. A widely travelled person, Mr. Futagami, has varied experience including a three-year assignment with the ICA ROEC as its Specialist in Agricultural Cooperation.

Korea

AGRICULTURAL COOPERATIVES REORGANISED

With the passing of new Livestock Cooperative Law which came into effect from January 1, 1981, the horticultural cooperatives of the Republic of Korea have been separated from the agricultural cooperatives. The horticultural cooperatives, numbering 42 in all, have ceased to be members of the National Agricultural Cooperative Federation of Korea and have

formed their own national level apex federation. The NACF will now exclusively serve its member agricultural cooperatives numbering 1485.

INTERNATIONAL COOPERATION DIVISION FORMED IN NACF

An international cooperation division within the Research Department has now been established by the National Agricultural Cooperative Federation of the Republic of Korea. This division will henceforth look after international relations and activities connected with international organisations.

AGRICULTURAL MARKETING INFORMATION SYSTEM IMPROVEMENT

The National Agricultural Cooperative Federation (NACF) of Korea will make special efforts to improve agricultural marketing information system, starting from this year to 1985. The number of teletypes will be increased from the current 115 to 220 by 1985. Using these facilities, most of the major producing areas and consuming areas will be linked by TTY communication, and daily price information will be available on 41 major agricultural commodities. Also for 14 essential commodities, information on area-wise production, expected marketing period, stock position and price movement will be available.

Nepal

SMALL FARMER DEVELOPMENT PROJECT IN NEPAL

FAO has approved the Project "Support to Small Farmer/Tenants Through Cooperatives" and allocated up to US \$ 15,000 from TCP resources to finance. A

consultant will work in Nepal for two months to review the present structure and functioning of Village Cooperatives, and to prepare a project document covering further assistance required for presentation to donors.

Philippines

WORKSHOP ON INTERNATIONAL COOPERATIVE TRADE

A Seminar/Workshop on International Cooperative Trade was organised by Sugar Cooperatives Development Institute of the Philippines (SCDIP) in Bacolod City (Philippines) from 14-16 March, 1981. The seminar discussed export potentials for food products, handicrafts, and cattle feed rawmaterials. Mr. Per Eric Lannhagen, Specialist in Agricultural Cooperative Marketing, ICA ROEC, participated in the seminar. Resource persons from COOPTRADE Project and UNESCAP also participated in the seminar.

REVOLUTION IN THE RICE BOWL

Scientists at the International Rice Research Institute (IRRI) in Los Banos believe that they have made a vital breakthrough that could quickly bring the green revolution within the reach of three-quarters of the world's rice farmers who have so far been left out. Their discoveries may prove the key to keeping farmers ahead in the struggle to feed the ever-growing population of the world, especially in the poor, heavily populated rice-eating countries. The breakthrough does not consist of a new miracle rice strain but in techniques that will greatly reduce the time needed to breed rice varieties, possibly reducing the time from seven years to a single year. Dr. Nyle C. Brady, Director General of IRRI, said the

developments were likely to prove as important to the 1980s as the breeding of IR-8, the original rice, was in the 1960s. "We don't want a single miracle rice," he said. "We need rice that can cope with varieties of climatic conditions and problems, which means the time it takes to breed a new variety is all important."

Singapore

JOSEPH EDWARD RE-ELECTED CHAIRMAN, SNCU

Mr. Joseph Edward, Chairman of the Singapore National Cooperative Union, was re-elected Chairman of the SNCU at its general body meeting held on 16th May 1981. Mr. Y. Rajagopal and Mr. Ismaon Haji Ali were elected as Vice-Chairmen and Mr. Ganeish Chinnaiya was elected the general secretary of the Union.

Sri Lanka

MORE WELLS PLANNED UNDER "ICA BUY A BUCKET OF WATER CAMPAIGN"

The Sri Lanka cooperative movement which has successfully commissioned six wells to provide clean drinking water to the villagers and school children in six villages in the area of operation of the Project for Women's Consumer Education and Information, has plans to build eight more wells under the "ICA's Buy a Bucket of Water Campaign". The six wells constructed earlier at a cost of Rs. 40,000 serve the needs of 237 families in villages and also the school children who had no drinking water facilities earlier. The eight proposed wells would approximately cost Rs. 140,000 and efforts are being made to raise resources to complete the project in time.



One of six wells built in Sri Lanka under the ICA's Buy a Bucket of Water Campaign.

AID FOR SRI LANKA AGRICULTURE

About 23,100 farm families, the majority of them landless, will directly benefit from the Anuradhapura Dry Zone Agriculture Project in Sri Lanka, which the Asian Development Bank will help finance with a \$ 15 million concessional loan.

Located in the dry zone district of Anuradhapura, the largest of the nine districts which comprise Sri Lanka's Dry Zone, the \$ 39.6 million Project is of an integrated nature. It includes the rehabilitation of about 600 minor irrigation tanks to provide irrigation on about 8,100 hectares (ha) of new farmland along with water management system.

Under the Project chena cultivation—which leads to deforestation, soil erosion and depletion—will be converted into a

regular stable system of farming. Provision has been made for soil conservation.

DIPLOMA COURSE IN ACCOUNTANCY

The School of Cooperation. Polgolla, Sri Lanka, has plans to start a Diploma Course in Accountancy under the technical assistance programme provided by Sri Lanka under Colombo Plan agreements. The nine-month residential course will aim to give theoretical and practical knowledge in accountancy to accountants in cooperative societies and to introduce them to the concept of financial accountancy to improve efficiency in accountancy and financial accountancy. The course will cover subjects like financial accountancy, taxation, company accounts and auditing, principles of management—both functional and financial, economics, commerce and statistics.

Thailand

TECHNICAL ASSISTANCE FOR AGRICULTURAL EDUCATION PROJECT

The Asian Development Bank has approved technical Assistance to Thailand to prepare in detail a project for upgrading agricultural education at the technician level.

The project would involve upgrading of facilities at a number of existing agricultural training institutions according to agricultural manpower requirements, level of training required, regional needs and areas of specialized demand.

In addition to the provision of buildings, laboratory and practical training equipment, a staff development programme would be included to cover the upgrading of teachers, instructors, administrators and support service personnel.

SPOTLIGHT

(Continued from page 27)

At the Annual General Meeting of delegates held on 25th January, 1981, it was resolved to capitalise to \$72 million of the capital Reserve by issue of bonus to the members. By the rates of bonus issue declared, a member joining the Society on 31st December, 1970 or before would be given 5 bonus shares for each share held by him.

Educational assistance is provided for the members children in the form of scholarships and educational loans which are interest free. To date a total of \$977,000/- has been given out for the furtherance of the education of these children.

The Death Benefit Fund operated by the Society pays the members' beneficiaries, a sum equivalent to the members share capital with a maximum of \$1,500/-.

NEWS AROUND THE WORLD

THIRD WORLD AID NOT CHARITY BUT INVESTMENT IN SURVIVAL

Continuing aid to poorer countries is not charity but an investment in our own future survival.

This assessment was given on May 7, to a State workshop of Canadian Cooperative leaders by Mr. Robert J. Ingram, Chairman of the Cooperative Development Foundation's international projects review committee.

The foundation is the international development arm of Canada's English-speaking cooperatives and credit unions. The workshop was organized jointly by the Cooperative Union of Canada and the Canadian Cooperative Credit Society.

Echoing the message of the Brandt commission report *North-South, a Program for Survival* published last year, Mr. Ingram said there is a current need for major reforms to speed the transfer of resources from the developed countries of the North to the developing countries of the South.

He warned that the gap between the two has been widened by "a vast proliferation of new economic powers, unresolved energy and environmental problems, and rapidly increasing populations".

COORDINATED APPROACH TO DEVELOPMENT

The Cooperative Union of Canada has been asked to set up a network of representatives of established and emerging cooperatives to help implement a nationally

coordinated approach to cooperative development.

A resolution adopted by delegates to CUC's annual meeting, in Winnipeg on May 5, also asks the national association of cooperatives to include cooperative development coordination in its program priorities.

A CUC task force on emerging cooperatives has identified a number of areas in which developing and established cooperatives share common interests.

"There now exists desire on both sides to work more closely together in a nationally-coordinated approach to cooperative development in Canada," the resolution says.

Also adopted was a resolution calling for the creation of "appropriate units or structures" in the federal government "to respond to the specific concerns of cooperative organizations".

They would be coordinated at a senior level to ensure that the cooperative sector's interests are communicated effectively both to ministers and to officials of all relevant departments.

1980 - A GOOD YEAR FOR KF AND ITS SUBSIDIARIES

The aggregate turnover of the Swedish Coop Group KF/Konsum including wholesaling, retailing and own production, totalled Sw. Kronors 28,758 million, an increase of S. K. 2716 million or 10.4% in 1980. While the KF registered an increase of S. K. 1536 million or 8.9% its industrial companies, including manufacturing

units, registered an increase of S. Kr. 553 million or 9.6%. The aggregate retail sales of the Swedish coop societies in 1980 totalled S. Kr. 20,733 million, registering an increase of 11.2% over 1979 figures. The turnover of large units, including department stores, furnishing stores and hypermarkets, registered an increase of 9.2% in their turnover in 1980, compared to 1979.

HIGH QUALITY CRUDE OIL FROM MILKWEED

A species of milkweed, *Asclepias speciosa*, which grows wild along roadsides in many parts of the world, contains high concentrations of high quality crude oil in its leaves and stems. If cultivated, the plant could yield up to 1,000 gallons of crude oil per acre.

Research at Utah State University in the United States shows that the weed can be harvested 60-90 days after planting. About 75 per cent of the milkweed pulp is oil that can be extracted mechanically or chemically.

ASIA MUST DOUBLE RICE YIELD BY 2000

Asian nations must increase their current rice yield by 92 per cent at least before the end of the present century or face cereal deficit situations which could lead to serious disruptions in their socio-economic structure.

The warning was contained in a paper presented by FAO during an international symposium on rice soil held in Nanking. It said 92 per cent rise was made mandatory by the projected increase of the world's rice eating population by the year 2000.

The FAO paper carried suggestions on how to manage the prescribed rice harvest increase. One is to

expand already fully irrigated rice fields by 53 per cent, and another calls for utilisation of fertiliser at six times the 1975 levels.

FAO also estimates that land being tilled to rice will expand to 126 million ha. in the year 2000 from 101 million ha in 1975, and

that such an expansion will account for 39 per cent of the 92 per cent of the increase considered necessary.

BIRGITTA SVENSSON

Ms. Birgitta Svensson of SCC was in India and Sri Lanka for three weeks in April 1981. During her stay in New Delhi Ms. Svensson found many topics of interest related to women and cooperation which she was able to discuss with the women officers of the ICA ROEC and the NCUI.

A visit was arranged for her in the NCUI's office at which representatives from SIDA, the NCUI and the ICA ROEC were present to discuss a proposal put forward by the NCUI for a Women's Project.

Ms. Svensson and Ms Margaret D'Cruz of the ICA ROEC visited Bangalore in the last week of April. They had talks with the President and staff of the Karnataka State Cooperative Union, including the Lady officer, and voluntary women leaders on the role which women are playing in cooperative development in Sweden, India and other countries of the Region of South-East Asia. Ms. Svensson also had an opportunity to visit several women's societies, as well as mixed societies—such as industrial and consumer societies and women's banks, in all of which women are very active.

In Sri Lanka Ms. Svensson met the Commissioner of Cooperative Development, the President and staff of the National Cooperative Council of Sri Lanka, the Director of the Women's Consumer Education and Information Project and other eminent cooperators and women members of cooperatives. Here too matters of mutual interest con-

cerning women and their involvement in cooperatives—especially in the project—were discussed.

She participated in the meeting of the Project Direction Committee which was held while she was there, and informed the Committee about the positive reactions of the SCC in regard to the Evaluation Report on the Project.

Ms. Svensson also took time off to visit multi-purpose cooperative societies working with the Project, and to meet the women cooperative leaders at the village level.

BERNARD HOWCROFT

Mr. Bernard Howcroft, Chairman of the ICA International Working Party of Cooperative

Librarians and Documentation Officers and Manager, Cooperative Wholesale Society Ltd. Manchester, U.K., visited the ICA ROEC and several apex national level organisations in New Delhi in May 1981. Mr. Howcroft was on his way back from the Philippines where he participated as a Resource Person in the Sub-Regional Workshop of Cooperative Librarians and Documentation Officers held from 14th to 29th April 1981. The Howcroft visited the libraries of the National Cooperative Union of India, the National Agricultural Cooperative Marketing Federation of India and the National Cooperative Development Corporation in New Delhi and held discussions with the Librarians and other officials on matters of mutual interest.

OUR VISITORS



Mr. Bernard Howcroft (second from right) visiting the NAFED Library

ICA Member-Organisations in South-East Asia

AUSTRALIA

Cooperative Federation of Australia,
Box 5211 AA GPO,
Melbourne Victoria 3001 Australia
Tel : 6631674

BANGLADESH

Bangladesh Jatiya Samabaya Union, 9/D Motijheel
Commercial Area, Dacca-2
(Cable : RANGDHENU) Tel : 255846

INDIA

National Cooperative Union of India,
3, Siri Institutional Area, Panchshila Marg,
Hauz Khas, New Delhi-110016
Tel : 662750 & 662751 (COPUNION)

National Agricultural Cooperative Marketing Federation of India Ltd., Sapna Building, 54 East of Kailash, New Delhi 110024.
Tel : 683334, (NAFED)

National Cooperative Consumers' Federation Ltd., Deepali, (5th Floor), 92, Nehru Place, New Delhi-110024. Tel : 682422 (KONFED)

National Cooperative Land Development Banks Federation, Shivshakti, 2nd Floor, B. G. Kher Road, Worli, Bombay-400018 (BHUMIVIKAS)
Tel : 395349

National Federation of State Cooperative Banks, Garment House, 2nd Floor, Dr. Annie Besant Road, Worli, Naka, Bombay-400018. Tel : 379936

Indian Farmers Fertiliser Cooperative Ltd. (IFFCO)
34, Nehru Place, New Delhi-19. Tel : 682506

INDONESIA

Dewan Kooperasi Indonesia, Komplek Pusdikop,
Jalan Jenderal Gatot Soebroto, Jakarta
Tel : 74081-88

JAPAN

Central Union of Agricultural Cooperatives
8-3 1-chome, Otemachi, Chiyoda-ku, Tokyo
(CHUOKAI) Tel : 2700041

Japanese Consumers' Cooperative Union
1-13, 4-chome, Sendagaya, Shibuya-ku, Tokyo.
(CONSUMUNION) Tel : (404) 3231

National Federation of Fisheries Cooperative Associations, "Coop. Building" 1-12 Uchikanda, 1-chome, Chiyodaku, Tokyo (NAFEDFISH)
Tel : 2949611

National Federation of Forest Owners Cooperative Associations, Cooperative Building, 8th Floor, 1-12, 1-chome, Uchikanda, Chiyodaku, Tokyo.

Central Cooperative Bank for Agriculture and Forestry, 8-3, 1-Chome, Otemachi, Chiyodaku, Tokyo (CCBAF) Tel : 2790111

Zen-Noh (National Federation of Agricultural Cooperative Associations), 8-3-1, chome, Otemachi, Chiyodaku, Tokyo. Tel : 03-279-0211

IE-NO-HIKARI Association, 11 Funagawara cho, Ichigaya, Shinjuku, Tokyo. Tel : 260-3151

National Mutual Insurance Federation of Agricultural Cooperatives, 7-9, Hirakawa cho, 2 chome, Chiyodaku, Tokyo. Tel : 265-3111

REPUBLIC OF KOREA

National Agricultural Cooperative Federation, # 75
1st Street, Chungjong-Ro, Jung-ku, Seoul
(KONACOF) Tel : 73-0021, 752681

National Federation of Fisheries Cooperatives,
88, Kyung Wun Dong, Chongro Ku
Seoul 110. Republic of Korea (FISHFEDER)
Tel : 70-621120

MALAYSIA

Cooperative Union of Malaysia, WISMA MCIS,
Jalan Barat, Peti Surat 345, Petaling Jaya
Tel : 772577

Angkatan Kerjasama Kebangsaan Malaysia Limited
ANGKASA, 103 Jalan Templer, Petaling Jaya.
Tel : 771258, 773666

Malaysian Cooperative Insurance Society Limited,
WISMA MCIS, Jalan Barat, Peti Surat 345,
Petaling Jaya

Cooperative Central Bank Limited, Peti Surat
685, 29 Leboh Ampang, Kuala Lumpur.
Tel : 26531/4

National Land Finance Cooperative Society Ltd.,
Bangunan Tun Sambanthan,
No. 2, Jalan Sultan Sulaiman, Peti Surat 2133,
Kuala Lumpur 02-12 Tel : 207044 (NALFICD)

Federation of Housing Cooperatives Ltd.
c/o Railway Cooperative Multipurpose Society
Ltd., Wisma Merlin, Jalan Siltan Ismail,
POB 2528, Kuala Lumpur-0404 Tel : 423813

PAKISTAN

Mercantile Cooperative Finance Corporation
197-A, The Mall, Rawalpindi. Tel : 3754

Punjab Cooperative Union, 11 Masson Road, P.O.
Box 905, Lahore-1.

PHILIPPINES

Central Cooperative Exchange, Inc.,
Room 113-115, Arle Building, Aurora
Boulevard Ext. Corner J Rizal Street, San Juan
Rizal. (CENCOPEX) Tel : 70-60-09

Sugar Cooperatives Development Institute of the
Philippines Inc.,
Rms. 211-213 Cuenca-Gonzaga Building,
San Juen Street, Bacolod City. 6001.

National Association of Training Centres for
Cooperatives (NATCCO)
Pleasant Home Subdivision
Punta Princesa, P.O. Box 950, Cebu City

Cooperative Union of the Philippines Inc., Room
3018, III Floor, M.De la Merced (delta) Building,
West Avenue, Quezon City. Tel : 976119, 994198.

SINGAPORE

Singapore National Cooperative Union Ltd.,
P.O. Box 366, Singapore 9007, Tel : 2221890

SRI LANKA

National Cooperative Council of Sri Lanka
455, Galle Road, Colombo-3 (NACOSIL)
Tel : 84638, 85496

Sri Lanka Cooperative Fisheries Federation Ltd.,
127 Grandpass Road, Colombo-14. Tel : 25057.

THAILAND

Cooperative League of Thailand, 4 Pichai Road,
Dusit, Bangkok, Tel : 24-13634

COOPERATIVE PRINCIPLES

Voluntary Association and Open Membership

1. Membership of a cooperative society shall be voluntary and available without artificial restriction or any social, political, racial or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.

Democratic Control

2. Cooperative societies are democratic organisations. Their affairs shall be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies should enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.

Limited interest on Capital

3. Share capital shall only receive a strictly limited rate of interest, if any.

Equitable division of surplus

4. The economic results arising out of the operations of the society belong to the members of that society and shall be distributed in such a manner as would avoid one member gaining at the expense of others.

This may be done by decision of the members as follows :

- (a) By provision for development of the business of the Cooperative;
- (b) By provision of common services; or,
- (c) By distribution among the members in proportion to their transactions with the society

Cooperative Education

5. All cooperative societies shall make provision for the education of their members, officers, and employees and of the general public, in the principles and techniques of Cooperation, both economic and democratic.

Cooperation among Cooperatives

6. All cooperative organisations, in order to best serve the interests of their members and communities shall actively cooperate in every practical way with other cooperatives at local, national and international levels ■

THE INTERNATIONAL COOPERATIVE ALLIANCE

is one of the oldest of non-governmental international organisations. It is a world-wide confederation of cooperative organisations of all types. Founded by the International Cooperative Congress held in London in 1895, it now has affiliates in 66 countries, serving over 355 million members at the primary level. It is the only international organisation entirely and exclusively dedicated to the promotion of cooperation in all parts of the world.

Besides the Head Office of the ICA, which is in London, there are three regional offices, viz., the Regional Office & Education Centre for South-East Asia, New Delhi, India; the Regional Office for East and Central Africa, Moshi, Tanzania and the Regional Office for West Africa, Bingerville Ivory Coast. The Regional Office in New Delhi was started in 1960, the office in Moshi in 1968 and the West African Regional Office in 1979.

The main tasks of the Regional Office & Education Centre are to develop the general activities of the Alliance in the Region, to act as a link between the ICA and its affiliated national movements, to represent the Alliance in its consultative relations with the regional establishments of the United Nations and other international organisations, to promote economic relations amongst member-movements, including trading across national boundaries, to organise and conduct technical assistance, to conduct courses, seminars and conferences, surveys and research, to bring out publications on cooperative and allied subjects and to support and supplement the educational activities of national cooperative movements. The Regional Office and Education Centre now operates on behalf of 15 countries i.e. Afghanistan, Australia, Bangladesh, India, Indonesia, Iran, Japan, Republic of Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka and Thailand. ■

INTERNATIONAL COOPERATIVE ALLIANCE

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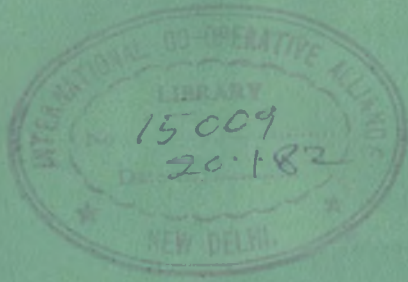
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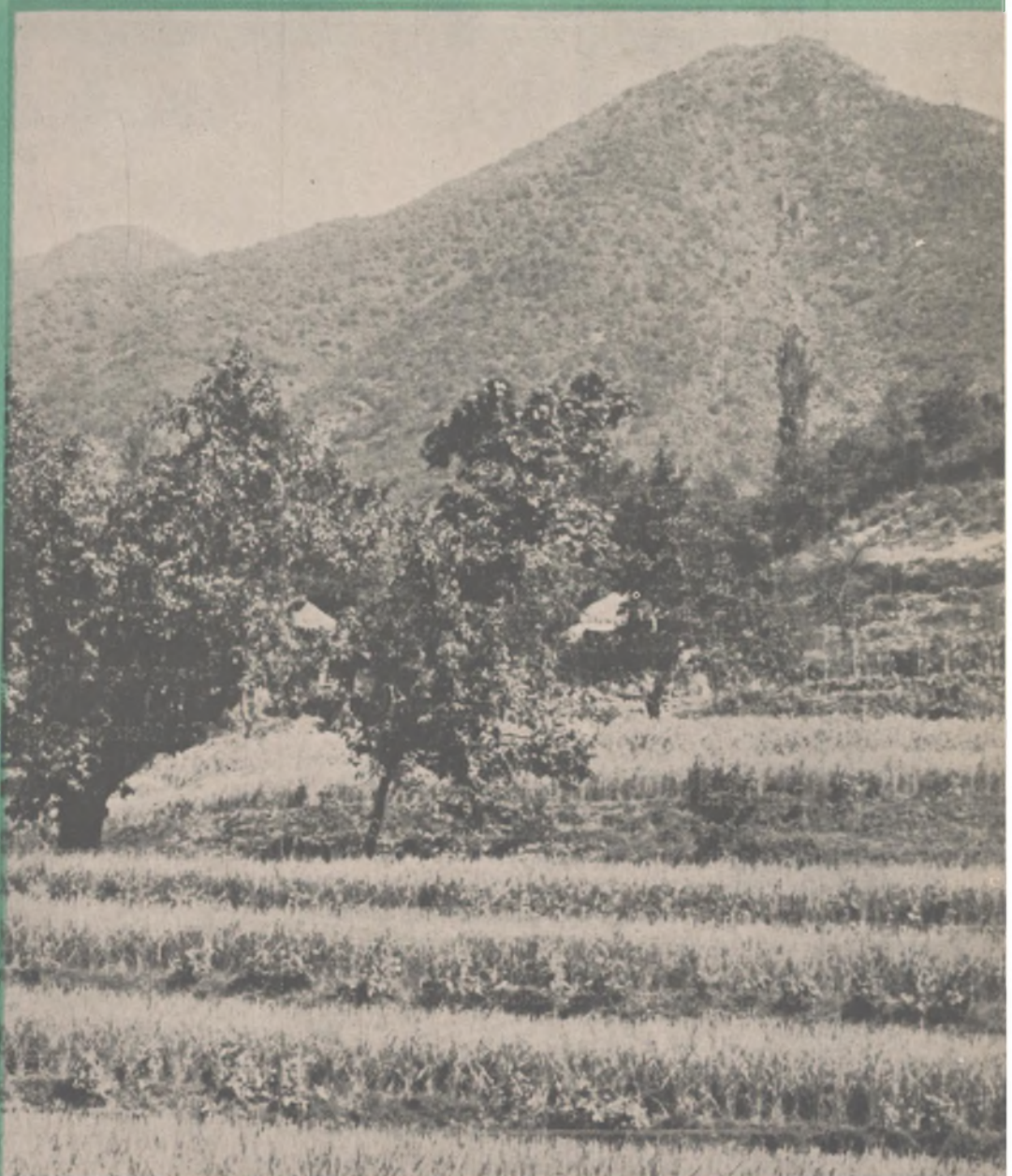
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*Virtues lose themselves in self-interest,
as streams lose themselves in the sea.*

—La Rochefoucauld



Do good to thy friend to keep him, to thy enemy to gain him.

—Benjamin Franklin

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**ICA
REGIONAL
BULLETIN**

EDITOR

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OUR COVER

A rice growing village in the
Republic of Korea.

Andre E. Saenger

Appointed Director of the Alliance

The Executive Committee of the ICA at its meeting held in Helsinki, Finland, in September, 1981, has appointed Mr. Andre E. Saenger, Director of the International Cooperative Alliance to succeed Dr. Suren K Saxena, who resigned from the Alliance in April 1981. Mr. Saenger will join the Alliance on 1st October 1981.

Born on 14th July 1920 in Vevey, Switzerland, Mr. Saenger is a Swiss citizen, married and the father of three children.

After completion of his commercial and business administration studies, at the Commercial High School, St Imier (1938), Mr. Saenger served in the army (mobilization 1939-1945) and was simultaneously employed by Cooperative Switzerland, Basel, where he held various posts in the Audit Department before becoming the Executive Secretary of the Press and Education Department, in which capacity he participated in many international meetings and seminars as a member of the National Commission for UNESCO.

In 1955, he joined the International Labour Organization (ILO) as technical assistance expert and was assigned to Iran, later to Tunisia. Subsequently, he became associated with the United Nations Development Programme (UNDP) where he served as Deputy and then Resident Representative. He was successively assigned to : Tunisia, Egypt, Morocco, Benin,



Mr. Andre E Saenger

Zaire and Geneva, as Deputy Regional Representative for Europe.

In 1967, at the request of the Executive Director of UNIDO, Vienna, he was seconded by UNDP to this Organisation where he served as Chief, Programme Coordination, then Deputy Director of the Technical Cooperation Division.

In 1976, after having served for a while in the Cabinet of the Executive Director, he was assigned to Geneva, where he opened the Liaison Office of UNIDO to the International Organizations.

From 1974-1977, Mr. Saenger cooperated closely with the European Management Forum where, within the framework of "projects

banks" he organized contacts between industrialists of developed countries and representatives from selected developing countries.

In 1977, compelled by family reasons to remain in Switzerland, Mr. Saenger was assigned as Deputy Director to the UN Division of Narcotic Drugs. He was in charge of all field operations, i. e. conception, formulation, execution and evaluation of aid programmes orientated towards elimination of drug abuse. He frequently travelled to Thailand, Laos, Burma, Pakistan, Afghanistan, Nepal, etc. During this period, he also advised the UN Fund for Drug Abuse Control (UNFDAC) and coordinated the activities of the field staff, mainly in such fields as : crop substitution, prevention, rehabilitation, illicit

traffic. He maintained contacts with the governmental delegations to the UN, Geneva, with the UN Economic Commissions (ECWA, ESCAP), Colombo Plan, other specialized agencies (ILO, WHO, UNESCO, etc.), prepared reports for UNFDAC and the Division of Narcotic Drugs.

During 25 years, Mr. Saenger has been in close contact with numerous international organizations, in particular all those of the UN system and with many NGOs. He has travelled in more than 60 countries and has established contact with practically all governments of the developing countries wanting assistance in different aspects of their development.

In August 1980, upon retirement

at 60 from the UN, Mr. Saenger became the Permanent Representative of the International Cooperative Alliance (ICA, London) to the International organizations in Geneva. He is a member of the Advisory Panel of the Castolin-Eutectic Institute, Lausanne and adviser to two management consulting companies in Geneva and Zurich. He has been offered consultancy missions by the International Trade Centre UNCTAD-GATT and by UNIDO.

Mr. Saenger has served as an auditor of the Swiss Association of Technical Assistance Experts. He has written many essays and articles on development aid including a contribution on the "Integrated Rural Development of the Golden Triangle".



ICA-SCC Sub-Regional Follow-up Seminar on Agricultural Cooperation

A Sub-Regional Follow-up Seminar on Agricultural Cooperation was held by the International Cooperative Alliance Regional Office and Education Centre for South-East Asia in collaboration with the National Cooperative Council of Sri Lanka in Colombo, Sri Lanka, from 27th July to 11th August 1981.

The Seminar was directed by Mr. Lionel Gunawardana, Specialist in Agricultural Cooperation, ICA ROEC, New Delhi.

The seminar was inaugurated by Mr. C.M.B. Bogollagama, President of the National Cooperative Council of Sri Lanka. The inaugural meeting was also addressed by Mr. R.B. Rajaguru, ICA Regional Director for South-East Asia, Mr. Lionel Gunawardana, and Mr. P. K. Dissanayake, Commissioner for Cooperative Development and Registrar of Cooperative Societies, Sri Lanka.

The seminar was attended by 24 participants from Indonesia, Malaysia, Philippines, Singapore, Sri Lanka and Thailand. These participants had earlier attended seminars of the ICA and SCC on the subject of agricultural cooperation.

The objectives of the seminar were :

1. To discuss problems in Agricultural Cooperative Credit, Mar-

keting, Supply of agricultural inputs and Board of Directors—Executive—Member Relations in agricultural cooperatives.

2. To discuss aspects the participants have been able to learn from the seminars they attended earlier and aspects they were able to implement and problems faced by them, if any.
3. To discuss overall usefulness of seminars held by the ICA and SCC on Agricultural Cooperation to the participants and what modifications are needed, if any, in holding these seminars.

The seminar discussed the following subject areas :

1. Credit (including savings).
2. Supply of agricultural inputs.
3. Agricultural marketing.
4. Board of Directors—paid Executive—Member Relations.

The participants presented case studies specially prepared for the seminar by them on Agricultural Cooperation with special reference to the above subject areas.

Presentation of case studies on



Mr C.M.B. Bogollagama, President, National Cooperative Council of Sri Lanka, seen delivering the inaugural address. (1-r) Mr P.K. Dissanayake, Commissioner for Cooperative Development, Mr H. Gunaratne, Additional Secretary, Ministry of Food and Cooperatives, Mr R. B. Rajaguru, ICA Regional Director for SE Asia, Mr Bogollagama and Mr Lionel Gunawardana, Joint Director & Specialist in Agricultural Cooperation, ICA ROEC.

each of the subject area was followed by group work based on case studies and lectures delivered on the particular subject.

Study visits were arranged to agricultural cooperatives in Sri Lanka for a period of one week and in Kerala State, India, for another week.

One of the objectives of the seminar being to discuss overall usefulness of seminars held by the ICA and SCC on Agricultural Cooperation the participants were asked to comment on this aspect. Instead of merely questioning participants on their views whether the educational activities in which they have participated were beneficial to them, as such questions have been asked at the end of each seminar and the general feeling of the participants have been that they were useful a different approach was adopted at this seminar. Participants were

asked to list the major aspects that they have been able to learn in the seminars they have attended, and the aspects they could implement in their countries in addition to expressing their views on the general usefulness of the seminars.

Participants of the seminar listed large number of observations they have made during their participation in seminars held in Japan, Rep. of Korea, Germany and Sweden. They also reported some of the work they have been able to do as a result of the knowledge they gained by participation in these seminars. Some of the more important and common observations made by them and some of the work done by them are summarised below.

JAPAN & THE REPUBLIC OF KOREA

Multipurpose type societies

Agricultural cooperatives are

mainly of multipurpose type and undertake a wide range of activities e.g. supply of agricultural inputs and credit, marketing of farm produce, mutual insurance, farm guidance and better living activities and consumer business. The farmer is thus able to get all the services he needs from one society.

Amalgamation and well knit organisational structure

Small agricultural cooperatives had been amalgamated into large and viable units. The procedures adopted and the ways the problems faced in the process of amalgamation provided lessons to other movements engaged in amalgamation work. Systematic efforts have been made to strengthen the large units established by amalgamation with the active support of the national level cooperative organisations. Considerable support has been extended by the governments



A full view of the Seminar in session.

by way of grants and subsidies for construction of facilities such as processing and grading centres. The well knit organisational structure of the primary agricultural cooperatives facilitates smooth functioning of the societies.

Extensive membership

A large percentage of the farmers are members of the agricultural cooperatives. Membership loyalty is of a high order due to various services performed by the societies efficiently.

Communication with Members

The cooperatives keep their membership aware of their activities through their own publications, hamlet meetings (and in Japan also through wire communication). This results in closer relationship between the society and the members.

Farm guidance

The agricultural cooperatives extend farm guidance through their farm guidance workers. The commodity groups of farmers are used as a vehicle for extending these services. This has helped the farmers in the adoption of modern agricultural practices and increasing their production. All these have resulted in increased agricultural production which in turn has helped in improving the living standards of the farmer.

Better Living Activities and involvement of women and youth

Agricultural cooperatives undertake better living activities. These societies have better living advisers. They train housewives in cooking, dress making etc., and make use of the women's group in saving promotion activities. The role of women in agriculture was clearly observable in production on the fields as well in their cooperatives, especially in their active participation in better



The inauguration of the seminar by lighting the traditional coconut oil lamp by dignitaries and participants.

living activities such as in savings activities, collective buying, economising in costly marriage ceremonies and so on. These services also contribute to a large extent to the improvement of the member loyalty to the society.

Saving activities

Different kinds of saving schemes have been introduced by cooperatives to suit the needs of the members. Instalment saving schemes help the members to build up savings gradually. Deposit schemes for special purposes like education of children, sight-seeing, weddings, etc., encourage to save for different personal requirements. The employees of the societies visit the members' homes to collect savings.

Under the mutual credit system in the Republic of Korea the savings mobilised in the area of a society are lent to the other needy members of the same society. The surplus funds, if any, are deposited with the National Federation which use these funds to lend to other needy societies. The high interest rate paid on deposits encourage members to save.

Supply of agricultural inputs and consumer goods

The societies supply agricultural inputs and consumer goods required by members. For supply of consumer goods they run consumer stores. The requirements of agricultural inputs by members are ascertained by the societies well in advance of the cultivation season. These are pooled together and orders placed with the high-tier organisations who will buy them in bulk and distribute to the primaries at the required time, thus ensuring that farmers receive the inputs on time and in large quantities.

Grading

Systematic collection and grading of members' agricultural produce by the societies for marketing helps the farmers to obtain good prices for their products. In the Republic of Korea the National Agricultural Cooperative Federation (NACF) collects the produce of primaries through their collection centres and send them to big consuming centres. In Japan this work is done by the Prefectural Economic Federation and the National Agricultural Cooperative Federation



A group discussion in progress

(ZENNOH). The combined approach of the primaries and the higher tier organisations has resulted in the smooth flow of the produce to the market. The cooperative system also provides market information to farmers regularly.

Insurance

The agricultural cooperatives are engaged in insurance business. This provides funds for their development and usually the funds mobilised are used for long-term investment.

Farm machinery centres

The societies maintain farm machinery centres. These centres undertake repairs of farm machinery and equipment at reasonable rates. They are also able to repair them with least delay so that farmers can make use of their machinery when they are needed. Some of the societies also have machinery banks which lend their machinery and equipment to farmers thus avoiding the need to maintain costly machinery by all farmers.

Government support without interference in management

The government supports the

farmers through agricultural cooperatives, for example by subsidising interest rates for agricultural loans, by purchasing rice at guaranteed price (Japan), by giving grants to societies to construct facilities such as grading and processing plants and giving incentives for cultivation of fruits and vegetables and for raising livestock. Though the government extends massive support, government does not interfere, especially in Japan, in the management of cooperatives.

Employees

The employees of primary agricultural societies, especially in the Republic of Korea, are normally recruited from the area of operation of the society. Such employees could be expected to be more loyal and dedicated to the society than those from outside the area. They are also able to work for a lesser salary than outsiders. The employer-employee relations seem to be very cordial.

Saemaul Undong Movement

Activities of the 'Saemaul Undong' Movement in the Republic of Korea which functions in close association with cooperatives has helped in the improvement of social

and economic improvement of the farmers. This is impressively displayed by the good housing conditions in rural areas.

FEDERAL REPUBLIC OF GERMANY

Auxiliary fund

The apex cooperative organisation maintains a fund—"Auxiliary Fund" to which contributions are made by cooperatives regularly. This fund is made use to help cooperatives in financial and managerial difficulties, thus giving them a helping hand to tide over the difficulties.

Machine Pools

There are 'Machine Pools' as adjuncts to agricultural cooperatives which are loose associations of members who pool their agricultural machinery. The machines are given to others on rent when not used by the owners.

Training

In Germany cooperatives have a centralised training system. The training centres carry out training of society staff on a regular basis.

Auditing and consultancy services

The auditing associations of cooperatives carry out auditing services and give advice to societies on legal, management and taxation problems.

Contract marketing

The societies enter into contract with the producer to market their produce. Price for 50 per cent of the produce is fixed at the time of signing the contract and price for the remaining 50 per cent is fixed at the time of the sale depending on the prevailing market situation.

This method gives the farmer some guarantee in regard to the

expected income and advance knowledge of approximate income that can be expected. He has the advantage also of being able to benefit by any rise in prices at the time of sale. As they are getting a fixed price for 50 per cent of their produce if the price falls to low level they have to bear the loss only with regard to 50 per cent of their produce.

SWEDEN

Single purpose cooperatives

The agricultural cooperatives are single purpose in Sweden. There is only one multipurpose agricultural cooperative. Perhaps it is more correct to describe them as single crop cooperatives performing all activities pertaining to supply of inputs, marketing, etc., for that crop.

Manager's participation in board meetings

The manager of the society participates in the board meetings. This gives an opportunity to have very effective communication between the board and the manager and the manager is able to implement the decisions of the board more effectively as he would not only know the decisions but the full background to the decisions.

Planning

Sales planning is carried out by using data collected regarding the farmer members. The data collected include farming acreage, crops planted, input requirements and other economic services required by them. The sales division makes use of these data to plan and budget their activities. The Swedish agricultural cooperatives undertake meticulous advance planning with regard to all their activities. They also encourage the members to do likewise. This careful planning is a key factor for the success of agricultural cooperatives.

Organisational structure

In the Swedish cooperatives their organisational structure on the local, regional and national levels are well defined. This has resulted in a very effective implementation of the societies' plans. This set up has been responsible for serving the society's interest. In Sweden for example the local societies need not worry about sources of farm inputs, marketing of farm produce, technical matters such as quality control, research, statistics, etc. These aspects are taken care of by the apex organisations or their subsidiaries

Share capital

In agricultural cooperatives in Sweden members are required to contribute to the share capital in proportion to their annual turnover of business with the society. As a result of this method the members who make use of the facilities of the society contribute to their construction and maintenance in proportion to the benefits they derive from them.

Processing

The livestock cooperatives in

Sweden own slaughter houses and meat processing plants. This ensures the producer members getting a reasonable price for their produce.

Communication with members

The societies keep their members informed of their activities through printed brochures, bulletins, newsletters. They make use of these publications also to keep the members abreast with the latest technology in agriculture.

Training

Ample opportunities are provided to the employees of the cooperatives for development of skills by following especially designed training programmes. The members of board of directors are also given opportunities to attend short-term training courses.

Central location of service facilities

Various facilities like society office, banks and consumer shops and agricultural input supply centres are located in close proximity to each other. This makes it easier



Participants visiting the weaving section of a multipurpose cooperative society during study visits.

for the members to do their transactions with the society.

ASPECTS IMPLEMENTED

The participants also pointed out that based on these observations they have implemented in their societies various programmes of cooperative development. Some of the aspects that they have been able to implement are given below :

Several participants stated that they have adopted in their societies saving mobilisation schemes similar to that found in Japan and the Republic of Korea.

A participant from Indonesia reported that she was able to introduce a savings scheme in her society and that the accumulated saving when reached to a level higher than the demand for credit in the society, was invested in a consumer shop.

She further reported that by retaining a part of the profit with the society they were able to establish a consulting clinic for mothers and children.

A Thai participant reported that some societies under his guidance introduced a scheme of retaining 10 per cent of the sale proceeds of the members as deposits with their consent and these societies have been able to build-up substantial amount of deposits.

Other participants from Thailand reported that better living activities have been introduced in several societies as a result of the experience they got in Japan, Rep. of Korea and Sri Lanka. Income generating activities like cottage industries have been introduced.

Participants from Indonesia and the Philippines also reported that societies have conducted campaigns to convince members to reduce unnecessary expenditures in marriages, funerals and other social functi-

ons as is done in Japan and the Republic of Korea.

A Malaysian participant reported that following the example he saw in Germany a small 'Machine Pool' has been started in his society which is now functioning satisfactorily.

A Philippines participant also reported that in his society he started a 'Machine Pool' following the German example.

The Malaysian participants reported that they are encouraging the members to contribute to the share capital in proportion to their use of the societies' facilities as is done in Sweden in order to increase share capital of the society.

The Philippines participants reported that they are introducing to a certain extent the communication methods such as publication of brochures and reports as is done in Sweden to keep their members informed of the society's activities.

Number of participants reported that they are introducing sales planning methods as is practised in Sweden.

Most participants from the Philippines and Malaysia reported that they, in their own limited way were trying to introduce advance planning of activities as they saw in Sweden.

Indonesian participants reported that the experience of Japan and the Rep. of Korea in amalgamation of small agricultural cooperatives and the literature published by the ICA on these programmes were of great help in implementing the amalgamation programme in Indonesia.

All participants agreed that the exposure of many cooperators to the multipurpose agricultural cooperative system in Japan has influen-

ced the cooperative movements in the countries in the Region in adopting the multipurpose system in their countries and that they continue to look to Japan for lessons for further development.

The participants were of the view that specific lessons they have been able to learn and adopt in their societies were important indicators of the usefulness of the seminars they have participated. More important they thought was the overall contribution these seminars have made by way of adding to their knowledge and skills and to the development of their personalities. They felt that contributions made by the seminars in this regard were substantial.

The exparticipants of the Swedish International Seminar were of the view that seminars conducted on agricultural cooperation in Sweden are of immense value to those who participated in them and to the organisations in which they work. They have helped them in improving their skills, adding to their knowledge and improving their performance in the fields they work. What they saw in Sweden have convinced them of the heights to which the cooperatives can rise to and have given them inspiration to work to improve their own cooperatives.

The exparticipants of seminars held in Japan (with study visits in the Republic of Korea) felt the same way.

The participants were of the unanimous view that seminars on Agricultural Cooperation should be held in Sweden and Japan for the cooperators of the Region more frequently as the exposure of the cooperators from the Region to developed cooperative movements enabled them to see for themselves how the successful cooperatives in

(Continued on page 13)

Development of Consumer Cooperation in South-East Asia

A Regional Seminar on the "Development of Consumer Cooperation in South-East Asia" was held in Tokyo (Japan) from 1-21 September 1981 by the ICA ROEC in collaboration with Japanese Consumers Cooperative Union (JCCU), Central Union of Agricultural Cooperatives (CUAC) and the Institute for the Development of Agricultural Cooperation in Asia (IDACA).

The seminar was preceded by a week's study visits in the Republic of Korea from 24-31 August 1981, where the participants were afforded an opportunity to

study distribution of consumer goods in rural areas through the net work of agricultural cooperative multipurpose societies, headed by the Retail Distribution Section of the National Agricultural Cooperative Federation (NACF). The arrangements for study visits in the Republic of Korea were made in collaboration with NACF.

The seminar was attended by 19 participants from seven countries of the Region viz. Bangladesh, India, Republic of Korea, Malaysia, Singapore, Sri Lanka and Thailand. Most of the participants were managers of cooperative societies.

There were also a few government officials who were concerned with the development of consumer cooperatives in their respective countries.

The Seminar was formally inaugurated on 2 September, 1981 at IDACA by Mr. Sado Nakabayashi, President of the Japanese Consumer Cooperative Union and was also addressed by Mr. Shiro Futagami, Manager (International Department), Central Union of Agricultural Cooperatives and Mr. K. Fujimoto, Managing Director of IDACA. Mr. M.K. Puri, Joint Director & Specialist in Consumer Cooperation, ICA ROEC and the Director of



*Mr. K. Fujimoto, Managing Director, IDACA, seen speaking at the valedictory function of the seminar. (1-r)
Mr. T. Tashiro, Manager, IDACA, Mr. M.K. Puri, Joint Director & Specialist in Consumer Cooperation,
ICA ROEC, Mr. K. Katsube, Managing Director, Japanese Consumers Cooperative Union, (JCCU),
Mr. K. Fujimoto, Mr. Y. Abe, IDACA and Mr. Miyauchi, JCCU.*

the Seminar, explained that the objectives of the seminar were to promote the growth of effective consumer cooperative movements in South-East Asian countries with particular attention on the following :

- (i) To study planning and management of cooperative supermarkets in Japan.
- (ii) To study modern techniques of distribution as are being followed by consumer cooperatives in Japan.
- (iii) To learn from the Japanese and Korean experiences in regard to distribution of consumer goods in urban and rural areas.
- (iv) To discuss questions concerning development of consumer cooperatives in the participating countries, keeping in view experiences of the Japanese and Korean movements.

The seminar consisted of technical sessions on Japanese economy and society; History of Japanese Cooperative Movement; Administration of Consumer Cooperatives in Japan; Organisational activities of consumer cooperatives; Merchandising policies and practices in consumer cooperatives; Store operations of consumer cooperatives; Staff training in consumer cooperatives and success story of Nada-Kobe Consumers Cooperative Society. After technical sessions on the history and development of consumer cooperatives in Japan the participants discussed about the strategy for developing effective consumer cooperative movement in their respective countries.

The participants were also taken on a four days' study tour to Nada-Kobe Consumer Cooperative Society, which is the biggest in Asia and the fifth largest, in

terms of its membership and sales-turnover in the world.

Recommendations

Some of the important recommendations of the Seminar were :

- (i) The participants felt that the Japanese experience has convinced them that consumers cooperative movement definitely has a relevance for the consumer community in all the countries and that despite ever increasing competition from the powerful private sector, a genuine consumer cooperative movement can still survive and thrive provided it has the support of housewives.
- (ii) The objectives of consumer cooperative movement should be spelt out in clear and unambiguous terms which can be easily understood by an ordinary consumer. The movement should refrain from making exaggerated claims like bringing down or holding the price line. To seek to promote and protect consumers rights, should constitute one of the important objectives of consumer cooperative movement in every developing country. The seminar felt that an active role by consumer cooperatives to protect and promote consumer rights would go a long way in winning over popular support of the general public for the movement and it would also secure for consumer cooperatives a distinct edge over the private trade.
- (iii) The seminar recommended that consumer cooperative movement in each country

should play a leading role in general consumers movement and that it should enhance its collaboration with consumers councils and housewives associations.

- (iv) It was recommended that strong and large consumers cooperative societies on multi-shop basis should be organised in big cities and towns in urban areas, in consultation and with full support of the housewives. It was felt that retail level organisations working at small margin could never become viable without the support and assistance of a powerful wholesale organisation. Hence, the vital need for having a strong and powerful organisation was much emphasised. It was further emphasised that there must be a very close collaboration between the wholesale and retail sectors of the movement and they should function as one unit.
- (v) It was recommended that no separate consumer cooperative societies should be organised in rural areas. Consumers in the rural areas should be served through the existing agricultural cooperative multipurpose societies.
- (vi) It was learnt that in most of the developing countries of the region there was at times heavy pressure from the State on consumer cooperatives to act as its agents in the matter of distribution of essential and controlled commodities at nominal or at times even unworkable margins. The seminar recommended that consumer cooperatives should not concentrate on

distribution of controlled and scarce commodities alone as besides being an uneconomic activity it had created among their employees an attitude of indifference and apathy towards the members, who are generally taken for granted. Consumer cooperatives should develop their business in supply of daily necessities and supply goods of acceptable standards of safety and quality in free competition with private trade. It was further stressed that cooperatives should pay special attention on continuous training of their sales staff who should be motivated to be always eager to serve and satisfy the customers.

(vii) The seminar recommended that in order to ascertain members reactions, opinions and suggestions about the working of their cooperative on continuous basis, the managements of consumer cooperatives should provide various avenues of meetings for the members, besides the annual general meetings. The members' activities around each shop and the working of "Hans" small neighbourhood groups of member-housewives, in Japan was very much commended by the participants, who felt that "Han Groups" had not only created among the members a sense of belonging to their cooperative and participation in its decision-making process, they had also gone a long way in strengthening mutual solidarity among the members. The "Hans" have also provided an effective mechanism for harnessing members tremen-



Participants visiting a consumer cooperative in Japan.

- dous energy, force and influence for the development of the movement.
- (viii) The merchandising policy of consumer cooperatives should be guided by the housewives, and consumer cooperatives should not deal with such items which are adulterated or otherwise harmful to consumers' health. The cooperatives should endeavour to provide as much of product knowledge to consumers as possible and assist the consumer in making a judicious choice.
- (ix) It was recommended that where there existed an assured off-take of minimum economic scale at retail level in the cooperative sector, wholesale societies at

the national level may consider to develop 'Coop' level merchandise of selected mass consumption items in consultation with housewives and against their own specification, as is being done by the Japanese Consumers Cooperative Union, JCCU.

- (x) It was further recommended that the cooperative movement in each country should, within the framework of its national economic development plan, formulate its perspective and strategic plans for the next 5 to 10 years, in consultation with its members and institutions and all others who would be concerned with the implementation.

ICA/SCC FOLLOW-UP SEMINAR

(Continued from page 10)

these countries serve their members. These exposures they felt will inspire them to work with greater confidence

and dedication to improve their own cooperatives.

The participants felt that ICA Regional Office should keep in touch with the participants through correspondence, the Regional Bulletin and by the ICA officers meeting them whenever they visit their countries.

ICA ACTIVITIES

ICA CENTRAL COMMITTEE MEETS IN HELSINKI

The Central Committee of the ICA held its meeting at the Hotel Intercontinental in Helsinki,

Finland, from 16th to 18th September 1981. The meeting was presided over by Mr. Roger Kerinec, President of the ICA and was formally opened by His Excellency the Prime Minister of Finland. Welcome

speeches were made by the Lord Mayor of Helsinki and by the representatives of host organisations.

Some of the major areas which engaged the attention of the Central Committee were (1) ICA and Technical Assistance, (2) Cooperatives in the year 2000 AD' and (3) Peace. These aspects had already been focussed on and resolutions made at the 27th ICA Congress held in Moscow in October, 1980.

Motion on Peace

The Central Committee of the International Cooperative Alliance representing over 350 million cooperators in 67 countries at the meeting in Helsinki

Emphasises	the Rule of the ICA which imposes an obligation on all member organisations to "work for the establishment of lasting peace and security".
Recalls	the resolutions adopted at previous Congresses and Central Committee meetings which urgently stressed the need for strengthening world peace and security.
Underlines	that cooperators within the International Cooperative Alliance are a real force which is able to considerably contribute to peace.
Recognises	that the arms race increases the threat to peace : new weapons give more frightful examples of the risks of human self-destruction.
Declares	that the responsibility for peace and security lies in every nation, every citizen and every cooperator.
Appeals	to the legislative bodies of all countries to speak out firmly in favour of negotiations leading to the prevention of a continued arms race, in favour of honest and equal negotiations.
Underlines	the specific responsibility of the superpowers and
Urges	their leaders to continue negotiations on limitations of strategic armaments and their reduction so that a nuclear war is not unleashed.
Welcomes and Supports	the work of the International Commission for Disarmament and Security.

* Text of Resolution passed by the ICA Central Committee at its meeting held in Helsinki, Finland, September 1981.

The subject of Technical Assistance was introduced by Dr. Suren K. Saxena, former Director of ICA, while the subject of "Cooperatives in the year 2000" was introduced by Mr. Lars Marcus, President of the Swedish Cooperative Centre.

Important trends and guidelines have emerged from the discussions at the meeting.

The Central Committee also formally approved the appointment of Dr. Andre E. Saenger as Director, ICA, in succession to Dr. Suren K. Saxena, who resigned in April, 1981.

The meeting of the Central Committee was preceded by meetings of the various auxilliary committees and of the Executive Committee, which were held between 12th-15th September.

The meetings were attended by Mr R.B. Rajaguru, Regional Director, ICA ROEC.

COOPERATIVES AND SMALL FARMER DEVELOPMENT

The ICA ROEC in collaboration with the Vaikunth Mehta National Institute of Cooperative Management, Pune and the Maharashtra State Cooperative Bank organised a State Level Workshop on "Cooperatives and Small Farmer Development" in Maharashtra at VMNICM, Pune, from 24th to 26th September, 1981. Dr. D. Jha,

Director, VMNICM, Pune, inaugurated the Workshop.

The Pune Workshop was a part of the action oriented participative research presently being carried out by the ICA in India, which is a part of a larger research study covering the small farmer situation in Thailand and Sri Lanka.

The objectives of the Workshop were :

1. To bring together representatives of target groups and functions at different levels of administration and cooperation to assess their level of involvement in the programmes now on stream:
2. To identify structural and functional problems relating to the implementation of present programmes for small and marginal farmers:
3. To identify the strength and weakness of cooperatives at various levels in implementing on going programmes:
4. To identify ways and means of involving the people in the formulation and implementation of micro-level action programmes and to find ways and means of integrating such activities with the day-to-day operation of cooperatives : and
5. To identify effective methods for the orientation and motivation of field level functionaries to ensure effective intervention/approaches at the small farmer level.

37 participants representing primary level cooperative organisations, selected voluntary organisations field level project officers, representatives from cooperative organisations and administration at higher levels, cooperatives and commercial banks, the Reserve Bank of India, and a few academicians having considera-

Resolution on Aid to Alleviate Human Suffering

The Central Committee of the International Cooperative Alliance representing over 350 million cooperators in 67 countries at its Meeting in Helsinki in September 1981,

Draws Attention	to the increased human suffering arising in a world full of conflicts, natural disasters and from the deepening inequality between nations and between individuals;
Expresses	on behalf of the Cooperative Movements of the world deep concern for those suffering because of these happenings, and at the lack of adequate humanitarian aid which adds to the risk of further sufferings, increases political unrest and wars;
Calls Upon	the Executive of the ICA to make representation to all member states of the United Nations Organisation, making known the ICA's concern and urging increased aid.

ble field experience participated in the Workshop.

The basis of the Workshop discussions was the research findings provided on a background document and the issues arising out of the research findings. The participants considered these issues in four different groups, against the background of their actual field experience. The reports of the four groups, which identified the strength and weaknesses of the present on-going programmes and of the methodologies of intervention and which also provided valuable guidelines for future action were placed before a plenary session of the participants, the latter part of which was presided over by Mr. P. Subramanian, Registrar, Cooperative Societies, Maharashtra.

The findings of this workshop will be a valuable contribution to the larger research study now in progress.

Valuable assistance for the

conduct of the workshop was received from Prof. Namjoshi of the VMNICM, who was the local coordinator, and also the Director and other faculty members of the VMNICM, who actively participated in the workshop throughout.

Mr. R. B. Rajaguru and Dr. G. Ojha of the ICA ROEC functioned as the Programme Director and Programme Coordinator respectively.

ICA Forthcoming Events

ICA COUNCIL FOR SOUTH-EAST ASIA

The 23rd meeting of the ICA Council for South-East Asia will be held in Seoul, Republic of Korea, from October 29-30, 1981. The meeting will be hosted by the National Agricultural Cooperative Federation of the Republic of Korea. The Council meeting will be prece-

(Continued on page 25)

Cooperatives in the Republic of Korea

1. AGRICULTURAL COOPERATIVES

(1) Brief History

There had been various cooperative groups and activities in the rural areas before the twentieth century in Korea. Among the diversified types of cooperation, the most important type was called Kye, which was organized voluntarily by its members for the social and economic betterment. The origin of this early form of cooperative movement can be traced back to Koryo Dynasty (1918-1392 A. D.) or even to Shilla Dynasty (57 B.C.-935 A. D.).

During the Japanese rule, various agricultural organizations were established by the Government as a vehicle for the advancement of the Japanese capitalistic economy. Among these government-sponsored organizations, the financial associations and the industrial associations and farmers associations had some resemblance to modern agricultural cooperatives, and played predominant roles in rural areas.

The financial associations were established in 1907 to extend agricultural credit, warehousing and marketing services. While the farmers associations and the industrial associations which conducted purchasing and utilization business were organized in 1920 and 1926 respectively; the industrial associations were dissolved in 1942 due to the inadequate financing by the financial associations.

*Prepared by the National Agricultural Cooperative Federation of the Republic of Korea.

The Korean Agriculture Bank exclusively with institutional agricultural credit was established in 1956 through the reorganization of the financial associations. On the other hand, as part of the modern cooperative movement in rural areas, the agricultural cooperatives handling economic business other than credit were organized in 1957 through the reformation of the farmers associations.

city or county cooperatives at the city or county level, and a Federation at the national level. On the other hand they were horizontally classified into two categories: multipurpose agricultural cooperatives and specialized agricultural cooperatives.

In an effort to strengthen the primary cooperatives with which farmers have direct contact, and to

This article is being published to provide background information on the Korean Cooperative Movement, especially to the members of the ICA Council for South-East Asia and the various Sub-Committees who will be meeting in Korea in October, 1981.

However, these two agricultural organizations lacked close linkage and operating efficiency due to the duplication and competition in business activities. Therefore, harmony and cooperation between these two organizations were considered to be indispensable for the benefit of farmers as well as agricultural development.

And thus, the Korean Agriculture Bank and the former agricultural cooperatives were merged into the present multipurpose agricultural cooperatives in 1961 on the basis of modern cooperative principles in compliance with the new Agricultural Cooperative Law.

(2) Organizational Structure

Up until 1980, the agricultural cooperatives were vertically organized at three levels: Primary Cooperative at the township level,

develop them as strategic organization for rural development, the former three-tier system of primary cooperatives, city or county cooperatives, and the National Agricultural Cooperative Federation (NACF) was restructured on January 1, 1981 to two-tier system of primary cooperatives and the NACF, reforming the former city or county cooperatives as branch offices of the NACF.

Livestock cooperatives formerly affiliated with the NACF have been transferred to the newly established National Livestock Cooperatives Federation (NLCF).

Therefore, at present, primary cooperatives and horticultural cooperatives are members of the NACF.

As of the end of June 1981, there were 11 city or provincial branch

offices, 138 county branch offices, 1,483 primary cooperatives and 42 special cooperatives under the NACF. And a total of 1,933,000 farmers were affiliated with primary cooperatives.

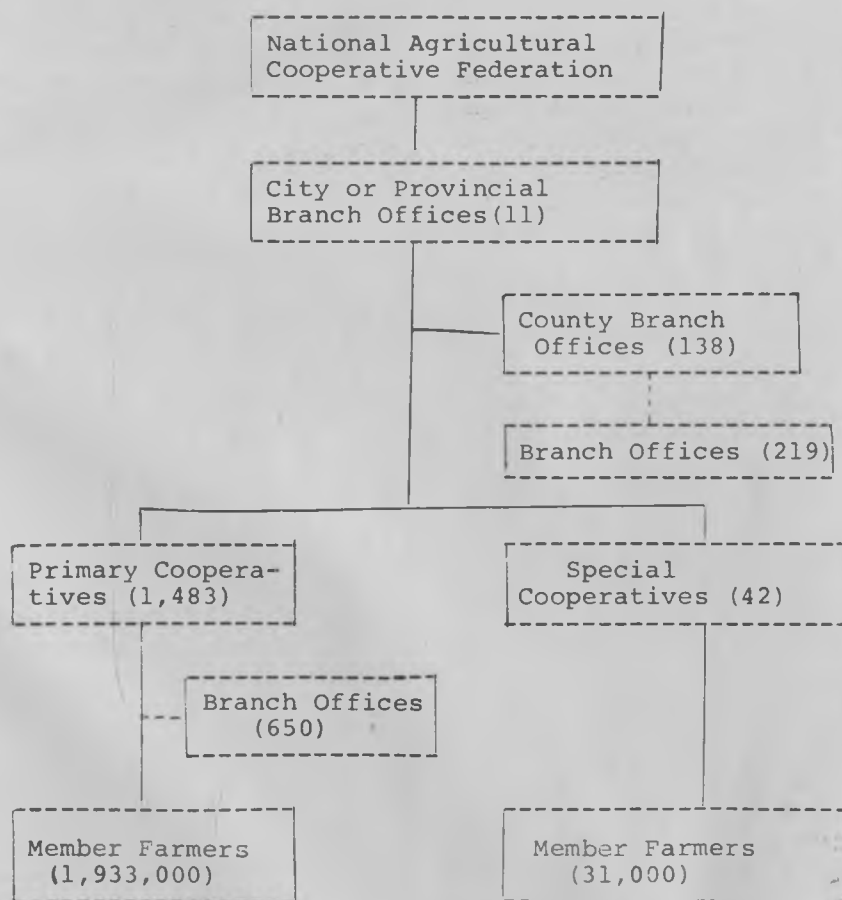
(3) Objectives and Roles

Agricultural cooperatives, as laid down in the Agricultural Cooperative Law, are the voluntary organizations of member farmers established with a view to enhancing agricultural productivity and elevating the living standard of members through mutual help. Accordingly, the agricultural cooperatives aim at increasing agricultural production, improving the social and economic status of member farmers and



A primary agricultural cooperative society in the Republic of Korea

Organizational Structure of Agricultural Cooperatives



assuring a balanced development of the national economy.

With the aforesaid objectives, agricultural cooperatives have undertaken a wide range of business activities including banking, purchasing, cooperative insurance, utilization and processing, farm guidance and education, foreign trade, and international cooperation. These activities are performed in relation to the overall economic activities of farm households and within the framework of the government policies and measures for agricultural development.

The major functions of agricultural cooperatives include mobilizing and supplying funds to be invested in the agricultural sector, reducing the prices of farm inputs and consumer goods, enhancing the agricultural prices received by farmers, and improving living standard of rural communities.

The agricultural cooperatives, as the sole institution for agricultural financing, play an important role in meeting the growing requirements of agricultural development funds. Of the total loans to the agricultural



Storehouse of a primary society

sector extended by all the banking institutions in the country, more than 90 per cent has been made available by the agricultural cooperatives.

Also, the agricultural cooperatives are the exclusive organizations for distributing chemical fertilizers to the farmers. Farm chemicals, other agricultural inputs and consumer goods are delivered through the channels of agricultural cooperatives. The supply of farm machinery by agricultural cooperatives has greatly contributed to the mechanization of farming.

The cooperative marketing operations of the agricultural cooperatives have resulted in reduced marketing cost and improved agricultural marketing system. By conducting warehousing and transportation business for the sufficient stockpile and timely shipment of farm products, agricultural cooperatives have played a major role in bringing about price stabilization for agricultural produce.

The cooperative insurance business is conducted to provide member farmers with safeguard against

their unexpected accidents like sickness and death, and their loss of property from sudden outbreak of fire or other unforeseen calamities.

Through farm guidance and educational activities, agricultural cooperatives have been performing their functions effectively in bringing about improvement in rural life and farmer's enlightenment. Recently, agricultural cooperatives have played an important role in encouraging farmers to work for the development of their communities through Saemaul integrated development projects.

2. FISHERY COOPERATIVES

(1) Brief History

In the early 1900s, the fishermen's organizations made their first emergence in this country and they were organized by merging the traditional fraternal societies at the fishing village level. In 1908 two types of fisheries organizations were licensed by the government. They were the set-net fisheries organization and the seaweed fisheries organization, and the number of the fisheries organizations reached 70 in

1920. Their services and business activities were limited to the management of fishing right on the fishing grounds and joint facilities.

A nation-wide fishermen's organization emerged when the Korea Fishery Industry Association was set-up on April 1, 1944 and it was later reorganized into Daehan (Korea) Fishery Industry Association on January 3, 1949, which comprised 9 provincial federations and 15 fisheries cooperatives. In 1952 a more comprehensive fishermen's organization named Korea Fishery Association was formed and it consisted of 88 regional fisheries cooperatives and 15 business-type fisheries cooperatives.

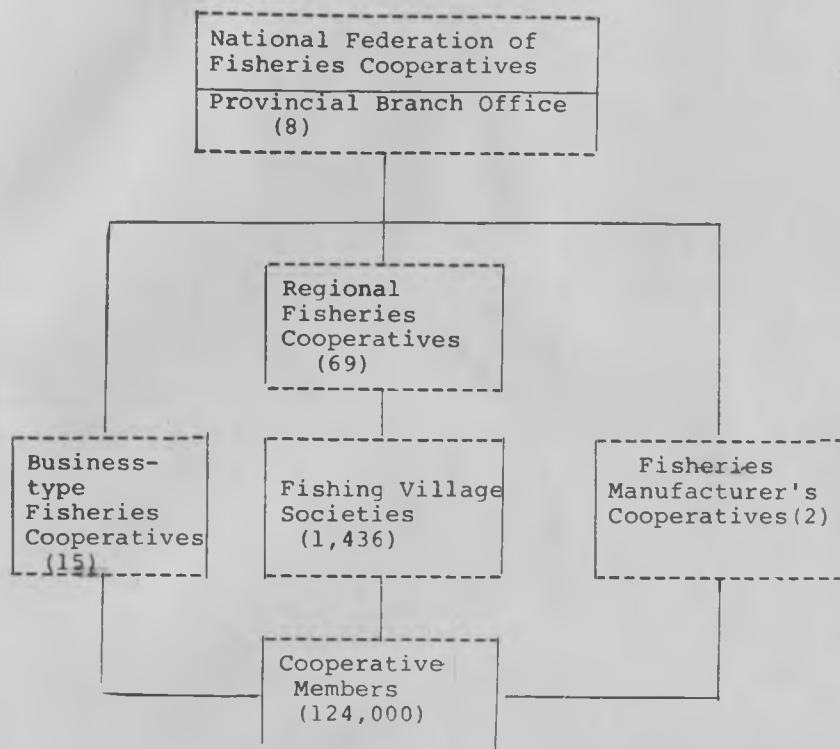
However, it was necessary to reform traditional fishermen's organizations on the basis of modern cooperative principles and for this reason, the Fisheries Cooperative Law was enacted and promulgated on January 20, 1962. The National Federation of Fisheries Cooperatives in the form of modern fishermen's cooperative organization was first created on April 1, 1962 in accordance with the Law.

(2) Organisational Structure

The regional fisheries cooperatives, business-type fisheries, and manufacturer's cooperatives are affiliated with the National Federation of Fisheries Cooperatives (NFFC).

The regional fisheries cooperatives are organized by the fishermen residing in their operational area, and the business-type fisheries cooperatives consist of the fishermen engaged in the specific fisheries industries in their operational area covering the nation or province. The fisheries manufacturer's cooperatives are organized by the business men operating the fisheries manufacturing industries.

Organizational Structure of Fisheries Cooperatives



and promotion of joint interest.

B. Functions

- (a) *Guidance* : Education-training, survey-research and guidance on management.
- (b) *Assistance in Production* : Joint purchasing of materials and equipment required for production activities ; and utilization and processing.
- (c) *Assistance in Marketing* : Joint sales, price supporting, military supply, foreign trade, and stocks.
- (d) *Assistance in Finance* : Credit, deposit, domestic exchange and re-loan of foreign loan.

As of the end of June 1981, there were 8 provincial branch offices, 69 regional fisheries cooperatives, 15 business-type fisheries cooperatives, 2 fisheries manufacturer's cooperatives, and 1,436 fishing village societies under the NFFC. And a total of 124,000 fishermen were affiliated with the fishing village societies as members.

(c) Guidance and supervision on the member cooperatives,

(3) Role and Functions

The role and the functions of the fisheries cooperatives are enumerated as follows :

A. Role

- (a) Promotion of cooperative organization.
- (b) Improvement of fisheries productivity and increase of fishermen's income.



A group of housewives participating in an educational excursion arranged by a primary society.

(e) *Assistance in Safe Fishing*: Mutual insurance, fisheries communication and guidance on fishing operation.

This reorganization was designed to more effectively carry out livestock development programmes and match livestock production to demand through an efficient monitoring system.

3. LIVESTOCK COOPERATIVES

(1) Brief History

The government established the National Livestock Cooperatives Federation (NLCF) on January 1, 1981, by merging the Livestock Industry Development Corporation and livestock cooperatives and feed mills under the control of the National Agricultural Cooperative Federation.

(2) Organizational Structure

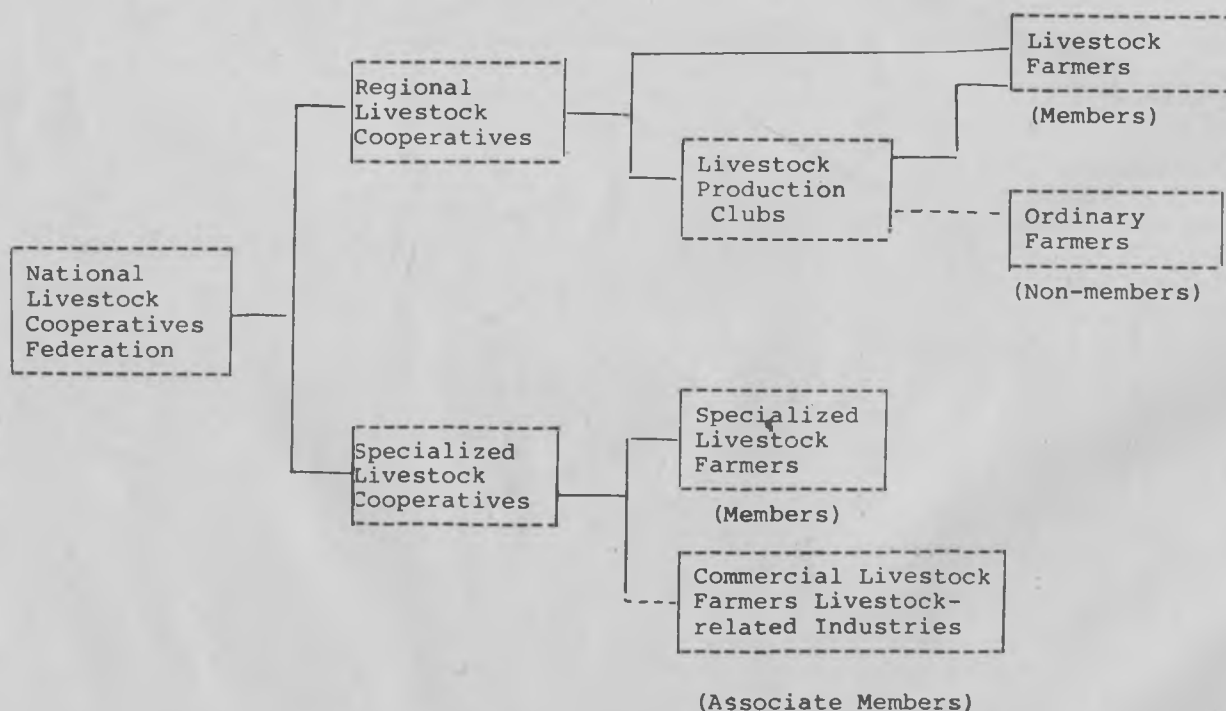
There are two types of livestock cooperatives, namely regional livestock cooperatives and specialized livestock cooperatives. They are affiliated with the National Livestock Cooperatives Federation as members.

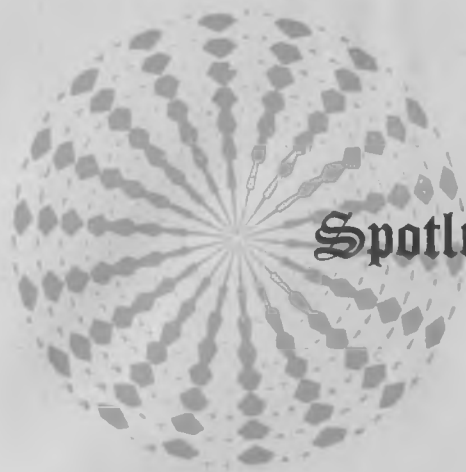
(3) Role and Functions

The role and the functions of the livestock cooperatives are illustrated as follows ;

- a. To build the foundations for a steady growth of the livestock industry by developing autonomous and co-operative organizations of livestock farmers.
- b. To enhance the economic and social status of livestock farmers.
- c. To systematize co-operative organizations for the purpose of effectively carrying out policies for stabilizing the demand-supply situation of livestock products and their prices.
- d. To contribute towards a balanced development of the national economy.

Organizational Structure of Livestock Cooperative





Spotlight

BYEOGJE AGRICULTURAL COOPERATIVE SOCIETY*

Establishment

Byeogje Primary Agricultural Cooperative is located in Byeogje township (Eup), Goyang county (Gun) of Kyongki province, five kilometers from the Agricultural Cooperative College. The cooperative was established as a township level multipurpose cooperative in 1970 by amalgamating 16 village level agricultural cooperatives.

Land Area

The operational area of the cooperative is 7,230 hectares which are composed of 4,850 hectares of forest area (68%), 1,404 hectares of arable land (19%) and 965 hectares of other land such as housing area.

Out of the cultivated land, paddy field comprises 77.7 percent and the remaining 22.3 percent is upland. The paddy field comprises completely irrigated land (59%), semi-irrigated land (36%) and rain-dependent land (5%).

*A case study on Byeogje Agricultural Cooperative with special reference to supply activities

**Prepared by Mr Jae Deung Lee, Associate Professor, Agricultural Cooperative College, Seoul, Republic of Korea

Land Area

	hectares	percent
Cultivated land	1,404	19
Paddy	1,092	
Upland	312	
Forest area	4,850	68
Others	976	13
Total	7,230	100

Population and Farm Household

The population of the operational area totalled 21,039 persons as of the end of 1980. Out of the total, farm population accounted for 55 percent or 11,571 persons. The total number of households is 4,577. Out of the total, number of farm households was 1,971. The number of member farmers of the cooperatives is 1,462.

	Population	No. of households
Farm population	11,571	1,971
Non-farm population	9,738	2,606
Total	21,309	4,577

Land Holdings

The average size of land holding is one hectare. The number of

farm households owning less than one hectare is 1,025 (52%), and that of farm households owning more than two hectares is 118 (6%).

	No. of households	Percentage
less than 0.5 ha	493	25
0.5—1 ha	532	27
1.0—2 ha	828	42
2.3—3 ha	79	4
more than 3 ha	39	2
Total	1,971	100

Agricultural Production

The major crop grown in the operational area is rice of which production in 1980 reached 4,779 metric tons. Vegetable and livestock industry have been developed.

	Acreage (ha)	Production (M/T)
Rice	1,085	4,779
Barley and wheat	20	26
Pulses	79	83
Miscellaneous grain	9	11
Vegetable	704	12,907
Potatoes	598	188
Fruits	53	340

Number of Livestock

Beef cattle	319
Milch cow	1,137
Native cattle	519
Hog	8,323
Chicken	272,228

Organisation of the Cooperative

The cooperative follows the representative meeting in place of General Meeting. The number of representatives is 50. The Board of Directors is organized by 6 directors and the president. There are 2 Auditors.

The employees of the societies consist of the general manager, 3 managers and one branch manager and 29 others. They work under the overall guidance of the President.

Facilities of the Cooperatives

The Byeogje cooperative operates diverse facilities including a cooperative chain store and farm machinery service centre. These facilities contribute towards the members participation in the cooperative activities and joint utilization activities.

Facilities

Item	Number	Remark	Value (1000 won)
Main building	1	264 M ²	5,067
Chain Store	1	99 M ²	3,000
Branch office	1	148 M ²	7,949
Farmers hall	1	231 M ²	8,730
Warehouses	5	1,544 M ²	23,668
Truck	2	4.5 ton	10,779
Machinery service centre	1	76 M ²	6,290
Farm machinery	6		13,345
Movie projector	1	16 mm	830



Fertiliser being loaded into tractors for delivery to member farmers

Business Activities

Byeogje primary cooperative, as a multipurpose agricultural cooperative, is engaged in credit, marketing and purchasing, cooperative insurance, and farm guidance activities.

The deposits received from the member farmers under the mutual credit programme have rapidly increased since the establishment of mutual credit system in 1970. The deposit with the cooperative increased from 614 million in 1978 to 1,438 million won in 1980. About 50 percent of the deposit is extended as loan to member farmers and the remaining is deposited with the county office of NACF. The funds for short-term and mid-term loans for farming are borrowed from the government and the Bank of Korea through NACF.

Total value of agricultural production inputs and consumer goods supplied by the cooperative in 1980 amounted to 914 million won, an increase of 68% over the previous year.

Total sales of farm produce through the cooperative channels in 1980 were valued at 349 million won of which livestock accounted for 51%, vegetable 27%, foodgrain 13% and others 9%.

The revenues from the warehousing and transporting businesses in 1980 were 7 million and 9 million won respectively. Total effective insurance policies of mutual insurance programme stood at 393 million won at the end of 1980, a 38% increase over the previous year.

In line with the growth of business, net profit has increased year by year.

Supply activities of Agricultural Inputs

Major farm inputs supplied by Byeogje primary cooperatives include fertilizer, farm machinery, feeds and other farm inputs. Total supplies of farm inputs amounted 767 million won in 1980, 86 percent more over the previous year. Of the total supplies, fertilizer accounted for 23%, farm machinery 26%, farm chemicals 6%, and feeds 25%.

Business Activities

	<i>in 1,000 won</i>		
	1978	1979	1980
Deposit received	614,220	937,360	1,437,986
Loan extended	370,232	1,301,145	1,890,766
Mutual credit	217,887	433,094	786,824
Shot-term	48,603	116,917	139,549
Mid-term	38,142	105,804	232,633
Long-term	65,600	745,330	731,760
Purchasing	349,018	541,704	914,368
Fertilizer	161,029	129,427	175,339
Farm input	167,605	283,853	599,575
Consumer goods	65,384	128,424	147,436
Marketing	152,697	255,766	349,035
livestock	129,666	86,226	179,819
vegetable	10,820	26,958	93,218
grain	1,170	101,947	45,728
others	11,041	40,635	30,270
Warehousing	5,978	7,996	7,427
Transporting	4,003	7,086	8,993
Mutual insurance	218,230	283,100	392,750
Net profit	17,426	27,338	51,853

The purchasing system of farm inputs can be divided into purchasing through NACF and self-initiated purchasing. In case of purchasing through NACF, most of farm inputs are supplied under government programmes. In case of self-initiated purchasing, primary cooperative handles the items which are not covered by NACF.

For efficient purchasing activities, primary cooperative sets up its Farm Inputs Deliberation Committee consisting of the chiefs of cooperative groups at village level, manager of the cooperative and innovative farmers. The committee makes decision on the items and volume to be handled after taking into consideration such factors as local economic conditions and farmers' preferences.

Fertilizer supply

Since 1961, fertilizer has been distributed to farmers exclu-

sively by agricultural cooperatives. In connection with this, agricultural cooperatives engage in various activities related to the distribution of fertilizer within the framework set by the government. NACF

conducts such activities as the buying of domestic fertilizer, the allocation and distribution of fertilizer, the operation of fertilizer fund, and the storage and transportation of fertilizer.

Fertilizer is supplied at the same prices to farmers all over the country through the primary cooperatives. Fertilizer is sold on cash or on credit to farmers. The credit sales accounted for about 20% of the total in 1980. The interest rate for the credit sales is 15% per annum.

Agricultural cooperatives have made efforts for farmers' balanced application of fertilizer elements. Before 1976, the quantity and kinds of fertilizer to be purchased by individual farmers were allocated to its uses such as paddy, barley and horticultural uses. During 1976-79, farmers could purchase fertilizer from the cooperative at any time, but they could buy only by the sale unit which was a set of combination of several bags of various kinds of fertilizer, for instance, a combination of two bags of urea (N), a bag of phosphorous (P) and a bag of potash (K).



An auction centre of a primary cooperative society.

Supply of Farm Inputs

	<i>in 1,000 won</i>		
	1978	1979	1980
Fertilizer	161,029	129,427	175,339
Agrl. machinery	51,953	78,988	197,565
Agrl. chemicals	20,342	41,511	44,178
Feeds	36,504	116,133	187,445
Others	58,806	47,221	163,387
Total	328,634	413,280	767,914

As most of farmers have known that the balanced application of fertilizer elements (N, P, K) would be effective in growing crops, the marketing system changed in 1980 to a free marketing system, meaning that farmers can purchase any kind of fertilizer they want from the cooperative.

Meanwhile, the uses of chemical fertilizer have made soil acidic. Therefore the government advised the farmers to apply lime to paddy fields.

Farm machinery supply

Total machinery supplied in 1980 were valued at 197 million won. Major items supplied in 1980 included 167 power tillers, 119 power sprayers, 5 automatic threshers, and 16 water pumps.

In supplying these machinery, mid-term loans are granted for 70% of purchasing value under the conditions of 2-years of grace period and 3-5 years' repayment period. The interest rate of these loans is 12-16% per annum.

Farm machinery holdings among 1971 farm households at the end of 1980 are as follows. About 80% of the farm machinery have been supplied through the cooperative.

Farm machinery holding by farmers

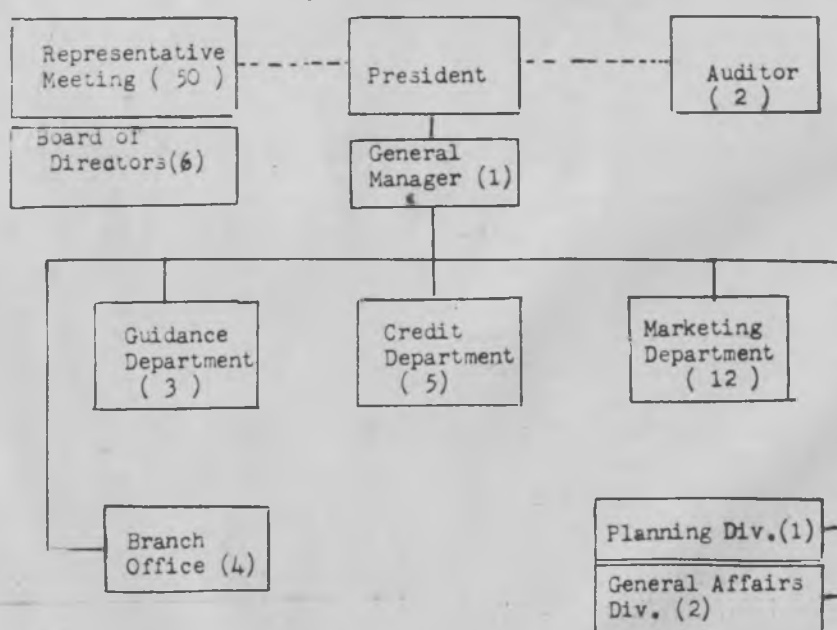
	<i>at the end of 1980</i>	<i>supply in 1980</i>
Power tiller	378	167
Power sprayer	425	119
Automatic thresher	98	5
Water pump	260	16
Planting machine	5	—
Binder	6	—
Combine	1	—
Others	—	20

In order to provide member farmers with efficient repair service the cooperative operates farm machinery service centre since 1978 which extends efficient and convenient post-sale service to farmers. For this centre, the cooperative employs two technicians and have invested 17 million won for building, equipments etc. The service centre is operated at a loss.

As a means of promoting farm mechanisation, the cooperative conducts the joint utilisation of farm machinery with its own machinery. For this purpose, it owns 2 planting machines, a combine and 2 binders, valued at 13 million won. These machines are rented to farmers. In 1980, 23 hectares of paddy field were planted by its two planting machines. Joint utilisation of machinery owned by the farmer also needs to be encouraged.

As most of the paddy fields in the operational area of the cooperative are not rearranged it is very difficult to introduce large-size machinery.

Organisational Structure



Farm chemicals supply

Total supply of farm chemicals in 1980 was valued at 44 million won. Most of these chemicals were supplied for paddy through the

NACF. Primary cooperative has made efforts for promoting joint application of farm chemicals in order to efficiently protect crops from diseases. The chemicals to be used for joint application are

supplied with government assistance such as free transport of chemicals to villages and getting a credit with no interest. However, due to individual interest of the farmers it is difficult to arrange a smooth joint application programme.

ICA Activities

(Continued from page 15)

ded by meetings of the Sub-Committees on Agriculture, Fisheries and Trade Development and the Committee for Consumer Cooperation for South-East Asia.

OPEN ASIAN CONFERENCE ON COOPERATIVE MANAGEMENT

An open Asian Conference on Cooperative Management, seventh in the series, will be held in Manila, the Philippines, from 5th-11th November 1981. The theme of the Conference this year would be "Strengthening Cooperatives". The Conference, organised on a self-financing basis would discuss "Cooperation among members at the local

level", Cooperation among cooperatives within a country" and "Cooperation among cooperatives on a Regional and Global Basis".

ICA/SCC FOLLOW UP SEMINAR ON AGRICULTURAL COOPERATION

A follow-up Seminar on Agricultural Cooperation will be held by the ICA ROEC and the Swedish Cooperative Centre in Thailand from 23rd November to 5th December and in Malaysia from 6th to 16th December 1981. Selected participants from India, Sri Lanka, Bangladesh, Afghanistan, Pakistan, Nepal, Republic of Korea and Thailand, who had attended the International Seminars held in Sweden and ICA Regional Seminars held in the region

on Agricultural Cooperation will participate. Study visits to agricultural cooperatives in Thailand and Malaysia have also been arranged as part of the programme.

FOLLOW UP PROGRAMME FOR SELECTED COOPERATIVE TEACHERS

The second Follow Up Programme for selected Cooperative Teachers will be held by the ICA ROEC in collaboration with the Agricultural Credit and Cooperatives Institute (ACCI) at Laguna, Philippines, from 16th November to 15th December 1981. Participants selected out of earlier seminars conducted by the ICA ROEC on Training Methodology will attend the Follow up Programme.

Role of the Cooperative Movement in the Social and Economic Development of the Developing Countries of Asia and the Pacific

The Economic and Social Commission for Asia and the Pacific.

Recalling General Assembly resolutions 2459 (XXIII) of 20 December 1968 on the role of the cooperative movement in economic and social development and 31/37 of 30 November 1976 and 33/47 of 14 December 1978 on national experience in promoting the cooperative movement and Economic and Social Council resolution 1668 (LII) of 1 June, 1972 on promotion of the cooperative movement during the Second United Nations Development Decade,

Recalling its resolution 196 (XXXV) of 16 March 1979 on the role of the cooperative movement in the social and economic development of the developing countries of Asia and the Pacific,

Desiring to promote the implementation of the International Development Strategy for the Third United Nations Development Decade,

Recalling the report of the World Conference on Agrarian Reform and Rural Development.

Reaffirming that cooperatives play an important role in socio-economic development,

Convinced that exchange of information and experience relating to the cooperative movement among countries plays a vital role in

Text of Resolution Adopted at the 37th Commission of the UN ESCAP held in Bangkok, Thailand, from 10th to 20th March, 1981.

strengthening the cooperatives for the benefit of their members and in overcoming difficulties in the establishment and development of various cooperatives,

Recognizing that in some developing countries agricultural cooperatives are the main tool for realization of an effective integrated programme of rural development at the national level,

1. *Takes note* of the report on the implementation of resolution 196 (XXXV) on the role of the cooperative movement in the social and economic development of the developing countries of Asia and the Pacific and requests the secretariat to submit it as a regional contribution to the report being prepared by the Secretary General for the General Assembly at its thirty-sixth session;

2. *Requests* the Executive Secretary, in response to the requests of members and associate members of the Commission, and in consultation with the United Nations specialized agencies and other institutions involved in the development of cooperatives, to continue work on the role of the cooperative movement in the social and economic development of the developing countries of Asia and the Pacific with a view to facilitating the exchange of experience in this field, paying special attention, *inter alia*, to the following aspects :

(a) Role of cooperatives in over-all social and economic development, particularly of rural areas;

(b) Participation of landless peasants, women and youth in cooperatives ;

(c) Role of agricultural cooperatives in introducing modern agro-technical practices (use of agricultural requisites, mechanization, irrigation agronomic selection etc);

(d) Potential of cooperatives to increase the material welfare of their members;

(e) Interrelationship between agrarian reform and the cooperative movement ;

(f) Development of production cooperatives;

(g) Difficulties faced by countries in the establishment and development of cooperatives and their experience in overcoming them;

3. *Invites* the Executive Secretary, when developing the Commission's programme of work, to take fully into account the need effectively to assist the developing countries of the region which seek such assistance in their efforts to promote cooperatives, especially in rural areas, for the benefit of all strata of the population, where cooperatives present the most appropriate form for helping to achieve the objectives set for the Third United Nations Development Decade;

Invites the members and associate members of the Commission to give financial and other assistance to the Executive Secretary for his continued work in this field, especially as it relates to the exchange of experience ;

5. *Requests* the Executive Secretary to submit a progress report on the implementation of the present resolution to the Commission at its thirty-ninth session.

India

INTEGRATED COOPERATIVE SYSTEM PLANNED

The Government of India has a proposal for setting up nationwide integrated system of marketing and consumer cooperatives to provide remunerative prices to growers for their products and make these available to consumers at a reasonable price.

A draft of the scheme, which seeks to establish links between growers and consumers in order to eliminate "intermediaries" has been sent by the Government of India to all States and the concerned national and State level cooperatives for comments and suggestions.

The scheme aims at reducing the non-functional margins of the trading intermediaries. It takes note of the fact that at present there is overlapping in business operations of both marketing and consumers structures in the cooperative sectors. The consumer structure continues to deal in farm commodities while the marketing structure operates in the field of manufactured goods.

The proposed integrated system envisages that procurement operations would be carried out by marketing cooperatives while consumer cooperatives at the wholesale level would procure manufactured goods from the source of production.

At the retail level, the scheme proposes an integration of both the activities with primary institutions catering to the needs of consumers both in respect of farm and manufactured goods.

PLANS TO DOUBLE RURAL CREDIT

The Government of India intends to double the agricultural

REGIONAL NEWS ROUNDUP

credit for rural development from the present of about Rs. 117 billion by the end of this year.

Addressing delegates from eighteen Afro-Asian countries attending an international seminar on "Harnessing the Financial System in Support of Rural Development", in New Delhi, on 11th August 1981, Rao Birendra Singh, Minister for Agriculture, Government of India, said though India had built up its credit system from a mere Rs. 250 million 30 years ago, to Rs. 17 billion in cooperative sector now, besides another Rs. 100 billion from the banking sector, this level would not be sufficient to bring about the desired change in India's rural side.

CHIEF EXECUTIVES OF APEX COOP HOUSING FINANCE SOCIETIES MEET

A meeting of the chief executives of the apex cooperative housing finance societies was held by the National Cooperative Housing Federation in New Delhi on 12th August 1981. Welcoming the participants the Chairman, Mr. D. Surender Rao, emphasized the need for establishing closer liaison between the administrative functionaries of various apex societies and the NCHF to properly implement the policy decisions on cooperative housing. The meeting discussed a number of subjects and among others, recommended that NCHF should be converted into a financing agency so that the apex housing finance societies may get regular flow of funds for implementing their programmes.

Indonesia

SUHARTO ASSURES FULL SUPPORT TO COOPERATIVE MOVEMENT

The Indonesian Cooperative Movement observed its National Cooperative Day this year on 19th August 1981, throughout the country. General Suharto, President of Indonesia, was the chief guest at a function held in Jakarta.

Addressing the gathering, President Suharto pledged his government's full support to the development of Cooperative Movement in the country. He congratulated the winners of the national cooperatives contest organised in commemoration of the 36th anniversary of the cooperative movement in the country.

The function, organised jointly by the Ministry of Trade and Cooperatives and the Dewan Koperasi Indonesia, was attended by nearly 2500 cooperators from all over the country.

Addressing the meeting earlier, Mr. Radius Prawiro, Minister for Trade and Cooperatives, stated that the government would not interfere in the management of any cooperatives but would constantly give guidance for their development. He added that the government was fully aware that cooperatives should not depend on government facilities solely but on their own initiatives and activities.

Japan

SHIZUMA IWAMOCHI ELECTED PRESIDENT OF CUAC

Mr. Shizuma Iwamochi, 62, was elected President of the Central Union of Agricultural Cooperatives at the special general meeting of the Union held in Tokyo on July 10, 1981. Mr. Iwamochi succeeds Mr. Saburo Fujita, who was president of the CUAC since 1975.

Mr. Iwamochi has been associated with the Movement since 1948 and has been the President of the Iwate Prefectural Union of Agricultural Cooperatives since 1969. He has been the Vice President of the CUAC since March 1974.

SEMINAR ON FISHERIES COOPERATIVES HELD IN JAPAN

The 3rd Seminar on Fisheries Cooperatives in the S. E. Asian Countries was held between 6-26 September, 1981 in Tokyo by the National Federation of Fisheries Cooperative Associations (ZENGYOREN), Japan. Sixteen participants from Bangladesh, Indonesia, Korea, Nepal, Thailand, India, Sri Lanka and Malaysia representing fisheries cooperatives, state departments and cooperative unions were the beneficiaries of this Programme. The ICA Regional Office and Education Centre for S. E. Asia, collaborated in organising the seminar. Dr. G. S. Kamat, Faculty Member, Vaikunth Mehta National Institute of Cooperative Management, Pune, helped in the conduct of the seminar as a resource person.

The three weeks programme was drawn in a balanced manner, covering class room discussions and



Participants on study visit to a fishery cooperative society in Japan.

field visits. Areas covered during the class room discussions were : fisheries cooperative system of Japan, problems of fisheries coops in S E Asia, organisation and working of the ZENGYOREN, credit business of fisheries cooperatives (both savings and loans), protection of fishery grounds, activities of women's groups and the mutual insurance system for fisheries.

During the field visits a district federation of the Mie prefecture and five primary fisheries cooperatives were covered for study. Also about three research centres conducting research in aquaculture, fish farming, eel culture and processing were visited by the group. Two fisheries markets were also studied during their operation period.

The participants were grouped into two batches for drafting their concluding impressions and broad recommendations for the benefit of fisheries cooperatives of the region. The following points were covered (a) organisation-to-day and tomorrow (ideal and practical) (b) structure-primary, central and state-national, (c) eligibility of members (d) mobilisation of resources (ST

and LT) (e) operational management-catching, marketing and processing, preservation and supplies etc (f) state vs fisheries coop.

The participative nature of the Seminar was helpful in bringing out the responses of the delegates, leading to mutually rewarding exchanges. Many managerial practices, women's group activities, mutual insurance system were found replicable in the developing countries.

FARMING POPULATION DROPS

The Population of farm households in Japan showed a net decline of 294,000 in 1980. 900,000 households have left agriculture while 607,000, have entered the field according to a survey on the working trends of farm households released by the Ministry of Agriculture, Forestry and Fisheries recently.

Farm household members who left their homes for off-season labour elsewhere during 1980 totalled 133,000. This is similar to the figure of 1979.

59TH INTERNATIONAL COOPERATIVE DAY OBSERVED

The 59th International Cooperative Day was observed by the Japanese Cooperative Movement on July 4, 1981. In Tokyo a central rally to commemorate the occasion was held by the Japanese Joint Committee of Cooperatives (JJC). 200 Delegates from national organisations of agricultural, consumer, fishery and forest-owners cooperatives attended the rally. The ICA Declaration on the International Cooperative Day was read out and a Resolution declaring the solidarity of the Japanese Cooperative Movement with the movements of other countries was passed unanimously.

Malaysia

SHAH ABU MANSOR, NEW CHIEF EXECUTIVE OF THE MCIS

Mr. Shah Abu Mansor has been appointed the Chief Executive of the Malaysian Cooperative Insurance Society from July 1981. Mr. Shah Abu Mansor has been on the MCIS Board of Directors for some years. He was with the Malaysian Civil Service for several years before joining the MCIS as its Chief Executive.

SEMINAR ON HOUSING COOPERATIVES HELD

A Seminar on Housing Cooperatives was jointly held by the Midlands Cooperative Union, the Federation of Housing Cooperatives and the Cooperative Development Department at Fraser's Hill, from 7th to 9th August 1981. The seminar was addressed, among others, by Mr. Kee Yong Wee, Vice-Chairman of the Housing Developers Association. He called up-

on the cooperatives to revolutionise their management system to cope with the responsibilities and the target allotted to them under the Fourth Malaysia Plan. Cooperative Societies are expected to build 25,000 units or about five per cent of new houses under the Fourth Malaysia Plan. This means that each year they would have to build more than the total number of houses they completed over the entire Third Malaysia Plan period.

Nepal

HELP FOR SCIENCE EDUCATION

A Plan for improving science education in Nepal will be prepared under a technical assistance grant recently approved by the Asian Development Bank (ADB).

The assistance will be financed by the Government of Switzerland and administered by the ADB, as part of a cooperation agreement between the two.

The objective is to prepare a detailed project proposal for upgrading science teaching skills and improving science education in selected secondary schools in Nepal.

Philippines

SMALL FARMERS GROUP MARKETING WORKSHOP HELD

Small farmers can actually make it big in cooperative marketing. With group determination to rise above unsatisfying financial conditions plus workable ideas put into

action, success is never difficult to achieve.

This was the view of the Workshop for Small Farmers Group Marketing held in Batangas City, Philippines, recently. The workshop felt that success need not be built from a large capitalisation or sophisticated strategies to push through one's plans. Rather it shall be in man's ability and patience to pursue a goal and with his neighbours work together to attain it.

Four case studies on livestock and poultry marketing, swine and paddy marketing, egg marketing and copra marketing by four samahang nayons were presented at the workshop.

Sri Lanka

NEW SALARY STRUCTURE FOR COOP EMPLOYEES APPROVED

The Government of Sri Lanka, has agreed to the implementation of a new salary structure for the employees of the cooperatives in the country. The new structure which was recommended by a Special Committee on Salaries of Cooperative Employees will reduce the large number of salary scales to 15 scales integrated on a progressive basis. The new salaries of cooperative employees will now be equal with those applicable to comparable grades in government and state corporation sectors. It is hoped that the new structure will help attracting management talent to the cooperative service and act as an effective check on the drain of talent from the service. The new scales will become operative from 1st January 1981 with retrospective effect.

NEWS AROUND THE WORLD

SCC SUPPORTS UGANDAN COOPERATIVES

The Swedish Cooperative Centre (SCC) has decided to make a contribution to the reconstruction of the Ugandan Cooperative Movement. The major part of the equipment which was bought from the money contributed, as per the joint decision of the Uganda Cooperative Alliance, the ICA Moshi Office and the SCC, has reached Uganda and is being used in the educational work. The gifts included a printing machine and three vehicles.

PROJECT TO SPEED UP SMALL FISHERIES

A crash project has been launched by the UN Food and Agriculture Organisation (FAO) and Swedish International Development Agency (SIDA) to accelerate the development of vessels for small-scale fisheries in India and Sri Lanka.

Under the project entitled Bay of Bengal Programme (BOBP) about a dozen experimental boats are being built.

The Bay of Bengal Programme begun in 1979 covers five countries, including India and Sri Lanka. The others are Bangladesh, Malaysia and Thailand. The programme assists member countries in improving the conditions of their small-scale fishermen and boosting the supply of fish from the small sector.

WORLD BANK SEES GAP INCREASING BETWEEN RICH AND POOR NATIONS

The World Bank has predicted that the gap between rich and poor countries will grow in the 1980s. It also says 750 million people now are living in "absolute poverty" and that their numbers could reach 850 million by 1990.

In its annual World Development Report, the bank calculates that between 1950 and 1980, the per capita gross national product in non-Communist industrial countries rose to \$ 10,660 from \$ 4,130. In poor countries the rise was only to \$ 250 from \$ 170. Both figures were adjusted for inflation to reflect dollars of 1980 purchasing power.

NEW RECORD CEREAL IMPORTS BY DEVELOPING COUNTRIES

The total cereal imports of developing countries are expected to reach a new high of 102-106 million tons in 1981 according to the Food and Agriculture Organization (FAO). FAO's forecast for the 1981 cereal production indicates a world harvest of between 1,475 and 1,560 million tons. Wheat harvest prospects have further improved during the past month but the outlook for coarse grains has deteriorated.

The cereal imports of developing countries continue to rise with respect to the already staggering import estimate for 1980-1981 of 99 million tons mentioned in the report, and developed countries may also need to import more.

The preliminary FAO forecast of world cereal imports for the 1981-1982 season has consequently been raised to 208-220 million tons, compared with 208 million tons in 1980-1981.

Most of the over-all increase is expected to be in wheat with world imports forecast to reach a record level of between 96 to 102 million tons in 1981-82, compared to 93.5 million tons in the previous season.

OUR VISITORS

CHARLES KABUGA

Mr. Charles Kabuga, Education and Training Consultant, ICA Regional Office for East and Central Africa, Moshi, visited the Indian and Sri Lankan Cooperative Movements from September 6 to October 2, 1981. Mr. Kabuga visited the ICA ROEC and held discussions with the Regional Director and other staff members on the working of the Regional Office. He also visited national level organisations

and training institutions, besides a few primary agricultural and industrial cooperative societies in India. In Sri Lanka, Mr. Kabuga held discussions with the National Cooperative Council of Sri Lanka and studied the working of the two ICA Projects, the Teachers Training Project and the Women's Consumer Education and Information Project. He also visited a few multipurpose cooperative societies in Sri Lanka.

Other visitors to the ICA ROEC during the period of July to Septem-

ber include :

- 20 management trainees of a course conducted by the Consultancy Cell of the National Cooperative Consumers Federation of India, New Delhi.
- 80 trainees of a basic course on cooperation held by the Cooperative Training College, Hyderabad.
- 17 cooperative instructors of a training course held by the National Centre for Cooperative Education, New Delhi.

ICA Member-Organisations in South-East Asia

AUSTRALIA

Cooperative Federation of Australia,
Box 5211 AA GPO,
Melbourne Victoria 3001 Australia
Tel : 6631674

BANGLADESH

Bangladesh Jatiya Samabaya Union, 9/D Motijheel
Commercial Area, Dacca-2
(Cable : RANGDHENU) Tel : 252845

INDIA

National Cooperative Union of India,
3, Siri Institutional Area, Panchshila Marg,
Hauz Khas, New Delhi-110016
Tel : 662750 & 662751 (COPUNION)

National Agricultural Cooperative Marketing Federation of India Ltd., Sapna Building, 54 East of Kailash, New Delhi-110024.
Tel : 683334, (NAFED)

National Cooperative Consumers' Federation Ltd., Deepali, (5th Floor), 92, Nehru Place, New Delhi-110024. Tel : 682422 (KONFED)

National Cooperative Land Development Banks Federation, Shivshakti, 2nd Floor, B. G. Kher Road, Worli, Bombay-400018 (BHUMIVIKAS)
Tel : 395349

National Federation of State Cooperative Banks, Garment House, 2nd Floor, Dr. Annie Besant Road, Worli, Naka, Bombay-400018. Tel : 379936

Indian Farmers Fertiliser Cooperative Ltd. (IFFCO)
34, Nehru Place, New Delhi-19. Tel : 682506

INDONESIA

Dewan Kooperasi Indonesia, Komplek Pusdikop, Jalan Jenderal Gatot Soebroto, Jakarta
Tel : 74081-88

JAPAN

Central Union of Agricultural Cooperatives
8-3 1-chome, Otemachi, Chiyoda-ku, Tokyo
(CHUOKAI) Tel : 2700041

Japanese Consumers' Cooperative Union
1-13, 4-chome, Sendagaya, Shibuya-ku, Tokyo.
(CONSUMUNION) Tel : (404) 3231

National Federation of Fisheries Cooperative Associations, "Coop. Building" 1-12 Uchikanda, 1-chome, Chiyodaku, Tokyo (NAFEDEFISH)
Tel : 2949611

National Federation of Forest Owners Cooperative Associations, Cooperative Building, 8th Floor, 1-12, 1-chome, Uchikanda, Chiyodaku, Tokyo.

Central Cooperative Bank for Agriculture and Forestry, 8-3, 1-Chome, Otemachi, Chiyodaku, Tokyo (CCBAF) Tel : 2790111

Zen-Noh (National Federation of Agricultural Cooperative Associations), 8-3-1, chome, Otemachi, Chiyodaku, Tokyo. Tel : 03-279-0211

IE-NO-HIKARI Association, 11 Funagawara cho, Ichigaya, Shinjuku, Tokyo. Tel : 260-3151

National Mutual Insurance Federation of Agricultural Cooperatives, 7-9, Hirakawa cho, 2 chome, Chiyodaku, Tokyo. Tel : 265-3111

REPUBLIC OF KOREA

National Agricultural Cooperative Federation, 75 1st Street, Chungjong-Ro, Jung-ku, Seoul
(KONACOF) Tel : 73-0021, 752681

National Federation of Fisheries Cooperatives,
88, Kyung Wun Dong, Chongro Ku
Seoul 110. Republic of Korea (FISHFEDER)
Tel : 70-6211-724436

MALAYSIA

Cooperative Union of Malaysia, WISMA MCIS,
Jalan Barat, Peti Surat 345, Petaling Jaya
Tel : 772577

Angkatan Kerjasama Kebangsaan Malaysia Limited
ANGKASA, 23, Tingkat M. Jalan SS 2/67
Pati Su:at 368, Petaling Jaya
Tel : 771258, 773666

Malaysian Cooperative Insurance Society Limited,
WISMA MCIS, Jalan Barat, Peti Surat 345,
Petaling Jaya

Cooperative Central Bank Limited, Peti Surat
685, 29 Leboh Ampang, Kuala Lumpur.
Tel : 26531/4

National Land Finance Cooperative Society Ltd,
Bangunan Tun Sambanthan,
No. 2, Jalan Sultan Sulaiman, Peti Surat 2133,
Kuala Lumpur 02-12 Tel : 207044 (NALFICD)

Federation of Housing Cooperatives Ltd.
c/o Railway Cooperative Multipurpose Society
Ltd., Wisma Merlin, Jalan Siltan Ismail,
POB 2528, Kuala Lumpur-0404 Tel : 423813

PAKISTAN

Mercantile Cooperative Finance Corporation
Block No. 5, Sargodha Tel : 2320

Punjab Cooperative Union, 11 Masson Road, P.O.
Box 905, Lahore-1.

PHILIPPINES

Sugar Cooperatives Development Institute of the
Philippines Inc.,
Rms. 211-213 Cuenca-Gonzaga Building,
San Juan Street, Bacolod City. 6001.

National Association of Training Centres for
Cooperatives (NATCCO)
Pleasant Home Subdivision

Punta Princesa, P.O. Box 950, Cebu City
Cooperative Union of the Philippines Inc., Room
301B, 3rd Floor, N.de la Merced (Delta) Building,
West Avenue, Quezon City. Tel : 976119, 994198.

SINGAPORE

Singapore National Cooperative Union Ltd.,
P.O. Box 366, Maxwell Road Post Office
Singapore 9007, Tel : 2735183

SRI LANKA

National Cooperative Council of Sri Lanka
455, Galle Road, Colombo-3 (NACOSIL)
Tel : 84638, 85496

Sri Lanka Cooperative Fisheries Federation Ltd.,
127 Grandpass Road, Colombo-14. COOP FISH
Tel : 25057.

THAILAND

Cooperative League of Thailand, 4 Pichai Road,
Dusit, Bangkok, Tel : 24-13634

COOPERATIVE PRINCIPLES

Voluntary Association and Open Membership

1. Membership of a cooperative society shall be voluntary and available without artificial restriction or any social, political, racial or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.

Democratic Control

2. Cooperative societies are democratic organisations. Their affairs shall be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies should enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.

Limited interest on Capital

3. Share capital shall only receive a strictly limited rate of interest, if any.

Equitable division of surplus

4. The economic results arising out of the operations of the society belong to the members of that society and shall be distributed in such a manner as would avoid one member gaining at the expense of others.

This may be done by decision of the members as follows :

- (a) By provision for development of the business of the Cooperative;
- (b) By provision of common services; or,
- (c) By distribution among the members in proportion to their transactions with the society.

Cooperative Education

5. All cooperative societies shall make provision for the education of their members, officers, and employees and of the general public, in the principles and techniques of Cooperation, both economic and democratic.

Cooperation among Cooperatives

6. All cooperative organisations, in order to best serve the interests of their members and communities shall actively cooperate in every practical way with other cooperatives at local, national and international levels. ■

THE INTERNATIONAL COOPERATIVE ALLIANCE

is one of the oldest of non-governmental international organisations. It is a world-wide confederation of cooperative organisations of all types. Founded by the International Cooperative Congress held in London in 1895, it now has affiliates in 66 countries, serving over 355 million members at the primary level. It is the only international organisation entirely and exclusively dedicated to the promotion of cooperation in all parts of the world.

Besides the Head Office of the ICA, which is in London, there are three regional offices, viz., the Regional Office & Education Centre for South-East Asia, New Delhi, India; the Regional Office for East and Central Africa, Moshi, Tanzania and the Regional Office for West Africa, Bingerville, Ivory Coast. The Regional Office in New Delhi was started in 1960, the office in Moshi in 1968, and the West African Regional Office in 1979.

The main tasks of the Regional Office & Education Centre are to develop the general activities of the Alliance in the Region, to act as a link between the ICA and its affiliated national movements, to represent the Alliance in its consultative relations with the regional establishments of the United Nations and other international organisations, to promote economic relations amongst member-movements, including trading across national boundaries, to organise and conduct technical assistance, to conduct courses, seminars and conferences, surveys and research, to bring out publications on cooperative and allied subjects and to support and supplement the educational activities of national cooperative movements. The Regional Office and Education Centre now operates on behalf of 15 countries, i.e. Afghanistan, Australia, Bangladesh, India, Indonesia, Iran, Japan, Republic of Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka and Thailand. ■

INTERNATIONAL COOPERATIVE ALLIANCE

World Headquarters 11 Upper Grosvenor Street
London W1X 9PA England Tel. 01-499, 5991-3

South-East Asian Office

Regional Office & Education Centre for S-E Asia
'Bonow House', 43 Friends' Colony, Post Box No. 3312,
New Delhi 110-065, India, Tel. 63-5123, 63-5319

East & Central African Office

Regional Office for East and Central Africa
Post Box 946, Moshi, Tanzania. Tel. 2616

West African Office

ICA Regional Office for West Africa
01 BE 3969, Abidjan 01, Ivory Coast. Tel : 303008

