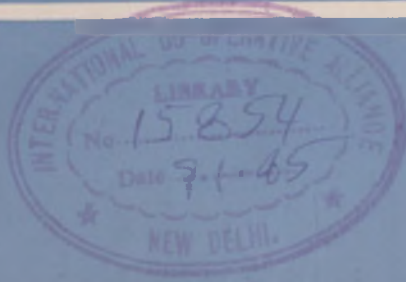




# ICA REGIONAL BULLETIN

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



*Measure of man is what he does with power.*

*—Pittacus*



Season's Greetings and Best Wishes for the New Year



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

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**ICA  
REGIONAL  
BULLETIN**

EDITOR

**H. P. Lionel Gunawardana**

ASSISTANT EDITOR

**A. H. Ganesan**

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## OUR COVER

Brig Gen. Arcadio S. Lozada, President, Cooperative Union of the Philippines, welcoming Councillors and guests at the inaugural session (right to left) Mr. A. E. Saenger, Director, ICA; Mr. Arturo R. Tanco, Minister for Agriculture; Mr. R. B. Rajaguru, ICA Regional Director for South-East Asia; Mrs. Nelia T. Gonzales, Assistant Secretary, Ministry of Agriculture; Mr. Manuel P. Alonzo, & Mr. B. P. Faustino (partly seen)

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# ***ICA Regional Council Meets in Manila***

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The twenty-fourth meeting of the ICA Regional Council for South-East Asia was held in Manila, Philippines on November 11-12, 1982 at the kind invitation of the Cooperative Union of the Philippines, the Bureau of Cooperative Development and the Ministry of Agriculture of the Philippines. Councillors from Bangladesh, India, Indonesia, Japan, Malaysia, Philippines, Singapore, Sri Lanka and Thailand attended the meeting. The Council meeting was preceded by the meetings of the Committees on Agriculture, Fisheries, Trade, Consumer and Credit, which commenced on 8th November 1982.

The committee meetings and the council meeting were attended by Mr. A.E. Saenger, Director, ICA and Mr. Alf Carlsson, Director, Swedish Cooperative Centre (SCC).

## ***Inauguration***

The meeting was inaugurated at a colourful ceremony presided over by Brig. Gen. A.S. Lozada, President of the Cooperative Union of the Philippines and attended by Mr. Arturo R. Tanco, Minister for Agriculture, Dr. Orlando J. Sacay, Deputy Minister for Cooperatives, Mrs. Nelia T. Gonzales, Assistant Secretary, Ministry of Agriculture, Mr. A.E. Saenger, Director ICA, Mr. Alf Carlsson, Director, SCC, and Mr. R.B. Rajaguru, Regional Director, ICA ROEC.

The inaugural function was combined with a prize awarding ceremony, where outstanding cooperatives and distinguished co-

operators in the Philippines were awarded certificates and citations of merit by the Minister and the Deputy Minister.

Welcoming the Councillors, Gen. Lozada explained the recent developments that had taken place in the cooperative movement in the Philippines, such as inclusion of cooperative development as a part of the economic plan of the government, development of a cooperative marketing system in the Philippines and the gradual transfer of responsibilities from government to the Cooperative Union of the Philippines (CUP) in respect of training, auditing, etc. Gen. Lozada congratulated the ICA ROEC for the effective role it was playing in the propagation of cooperative principles and in promoting friendly and economic relations amongst cooperative organisations in the region.

Addressing the meeting, Mr. A.E. Saenger, Director, ICA, said that he was happy to see that the government had a positive policy of support for cooperatives and that tax exemptions and other forms of governmental encouragement, would enable the cooperative movement in the Philippines to progress rapidly. He said that overall success of the efforts in the field of cooperatives would closely depend on the attitudes of the governments of the various countries of the region and their support to cooperative efforts.

In his address, Mr. Tanco, Minister for Agriculture, emphasised

the fact that his government's policy was to reduce government control over cooperatives to the minimum. He said that the management of the Cooperative Education and Training Fund had already been transferred to the CUP, while responsibilities in respect of cooperative training, education and auditing would be transferred gradually. He also welcomed the support and guidance provided by the ICA ROEC to the Philippines Cooperative Movement.

Mr. R.B. Rajaguru, ICA Regional Director for South-East Asia, thanked the Minister, the Deputy Minister and the Assistant Secretary of the Ministry for their encouragement and support. He also thanked the Director, ICA and the Director, SCC for their presence. He thanked the CUP for the warm welcome, the hospitality extended and the colourful inauguration ceremony.

## **COUNCIL MEETING**

### **Election of Chairman**

Brig. Gen. A.S. Lozada, President of the CUP and Member for the Philippines, was unanimously elected Chairman of the Council till the holding of the next meeting in 1983. He extended a warm welcome to all councillors and in particular to Mr. Saenger and Mr. Alf Carlsson.

The meeting paid homage to the memory of late Dr. Mauritz Bonow, former President of the ICA, Miss G.F. Polley, former General Secretary of the ICA and Mr. Manuel C. Fabriga, Vice-President of the CUP and observed

a minute's silence as a mark of respect.

Mr. Saenger, in his introductory remarks expressed his happiness at being able to participate in the Regional Council meeting and learn about the movements of the region, their success and their needs. He also explained the recent developments in regard to the ICA Head Office, the shift to Geneva, the recent Central Committee Meeting in Rome and the decisions in regard to evolving a Development Policy for the ICA. He explained also about the steps taken in regard to restructuring of the ICA and as the ICA's own Development Fund did not have adequate funds, the Director suggested that each national movement may consider setting apart a percentage of their collections for various cooperative functions and celebrations as contribution to the Cooperative Development Fund.

#### Evaluation Committee Report

One of the important items considered by the Council was the Evaluation Committee's Report on the Working of the Regional Offices. Mr. Alf Carlsson explained the background against which this evaluation was undertaken, the discussions held at SCC in this regard and the guidelines which were drawn up by the SCC. The Council after due consideration adopted the guidelines as set out by the SCC for future development activity.

#### Educational Activities

The Council noted the educational activities carried out by the ROEC in 1981-82 and the on-going programmes till June 1983.

The Council approved the following programme of work for 1983-84:

1. A top level Cooperative Leaders Conference on the theme "Enhancing Coopera-

tive Capability", to be held in Tokyo, Japan, in November 1983, in collaboration with the Central Union of Agricultural Cooperatives and the IDACA. This conference will also coincide with the 20th year celebrations of the IDACA.

2. A Regional Seminar on Integrated Cooperative Activities for Agricultural Development, to be held in Seoul, Republic of Korea.
3. A Sub-Regional Seminar for Fisheries Cooperatives to be held in Sri Lanka.
4. SEASPECT Meeting and Follow-up of the SCC/ICA Course for Principals and Senior Teachers of Cooperative Institutions in S E Asia to be held in Malaysia.
5. A Sub-Regional Course on Techniques of Audio-Visual Instructions to be held in Manila, Philippines.
6. A Regional Workshop on Field Education Development (FED) Material.
7. A Technical Conference on Cooperative Credit and Banking, to be held in Malaysia.
8. The Third Meeting of the ICA Regional Working Party for Cooperative Press for South-East Asia, to be held in the Philippines.

#### Projects

The Council was informed that the on-going projects for Training of Cooperative Teachers and the Project for Consumer Education through Cooperatives in Sri Lanka would be continued in 1983-84.

#### Technical Assistance and Trade

The Council noted that preliminary investigations for the establishment of a Regional Ware-

house in Thailand were carried out and that the Swedish Cooperative Centre would support a feasibility study in the first instance. Consultancy services provided to the Super Palanke, Manila and the conduct of an in-house training programme for its employees were also noted.

#### Publications and Public Relations

The Council noted that a number of publications had been brought out by the ROEC during 1982 and that the ICA Working Party on Cooperative Press for South-East Asia met in Jakarta in May 1982. The Council noted that the following publications would be brought out in 1983-84 :

- (i) Readings in Cooperative Marketing
- (ii) Enhancing Cooperative Capability
- (iii) Integrated Agricultural Cooperative Development — Guidelines to Cooperatives
- (iv) Report on Activities of the ICA ROEC.
- (v) Reports of Technical Meetings.
- (vi) The ICA Regional Bulletin—four issues.
- (vii) Speeches on Cooperation—few important speeches would be published

#### IDACA Activities

Mr. K. Fujimoto, Managing Director, IDACA, reported on the activities undertaken by the Institute during 1982. The Council noted that the following activities would be carried out in 1983 :

- (i) Follow-up and Re-Union meetings in Bangladesh and Nepal, to be held in January-February 1983.
- (ii) Training Course for Cooperative Agricola de Cotia Cooperative Central, Brazil. →



## **ICA Director Calls on the President of the Philippines**

Mr. A. E. Saenger, Director of the International Cooperative Alliance, who was in Manila to attend the ICA Regional Council meeting, called on the President of the Philippines Mr. Ferdinand E. Marcos on 10th November 1982, accompanied by Mr. Alf Carlsson, Director, Swedish Cooperative

Centre, Stockholm, Brig. Gen. Arcadio S. Lozada, President of the Cooperative Union of Philippines and several other cooperative leaders.

The ICA Director told President Marcos that he was impressed by the Cooperative Movement of the

country.

President Marcos, talking to the delegation, praised the role of the cooperative movement and said it teaches people to be self-reliant and helps them to improve their living standards. He added that the cooperative development of the Philippines envisages an effective link up of the consumers cooperatives with the producers cooperatives in the Philippines. ■



*President Ferdinand E. Marcos of the Philippines with Mr. A. E. Saenger, Director, ICA and other Cooperative leaders when they called on him in Manila.*

- ←(iii) General Course in Agricultural Cooperatives under the Colombo Plan, in May 1983.
- (iv) ICA/CUAC/IDACA Seminar on "Integrated Cooperative Activities for Agricultural Development".
- (v) Training Course for Cooperators from selected countries, for participants from Malaysia and Indonesia.

The meeting was also informed that on a request from the ICA Regional Office, Moshi, IDACA was planning to hold a seminar for African Cooperators.

Mr. Fujimoto emphasized the need, in regard to selection of participants, to select participants from cooperatives engaged in that particular field of activity in which the seminar was held so as to avoid difficulties in programme planning.

The appreciation of the ICA, SCC and the Regional Councillors were conveyed to the IDACA for its active collaboration in the field of education and training.

### **Small Farmers Research Study**

The Council was informed that as a result of the research study undertaken, several project areas

have been identified in India, Sri Lanka and Thailand and that action was proceeding

The members of the Council were informed that consultations regarding projects on the action oriented research study situation could be initiated by interested movements with the ICA ROEC.

### **Venue of the next meeting**

The next meeting of the Council will be held in Tokyo, Japan on 3rd, 4th and 5th November 1983 at the invitation of the Central Union of Agricultural Cooperatives (CUAC) Japan. ■

## ICA Sub-Committee for Agriculture

The 17th Meeting of the ICA Sub-Committee for Agriculture for South-East Asia was held in Manila, Philippines on 10th November 1982 under the chairmanship of Mr. R.G. Tiwari from India. Representatives from Bangladesh, Indonesia, Japan, Republic of Korea, Philippines, Sri Lanka and Thailand attended the

meeting.

A talk on "Agricultural Co-operative Movement in the Philippines-Problems and Prospects" was given by Mrs. Nelia T. Gonzales, Assistant Secretary, Ministry of Agriculture, and Officer-in-Charge, Bureau of Cooperative Development. The

talk was followed by a discussion.

The sub-committee noted the work done by the ICA ROEC in the field of agricultural cooperation.

The sub-committee discussed the need for undertaking research studies in the field of agricultural cooperation and decided that the member movements should send proposals for research studies to the ICA ROEC.

The 12th Meeting of the ICA Sub-Committee for Fisheries for South-East Asia was held in Manila on 9th November, 1982 under the chairmanship of Mr. Haji Aziz Ibrahim from Malaysia. Representatives from Indonesia, Japan, Republic of Korea, Philippines, Sri Lanka and Thailand attended the meeting.

Mr. A.E. Saenger, the ICA Director addressing the meeting said the fishery cooperatives had a very important role to play in developing the industry. He said he would like the sub-committee to work in close collaboration with the main committee so that the main committee can extend assistance to the sub-committee in its work.

A paper on "Development of Fishery Cooperatives in the Region—Priority areas for special attention" prepared by Mr. S. Chandra, Managing Director, National Federation of Fishermen's Cooperatives

of India, was presented in his absence by Dr. R.C. Dwivedi, Chief Executive of the National Cooperative Union of India. The presentation was followed by a discussion. The major points recommended by the paper for consideration for adoption by the fishery cooperatives in the region were :

- (a) Development of inland fisheries and cooperative marketing of inland fish.
- (b) Adoption of (selected) fishery villages for overall improvement in production, marketing and management of fishery cooperatives to serve as demonstration units.
- (c) Cooperative education of fishermen and training of personnel in fishery coope-

ratives.

- (d) Introduction of accident insurance system for fishermen.

The sub-committee discussed the technical assistance offer from Hungary for the development of fresh water fisheries in the countries of the region. Malaysia, Philippines and Sri Lanka are expected to send in their requests for assistance under this scheme.

The sub-committee noted the Regional Seminar for Fishery Cooperatives held by the National Federation of Fishery Cooperatives Associations of Japan, and International Seminar on Cooperative Fisheries by National Council of Agricultural Cooperatives, Hungary, and expressed its gratefulness to these organisations.

The fourth meeting of the ICA Sub-Committee on Trade Development met on 8 November, 1982 in Manila under the Chairmanship of Mr. Modesto Sa Onoy, from the Philippines.

Mr. Modesto Sa-Onoy, Philippines was elected Chairman and Mr. Ki Won Suh, Korea as Vice-Chairman of the Sub-Committee for the remaining tenure up to the next ICA Congress in 1984.

The Sub-Committee was informed by members from India, the

## ICA Trade Development Sub-Committee

Philippines and Sri Lanka that their cooperative apex organizations at the national level have set up trade promotion groups for coordinating and reviewing development of cooperative international trade in their respective countries.

The Sub-Committee was informed that the Swedish Cooperative Centre has provided the services of a Swedish Expert in Cooperative

International Trade to the ICA Regional Office in New Delhi. The Sub-Committee urged the member movements to make full and effective use of the Swedish Expert in the ICA Regional Office who has considerable practical experience about their needs in order of priority and the ways in which ICA Regional Office could assist them meaningfully and effectively.

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## ICA Committee on Consumer Cooperation

The ICA Committee on Consumer Cooperation for S-E Asia met in Manila on 9th November under the Chairmanship of Mr. Chong Thin Huatt from Malaysia.

The meeting was attended by members from nine countries i.e. India, Indonesia, Japan, Korea, Malaysia, Philippines, Singapore, Sri Lanka and Thailand.

The Committee requested the Director of the International Cooperative Alliance to have a review of the existing relationship between the ICA main auxiliary committee on Consumer Cooperation and the Regional Committee and that the Regional Committees should get due representation and adequate

opportunity to influence the policies and programmes of the main Auxiliary Committee.

The Committee placed on record their appreciation of the ICA Regional Office in New Delhi for expeditiously carrying out the preliminary investigations and preparing a project idea for setting up a National Warehouse for Cooperatives in Thailand.

The Committee took note of the request of the First Consumer Cooperative Conference in Mindanao Island in the Republic of the Philippines, for setting up a Regional Warehouse in Mindanao for resolving the serious problem of supply of merchandise to consumer

cooperatives on this Island.

In view of the increasing interest of member movements in Regional Warehousing, the Committee requested the ICA Regional Office to organise a Regional Seminar, preferably in Thailand, on Stock Management and Regional Warehousing. It was suggested that experience of the Swedish and Japanese Consumer Cooperative Movements in this field should also be discussed at this Seminar.

The member from Japan informed the Committee that the JCCU could arrange on-the-job training for three professional employees of Consumer Cooperatives from the Region every year, for a duration of one month, and said that they would consider the possibility of increasing this facility of on-the-job training for five employees every year.



# ICA Committee on Cooperative Credit and Banking

The first meeting of the Committee was held on 10th November 1982 in Manila. Seven members from India, Malaysia, Philippines, Singapore and Sri Lanka attended the meeting. The meeting was also attended by 14 observers from Bangladesh, India, Republic of Korea, Malaysia, Philippines and Thailand.

The meeting adopted the constitution which was later approved by the Regional Council.

Mr. Manuel P. Alonzo, Jr. from

the Philippines and Mr. M.M. Vyas from India, were elected Chairman and Vice-Chairman of the Committee. Mr. J.M. Rana, Director (Education), ICA ROEC, has been assigned to work as Secretary of the Committee.

The Committee decided that a regional document detailing cooperative credit and banking situation in the Region be compiled by the Secretary with the assistance and collaboration of the committee members and the member organisa-

tions. It was also decided that a Technical Conference on Cooperative Credit and Banking be held during the forthcoming year. Malaysia offered to play host to the Technical Conference. The tasks of the Technical Conference would be to suggest guidelines for promotion and development of cooperative credit and banking in the Region, consideration in regard to establishing a Regional Cooperative Credit Development Fund and formulation of a plan of action for the Committee.

## ICA SUB-COMMITTEE ON INDUSTRIAL COOPERATIVES FOR SOUTH-EAST ASIA

The preparatory meeting for the above purpose was held in Manila, Philippines on 11th November 1982. Only two designated members from Malaysia and the Philippines attended.

In view of the inability of the designated members in attending the meeting, the sub-committee could not be constituted. It was generally felt that the question of forming the sub-committee may be kept alive. This matter was referred to the Regional Council which accepted this suggestion.

## LIST OF HOLIDAYS DURING 1983

The following holidays will be observed by the ICA Regional Office and Education Centre during the year 1983.

Republic Day	January 26	Wednesday
Maha Shivratri	February 11	Friday
Holi	March 29	Tuesday
Good Friday	April 1	Friday
Mahavir Jayanti	April 25	Monday
Buddha Purnima	May 26	Thursday
Id'ul Fiter	July 12	Tuesday
Independence Day	August 15	Monday
Raksha Bandhan	August 23	Tuesday
Janmashtami	August 31	Wednesday
Id'ul Zuha (Bakrid)	September 18	Sunday
Mahatma Gandhi's Birthday	October 2	Sunday
Dussehra (Maha Ashtami)	October 14	Friday
Dussehra (Vijaya Dasami)	October 16	Sunday
Muhurram	October 17	Monday
Deepavali	November 4	Friday
Guru Nanak's Birthday	November 20	Sunday
Christmas Day	December 25	Sunday

## ICA CENTRAL COMMITTEE MEETS IN ROME

At the invitation of the three Italian Cooperative Apex Organisations, the Lega Nazionale delle Cooperative Mutue, the Confederazione Cooperative Italiane and the Associazione Generale delle Cooperative Italiane, over 250 members of the ICA Central Committee, representing cooperative organisations from 50 countries, together with representatives of the United Nations and other international organisations, met in Rome at the Palazzo Barberini for this year's deliberations of ICA's second highest Authority. The President of the Republic gave an audience to the members of the Executive Committee of the Alliance and the Prime Minister welcomed the participants to Italy.

As a follow-up of decisions taken by the 27th Congress 1980 this Central Committee considered two main papers having long term implications. Some aspects, from a global perspective, for cooperative planning up to the year 2000 were the subject of a paper introduced by Mr. S. Ake Book, Director of the Swedish Cooperative Institute. This was followed by a lively discussion touching, among other subjects, on the importance of developing an international cooperative financial system, on mass media, on cooperative education, on the role of women in cooperatives, on provision of energy and emphasizing special needs of developing countries. It led to the conclusion that a global perspective for cooperative development will require a greatly increased role of the ICA.

The second paper from the Secretariat aimed at defining an ICA Policy for Cooperative Development in the Third World. A special contribution was made by Senator Bersani, a member of the European Parliament, who com-

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## ICA ACTIVITIES

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mented upon the EEC policy in the field of development and emphasized the interest of the European Commission in the cooperative approach. At the end of a long debate, a motion was passed unanimously stating the position of the International Cooperative Movement in respect of assistance to cooperative development. A drafting group will reshape the policy document in appropriate terms for circulation not only to ICA member organisations but to all United Nations Agencies and interested donor organisations. The Central Committee also adopted a unanimous Resolution on Peace and Disarmament (See page 12 & 13)

The Auxiliary Committees for Agriculture, Housing, Banking, Fisheries, Intercoop, Consumer Affairs, Workers Productive, Women, Tourism and the Press, had met prior to the Plenary Session of the Central Committee and they reported on their meetings to the Central Committee.

Three new members were elected to the Executive Committee in order to fill vacancies: Mr O. PRANDINI, Italy, Mr. D.D. WILKINSON, UK and Mr. WILLIAMS, USA. The Central Committee accepted the principle of a new multiplier for calculating the subscriptions to be applied to ICA formula for 1984. It also noted the decision taken by postal vote by the members of the Central Committee to move the Secretariat to Geneva.

Tribute was paid to the British Cooperators who hosted the ICA since its foundation in 1895. The dedication to the work of the ICA by its staff was praised and especially that of Mr. R. P. B. Davies,

Deputy Director, who was awarded the Albin Johansson medal for his many years service in the Alliance, by the Swedish Cooperative Movement.

The Central Committee will meet in 1983 in Prague at the invitation of the Czechoslovakian Cooperative Movement.

### THE SEAT OF THE ICA MOVED TO GENEVA

For several years the Executive Committee of the ICA has been considering the question of moving the seat of the International Cooperative Alliance to more functional and more economic premises.

The XXVII Congress of the ICA (Moscow 1980) empowered the Central Committee to take a decision on the matter. This, mainly because the lease of the building at 11, Upper Grosvenor Street, in London had to be sold without waiting for the next Congress as the value of this lease was declining each year.

Thus a sale was achieved on good terms, but with the obligation to vacate the premises prior to 15th November 1982. The selection of a new location then became an urgent matter. After several years search in London, the Executive Committee was faced with the necessity of making a choice. Therefore, on the basis of a comparative study, including in the first place London, the advantages and disadvantages of several European cities were considered. The conclusion was to recommend that the seat of the ICA be transferred from London to Geneva and

that the Central Committee be consulted on this choice by means of correspondence which is provided for by article 29 of the ICA Rules.

The consultation took place between June 15th and July 31st. It resulted in a very large approval for the recommendation put forward by the Executive Committee.

As a consequence of this decision the Secretariat of the ICA has been located in Geneva as from November 1st 1982 at the following address :

International Cooperative Alliance  
35, rue des Paquis  
B.P. 862  
CH-1211 GENEVA 1  
Tel. : (022) 31.77.50/58/59

Through the transfer of its seat to Geneva, where about 200 international organisations are based, the ICA will enjoy the special status of an international non-governmental organisation and the related privileges granted under Swiss law.

As it leaves the U.K., where it was founded in 1895 and where it maintained its seat for over 87 years, surviving crises and wars, the International Cooperative Alliance is deeply conscious of the indebtedness of the world cooperative movement to British Cooperators.

The Central Committee of the ICA, at its meeting in Rome from 26 to 28 October paid special tribute to them

#### SAENGER ASKS ROEC STAFF TO KEEP UP THE TRADITION OF GOOD WORK

The Director of the ICA, Mr. Andere E. Saenger, visited the ICA ROEC on November 17 and 18 and held discussions with

the Regional Director and other staff on the work of the ICA ROEC. Addressing the staff members at a reception given by the Staff Council and Staff Club of the ROEC, Mr. Saenger said that both in Manila during the time of the Regional Council Meeting and in India, he had opportunity to discuss with the Regional Councillors and other cooperative leaders and he was happy to note that the South-East Asian Regional Office & Education Centre was held in high esteem by the movements of the Region and that the Regional Office was the meaningful and effective contact point of the ICA for the movements in Asia.

Congratulating the staff for the good work done, Mr. Saenger said the staff should keep abreast of the changing demands of the movements in the Region and provide the services accordingly. He assured the staff of his support for the continued performance of the useful work of the ROEC.

#### MALTE JONSSON JOINS ICA GENEVA

Mr. Malte Jonsson, Deputy Director, Swedish Cooperative Centre, has joined the ICA headquarters in Geneva as Chief of the Development Section.

Among other responsibilities, Mr. Jonsson will liaise between the ICA headquarters, its Regional Offices and the SCC.

#### ICA'S 'BUCKET OF WATER' CAMPAIGN HELPS 17 COUNTRIES

The International Cooperative Alliance's Buy A Bucket of Water campaign raised more than \$500,000 in U.S. funds and helped projects in 17 countries.

The campaign, proposed by the

ICA's women's committee, was adopted by the ICA in 1978 as its contribution to 1979 International Year of the Child observances.

The money raised was used to finance selected water projects in Africa, South-East Asia, and Latin America.

A report on the campaign published by ICA says that, apart from its main purpose, it had a two-way benefit for all cooperators :

"The efforts of the ICA brought welcome approval at the international level for this imaginative project as it was described by UNICEF. Furthermore, in countries and localities where the appeal was made, it served to highlight the care cooperators have for the needs of the developing countries and to underline the social purpose of the cooperative movement".

#### ICA EXECUTIVE COMMITTEE TO MEET IN KOREA

The Executive Committee of the ICA will hold its next meeting in Seoul, Republic of Korea, on 30th and 31st March 1983, at the invitation of the National Agricultural Cooperative Federation of Korea. The meeting will be preceded by the meetings of the Cooperative Development Committee and the ICA Executive Sub-Committee on 29th March 1983.

This will be the second time the Executive Committee will be meeting in the SE Asian Region—the first meeting in the region was held in New Delhi in February 1971.

#### COURSE FOR TRAINERS

A Regional Course on Cooperative Management for Trainers was inaugurated in New Delhi on 9th December 1982 by Mr. G.K. Sharma, ILO Regional Adviser on Cooperatives, Bangkok. Dr. R.C. Dwivedi,

Chief Executive, NCUI, presided over the inaugural function which was held in the Board Room of the NCUI. Twelve participants from seven countries, i.e. Afghanistan, India, Republic of Korea, Nepal, Philippines, Sri Lanka and Thailand are attending the course.

This three-months' course is being jointly organised by the ICA ROEC and the NCUI. The principal objectives of the Course are to enable the participating teachers to learn the concepts, process and techniques of management so that they can teach the subject effectively; and to learn skills in using audio-visual aids and participative teaching



*Mr. G.K. Sharma, ILO Regional Adviser on Cooperatives, Bangkok, seen inaugurating the Course. (l-r) Dr. R. C. Dwivedi, Chief Executive, NCUI, Mr. Sharma, Mr. B. D. Sharma, Executive Director, NCUI and Dr. Dharm Vir, Joint Director, ICA ROEC.*

techniques. The participants will be preparing material for training managers of multipurpose cooperative societies.

#### WORKSHOP FOR ADAPTION OF FIELD EDUCATION DEVELOPMENT MATERIALS HELD

The Cooperative Education Materials Advisory Service (CEMAS) has prepared prototype material—Field Education Development (FED) Pack—comprising a number of modules aiming to provide systematic guidance to field educators to make education a

resource effective input.

With a view to consider the relevance of the FED material to Indian conditions, ICA CEMAS in collaboration with the National Cooperative Union of India (NCUI) convened a workshop in the premises of NCUI from 5th to 11th November 1982. The workshop was preceded by a Technical Meeting held from 2nd to 4th November 1982. It was attended by Mr. Bo

Engstrom, ICA-CEMAS, Geneva; Mr. Sam P. Mshiu, ICA-CEMAS Unit, Moshi, Tanzania; Dr. Dharm Vir and Dr. G. Ojha of ICA-CEMAS Unit, New Delhi; Mr. K.C. Jain and Mr. B.B. Trivedi of NCUI. Members of technical meeting subsequently worked as resource persons in the workshop.

Inaugurating the meeting, Dr. R.C. Dwivedi, Chief Executive, NCUI, said that in a country like India, where literacy level is rather low, written word would not be of much help. Education must set and attain a definite economic goal so that the individuals were benefited and the cooperatives are strengthened.

Mr. Bo Engstrom thanked the NCUI and referred to steps of work process study and hoped that the participants of the workshop who are actually working in the field would be able to give their experience based reaction leading to the adaptation of the material to local conditions.



*Participants to the FED Workshop.*

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## RESOLUTION ON COOPERATIVE DEVELOPMENT POLICY

**T**he CENTRAL COMMITTEE of the INTERNATIONAL COOPERATIVE ALLIANCE at its meeting in Rome in October 1982.

- DECLARES** continued support for the Technical Assistance policy statement made in Congress 1954 and endorsed in 1970 when the Cooperative Development Decade was introduced in support of the United Nations Second Development Decade;
- HAVING** a world-wide experience of cooperative methods, urges economic cooperation as a means for the improvement of the living standards of people everywhere, including the developing countries;
- BELIEVES** that cooperation can best be understood by people working together for common good, in self-help and mutual aid
- CONVINCED** that in the conditions of developing countries and on the evidence that, when organised to cover real needs expressed by their members, cooperatives offer the best alternative for the improvement of the living standards of people and the enhancement of human welfare and dignity;
- ASKS** *those engaged in all forms of cooperative service to understand and communicate the true meaning of the nature of cooperation, as stated by Dr. Laidlaw in "Cooperatives in the Year 2000";*
- "The overriding concept present in all cooperatives is this: a group of people, small or large, with a commitment to joint action on the basis of democracy and self-help in order to secure a service or economic arrangement that is at once socially desirable and beneficial to all taking part."*
- INVITES** *the cooperative organisations in the developing countries to mobilise resources and to coordinate efforts in a planned expansion of the cooperative system at all levels-local, regional and national, such expansion to be undertaken in close collaboration with and support from their respective governments;*
- STRESSES** the importance of education and training by and for cooperative leaders to ensure a wide and independent cooperative organisation equipped to meet the economic and social needs of the people, especially in the rural areas where food production, processing and distribution are so important. Agricultural, productive and workers' cooperatives supported by savings and credit institutions should have priority;
- EMPHASISES** that the economic problems in fast-growing urban areas in the Third World make cooperative solutions in retailing, distribution, housing, banking and insurance increasingly important;
- CALLS** upon governments of developing countries to enact appropriate legislation designed to create conditions conducive to independent cooperative development and to reflect adequately the importance of cooperation in their own nations' economic development programme;
- CALLS** upon the United Nations, the United Nations Development Programme (UNDP), and other aid funding agencies to ensure that in respect of their support for development through cooperatives due emphasis is given to the need for promotion of cooperatives which are voluntary, autonomous and democratic;
- DECLARES** *that cooperatives in the industrialised world have a special duty to aid the newer cooperative movements in the developing countries and calls upon them to:*
- (a) give organisational, technical and financial support for ICA programmes;*
  - (b) develop their own bilateral programmes in consultation with the ICA;*
  - (c) encourage their own government to increase aid to cooperative development, with special emphasis on education and training programmes.*
- ENDORSES** and commits this Central Committee and the organisations represented therein to the policy document of October 1982 entitled "An ICA Policy for Cooperative Development".

The Director of the International Cooperative Alliance in a letter to the member organisations has drawn their attention to paragraphs 5, 6 and 11 of the Resolution" which are of direct concern to ICA Member Organisations as they appeal to their own responsibility in promoting cooperative development".

## RESOLUTION ON PEACE AND DISARMAMENT

The CENTRAL COMMITTEE of the INTERNATIONAL CO-OPERATIVE ALLIANCE at its meeting in Rome in October 1982,

- REAFFIRMING** the ICA's adherence to the cause of the establishment of lasting peace and security,
- WELCOMING** the participation of ICA representatives at the 2nd Special Session of the UN General Assembly on Disarmament, the World Conference Dialogue for Detente and Disarmament in Vienna, and the International Conference of Non-Governmental Organisations in Geneva,
- NOTING** with deep anxiety the intensification of political tension in the world, the steady acceleration in expenditure on armaments which diverts huge material resources from creative purposes,
- RECOGNISING** the fact that the use of nuclear weapons would constitute the gravest crime against all humanity,
- AND WISHING** to make its contribution to the Disarmament Week declared by the UN General Assembly :
- CONDEMNS** unreservedly the series of blind massacres perpetrated on civilian populations in the past and in our time;
- APPEALS** to the governments of the USSR and the USA to promote in every way the conclusion of the agreements on the limitation and reduction of nuclear weapons in Europe and of strategic armaments on the whole;
- CALLS UPON** the United Nations to speed up the working out and signing of the Treaty on the complete and universal banning of nuclear tests, in order to prevent production of new types and systems of nuclear weapons:
- EXPRESSES HOPE** for a successful termination of the Madrid meeting of the states participating in the European Conference on Security and Cooperation: and
- DECLARES** its readiness to cooperate actively in intensifying efforts aimed at mobilising public opinion to prevent nuclear war and to struggle for lasting peace. ■

## ILO/SIDA COOPTRADE BECOMES ICA/SCC COOPTRADE

The ILO/SIDA sponsored trade project COOPTRADE which has been operating from Bangkok (ILO Regional Office for Asia and the Pacific) during the last four and a half years was taken over by the ICA ROEC New Delhi in December 1982. The objective of the new trade project is to promote cooperative trade. The organisation is characterised by two main functions. A Trade Adviser stationed at ICA ROEC, New Delhi, who will concentrate on the supply side in the region and a Trade Promotion Officer at SCC, Stockholm, who will concentrate on the demand side. The general strategy will be to identify products for which there exist a steady international demand and to identify cooperatives operat-



*Mr. Ulf Bergstrom, Trade Adviser,  
ICA ROEC.*

ing in these product sector having reached the level of development where export marketing has become a priority. The main elements behind this strategy are selection, timing and continuity-selection of the right product groups, assistance when it is most needed and planned follow-up actions to ensure a continuity of trade activities. By this procedure COOPTRADE will best assist export-oriented cooperative societies and organisations to operate on the international markets. →



Among the services rendered by COOPTRADE are feasibility studies, problem identification, result oriented short term consultancies, assistance in establishing trade contacts, specific training programmes in export marketing etc.

COOPTRADE is a pilot project and whether it will be successful or not will very much depend on the support and feed-back from the various cooperative organisations in the region. Well structured and coordinated activities in close

ICA ROEC organised together with ILO Bangkok, a two-week seminar on Export Marketing running from Nov. 29 to Dec. 10. Mr. Jurgen Hein, Marketing Consultant of ESCAP, Bangkok was the Course Director. Mr. Ulf F. Bergstrom, Trade Adviser of ICA was the Co-Director of the Seminar. MATCOM, Vienna who have produced the training pack was represented by Mr. Jos Jonkers, assisted by Mr. Steen Tanderup of MATCOM-ILO, New Delhi. Other resource persons were: Mr. Bjorn Jacobson, Trade Promotion Officer of SCC, Stockholm. Mr. G. K. Sharma, Cooperative Branch of ILO Bangkok, Mr. Rolf Akeby and Mr. Pieter Dorst, ILO/SIDA COOPTRADE, Bangkok Mr. M.K. Puri, Joint Director, ICA ROEC.

Among the participants were five trainers and thirteen trainees representing nine countries. The trainers were from cooperative colleges and other cooperative training institutions. The trainees were managers of cooperative business societies or federations related to export.

The trainers met three days before the seminar started together with the Course Directors to prepare the programme which consisted of 31 sessions each lasting one to four hours.

The objective of the programme

collaboration with these organisations will form the best possible platform for development of co-operative trade.

#### ICA FORTHCOMING ACTIVITIES

##### Sub-Regional Workshop on Strengthening of National Cooperative Organisations

A Sub-Regional Workshop on "Strengthening of National Cooperative Organisations for More

Effective Action" will be held in Bangkok, Thailand, from 20th to 31st January 1983. The course will be held in collaboration with the Cooperative League of Thailand.

##### Regional Seminar on Manpower Management

A Regional Seminar on "Manpower Management and Cooperative Development" will be held in Kuala Lumpur, Malaysia, from 27th March to 9th April 1983, in collaboration with the Angkasa of Malaysia.

## Pilot-Seminar on Export Marketing

was to enable trainees to effectively market products of the cooperative sector to foreign markets in order to increase production and income potential for their members. At the end of the programme, individual action plans were made by the participants for implementation after the return to their respective countries and organisations. The programme was very little lecture oriented, more emphasis was laid on realistic case-studies, role-plays and other problem-solving exer-

cises related to products familiar to the participants.

The seminar also constituted the transition from the ICA/SIDA COOPTRADE Project in Bangkok to the ICA/SCC COOPTRADE Project in New Delhi and at the end of the programme Mr. Rolf Akeby, Team Leader, COOPTRADE, Bangkok, handed over the project to Mr. J.M. Rana, Director (Education) ICA ROEC.

(Contd. on page 16)



Mr. Jurgen Hein, Course Director, awarding certificates to the participants. Mr. Ulf Bergstrom, ICA Trade Adviser, is also seen (in the centre)

I should like to express my gratitude to the National Cooperative Union of India for giving me the opportunity to be associated with the celebration of your Cooperative Week. It is a privilege to be here in India where since a long time the leaders of the country have been great believers in cooperatives and where the cooperative leaders of today are convinced supporters of the ICA and do play an important role in its different organs, Central Committee, Executive Committee and Congress.

"It is fitting that, at least once a year, Cooperators throughout the world should raise their eyes from their domestic cooperative affairs and that they should join with Cooperators in other countries in celebrating International Cooperative Day." This year we celebrated the 60th Anniversary of the first International Cooperative Day which was held on 7th July 1923. The Manifesto issued then seems to have as much relevance today as it did then. It stated that by inaugurating International Cooperative Day, Co-

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## ***Economic Emancipation Through Cooperation***

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A. E. SAENGER

operators were "demonstrating to the whole world their solidarity and the efficacy of their organisation as a means of *economic emancipation and a guarantee of world peace*".

Here in India, you have many practical reminders that Cooperation can achieve economic emancipation. "In agriculture, Cooperatives supplying credit and various farming requisites have helped to considerably increase productivity and total production. I understand that "today almost 50 per cent of agricultural credit is provided through the Cooperative system. This is indeed an achievement, par-

ticularly when it is recalled that in the 1950s the share was around only 5 per cent.

Cooperation has also made its mark in industry. India probably has the largest number of industrial cooperatives in the world. Through their network, craftsmen and artisans receive finance and raw materials. The production from these cooperatives aid the development of small-scale industries and supplements the income from off-farm activities. In larger-scale industries, Cooperation is making also a valuable contribution. For example, in the sugar industry, over

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\*Inaugural Address by Mr. A.E. Saenger, Director, International Cooperative Alliance, on the occasion of the All India Cooperative Week, held on 14th November, 1982, in New Delhi.



*Mr. A. E. Saenger, Director, ICA, declaring open the 29th All India Cooperative Week in New Delhi.*

56 per cent of the sugar is produced by factories cooperatively owned.

There are also significant achievements in special areas like for example the international reputation that has been earned by the Kaira District Cooperative Milk Producers' Union popularly known as 'Amul' and also other dairy development cooperative systems which have followed the Amul pattern in this sector. Today in very many large cities quite a lot of the processed milk in the form of butter and ghee and milk powder come from cooperative sources. This approach is now being used in Dairy Development in many countries, e.g. Philippines, Pakistan, Sri Lanka. Mention could also be made of the predominant role played by your National Cooperative Union of India, the National Council for Cooperative Training, the Vaikunth Mehta National Institute of Cooperative Management, who in collaboration with the government have been providing training facilities in various fields of cooperative activity to cooperators from Asia and Africa.

The International Cooperative Alliance is actively involved in cooperative development in South

East Asia mainly through its Regional Office and Education Centre located here in New Delhi. I should like to take this opportunity of thanking the Indian Government and the National Cooperative Union of India, for the support which they have given to this office.

The ICA is pleased that the Indian Government, recognising the contribution which Cooperatives make to economic and social development, regard them as a distinct sector of the economy. I understand that this support has assisted the development of a number of large cooperatives among which the Sugar Cooperatives, the spinning and weaving Cooperatives and the Indian Farmers Fertilizers Cooperative.

With your permission, Mr. President, I should like to stress here that economic development is also dependent on *world peace*. In this context may I refer to Pt. Nehru who had stressed that Cooperative Movement has to be extended to international sphere in solving not only economic problems but to preserve and promote world peace. He, I understand, wanted, India to be a Cooperative Commonwealth.

The ICA representing over 360 million Cooperators throughout the world, has pledged itself to strive for world peace. Last June, at the Second Special Session on Disarmament of the United Nations, Mr. Roger Kerinec, President of the International Cooperative Alliance stated before the General Assembly that "the world can either continue to pursue the arms race with characteristic vigour or move cautiously and with deliberate speed toward a more stable economic development. It cannot do both."

Celebrations of International Cooperative Day remind Cooperators throughout the world of our common goals: economic emancipation through Cooperation, and our search for world peace.

Mr. President, fellow cooperators, it gives me great pleasure to declare with you, Mr. President, the Cooperative Week in India open. I wish full success to all celebrations which will take place throughout the country. In the name of ICA, I offer my greetings to you all and to the millions of men and women who in this country have joined the ranks of your various cooperative organisations ■

## PILOT SEMINAR . . .

(Continued from page 14)

To underline the character of 'Pilot Seminar', the participants filled in special evaluation sheets after each session and a special evaluation committee met frequently during the evenings to analyse the material. As a result, the training pack will be revised during the spring of 1983 and ready for use after the first half of 1983.

In future, it is hoped that the training pack will be used by COOPTRADE as well as by cooperative training colleges in the region.

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# ***Agricultural Cooperatives in the Asian Region —An Overview***

R. G. G. O. GUNASEKARA\*

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## **Some Salient Features**

Cooperatives in each of the countries have been organized by the respective Governments of the times in a top down approach. Because the sub-continent of India was under the same colonial ruler, the British, there are very close affinities of the cooperative movements of the sub-continent including Nepal. In the case of Bangladesh, India and Pakistan the cooperative movements had the same origin and developed on similar lines until independence in 1947. Bangladesh which gained liberation in 1971, has as its Principle Act, the Bengal Cooperative Act of 1942. Thailand has the unique position of remaining an independent kingdom, not subjected by any European colonial power. Its cooperative movement starts with the Cooperative Credit Act of B.E. 2471 (1928), 24 years after the first Cooperative Credit Societies Ordinance in India. Philippines came more under the influence of the United States of America and although the cooperatives had earlier

beginnings the present cooperative system started after Presidential Decree 175 of April 24, 1973.

The cooperatives of all countries, whatever the type, get their legal status from single pieces of legislation. This is different from Japan and Korea where separate legislation have been promulgated for the different types like agriculture, fisheries and industries. In India and Pakistan the subject of cooperation is a state subject and there are different state laws for cooperatives. But at the state level there is generally only one legal enactment for all types of cooperatives.

Arising from this in each of the countries or states, there is statutorily only one Registrar of Cooperative Societies. In Sri Lanka the Registrar has the additional title of "Commissioner of Cooperative Development". In the Philippines he is called the Director of the Bureau of Cooperative Development. In Thailand the Registrar de jure is the Under Secretary for Agriculture, but de facto it is the Director General of the Cooperative Promotion Department.

The Registrars in each country are vested with the power of registration, inspection, supervision, audit or cause to audit, cancellation and liquidation of cooperative societies. Usually the principles of

cooperation are embodied in the legislations themselves. However, under the same breath, much powers are vested in the Registrars, including in some states of India the power to change the bye-laws of a society without consultation of the general Body and to supersede the duly elected committee of management under their own motion. There is an exception in Thailand, in that, there is a separate Directorate for Cooperative Audit. In the Philippines the audits are invariably carried out by private auditors.

In every country the most powerful vested interest within the cooperative sector is the department of cooperatives. It has a vast army of joint registrars, additional registrars, assistant registrars, chief inspectors, inspector and sub-inspectors. They are the biggest beneficiaries of international training programmes, not merely because of their position of power but because of illiteracy and the lack of knowledge of English of the members.

In all countries, cooperatives started with the Raiffeissen model of agricultural credit societies of the unlimited type. The membership was necessarily small because success depend on mutual trust. It was a homogeneous group living not far from each other. Credit was taken for production proposes only according to consensus. Savings were

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\*Cooperative Management Consultant, Food and Agriculture Organization of the United Nations, Bangkok. (formerly Chairman, Cooperative Management Services Centre, Sri Lanka<sup>a</sup>)

1. The remarks pertain to Agricultural Cooperatives in Bangladesh, India, Nepal, Pakistan, Philippines, Sri Lanka and Thailand visited during 1981.

promoted for self-reliance. Account keeping was simple. They were similar in many ways to the homogeneous credit groups under the present Small Farmer Development Programme.

In Bangladesh, India, Pakistan and Sri Lanka, credit societies yet number the largest. In Bangladesh there are over 42,000 of them. Their scale of operation is small with an average membership of less than 30. It is an interesting area of research as to why these societies did not develop like in Germany, the home of Raiffeissen. Was it circumstantial or deliberate? In Thailand the credit societies got obliterated when they were amalgamated into the present district level primary agricultural cooperative societies after the legislation of B.E. 2511 (1968).

In the sixties there has been a trend in several countries for amalgamation of small societies to form into large societies. This continued into the seventies. Such amalgamations were seen in India, Sri Lanka and Thailand. In Nepal the "panchayatization" of the cooperatives took place with the Sajha movement. In the Philippines the FACOMAS were abolished, giving way to the Samahang-Nayon—Area Marketing Cooperative—Cooperative Rural Bank tie up. There were differences in the amalgamation process of the different countries. In Thailand, for example, amalgamation meant a virtual absorption and the present primary level agricultural cooperatives have at the district level 15-20 informal groups at the village/township (mooban/tanbon) levels. On the other hand in Sri Lanka the small societies were converted into branches of large primary cooperative societies, with formally elected branch committees. During the period 1971-1981 the number of branches have almost doubled from about 4,000 to over 8,000 which is about one per two villages or one per 1,800 people. In

Bangladesh, the Comilla model of two-tier cooperative structure with village cooperative at the base, federating into Central Associations at the Thana level were developed in the sixties under the guidance of Dr. Akhter Hameed Khan. After a few years of indecision after the liberation, it later became the model for rural development in Bangladesh. A specialised department called the Integrated Rural Development Programme was created for expansion of the new system.

These changes in organisation also had effects on the structure, which in common parlance is referred to as two-tier, three-tier and four-tier. It is a pyramidal structure with a broadbase and an apex. The members are at the base and national organizations at the top.<sup>1</sup> In Bangladesh it is a three-tier structure with the Bangladesh Samabaya Union at the apex. A distinction is being made between the "conventional" or "traditional" three-tier structure of Comilla. There are 13 national level organizations on a functional basis. In India the primary societies federate at district and state level organizations. There are several national level apexes according to functions. Some of the more important ones are the National Agricultural Marketing Federation (NAFED), the Fertilizer, Apex (IFFCO), the National Consumer Coop. Federation of India (NCCF). The National Cooperative Union of India crown the cooperative structure. In Nepal the primary cooperatives federate at the district level. At present there are only 32 such district federations. There is no organization at the national level. In Pakistan the primary societies federate at the state level and for several years the formation of a

national federation has been under discussion. As there is no national level organization, Nepal and Pakistan have no membership of the International Cooperative Alliance. In the Philippines, only 20% of the Samahang-Nayons, which originally were to be non-business pre-cooperative type, are members of the Area Marketing Cooperatives (AMCs). The latter are organised at the district level and only 52 of the proposed 75 AMCs are organized yet. The AMCs have formed the Cooperative Marketing System of the Philippines Ltd. Very recently the Cooperative Union of the Philippines was organised as the ideological apex. There are other specialised cooperatives at the national level of which the Sugarcane Growers' is most prominent. In Sri Lanka, a three-tier structure of primary, district and national was changed to a two-tier structure of primary and national after the amalgamations of 1971-73. The membership of the National Organization, namely the National Cooperative Council of Sri Lanka, was broadbased because after the change all primary societies are eligible for direct membership. Under the three-tier structure there were only 26 members in the General Meeting representing the 26 cooperative districts. Today the membership is over 600 whilst the National Cooperative Council of Sri Lanka is the ideological apex for business activities there are about six national organisations, of which the most important is the Sri Lanka Cooperative Marketing Federation. In Thailand the primary agricultural marketing cooperatives at the District (Amphur) level are federated at the Provincial level which in turn are federated at the National level. The ideological apex is the Cooperative League of Thailand and there are other national business federations on a functional basis. The Agricultural Cooperative Federation of Thailand is the most important agricultural apex organisation

1. For comparison, it may be noted that in a "raft structure", developed by the consultant (see page 23) the members are at the top and the national organizations below supporting the members.



Except in India, where there are separate marketing and credit cooperatives, in the other countries the main agricultural society performs both the credit and supply functions or multi purpose activities. However, the main activity lies in the supply of credit. In Sri Lanka the multi-purpose activities include the supply of consumer needs, agricultural supplies, rural banking and small-scale investments. The financial base of many of the Thailand Agricultural Societies is yet the supply of credit and the present programme is to broaden the economic base. In Bangladesh and Pakistan, too, the function of supplying credit predominates at the primary level. Therefore, many still remain as credit societies. In Philippines the multi-purpose activities are mainly confined to credit, fertilizer and marketing of farm outputs. In Nepal it is mainly credit and fertilizer.

Besides the general purpose or service cooperatives, there are specialised agricultural cooperatives for specific commodities in all the countries. Success stories are there in each country. Some of the commodities are milk and dairy products, marine and inland fisheries, tea, rubber and coconut, swine, poultry and livestock, cut flowers and foliage. Some have their own apex organisation at the national or state levels. The specialized cooperatives in India for cotton, dairy and sugar are examples of how the cooperative system could assist small farmers.

In every country there are specialised banks to provide finance to the cooperatives. In the seventies some laxity was given to the cooperatives and in some countries the cooperatives are allowed to borrow from commercial banks. The relationships between the cooperatives and the banks in all countries could improve. Except in Bangladesh and India, the banks are not "of" the cooperatives but "for" the

cooperatives. The banks usually come under the purview of a different government ministry. The linkages, as seen for example in Japan, between agriculture and the agricultural bank have yet to be developed. The special banks for agricultural cooperatives in the respective countries are the Bangladesh Samabaya Bank in Bangladesh, the different District and State Cooperative Banks and the Land Development Banks (for long and medium-scale loans) in India, the Agricultural Development Bank in Nepal, the Federal Bank for Cooperatives in Pakistan, the Cooperative Rural Banks directly under the control of the Central Bank in the Philippines, the People's Bank in Sri Lanka and the Bank for Agriculture and Agricultural Cooperatives in Thailand. The Federal Bank for Cooperatives in Pakistan has four provincial (state) level Banks in the four provinces of North Western Frontier Province, Punjab, Sindh and Baluchistan and is the only national level organization serving the cooperative at the Federal level.

There is great concern in each of the countries to improve management efficiency. In countries where amalgamations have not taken place and the primary societies are very small like in Bangladesh, Nepal and Pakistan, there are no managers at the primary level. There is usually a president and a secretary/treasurer elected from among the members. In Thailand because the activities of many of the agricultural cooperatives are confined yet to the supply of credit, where a society is allowed only a margin of 2% (borrowing at 10% and lending at 12%), the hired staff is very few. In India and Sri Lanka the situation is much better and the societies have the financial viability to employ more staff. However, in some states in India many staff members at the executive level are Jt. Registrars of Cooperative Societies, who are officers of government.

A similar situation exists in Bangladesh, Pakistan and Thailand. This has greatly handicapped the development of professional management.

Another management problem is the line of demarcation of responsibility between the board of directors or committee of management and the manager of the society. For example in Sri Lanka, the business of the Multi-purpose cooperative societies has grown considerably, with the smallest MPCS having an annual business turnover of Rs. 3-5 million. Yet the boards tend to control the affairs like in a credit society. The countries have not yet outlived from the small credit society type management syndrome. The bye-laws of the cooperative societies, in general do not allow professionalism in management to develop.

In many of the countries there is yet a heavy concentration on training of government officers. The appropriate training structures to train society functionaries at the different levels of management have not developed adequately. In all countries, except in the Philippines where there is no specific cooperative training college of the Government, the main function of the Cooperative Training College is to train departmental staff of the Registrar. The training of employees is given a subservient role. Usually the responsibility is handed to the ideological apex which is ill staffed and burdened with financial constraints. In contrast to developed cooperative systems of the Scandinavian Countries and Japan, training is a function of an ideological rather than of a business apex. This is more or less the British pattern. The most organised training system is in India with a National Council for Cooperative Training (NCCT) under the National Cooperative Union of India at the Federal level guiding the training function. The national training institute is at



Pune (Vaikunth Mehta National Institute of Cooperative Management—VMNICM), and at every state level is a Cooperative College supported by district level training centres and peripatetic units. In Bangladesh there is the Cooperative College at Comilla in the same campus as the Bangladesh Academy of Rural Development, linked to eight zonal institutes and peripatetic units for field training. In Pakistan there are training colleges at the state levels in Faisalabad and Peshawar and in Nepal there is a Cooperative Training College at Kathmandu with limited facilities. Sri Lanka has the Cooperative College at Polgolla run by the Registrar and 26 training centres maintained by the National Cooperative Council of Sri Lanka. In Thailand there is the Training Centre run by the Cooperative League of Thailand and the Cooperative Training College run by the Cooperative Promotion Department. There are plans to have 10 Regional Centres in Thailand with World Bank financial assistance. Many of the functionaries of agricultural cooperative societies had neither a formal nor an on-the-job training. The training system is mainly "sitting by Nelly" and all the faults of Nelly are also learnt in the process.

Training for cooperative management includes training/education of Board of Directors and members. These are generally at very low levels due to personnel and financial constraints. The peripatetic unit of India and Bangladesh were in fact referred to as "pathetic" units. Member training is usually confined to bye-laws, principles of cooperation and member responsibilities. They are usually not of direct benefit to the members in their main life struggle. These general statements do not deny successful programmes of specific cooperatives like for example the Sugar Cooperative of Warananagar in India where the cooperative has even established schools for general education.

### **Needs of Agricultural Cooperatives for Cooperative Management Efficiency**

Cooperative management is compared to a three legged stool. If any of these legs is non-functional efficiency is impaired. Balancing on one or two legs is only an acrobatic feat. The three legs of cooperative management are the members, Board of Directors/Committees of Management and the staff. Due to varying levels of development there are many imbalances which need restriction at the country levels.

### **Need for Member Responsive Management System**

One of the basic needs is to develop member responsive management systems that could support small and marginal farmers. What is required is a two way responsiveness—the members should be responsive to their cooperatives and the cooperative should be responsive to their membership. Their survival should become inter-dependent. This will become possible only if the total management process is member-centred and the targets/goals of the cooperatives are rephrased in terms of member. It is one-sided to measure the success of a cooperative only by financial ratios affecting the cooperative society. The more correct measure is from the stand point of the members and what the cooperative has been able to achieve in respect of the members' financial ratios i.e. the members' liquidity position, their economic growth and the fulfilment of their socio-economic goals. The process of planning should start with the member and end with the member.

In building up such a system, primarily the skills, potentials and creativity of each member should be developed nurtured and tapped. The members should be given the tools to maximise all resources.

The educational programme of the cooperative should be to sharpen their talents and the management process to create the external environment for the members to achieve. All the external factors of improving productivity should be the concern of the cooperative society—credit to supplement the members' financial requirements, fertilizer and other inputs to improve productivity, markets to obtain the best price for the products and insurance to withstand unforeseen calamities. This is responsiveness of the cooperatives.

The members too have to be trained to be responsive to the cooperatives by becoming responsible members. It is the basic learning of being one among many—the ability to develop in a group, to arrive at common targets, to be consistent with targets so developed, to make sacrifices for the common good and to be a leader among leaders. This requires a fundamental attitudinal change among the members towards achieving growth with equity in a corruptive environment.

Cooperatives are not an ideological commitment but a pragmatic solution, harnessing the benefits of grouping and unity for survival. The cooperative system should be able to show results. The aim of a cooperative should be to have better service for a lesser price. If this not possible, at least it should be better service for the same price offered by the private and public sector competitors. The minimum should be the same quality at the same price. To achieve these goals the cooperatives require to develop the best business acumen under a member responsive management system.

### **Need for "Political" Independence**

The cooperative movements in the region are having a stunted growth because of the so called development roles of the departments res-

possible for cooperative development. The departments yet have an important role to play as an initiator and a catalyst. But in many countries, the departments have gone beyond this to planning, organizing, directing, controlling and supervising—thus creating a strong vested interest within the sector. There should be a conscious policy towards granting “political” independence to cooperatives. This would require a great commitment by the governments to develop the management expertise within the cooperative movements to shoulder adequately the new responsibilities. It is a political will that is required which has to surmount the vested interest within the government itself. This is where international agencies like the FAO could play a vital role by sensitizing the governments to their new roles under WCARRD principles on the one hand and developing the capabilities of the cooperatives on the other.

The cooperatives should be assisted to grow from a position of subservience to a position of partnership with the government. In a very informative and lively discussion on cooperative management held with Mr. S.S. Puri, then Secretary to the Ministry of Agriculture and Cooperatives, India, during the consultant's visit to India, the case of IFFCO was pointed out as an example of partnership. In Japan, Korea and Taiwan the agricultural cooperative movements have gained that position.

#### **Need for Professionalism in Cooperative Management**

Professional managers are hard to get. Professional cooperative managers with the correct outlook and dedication are still harder to get. A question often posed is, how many Dr. Kuriens could one find? The inadequacies of cooperative management were a concern of every country. The problems

are more fundamental than the inability to pay the salaries that good managers command. There is the outlook of the Boards of Directors/Committees of Management to professionalism in cooperative management. The credit society type management syndrome referred to earlier, where the Board members, both collectively and individually think that it is their right to direct the affairs of cooperatives is part of the malaise. Lack of training and advancement opportunities, lack of clear objectives, lack of organizational support are some others.

Philippines experimented by providing professional managers to cooperatives through the Cooperative Management System Inc., an external agency. But the scheme failed mainly due to a lack of commitment, incorrect allegiances and lack of continuity and the support given by the government was withdrawn in 1980. The requirement is for professional managers, who have the management capability of maximizing the return from all the resources available, within a cooperative framework, with a sense of dedication and commitment. The managers will have to accept that in a cooperative the biggest resource available is the human resource comprising the membership and cooperative planning should top this greatest hidden resource. When managers are provided by government the attitude to members that usually prevail, is that of master and servant, where the members are the servants. Any external assistance should therefore strengthen the process of developing managers who are member responsive. Acceptance by the members should become the final test of any good manager.

#### **Need for Developing the Institutional Infrastructure with Linkages**

As referred in the earlier section, the cooperatives in the countries under review are at different levels

of development. The problem confronting the agricultural cooperatives in some countries—Bangladesh, Nepal, Pakistan, Thailand—is that the economic base of the primary cooperative is too limited. Except in Nepal and Pakistan, where there are no national/federal level organizations, in all other countries the institutional framework has been built up. But the linkages have not been adequately developed in a supportive manner. Except in a few noteworthy cases, the weakest is the linkage between the member and the cooperative society. The business linkages between the primary society and the district federation and the national are also weak. In many countries the “cooperative raft” has many leaks and the support to the members consequentially is weak. Institutional linkages gave to the small farmers the benefits of economies of scale in obtaining power in marketing farm outputs. The rationale for a cooperative system as an economic rural institution lies in the development of the institutional infrastructure.

#### **Need for Improving the Nature of Services and their Quality**

Although in theory the agricultural cooperatives are expected to perform multi-purpose activities in many countries it is confined to one or two credit, supply of fertilizer and purchase of some commodity under a government scheme. The criticism is that the cooperatives are only channelling agents and hence part of the government machinery in a delivery system. Furthermore, the control of government and the influence of the Registrar act as a negative force towards diversification. In almost all countries the approval of the Registrar is necessary before any capital investment. In Sri Lanka, for example, the limit is as low as Rs. 5,000/- (approx. US \$ 275). However, even within limitations it is possible for the co-

operatives to improve their services. It is the same framework that exist even for the successful cooperatives, and if those cooperatives have succeeded, it is possible to argue that there were other factors which are internal to the cooperatives that had caused their failures. These are areas of practical research in each country which could be initiated for long-term development programmes.

#### **Need for Developing Cooperative Marketing**

This is one of the weakest areas of agricultural cooperatives. The main experience the cooperatives are having is in the purchase of commodities on behalf of the government under guaranteed price schemes. Such schemes operate in almost every country. These could have been considered as opportunities and the cooperatives could have developed the correct relationships with the members in a marketing system. Unfortunately this has not happened. Experiences, however, are different in those cases where a cooperative has been set up for marketing e.g. the Amul Dairy Cooperative, Sugar and Cotton Cooperatives of India. In the success stories the cooperatives usually run their own processing units. In instances where the cooperatives acted as middlemen, the personalised services of the private sector middlemen were more attractive and long lasting. The need is there in every country for an integrated system of marketing to benefit members with the necessary business linkages.

#### **Need for Physical Infrastructure, Logistics and Communication Facilities**

One of the reasons for the success of the cooperatives in Japan, Korea and Taiwan and the socialist countries of Eastern Europe was the early attention paid to the development of physical infrastructure, logistics and communication facilities.

In many of the socialist countries the infrastructure was developed by the State. It is easy to criticise the cooperatives for non-delivery of fertilizer in time. Same with other activities at the farmer level. But have studies been made of the physical facilities available at that level? Have the integrated rural development programmes looked adequately in developing the infrastructure, that is required by the cooperatives to function efficiently? Asking the cooperatives to borrow, if they are to be of small farmers, is an additional burden on the members, whose poverty conditions were referred to earlier. The amount of capital required, on the other hand, is too high for a grant aiding agency. This may be an area for active collaboration with lending institutions like the World Bank and the Asian Development Bank. The support given by the National Cooperative Development Corporation (NCDC) of India to the agricultural cooperatives is worthy of study and emulation by almost all the other countries.

#### **Some Developments of Significance in the Region : Support Agencies for Cooperative Development**

One of the most significant developments in the Region is the disenchantment expressed by Dr. Sacay, Deputy Minister of Cooperatives, of the role of the government in cooperative development. The Bureau of Cooperative Development of Philippines was hitherto responsible both for regulatory and development activities in connection with the cooperatives. The decision has been taken to foster support agency in the Cooperative Foundation Philippines Inc. (CFPI) to undertake the developmental role. A sum of Pesos 2 million was initially provided from USAID through the National Economic Development Authority (NEDA). An additional Pesos 2 million have been contributed by the private sector. Govern-

ment approval has been given to swell the fund to Pesos 10 million with a further contribution of Pesos 6 million from USAID through NEDA. The CFPI according to the agreement had to invest the money and utilise only the interest.

The reasons given for this change of policy are worthy of note. They were as follows.

- (1) Running a cooperative business is not within government competence,
- (2) When Government initiates it does not contribute to self-reliance and self-need, unlike when initiated by a private sector or non-governmental organization,
- (3) The level of competence of government personnel is comparatively low due to low salary scales offered by government as compared to the private sector, which could hire better type persons due to flexibility in fixing salaries,
- (4) As cooperatives have to compete with the private sector, it is difficult to develop such private sector capability in a government environment,
- (5) The problems that come to the ministry for disposal could very well be solved at the society level if handled by a non-governmental agency.

It was interesting to hear from the Secretary of the North West Frontier Province of Pakistan, which is at the other end of the region, that for cooperatives to develop, they have to be "saved from two vested interests, namely the Department of Cooperatives and the elitist cooperative leadership".

In Sri Lanka, the Cooperative Management Services Centre established in 1973, perform a function similar to the proposed activities of

the CFPI. The National Cooperative Development Corporation is a noteworthy example of a support agency.

### Target-Oriented Activities for Disadvantaged Groups

The countries are getting conscious of the need for special programmes for disadvantaged groups like small and marginal farmers. In India, special safeguards have been incorporated in the bye-laws for minority groups and scheduled castes. Special programmes and special lending policies are also implemented. In Nepal the bye-laws of the sajhās (cooperatives) were changed in January, 1981 to ensure a majority of small farmers in the general body and committees of management. Under the current Five Year Plan a programme has been initiated to register special cooperative societies for small farmers in irrigated areas. In Sri Lanka, any person over 18 years of age could become a member of the multi-purpose cooperative society by buying a share of Rupee one.

### Size of Cooperative Society for Greater Member Involvement and Improvement of Services

In the North Western Frontier Province of Pakistan, agricultural cooperative societies at the union council level, between the village and the sub-district (Tehsil) are being organized. According to the Registrar of Cooperatives there will be 442 such cooperatives registered during the year which will require the training of a similar number of managers. This is an important development event from the point of view of developing professionalism in management at the primary level.

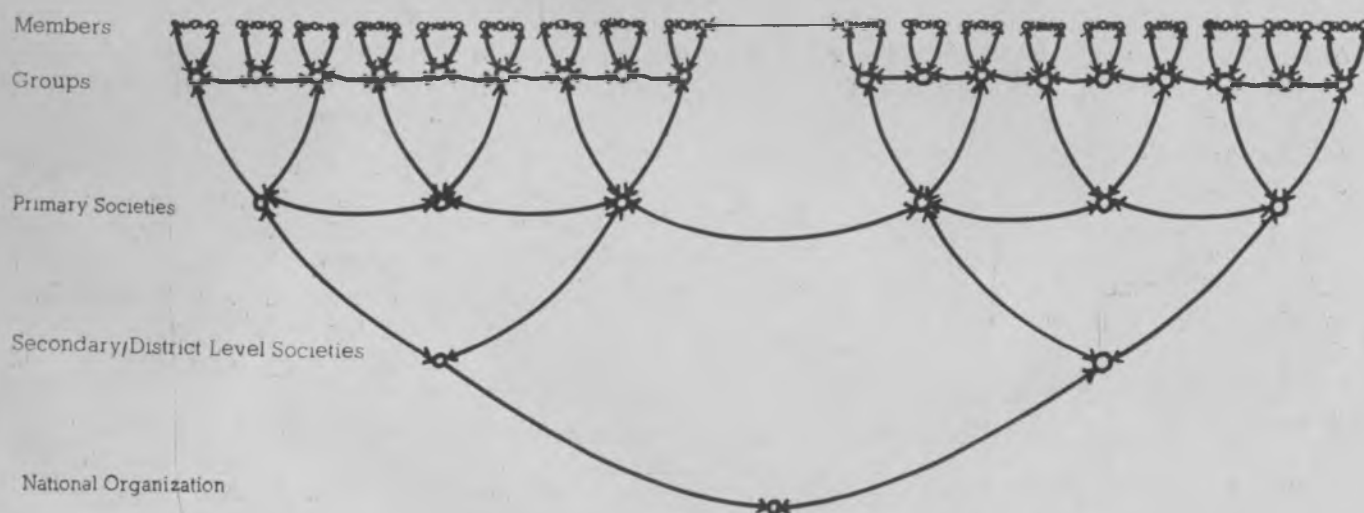
In the Philippines a proposal to develop clusters of Samahang Nayons directly linked to the Cooperative Marketing System of the Philippines, Inc. is being pursued. The present Samahang Nayon is considered too small whilst the Area Marketing Cooperative at the district level is considered too distant from the member.

### World Bank/EEC Assistance for Infrastructure Development of Cooperatives

The Indian government with World Bank/EEC financial support has launched a massive storage development project in 10 states through the National Cooperative Development Corporation (NCDC). The cooperative godowns will be at Primary Agricultural Cooperative Society (PACS), Primary Marketing Society (PMS) and at Marketing Federation levels. The total investment is approximately Rs. 1 billion (US \$ 12 million). In the same 10 states, cold storages are also constructed under a parallel Potato Storage-cum-Marketing Cooperative Project.

As a part of the infrastructure development programme a manpower and training plan has been made with the assistance of Vaikunth Mehta National Institute of Cooperative Management. The staff that needs special training or retaining

*(Continued on page 26)*



**An Integrated Cooperative System  
"the Cooperative Raft"**

A truly integrated cooperative system is illustrated as a human raft bound together by the linkages at the different levels. The diagram brings out forcefully how the capacity of the raft becomes larger and its draught power greater at every level of grouping. The total system could not only support the small farmer but also help them in realising their socio-economic goals.



# BHAGINI NIVEDITA SAHAKARI BANK LTD.\*

**B**hagini Nivedita Bank was founded on 24th March 1974, named after Madam Bhagini Nivedita, an Irish woman, whose original name was Margaret Noble. Madam Nivedita came to India as a follower of Swami Vivekananda, and devoted her life in the service of Indians.

Promoters of this Bank, Shri Vivekrao Dadhe and Mrs. Meenakshi Dadhe, first started the Ahmednagar Cooperative Bank. One section of that Bank was run exclusively by women and for women. Based on their experience in Ahmednagar they started Bhagini Nivedita Bank in Pune. The Bank is not meant only for women but serves men also. The majority of the customers are women.

There are 13 women directors, and 3 men directors. There are also two directors who are members of the staff.

## Share Capital

In the beginning it was somewhat difficult to mobilise share capital and deposits perhaps because people were not accustomed to women's cooperative banks.

\*Prepared by Mrs. Sumitra S. Gowaikar, Secretary, Bhagini Nivedita Sahakari Bank Ltd., Pune.

To encourage women to become members of the bank, a provision was made enabling the payment of share money in instalments. This has helped the bank to build up an initial capital base and that too from the weaker sections of the society, mainly women. Because of this provision, both the membership and share capital of the bank increased rapidly. Now the share capital is more than Rs. 1.2 million. This provision also has resulted in increased inculcation of the habit of savings and thrift among the women folk. Women are very frugal by nature and their tendency to save is very high, compared to that of men. They have to be encouraged by informing them about the facilities available for savings and the advantages savings can bring to them. The bank is engaged in a vigorous promotional campaign to bring this knowledge to women.

## Objectives

The main objective of the bank is to educate women in particular and the masses in general in the management of their day-to-day finances. Therefore, the activities of this bank can very well be termed as welfare activities because it caters mainly for the benefit of the financially weaker sections.

A majority of the people in the area are poor and have very scanty

means of livelihood and therefore, have to depend on the money lenders to meet their daily requirements. Once they are in the tight grip of the moneylender it becomes virtually impossible for them to break this stranglehold. The desire to get out of the clutches of money lenders is not lacking in people but lack of money and lack of proper guidance etc. compel them to be in almost life long indebtedness. Therefore, any programme aimed at bringing about ultimate prosperity to the weaker sections, should at the first instance assist the people to get rid of their old debts, and then advance loans to them for investment in means of livelihood such as small scale business.

**I**t is in this direction that Bhagini Nivedita Sahakari Bank has done commendable work. It has liberated more than 2000 families from the cultches of money lenders. The bank has financed women and men to start small scale business. It interviews the loanees and when convinced, about their capacity and capability, loans are granted. The bank gives loans for the purchase of typewriters, sewing machines, zerox machines, cycles, T.V. sets, rikshaws, residential flats, etc. The bank has given loans to owners of small vegetable shops, fruit shops, monthly provision stores, cycle shops, beauty parlours, etc. The Bank offers help in emergency to



the tune of Rs. 1,500/- to each member. The directors and close relatives of directors do not take loans from the bank.

The bank takes special care to see that the borrower utilises the loan for the purpose for which it is given. The bank follows up the use of the loan and advises the loanee in its proper investment to ensure that he draws a good income from his investment. This supervisory work not only ensures the proper investments of loans but also their regular repayment. The banks loaning procedure and supervisory system are designed to help the borrowers to stand on their own feet.

#### Deposit Mobilisation

In the initial stages, the bank had to make efforts to mobilise deposits. The management of the bank was somewhat doubtful of the response from the people. Convincing the people to deposit in the bank was a difficult task. The bank should gain the confidence of the people if it is to achieve rapid progress. The bank could successfully surmount this difficulty.

Within nine years, the deposits of the bank have increased to Rs. 14 million. Under the employment promotion programme some unemployed women are offered jobs as promoters of savings. They propagate the banking habit among the masses. The directors and the chairman also go to various places and meet people and explain various schemes of the bank and its banking activities.

The bank has started four branches and proposes to start one more branch soon. If the customers are uneducated, the staff teach them how to operate their accounts. The bank takes the photographs and the thumb impression of the customers, in case the customer is illiterate. All



*Applications of members for loans are processed and granted expeditiously.*



the transactions are done in the regional language.

Seventy per cent of the bank's customers do not have any earlier banking experience and have opened their accounts for the first time in their lives.

The bank advises its customers

in planning their activities, education of children and proper investment of their savings. The bank has helped women, while shouldering the responsibilities of their household, to start small business activities like toy-making, making of dresses, beauty parlours, running of sweets and spices shops.



### Staff

In the beginning the bank could not afford to give satisfactory salaries to the staff. The bank found it somewhat difficult to get trained and qualified staff. But with the increase in deposits of the bank that problem was gradually solved. The bank proposes to give more and more facilities to the staff. Majority of the staff consists of women. The bank is conscious of the fact that good natured and efficient staff is very essential for its successful and smooth functioning.

### Conclusion

The bank has always endeavoured

to be self-reliant. It does not expect any special concession from the government. The work timing of the bank are arranged for the convenience of the customers. Guidance is given to all who need such assistance. Loans are given at reasonable rates of interest and against surety. The bank tries to solve the day-to-day financial needs of clients. The bank gives loans for non-earning women on the security of salary certificate of any earning member in their family.

The bank has given loans to more than 8000 persons. The bank

got 'A' grade certificate from the Reserve Bank of India and stands first in all the women's banks in Maharashtra. The bank provides safe deposit vaults. It has also given 9% dividend every year.

It has been the effort of the bank to see that women who constitute about 50% of our population, contribute their mite in the development of country as also in their own welfare. The bank is proud of its record of services especially to the area and look forward with hope and confidence to the future progress and prosperity of the community it seeks to serve. ■

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## AGRICULTURAL COOPERATIVES IN THE ASIAN REGION

### —AN OVERVIEW

*(Continued from page 23)*

has been identified and suitable training programmes have been designed. The categories which will receive training are Secretary/Manager, Accountant/Storekeeper, Salesmen of the PACS, Manager, Accountant and Godown Keepers of PMS and Markfeds, and Manager, Junior Engineer/Foremen, Accountant/Cashier, Plant Operator-cum-Mechanic and Godown/Storekeepers of the cold stores. Training also includes a programme for members and committee members.

As a project it is very significant and novel. The development of rural infrastructure is made the occasion for training of managers and members.

### Mobilising Rural Savings

Sri Lanka provides a good example of mobilising rural savings through a cooperative network. Popularly known as cooperative rural banks, they are credit departments of the multi-purpose cooperative societies. The 372 multi-purpose cooperative societies operate nearly 600 such banks. Members and non-members have individual savings accounts. Loans are given to members, based on savings and individual shares, upto Rs. 7,500 for production, housing debt redemption, trade, consumption, electrification and other needs. They do pawning business for non-members as well. A member can also transact limited business through the branch from which his membership

has been obtained. In certain societies deposits are collected in kind and the value inserted in the savings book. When purchases are made of commodities, payments are usually made through the members' account. In 1979, according to the Central Bank Report of 1980, the total savings and deposits amounted to Rs. 271 million while the total advances was Rs. 129 million. The total savings and deposits exceeded the advances by Rs. 141 million.

### Conclusion

A salient fact that emerges from this overview, which is relevant to any regional programme, is that levels of development of agricultural cooperatives vary from country to country due to environmental factors from political, economic, social and cultural differences. ■

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## Bangladesh

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### FERTILIZER DEALERS TRAINING PROGRAMME

The Bangladesh Agricultural Development Corporation has established recently a department for the implementation of its dealers development programme. It has been recognized that fertilizer dealers can be a valuable force in transferring modern agricultural technology to farmers. This new department will assist fertilizer dealers throughout the country in the promotion of efficient fertilizer use for increased crop production. The International Fertilizer Development Centre (IFDC) is also expected to give its assistance to the programme.

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## India

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### 29TH ALL INDIA COOPERATIVE WEEK CELEBRATED

The Twenty-ninth All India Cooperative Week—14th-20th November—celebrated by the Indian Cooperative Movement throughout the country, was formally declared open on November 14, 1982, in New Delhi, by Mr. A. E. Saenger, Director of the ICA.

At the inaugural meeting held by the National Cooperative Union of India in New Delhi, Mr. A.E. Saenger said "It is fitting that, at least once a year, cooperators throughout the world should raise their eyes from their domestic cooperative affairs and should join with cooperators in other countries in celebrating the International Cooperative Day". The ICA Director pointed out that the manifesto of the first cooperative day held on 7th July 1923 stated that by observing the international cooperative day the Cooperators were "demon-

strating to the world their solidarity and the efficacy of their organisation as a means economic emancipation and a guarantee of world peace."

Appreciating the role of cooperatives in the economic emancipation of India, Mr. Saenger said in agriculture, cooperatives supplying credit and various farming requisites have helped in increasing productivity and total production considerably. Referring to the achievement of the Indian cooperative movement in the dairy sector, Mr. Saenger said several countries in the region are following the pattern of cooperative dairy development in Kaira district of India which is popularly known as "amul pattern".

The inaugural meeting was presided over by Mr. Tapeswar Singh, President of the National Cooperative Union of India. Mr. Tapeswar Singh said that celebration of cooperative week enables an objective assessment of the performance of the movement by identifying its gaps and pitfalls. It also helps in the planning for the future development of the movement. Appreciating the achievements of the movement in different sectors, Mr. Tapeswar Singh said that the principal sector of the movement—the agricultural credit sector disbursed loans to the tune of Rs. 22 billion for short and medium-term requirements of agriculturists.

Earlier welcoming the Chief Guest, Mr. A.E. Saenger and cooperators present at the inaugural function, Dr. R.C. Dwivedi, Chief Executive of the National Cooperative Union of India, thanked the

Director of the ICA for accepting the invitation of the National Cooperative Union of India to inaugurate the Cooperative Week in India.

Mr. J. M. Rana, Director, (Education), ICA ROEC, read out the International Cooperative Day Message of the Executive Committee of the ICA.

### FISHCOPFED OPENS RETAIL OUTLET SHOPS FOR FISH MARKETING

As a part of its efforts to get a maximum price for the producers and to supply fish at reasonable prices to the consumers, the National Federation of Fishermen's Cooperatives has opened a few retail shops for fish marketing in New Delhi. One such fish marketing complex of FISHCOPFED comprising a retail sale unit, storage and distribution units, was formally opened on 17th November in New Delhi by Mr. V.B.L. Mathur, Managing Director of the National Cooperative Development Corporation.

Mr. A.E. Saenger, Director, ICA, who was on a visit to New Delhi, was the Chief Guest of the function. Mr. J.C. Barway, President of the Fishermen's Cooperative Federation, presided over the function. Mr. S. Chandra, Managing Director of Federation, proposing a vote of thanks said the retail price at the shop would be lower than the market price. The Fishcoped, he added, would pay the entire retail price to the producers after deducting the operational cost.

## MEDIA MEN VISIT CO-OPS

Nearly 25 media men of Madras from dailies, weeklies, news agencies, T.V. and All India Radio (A.I.R.) paid visits to eight various representative co-operative institutions in Madras on November 9, to see for themselves what the cooperatives are doing for the public. The Media tour, arranged by the Tamil Nadu Cooperative Union was part of the celebrations of the 29th All India Cooperative Week.

The tour started from the Tamil Nadu Cooperative Union where special officer G.N. Das met them and discussed the various programmes of the Union, including education, training, publicity and propagation of the cooperative concept and content. At the Tamil Nadu Cooperative Consumer Federation they heard from its special officer V. Mohanakrishnan details of its latest steps towards consumer's interest—Rs. 10 million Regional Distribution Centre—main features of which are a strong centralised purchasing system where purchasing power of all cooperatives are pooled

and strengthened, adoption of modern concepts of supply, inventory and management methods.

In the Arignar Anna Drivers Industrial Cooperative Society, the reporters saw an unique venture of providing driving licence-holding members with cars, auto-rickshaws etc., on instalment basis. Its president J.C.D. Prabhakaran said that they have so far helped the drivers own 103 auto-rickshaws, 3 tourist taxis, 15 mini taxis and 51 mini lorries for members, who pay back on easy instalments.

At the Co-optex, chairman of the advisory committee. Ramalingam, and special officer in charge Arultharumperumal told the reporters that Co-optex has planned a target at Rs. 450 million sales for Deepavali.

Due to overwhelming response from the public, Co-optex so far achieved sales of Rs. 250 million polyester sarees, Kanchina silk sarees, bed spreads are in great demand this year, according to them. To meet the rush of customers in the show rooms, alternate

arrangements have been made by opening attractive exhibition-cum-sales stalls in various parts of Madras and taluk headquarters. The recently opened Thillaiyadi Valliammai Maaligai at Egmore, the 600th Co-optex show-room attracts large number of shoppers.

The Madras Doordharsan Kendra (TV) in its news on 9th November spared considerable time in their programme to telecast on what the T.V. reporter saw in the cooperatives. A.I.R. broadcast in its news bulletin as well as special features

The news papers had also come out with elaborate publication of the details of the tour and the latest developments of the cooperatives.

(C. M. Rajan)

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## Indonesia

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### CROP INSURANCE PROGRAMME

The Government of Indonesia wishes to strengthen existing agricultural development activities establishing a crop insurance programme which will give protection to farmers in case of crop failure and has requested FAO assistance for this purpose.

The objective of the project is to help the Government to study the possibility of establishing crop insurance programmes, by identification of constraints, data collection and formulation of a pilot project. The FAO contribution to the project is US \$ 109,500 for 12 months starting from July 1982.

It is hoped that this assistance will enable the Government to establish a national crop insurance system which should stabilize the farmers' incomes and increase their security.



*Media men visiting the textiles section at the Regional Distribution Centre*

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## Japan

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### THE 16TH NATIONAL CONVENTION OF AGRICULTURAL COOPERATIVES HELD

The 16th National Convention of Agricultural Cooperatives was held at Tokyo's Budokan Hall on October 7, 1982 with 7,500 delegates from all over the country participating

This convention is held every three years to review the activities of agricultural cooperatives in the past three years and to decide a major course and policies for the whole movement for the next three years.

This year's convention upheld two main slogans: "Promotion of Regional Agriculture with Emphasis on Organizing Efficient Production Units in Land-based Farming" and "Strengthening of Agricultural Cooperative Foundation." On behalf of the sponsors of the convention, Mr. Shizuma Iwamochi, President of ZENCHU, made an opening address, in which he noted that Japanese agriculture and agricultural cooperatives were placed in the severest situation ever. He emphasized the need for all cooperative members to be aware of the importance of food production and of conservation of nature, and finally expressed his determination to fulfil the social responsibility of agricultural cooperatives in cooperation with people in every walk of life.

Prime Minister Suzuki, chairman Tokunaga of the House of Councilors, Minister of Agriculture, Forestry and Fisheries Tazawa, President Higaki of the National Chamber of Agriculture and President Nakabayashi of Japanese Consumers Cooperative Union

delivered addresses as guests to the convention.

After electing its chairman, the convention went into discussions of the issues on the agenda. Mr. Iwao Yamaguchi, Senior Executive Director of ZENCHU, made a report on debates on the issues conducted in the movement throughout the country over the past six months.

Mr. Haruo Sakaki, Executive Director of ZENCHU, explained main lines of the subject "A Long-term Prospect of Japanese Agriculture and Agricultural Cooperatives Proposed Strategy for its Development." Mr. Akira Masaki, Executive Director of ZENCHU, explained the subject, "Measures for Renovation and Consolidation of Agricultural Cooperative Management" and Mr. Takeo Hiramoto, Director of ZENCHU, explained the special resolution, "Prevention of Agricultural Product Import Liberalization Quota Expansion".

### ZEN-NOH BUILDS GRAIN TERMINAL IN THE U.S.

Construction of a grain terminal (storage capacity: 105,000 tons), which had been built by ZEN-NOH GRAIN CORP, an American subsidiary of the National Federation of Agricultural Cooperative Associations (ZEN-NOH) at the mouth of the Mississippi in the Rapadan District, St. James Country, Louisiana, was completed in October 1982.

At present, Japan imports 75% of its feed grain needs from abroad, most of it from the United States (corn: 89%, sorgham: 87%, soybeans: 96%). To secure a less costly and stable supply of American feed grain, ZEN-NOH purchases and stores feed grain in the United States and ships it to Japan in cooperation with American grain

producer's cooperatives.

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## Malaysia

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### COOP CENTRAL BANK CONTRIBUTES M\$ 5000 FOR ICA ROEC ACTIVITIES

The Cooperative Central Bank of Malaysia has made a contribution of Malaysian Dollars 5,000 towards the funds of the ICA ROEC. This is in addition to the normal annual contribution the Bank makes towards the ROEC activities.

In a letter enclosing the cheque, to the ICA Regional Director, Mr. R. Mathimugan, General Manager of the Bank said "this contribution is in fact to show the appreciation of the services and activities of the ICA ROEC in the Asian Region. More important, it is an expression of gratitude to the Swedish Cooperative Movement for their great support and assistance to the Asian Movement through the ICA ROEC.

"We hope it will be the tiny seed sown to eventually achieve independence and self-support for the ICA ROEC".

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## Philippines

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### GOVERNMENT TRANSFERS EDUCATION FUND TO COOPERATIVE UNION

The Government of the Philippines has transferred the Cooperative Education and Training Fund (CETF) to the Cooperative Union of the Philippines. Addressing the inaugural meeting of the ICA Regional Council in Manila on November 8, 1982, Mr. Arturo R. Tanco, Minister of Agriculture, Philippines, said that this move is an indicator of the government's desire to eventually trim down to the

barest minimum its dominant presence in the cooperative movement.

The Fund, representing 5% of the profits of cooperatives which have been set aside for cooperative training activities was previously administered by the government.

The Minister also said that there is a plan to hand over to the Cooperative Union of the Philippines the task of auditing cooperatives which is presently being performed by the government.

### **COURSE ON TRAINING METHODOLOGY AND TECHNIQUES FOR COOPERATIVE TEACHERS**

**A** National Course on Training Methodology and Techniques for Cooperative Teachers in the Philippines was held at the Agricultural Credit and Cooperative Institute (ACCI), University of the Philippines at Los Banos (UPLB), from 1st to 30th October 1982. The course was organised by ACCI in collaboration with the Cooperative Union of the Philippines (CUP) and the ICA ROEC. Twenty-three parti-

cipants who were cooperative management teachers and field educators, from different parts of the country, attended the course.

The course was jointly directed by Dr. Rodolfo M. Matienzo, Director, ACCI and Dr. Dharm Vir, Joint Director (Education), ICA ROEC. The course was inaugurated by Dr. P.R. Sandoval, Dean, College of Development Economics and Management, (CDEM), University of the Philippines at Los Banos.

The programme included introduction and identification of training needs, psychology of adult learning and communication process, workshop on preparation and use of case studies for cooperative management training. participative training techniques, workshop on preparation and use of audio-visual aids, and review of cooperative education and training in the Philippines.

The main emphasis during the course was laid on management case method. As a part of the course, a workshop on preparation and use of cases for cooperative training was also conducted.



*Dr. Rodolfo M Matienzo, Director, ACCI, giving away certificates of attendance to the Course Participants.*

### **CONSUMER COOPERATIVE CONGRESS IN MINDANAO**

**C**onsumer Cooperative Societies in Mindanao Island in the Rep. of Philippines discussed about their difficulties and handicaps in getting regular supplies of merchandise at competitive prices at a recent Consumer Cooperative Congress held on the Island at Cagayan De Oro City. The Congress has recommended that the ICA ROEC should be requested to explore the possibility of setting up a Regional Warehouse for procurement and supply of consumer goods in primary consumer societies in Mindanao and neighbouring Islands.

The idea of putting up a Regional Warehouse in Mindanao Island was actually conceived and mutually discussed by the participants coming from various regions of Mindanao Island during the two week national seminar on Cooperative Retail Management held by ICA-CUP at Cagayan De Oro City in May 1982. This suggestion was pursued by the Northern Mindanao Union of Cooperatives (Region X) who convened the First Consumer Cooperatives Congress of Mindanao on 6th November 1982. The Congress where all the five regions in the Island were represented through over 50 delegates has endorsed the proposal to set-up a Regional Warehouse to service the primary consumer coops in Mindanao and nearby islands. Mr. M.K. Puri, Specialist in Consumer Cooperation from ICA Regional Office attended the Congress.

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## **Singapore**

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### **INTERLOCKING MEMBERSHIP WITH COOPERATIVES TO BE CONSIDERED**

**T**he Singapore National Cooperative Federation (SNCF) is considering interlocking membership of

one cooperative with that of other cooperatives to give multi-benefits to the members. If supported by member cooperatives of the Federation, the system will enable a person having a cooperative insurance policy to shop at a consumer store also and enjoy special rebates. The proposal was discussed at the first meeting of representatives of the Singapore Cooperative Federation and Histadrut of Israel held in September 1982 in Singapore. Interlocking membership with cooperatives has been found successful in Israel and the SNCF is considering the implementation of the system in Singapore.

#### **COOPERATORS HONOURED ON THE OCCASION OF INTERNATIONAL COOPERATIVE DAY**

The 60th International Cooperative Day and the first anniversary of the Singapore National Cooperative Federation were celebrated on 3rd July 1982 in Singapore. The celebration was attended by Mr. Chua Sian Chin, Minister for Home Affairs and Mr. Lim Chee Onn, Minister without Portfolio. Speaking on the occasion, Mr. Chua said the emergence of cooperative ventures such as INCOME, WELCOME and SILO have helped to protect "our workers from the rigours of the runaway inflation caused by the quadrupling of oil prices in the

middle of 70s". These cooperatives he added "help us to maintain our present rate of inflation and notwithstanding the present world economic depression and high inflation in other parts of the world, Singapore still enjoys the highest standards of living in Asia"

Mr. Chua also presented SNCF awards to six cooperators for their distinguished and exemplary services to the status of the cooperative movement in Singapore. The highest award—the Rochdale Gold Medal—was awarded to Mr. M. Kulasegaram, a veteran cooperator.

Rochdale Gold Medals were also conferred posthumously on the late Tom Elliott, Mak Kam Heng, A.T. Shimpi and N.G. Raju.

Mr. K. Vellupillai, a leading cooperator of Singapore, was awarded the Commendation Medal (Second Award).

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## **Thailand**

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#### **BUFFALO BANK AND SEED BANK ESTABLISHED IN THAILAND**

In Thailand, a buffalo bank is a new development where live buffaloes are donated and kept at a common place, and a poor farmer may borrow them on credit. He

may use the animals for a period of time, but must return them to the bank along with a buffalo as an interest.

Recently, another kind of bank has been established at Amphoe (district) Kumphawapi, Changwat (province) Udothani in the North east, the first of its kind in Thailand. It is referred to as seed bank. It is the place where only seeds for planting are deposited. It has several branches located in villages of this Amphoe. Any kind of seed may be deposited. The most common ones are rice (glutinous and non-glutinous), kenaf, peanut, mung bean, Soyabean, sesame corn and sorghum. The main function of this bank is to provide farmers the seeds they want at the time of need, e.g. during flood or drought period, or when the price of seeds is high.

#### **CLT CONTRIBUTES TO BONOW FUND**

In response to an appeal made by the Swedish Cooperative Movement for contributions to the "Bonow Fund" the Cooperative League of Thailand has contributed US \$ 500 to the Fund. The Fund has been created by the SCC in memory of late Dr. Mauritz Bonow.



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## NEWS AROUND THE WORLD

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### "COOPERATION, IT'S GOOD FOR CANADA"

The Cooperative Movement of Canada celebrated the First National Cooperative Week from October 25 to 30, 1982. For the first time Canadian Cooperators joined from coast to coast in celebrating the achievements of their own organisations. The theme of the National Cooperative Week, approved earlier by the Board of Directors of the Cooperative Union of Canada after consultation with cooperative organisations across the country, was "Cooperation, it's good for Canada".

A National Cooperative Week proclamation was issued jointly by the Presidents of the Cooperative Union of Canada and the Conseil Canadian de la Cooperation.

The week provided, according to a communique issued by the Cooperative Union of Canada, the Canadian cooperators with an opportunity to celebrate their good fortune in having the freedom to serve themselves the cooperative way in Canada".

### DECLARATION ON HUNGER HIGHLIGHTS SECOND OBSERVANCE OF WORLD FOOD DAY

The "Rome Declaration on Hunger", major statements by world leaders, celebrations in more than 130 countries and a special ceremony at FAO headquarters in Rome marked the second observance of World Food Day, on October 16, 1982.

World Food Day is meant to heighten public awareness of the

nature and dimensions of world food problems and further the sense of national and international solidarity in the struggle against hunger, malnutrition and poverty.

The Rome Declaration, urging renewed efforts to eliminate hunger by the year 2000, was presented at the special ceremony in the Plenary Hall of the Food and Agriculture Organisation of the United Nations (FAO). It was prepared and adopted by an eminent group of 25 economists and other specialists in agricultural and rural development from various countries at the end of a two-day Colloquium held under FAO auspices.

The Rome ceremony was opened by FAO Director-General Edouard Saouma in the presence of representatives of FAO's 152 member states. Senator Amintore Fanfani, President of the Italian Senate, delivered the keynote address followed by H.R.H. Prince Talal bin Abdulaziz al Saud of Saudi Arabia, Special Envoy for the United Nations Children's Fund and President of the Arab Gulf Programme for the United Nations Development Organisations. Mr. Sauma, underlining the worldwide significance of the observance said, "Let us on World Food Day reflect about—the appalling paradox that although there is enough food for everyone, there are still half a billion people who are hungry, ill and dying, because basically they are too poor to buy what is available.

"The Food mountains thrust upwards in some countries while hunger and poverty persist in others. The obese seek new cures while the malnourished are not given proven

remedies. Domestic pets are hampered while hungry children are neglected.

"Is this not a strange phenomenon that the historians and economists of a future age will regard as mysterious and inexplicable?"

Mr. Sauma warned that if present trends continue, "the number of seriously hungry and undernourished people will climb towards the 3/4 billion mark". He affirmed that food and agricultural production must be increased by 60 per cent by the year 2000 to sustain the increased population.

Prince Talal declared it is "shameful" that in the present civilization "about one-fifth of the world's population lives in a condition of abject poverty" and that "100 million children go to sleep daily on empty stomachs". He added: "Last year alone, 17 million children were born dead owing to various causes, including hunger and malnutrition of mothers, a daily rate of 467,000 children.

"All this happens at a time when enormous amounts of money—billions of dollars are spent on arms, while huge numbers of human beings are compelled to beg for their daily bread".

Referring to the Arab Gulf Programme, he said that, during its first year, from September 1981 to August 1982, it had approved contributions of more than US \$ 44 million for 42 projects executed by UNICEF, FAO, WHO, UNESCO, UNDP and UNEP.

The Declaration on Hunger said: "More than ever before, humanity possesses the resources, capital, technology and knowledge to promote development and to feed people, both now and in the fore-

seeable future. By the year 2000 all the world's people and all its children can be fed and nourished.

"Only a modest expenditure is needed each year a tiny fraction of total military expenditure which amounts to about \$650 billion a year. What is required is the political will to put first things first and to give absolute priority to freedom from hunger. This is the challenge which faces people and their governments. We call upon them to meet the challenge and to

start now".

"We are convinced" the Declaration went on, "that a major and concerted global effort to accelerate growth in developing countries, especially the less developed among them, is urgently needed. A much higher priority to food production, as well as sustained efforts towards greater equity, is in the common interest of all people and all nations and is the only long-term solution.

"Resumption of the momentum

of growth in the industrialized world through appropriate policies is urgently needed. We are persuaded that accelerated growth in developing countries must play an important role in support of sound expansionary policies of the world economy".

The Declaration pointed out that "food and agricultural development cannot and should not be looked upon in isolation from the whole process of social and economic development".



# 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, Dhaka-2  
(RANGDHENU) Tel : 231697

## 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 Coop. Consumers' Federation of India Ltd., Deepali, (5th Floor), 92, Nehru Place, New Delhi-110019.  
Tel : 682422, 682778 (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.  
34, Nehru Place, New Delhi-110019.  
Tel : 682506 (IFFCO)

National Federation of Industrial Cooperatives Ltd., 3 Siri Institutional Area, 4th Floor, Panchshila Marg, New Delhi-110016.

## INDONESIA

Dewan Kooperasi Indonesia, Komplek Pusdikop,  
Jalan Jenderal Gatot Soebroto, Jakarta  
Tel : 792844

## 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, 7<sup>th</sup>  
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,  
No. 29, Leboh Ampang, Peti Surat 685,  
Kuala Lumpur, Malaysia.  
Tel. : 26531/26532/26533

Angkatan Kerjasama Kebangsaan Malaysia Limited  
ANGKASA, 23, Tingkat M. Jalan SS 2/67  
Peti Surat 368, Petaling Jaya

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.  
POB 2528, Kuala Lumpur-0404 Tel : 423813

## PAKISTAN

Punjab Cooperative Union, 5, Court Street, P.O.  
Box 905, Lahore-1. Tel : 54674 (PESEYOU)

Mercantile Cooperative Finance Corporation  
197-A, The Mall, Rawalpindi,  
Tel : 67630, 62155-58

## PHILIPPINES

Cooperative Union of the Philippines Inc., Room  
400F, (4th Floor) N.de la Merced (Delta) Building,  
West Avenue, Quezon City, Philippines  
Tel : 994198, 976119.

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 Coops  
c/o FES, Suite 74, ZETA Building,  
191 Salcedo Street,  
Legaspi Village, Makati,  
Metro Manila, 3117 Philippines.

## SINGAPORE

Singapore Amalgamated Services Cooperative  
Organisation (SASCO)  
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 365 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 Geneva, there are three regional offices, viz., the Regional Office & Education Centre for South-East Asia, New Delhi, India started in 1960, the Regional Office for East and Central Africa, Moshi, Tanzania, started in 1968, and the Regional Office for West Africa, Bingerville, Ivory Coast, started 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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### INTERNATIONAL COOPERATIVE ALLIANCE

*World Headquarters* 35, rue des Paquis, B.P. 862, C.H. 1211  
Geneva.1. Tel. 022-31. 77. 50/58;59

#### *South-East Asian Office*

Regional Office & Education Centre for S-E Asia  
'Bonow House', 43 Friends' Colony (East), 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

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## Some ICA Publications

- Open Asian Conference on Coop Management, Manila, 1981. Rs. 25.00.  
Enhancing Women's Participation in Cooperative Activities  
Rs. 50.00
- Role of Women in the Japanese Agricultural Cooperative Movement  
by Mrs. M. D. Cruz Rs. 8.00
- How to Improve the Effectiveness of National Cooperative Organisations  
Rs. 40.00
- Open Asian Conference on Cooperative Management, Kuala Lumpur 1979  
Rs. 25.00
- Manual of Role Plays for Cooperative Teachers. Rs. 48.00
- Experts' Consultation on Cooperative Member Education  
—Report and Papers. Rs. 50.00.
- Open Asian Conference on Cooperative Management,  
Singapore 1977—Report and Papers. Rs. 25.00.
- Open Asian Conference on Cooperative Management,  
Bangkok, 1978—Report and Papers. Rs. 25.00.
- Recent Changes, Trends and Developments of the Cooperative Movement  
in South-East Asia. Rs. 80.00.
- Member Activities in Japanese Consumer Cooperative Movement  
by M. D. Cruz. Rs. 7.50
- Cooperative Press and Publicity—Report of Regional  
Workshop. Rs. 15.00.
- A Model Cooperative Societies Law with Author's Commentary  
by P. E. Weeraman. Rs. 10.00.
- Theory and Practice of Accounting in Fishery Cooperative Societies  
by K. S. Ponnuthurai. Rs. 50.00
- Open Asian Conference on "Coop Credit and Financial Management"  
Report & Papers. Rs. 20.00.
- Regional Seminar on "Coop Insurance & Promotion of Savings"  
Report & Papers. Rs. 15.00.
- Readings in Cooperative Management. Rs. 30.00.
- Consumer Cooperation in South-East Asia—Proceedings of  
Open Asian Conference. Rs. 25.00.
- A Handbook of Communication and the Cooperative Teacher. Rs. 20.00
- Farming Guidance Activities of Agricultural Cooperatives. Rs. 10.00.
- ICA in South-East Asia—the First Decade. Rs. 12.00.
- Sale: A Profile—An Introduction to Sales Management in Retailing. Rs. 20.00-
- Business Switch—An Introduction to Business Management  
in Retailing.—Rs. 20.00.

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Postage are extra. Payment should be sent by M.O. or  
Bank Draft payable to "International Cooperative Alliance".

The Publications Section

INTERNATIONAL COOPERATIVE ALLIANCE

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# ICA REGIONAL BULLETIN

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

*Grandest homage we can pay to truth  
is to use it.*

—Emerson





Happiness is nothing if it is not known, and very little if it is not envied.

—Samuel Johnson

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**ICA  
REGIONAL  
BULLETIN**

EDITOR

**H. P. Lionel Gunawardana**

ASSISTANT EDITOR

**A. H. Ganesan**

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## OUR COVER

Rice Harvesting in Japan.

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## ***Strengthening of National Cooperative Organisations***

A Sub-Regional Workshop on "Strengthening of National Cooperative Organisations (NCOO) for More Effective Action" was held in Bangkok, Thailand, in collaboration with the Cooperative League of Thailand from 20th to 31st January 1983. The main objectives of the workshop were :

- (1) to review the performance of NCOO and to see how far the 1980 seminar recommendations had helped in reorientation, and
- (2) to work out detailed strategies in several functional areas of NCO activity.

The workshop was attended by 14 persons who were mostly at policy making levels either with Government or with the NCOO. Countries represented at this workshop were India, Korea, Malaysia, Nepal, Philippines, Sri Lanka and Thailand.

The workshop identified four areas of special interest for indepth consideration.

- (1) The role the national cooperative organisations should play in their respective countries for more effective implementation of the recommendations of the seminar held in New Delhi.
- (2) To review the existing structures of NCOO with a view to formulate action

programmes to reach the beneficiaries in a more effective manner.

- (3) To examine the existing sources of funds and to identify other sources which could be harnessed to give the necessary financial stability to the NCOO for implementation of their programmes.
- (4) To examine the roles devolving on the NCOO in respect of special areas of growing needs. The areas considered under this aspect were : (a) the poor, (b) women's involvement, (c) youth participation, and (d) unemployment.

The methodology adopted for indepth discussion was the grouping of representatives of participating countries in three groups which number was subsequently reduced to two. The subjects mentioned above were examined in each group on the basis of experiences of the countries concerned which again were placed before the plenary for detailed discussion and acceptance.

Some of the important recommendations made by the Workshop are given below :

The workshop recommends to the NCOO in the region to plan specific structure, personnel, financial resources and other related

matters, so that their effectiveness is increased.

### **Role of the NCO**

In most countries in the region the NCOO are of more recent origin than the movement itself. Their main function was to be the "unofficial spokesman" of the movement. Since the setting up of the NCOO, the roles performed by the NCOO can generally be termed as "traditional" and "residual". "Traditional" would mean the area of activity concerning "member education" and later of "staff training", and "residual" would refer to most functions taken over by the NCOO from governments who were either giving up these functions or willing to share along with the NCOO. The workshop reviewed the on-going roles, functions and activities which would strengthen the functioning of the NCOO. The workshop accepted the fact that some of these roles could not be performed by all NCOO in the short run and the implementation would depend on the country situation. The workshop was confident that the NCOO in the region could play a more effective role than at present.

### **Structure of the NCO**

Structure encompasses a very wide area of organisation. The workshop identified the organisation

of the NCO from the following points of view :

- (1) the role, functions and activities of NCOO envisaged by the workshop ;
- (2) from the point of view of the composition of the NCO vis-a-vis its membership ;
- (3) from the point of view of staffing for effective action.

It was emphasized that the organisation structure of the NCO should ensure involvement and participation of its membership to be effective in its performance. It was seen that the structure of the NCOO of different countries differed from each other. Having taken into consideration the roles of the NCOO it was accepted that a model of the organisation structure would be of immense benefit to all concerned, even though depending on the size of the country, its laws, rules etc. pertaining to cooperation, it may be changed to fit into the local situation.

#### Funding

The workshop took note of the

fact that many NCOO were unable to function effectively because of the paucity of funds. It emphasised that the availability of adequate funds, especially a regular and continuous flow of funds was of vital importance to the effective functioning of NCOO.

The workshop reviewed the situation in regard to the sources from which the NCOO derive their funds at present, and identified new strategies which would help to mobilize additional funds.

#### Special Areas of Focus

In view of the difficult situation arising in many countries because of development not reaching the needy, the workshop emphasised the need for NCOO to have a special focus on the poor, women, youth and unemployment and stressed that effective programmes should be initiated as early as possible by the NCOO in these sectors, in collaboration with their affiliates, government and other agencies working in this field.

The workshop appreciated the

initiative taken by the ICA ROEC in organising the Sub-Regional Follow-up Workshop, in view of the rapid and committed growth of the Cooperative Movements in the Region and also in view of the role envisaged for the Movements in the future. The workshop recognised an element of inevitability for the NCOO to play a more decisive and effective role in cooperative development. The implementation of the recommendations of the workshop would go a long way in strengthening the Cooperative Movements in the Region and will help to consolidate the Movements as a permanent system of economic performance in the respective countries. This will also lead to a better mutual understanding and greater cohesion in the movements of the Region.

The workshop calls upon the NCOO in the Region to pursue vigorously with their respective governments and other appropriate organisations to obtain the necessary recognition and support for the implementation of the recommendations of the workshop. ■

## FOLLOW-UP ACTION ON ROEC WORKSHOPS

The National Cooperative Council of Sri Lanka has initiated follow-up action on several recommendations of the recently concluded ICA Sub-Regional Workshop on "Strengthening of National Cooperative Organisations for More Effective Action". The recommendations made at the workshop were considered at a high level committee comprising the Minister of Food and Cooperatives, the President of National Council, the Commissioner of Cooperatives Development and senior officers from the government cooperation department and the National Cooperative Council. Some

of the action being taken are :

- (i) Effective publicity to be given in mass media for cooperative development programmes.
- (ii) Organisation of cooperative exhibitions during the forthcoming Cooperative Week to be held in July.
- (iii) Organising a Cooperative Congress in conjunction with Cooperative Week celebrations to create a greater awareness among the general public.
- (iv) Preliminary steps initiated to

incorporate Cooperation as a subject in the School Curriculum.

The high level committee also discussed the other recommendations of the workshop on building up of expertise and appropriate technologies, supervision of cooperative activities, leadership development and structural reorganisation of the NCOO and has decided to initiate follow-up action in a phased manner. ■

(We would be grateful to our member organisations to report on follow-up action in respect of ICA ROEC Regional/National Activities—Editor)

## COOPERATIVE MANAGEMENT FOR TRAINERS

The ICA Regional Office & Education Centre for South-East Asia, New Delhi, organised a Regional Course on Cooperative Management for Trainers in collaboration with the National Cooperative Union of India (NCUI) at New Delhi from 9th December 1982 to 4th March 1983. The Course was designed for participants who had the potential capacity and motivation to learn and apply the concepts and techniques learnt by them in their job situation.

The Course was directed by Mr. J.M. Rana, Director (Education) and assisted by Dr. Dharm Vir, Joint Director (Education) and Dr. G. Ojha, Education Officer. In addition, resource persons from outside were used for the course. Certificates of participation were awarded to the participants by Mr. R.B. Rajaguru, ICA Regional Director for South-East Asia.

Twelve participants attended the Course from seven countries of South-East Asia, viz. Afghanistan, India, Republic of Korea, Nepal, Philippines, Sri Lanka and Thailand. Participants were teachers in National/Regional Cooperative Training Colleges in the Region.

The course had the following objectives with focus on management of multipurpose cooperatives.

- (i) to enable the participants to develop understanding of the role and functions of cooperatives in the socio-economic environment under which cooperative enterprises operate;
- (ii) to enable the participating teachers to learn the concepts, process and techniques of management so that they can teach the subject effectively;

## ICA ACTIVITIES

- (iii) to generate motivation for further self-study amongst participants and to provide them guidelines for the same and
- (iv) to impart skills in using audio-visual aids and participative teaching techniques.

In addition to the participants learning the subject matter, they were also exposed to participative techniques of teaching.

The main methods, techniques and contents of the Course were :

- Principles of Cooperation, their significance and application.
- Functions of Management.
- Management of Rural Multipurpose Cooperatives.
- Various Training Techniques.
- Study visits—participants were expected to study the application of management principles during their study visits.
- Project work on (a) formulation of a two-week course on management of multipurpose cooperatives; (b) preparation of management cases; and (c) preparation of Training Modules based on visual aids, on selected topics from the curriculum prepared by them.

### SUB-REGIONAL WORKSHOP ON COOPERATIVE PRESS AND PUBLICITY

A Sub-Regional Workshop on Cooperative Press and Publicity was held by the ICA ROEC in collaboration with the National Cooperative Council of Sri Lanka in Colombo, Sri Lanka, from 4th to 15th January 1983. Nineteen participants attended the workshop. They were editors, publicity managers and officers of government extension departments from Sri Lanka, India, Bangladesh and Nepal.

The Sub-Regional Workshop was inaugurated by Mr. C. M. B. Bogollagama, President of the National Cooperative Council of Sri Lanka. Mr. Lionel Gunawardana, Joint Director, Publications & Public Relations, ICA ROEC, directed the workshop.

Resource persons to the workshop were drawn from the Indian and Sri Lankan cooperative movements and the ICA ROEC.

The workshop discussed the role of cooperative journals and other publications as an education media in image building, creating and sustaining reader appeal in journals and publication of cooperative journals—hindrances. The workshop also provided an opportunity to the participants to have practical training in the preparation of news items, preparation of interview reports, success stories, profiles and editorials based on study visits to a few multipurpose cooperative societies in the Island.

## BONOW FUND

The ICA is inviting, through its member organizations, applications for the next round of scholarships from the Bonow Fund. These awards will be confirmed by AGITCOOP Executive when it meets in Nairobi in July.

Copies of the conditions of Awards are available from the ICA's Head Office, Regional Offices and member organizations.

Application forms, which are available from ICA member organizations should be completed and returned to ICA Regional Offices or Head Office—by 31st May 1983.

The Bonow Fund was established in 1978 to honour Dr. Mauritz Bonow, who was President of the ICA from 1960 to 1975 and paid particular attention to the needs of developing countries. Until his death last year, Dr. Bonow followed the awards made from the fund with

great interest.

Scholarships are given to enable cooperators from developing countries to visit cooperative institutions in other developing countries. Candidates are required to undertake study programmes, preferably at cooperative training institutes, of not less than two weeks. Candidates should be between 21 and 40 years of age. The maximum amount awarded to any Bonow Scholar is £ 1,000. ■

## SINGAL RESUMES DUTY

Mr. P. C. Singal, Accounts Officer who was on an assignment with the Zambian government for three years, has rejoined the ICA ROEC as its Accounts Officer.



Mr. P.C. Singal    Mr. R.K. Toteja

Subsequently, Mr. R. K. Toteja, who was working in place of Mr. Singal during his absence, has left the services of the ICA ROEC. A touching [farewell was given to Mr. Toteja by the staff of the ICA ROEC.

## ICA FORTHCOMING EVENTS

### Regional Seminar on Youth and Cooperatives

A Regional Seminar on Youth and Cooperatives will be held in Kuala Lumpur, Malaysia, from 22nd May to 2nd June 1983, jointly by the ICA ROEC and the Commonwealth Youth Programme of the Asia Pacific Centre. The seminar to be held in collaboration

with the Ministry of Youth, Culture and Sports of the Government of Malaysia will examine the problem of youth in the various countries of the region, their role vis-a-vis cooperatives; and will identify strategies which will facilitate an integrated cooperative approach to the problems of youth. It will frame guidelines to help the cooperatives to play a more meaningful role in collaboration with the various organisations.

### Sub-Regional Workshop for Cooperative Librarians and Documentation Officers

A Sub-Regional Workshop for Cooperative Librarians and Documentation Officers will be held by the ICA ROEC in Pune, India, from 1st to 30th June 1983, in collaboration with the National Cooperative Union of India and the V. L. Mehta National Institute of Cooperative Management, Pune. Participants from Afghanistan, Bangladesh, India, Nepal, Pakistan and Sri Lanka will attend the workshop. The Workshop objectives include : a review of the present state of cooperative libraries, improve the skills of cooperative librarians and documentation officers in their fields of activity and to prepare blue prints for the development of cooperative libraries, documentation and information services and systems in the sub-region.

### Regional Seminar on "Integrated Cooperative Activities for Agricultural Development"

The ICA ROEC in collaboration with the National Agricultural Cooperative Federation of the Republic of Korea will be holding a two week Regional Seminar on "Integrated Cooperative Activities for Agricultural Development" in Seoul, Korea from August 2-12, 1983. A week's study visits to agricultural cooperatives in Japan has also been arranged in collaboration with the Central Union of Agricultural Cooperatives of Japan and the IDACA, prior to the Seminar. The Seminar, among other things, will discuss the present position and problems of integration and coordination of different activities of agricultural cooperatives like credit, supply, guidance and marketing and frame guidelines for providing integrated services by the agricultural coops in the region.

### Regional Technical Conference on Cooperative Credit and Banking

A Technical Conference on Cooperative Credit and Banking for South-East Asia will be held in Kuala Lumpur, Malaysia, by the ICA ROEC on a self-financing basis from 8th to 13 August 1983. Host organisations are Angkatan Kerjasama Kebangsaan Malaysia

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# *Creating and Sustaining Reader Appeal in Journals*

EDWIN ARIYADASA

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## **Introduction**

In the contemporary vocabulary of world communication, the expression "Journalism" is applied with equal validity, both to electronic and to print media. One could, therefore, talk of broadcast journalism, television journalism as well as of written journalism.

But, here, we are concerned mainly with print journalism and with the readership of newspapers, magazines and other journals. Nevertheless we cannot afford to overlook the practice and the impact of other media.

## **The Media Context**

The complexity to the media context of the modern world could be exquisitely summed up in just one sentence excerpted from Prof. John Hohenberg who incidentally was in Sri Lanka early in 1982. Says he: "Never before has so much information been available to so many people within so short time".

The media-messages of our time, overwhelm the world media audiences with a vast flood of information each hour, each minute and even each second. Audiences themselves have proliferated at a dizzying rate. An idea of the kind of audience available to a modern media

message was given by the Royal Wedding of Prince Charles to Lady Diana, in July 1981. According to estimates a global T.V. audience of 750 million people viewed the event simultaneously in 61 countries. This, of course, does not include the number of those who took in the event later, through video cassetted versions. This to-date, is the largest simultaneous audience for any event in human history.

As for media-speed, the facsimile of a newspaper page could be transmitted via satellite in a mere six minutes, from Paris to Hong Kong, enabling the audiences in both places to read the same issue of the International Herald Tribune, more or less at the same time.

Figures available for the United States of America, indicate the extent to which a modern society could be dominated by media. The number of daily papers in circulation in that country is around 1970. On the average about 78 percent of the population read a newspaper every day. Magazines are read by 37 per cent of the people in the country. In addition they watch T.V., view films and listen to the radio. Books are bought by about 25 per cent. The inescapable point of all this is media are pervasive and that modern man is subjected to an unceasing avalanche of messages.

Though not on the same scale, even in a Third World country like ours, a whole host of media messages is aimed at the average

person each day. About three decades ago, the media consumer was a captive of the limited number of newspapers, magazines and books that were around. He did not have any other option than to read what he was given.

But today hundreds of media messages vie for his attention. A vast choice is open to the contemporary media user. But even this tremendous range of available messages is only a beginning.

When the benefits of the Direct Broadcasting Satellite acquire a global reach, anyone can obtain a signal on his home T.V. set direct from any part of the world, at the flick of a switch. He could pass over hundreds of media offerings that do not appeal to him and opt for those that win his favour.

It is such a media-context that we are asked to discuss the creating and sustaining of Reader Appeal in Journals.

Our first inevitable reaction to this plethora of media-messages, that swamp a modern man, is without any doubt, bewilderment. In such an atmosphere, in which confusing messages reduce man to helplessness, capturing and holding the attention of a reader with an article in a journal, must seem nothing short of a miracle. But, what is equally amazing is that, a miracle of this kind happens everyday, everywhere in the world. Journals are bought by the million and words in them are read by the billion. Articles continue to arrest the attention of the readers. Some publications are acquired and read with the avidity of addiction. Some journals, rejected by audiences, flop and fold. Some enjoy readership approval for centuries and flourish with audience acceptance unabated.

It is proper at this point to ask if there is an effective formula to

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ensure reader-appeal. How could one entice a reader to a journal and keep him absorbed day after day, week after month?

### Personality and Presence

In the first instance, a journal has to capture its readers through its total presence and its typographical personality. Seen at a news-stand display, some journals stand out and impress the would-be reader with their external personality. The front page lay-out, the main headlines, cover-art, the aesthetic balance with which the text and image are arranged on page one constitute the elements, that contribute to ensemble, to capture the would-be reader.

In some modern cities, the display at a given news-stand, may very well include anything like one hundred journals of different varieties. Even in a Third World City, a news-stand might offer a choice out of about ten to fifteen types of journals.

Two types of readers approach these news-stands. One type seeks out its favourite journal. This type has kept faith. Over the years this kind of reader has remained unswervingly loyal to a given journal. When this sort of person acquires a journal outside his favourite preference, it is for some very unusual reason.

The second type of person, is rushing off somewhere, either by air by bus or by train. He needs a journal as his travelling companion. With him, the presence and personality of a journal determine the purchase. A witty headline, clearly read at a distance of about 15 feet may sway the decision of a reader who buys on impulse. A jazzy or a sensational cover may persuade yet another reader. Newspaper and magazine publishers of our time are fully aware of the potentiality of

a cover or a front-page to create reader-appeal. This explains why the pictures or photographs of beauties adorn covers and front-pages very often.

The format of a given journal too is a factor in reader-appeal. An individual who has to commute by a crowded bus or a train, will, prefer a tabloid or a magazine to a journal of broad sheet format. A journal in tabloid format is more easily handled in a bus or a train than a broad sheet.

Habit is very powerful factor in reader-appeal. Until about a decade or so ago, the front page of the Times of London, displayed only classified ads. "The Thunderer" as that newspaper is affectionately described, was one of the world's most popular of journals, even with such a monumentally dull front-page. This journal has now undergone considerable revamping and displays a modernized page one with enhanced reader-appeal.

We could take up another example to illustrate a highly modernized effort to retain the subconscious appeal of habit, while incorporating the most sophisticated typographical innovations. The instance I have in mind is a world renowned news magazine. Its title-logo though reflecting the most advanced techniques of typography, still retains subtle archaic traces ensuring a sense of continued habit.

A highly specialized journal may command a devoted readership because of the particular appeal of its subject matter. But, to the modern reader the appeal of the specialized field alone is not quite sufficient. The support of a well designed layout is essential for continued reader appeal.

### The Headline

Once a reader selects a journal, lured by its personality and

presence, that initial appeal has to be sustained by a number of other factors. The first among these factors, is of course, the headline. The tempo of modern life, allows, for a good many individuals leisure only to scan the headlines. If a given headline compels, through its appeal, a reader may take up a given article for sustained reading. The acceptance or rejection of a given article in a newspaper is, therefore, determined largely by the quality of appeal the headline possesses.

The attention of a reader could be arrested and directed towards the body of an article, if the headline is turned out deftly. An appealing headline could be written even for the most serious article. Such a headline in no way diminishes the seriousness of the article. A headline, I like to single out for its aptness and appeal is the one that tops that article in "Time" magazine to mark the death at 96, of the great pianist Arthur Rubinstein. The title says "A song to Remember". The person, the occasion and the elegiac grace of the article are all reflected in the title.

An appealing title has to be the result of creativity, imagination and functional thought. It must not only capture the attention of the reader, but must lead him to the article. A headline writer must possess considerable language skills to be able to produce the kind of headlines that appeals, while fitting neatly into its allotted space. Brevity, in this instance is indeed the soul of wit.

### The Lead

Though a journal may have been able to bring along its reader through the cover, the front-page and the headline to an article, he may still turn away if the first taste of the piece did not impress him.

The story (jargon for article) must get the reader with an original and artistic lead (jargon for the opening). If the beginning is dull it induces sleep rather than concerned alertness, one can be rest assured that the reader will not waste his time on it, however important the subject matter could be.

The lead should be assiduously burnished into high polish. Art is clearly needed here. The opening of a piece is the best test of a writer's professionalism. His written words in the lead should unerringly appeal to the reader persuading him to stay with the article.

Schools of Mass Communication authors on the art of writing, Professors of Journalism have all advocated formulae for successful leads. While these may help, the unfailing asset is the writer's originality, which could be cultivated through a pondering of the nature of the communication task. If a writer can escape routine-dominated thought he can certainly discover opportunities for leads distinguished by surprising originality. The original lead is not an exercise indulged in for its own sake. It is a creative means of appealing to the reader to continue with the article.

Successful writers have been able to identify several types of leads, that appeal to a wide range of readers. Of these, the kind that possesses almost universal appeal is *The Anecdotal Lead*.

The secret of the efficacy of the anecdotal lead is the appeal a story-an anecdote-has for all human beings, of all places and all age groups. When you begin your piece with an anecdote, the reader will want to see how the story progresses. He is not likely to pass it over for another article.

Equally appealing to most is the

*Statistical Lead*. Imaginatively used statistics could have a powerful appeal.

The *Personal Lead* can make a reader identify himself quickly with what is being said. But the 'I' in such a personal lead, should be judiciously used to prevent it from degenerating into an ego-parade.

A quotation if it is witty and informative could serve as an extremely appealing lead. A proverb or a say too could attract a reader to the opening of an article.

The Humorous lead, or the Funny Lead is one of the most difficult to pen. Where the subject-matter demands a Funny Lead, a humorous opening is a must. Such a beginning is replete with reader-appeal. Since there is hardly anyone who could resist an opportunity to laugh, the humorous lead goes a long way towards ensuring reader appeal.

A classification of possible leads is only an academic exercise. Each writer will evolve his own original lead, if that writer has had the time and the imagination to give the kind of thought that has to be given to this creative activity.

The temptation to settle for the lead that comes readily, should be resisted. If the writer attunes himself to the habit of at least briefly examining the nature of the subject matter he cannot help but discover the making of a highly appealing lead. An executive editor of a U.S. News Agency once wrote this lead: The State of New Jersey, which spent \$ 1,200,000 to capture and convict Bruno Hauptmann executed him with a penny's worth of electricity".

The irony is stunning and makes for a lead of exceptional reader-appeal.

## The Attention Span

The effective lead has at last taken the reader into the main drift of an article in a journal. Even after this initial breakthrough, a reader might get bored with a piece of writing. He may not feel compelled to read on. Why does this happen?

This has primarily to do with an individual's attention span. It is trying for most readers of our day to concentrate on a piece of reading matter for long without feeling distracted. Today, readers get bored easily. Their minds are preoccupied. They have numerous unfinished jobs at the back of their mind. In this circumstance, one-pointed attention is difficult for the average reader. The writer must have built-in devices in his article, to prevent the reader's mind wavering and wandering away from this article.

At these points in the article where the attention span of the reader is likely to taper off, a special effort should be made to give the reader's attention a fresh jolt.

An intriguing question, a witty observation, an anecdote or a funny episode could freshen the weakening attention and compel the reader to continue reading with absorbed interest.

The art of the story-teller should be utilized by the writer to lead the reader on, from stage to stage in his article. The experienced writer could engender a curiosity in his reader to make him want to know what happens next in the article.

## Style

In our examination of what makes for reader appeal, we have so far not come to grips with the central issue: Style and the use of language. Discussing avenues of ensuring active reader-participation in an article with no attention to

style and language is on a par with Hamlet without the Prince of Denmark.

It is, therefore, time we brought the Prince on stage.

Even if you are an authority on what you have chosen to write about, even if you are an unquestioned expert in the specialized field about which you write your article you cannot ensure reader-appeal unless you have not mastered effective communication.

Most writers fail to obtain a clear idea about the kind of audience for whom they write. If one writes without a specific reader or readers in mind, the writing invariably becomes confused and opaque. When one does not presuppose a reader, one does not pose the crucial question: Will they make sense of what I write?

The best style is writing that makes sense entertainingly-writing that could be understood without confusion, writing that is a pleasure to read and absorb.

Clear writing that communicates unambiguously does not come without an effort. This kind of writing may seem deceptively easy. But try, Clarity of writing is an inevitable outcome of clarity of thought. If you have fully thought out the issue you plan to discuss in your article, you will invariably devise methods to communicate these ideas equally clearly.

About three decades ago, when the art of writing to obtain reader appeal, had not been given much thought, writing was largely a self-pleasing exercise. It was rarely if at all, that a writer hesitated even for a moment to consider the reader for whom he wrote. In an earlier day the writer could get away with this, because only a few people wrote and there was little competition to get the reader's attention.

But, today the situation has undergone a vast change. If you did not keep the reader firmly in mind, he too will leave you alone to indulge in your self-pleasing pursuit.

Language psychologists have determined that short sentences make for easy understanding. A simple word is always better than a difficult one. Simplicity of expression enables the reader to keep on reading without interruption. If difficult words constantly interrupt the flow of reading he may give it up and turn to a less exacting piece.

The simple word by itself is not sufficient guarantee of reader-appeal. While being simple the word must also be within the background of reference of the intended reader's experience. Once more we have to emphasize the need to know your reader thoroughly.

When simple words are used with due thought, expression becomes exceedingly effective. We could consider the words Shakespeare puts into the mouth of Hamlet: "To be or not to be, that is the question". Mankind's most momentous question has been distilled into six extremely simple words.

Style in writing is essentially, clarity of expression in simple words for a well-defined readership.

### Language

When everything is said and done, the most important building block in reader appeal, is language. The language used in a given article should not call undue attention to itself. It should be economical, and must convey the writer's thought unerringly to the reader's mind.

Much has been written about the art of writing. But even today it is very rarely that the ideal of good writing is fully achieved. The pro-

blem of writing with reader appeal has been set down admirably by Robert Louis Stevenson, British novelist: The difficulty is not to write, but to write what you mean, not to affect the reader, but to affect him precisely as you wish".

In most instances, the opacity is not in the mind of the writer. The writer is clear about his thoughts. But, the difficulty begins to arise when the thought is put into language. Opaque expression cannot adequately communicate clarity of thought.

If murky expression does not quite measure up to the clarity of thought the fault once more is with the writer. He has not given sufficient thought to the reader. The sayer has not been able to think in terms of a sayee. Our avowed purpose is to achieve reader-appeal. But do we make a special and concentrated effort to visualize our reader, to think for him? In most cases, the writers do not.

In his "Art of Writing", Quiller Couch makes this point deftly. "Essentially style resembles good manners. It comes of endeavouring to understand others, of thinking for them rather than yourself of thinking, that is, with the heart as well as the head."

The implication of this piece of advice given to the would be writer is that he cannot neglect to woo his reader. If you are out to woo a person you must know intimately how that person thinks and behaves. You must make it your duty to seek out that person's preferences. It is only when you are equipped with this knowledge that you could successfully woo that individual.

The outcome of all this could be summed up this way. The unpardonable sin in one's effort to write with reader-appeal is to in-

dulge in one's writing without the reader, being vehemently present in one's mind.

Even when all these elements are present they can be put together effectively only through professionalism. What is meant by this is a marked devotion to the rules of language, to the discipline to rewrite and polish what is written. In addition, one must make it one's passion to read, study and analyse good writing that possesses undoubted reader-appeal.

When one writes for a journal, one invariably has a purpose to achieve through that piece of writing. If reader appeal is wanting, the purpose remains unachieved.

Even if the failure is partial, it is due to the writer's want of professionalism. This has been somewhat wittily stated by Confucius about 2500 years ago. "If language is not correct, then what is said is not what is meant: if what is said is not what is meant, then what ought to be done remains undone."

When reader-appeal has been properly understood, what is written remains gems of clarity, economy and functional communication. I always esteem a letter written by an ancient Minister of Finance to a senior Civil Servant for its brilliant awareness of reader appeal and the purpose of writing. It goes this way: Appollonius to Zeno greeting

you did right to send the chick peas to Memphis Farewell. For economy and clarity it is very rarely that we can find its parallel.

Even when you are adept in the mechanism of communication, you must of course be fully equipped with subject matter. To win reader appeal matter is as important as manner. What to say is as crucial as how to say. If he did not possess the subject matter the writer will get reduced to the level of Eliza Doolittle, the Flower Girl in "My Fair Lady." Groomed by Prof. Higgins she acquired an impeccable May Fair accent. But she did not have anything worthwhile to say. She could talk only of her aunt who died of gin. ■



## Introduction

The National Federation of Fisheries Cooperatives is the national organization of the Korean fisheries cooperative movement and celebrated its 20th anniversary on April 1st, 1982.

The beginning of fishermen's organisations in Korean modern history can be traced back to 1908 when the Korean Fishery Law was promulgated and in accordance with this Law two fisheries organizations: Kouje-Hansan-Gajo Net Fisheries organization and Kouje-Hansan Sea Weed organization were established in the southern part of Korea in July of the same year. The modern fisheries cooperatives emerged in 1962 when the Fisheries Cooperative Law was promulgated and the Federation and its member fisheries cooperatives were created on April 1, 1962. Currently the Federation has 71 member fisheries cooperatives with 133,000 members affiliated to it and 1,436 fishing village societies across the country. Total business turnover of the Korean fisheries cooperative movement in 1962 remained 6.7 billion and it jumped to 2,146 billion Won in 1981, showing 320 times expansion. As a result, the Korean fisheries cooperative movement has made a remarkable progress in its efforts to serve the fishermen.

Based on the principles of the cooperative movement the Korean fisheries cooperatives have undertaken various service and business activities to enhance the fishermen's economic and social status, and in particular, they placed their priority on the guidance service activities

\*Deputy Manager, Education and Public Relation Department, National Federation of Fisheries Cooperatives, Seoul, Republic of Korea.

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# ***Ensuring Reader Appeal in Cooperative Journals —A Case Study***

CHOONG KI AHN\*

which included the public relation activities. In 1982 the Federation budgeted 5,275 million Won (U.S. \$ 75 million) for the guidance service activities composed of organizational strengthening, guidance service on the production, educational and training programme survey and research and public relation activities. Out of the budget, a total of 346 million Won (U.S. \$ 494,000) was exclusively allocated to the public-relation and publication activities. In addition, the Federation set aside a total of 46.7 million Won (U.S. \$ 67000) to procure the publications and newspapers for the eventual purpose of public relations by distributing them to the fishermen and others engaged in the fisheries cooperative organizations.

The Korean fisheries cooperative movement started its public relation activities in 1962 when the modern fisheries cooperative organizations emerged in this country. In November 1963, the Federation started issuing a weekly "Fisheries Cooperative News" and its circulation reached 30,000. In the same year the monthly magazine "Fishermen", the predecessor of the current "New Fishermen" was issued by the Federation and its circulation rose to 2,500 in the earlier years. Later, the "Fisheries Cooperative News" ceased to be issued on December 31, 1971 due to the financial difficulties. The monthly magazine "Fishermen",

however, was retitled as "New Fishermen" and survived to be the Federation's monthly organ with the circulation currently running at 30,000 copies.

On the other hand, the Federation has procured the monthly magazine "Modern Ocean" and weekly newspaper "Korea Fishery News" and distributed them to the fishermen and others engaged in the fisheries cooperative organizations.

## **Guideline for Editing of "New Fishermen"**

The monthly magazine "New Fishermen" has been regarded as the most important publication issued by the Federation and it has made significant developments since its first issue.

The monthly magazine has 188 pages including the cover and 28 photographs in colour or black and white. 45 per cent of total pages is devoted to the technical information on the fisheries and 40 per cent goes to education, culture and public relation activities, the government's policy and the fisheries cooperative movement. Remaining 15 per cent is allotted to literature, arts and other matters. The Federation has made every possible effort to make this monthly magazine suited to the fishermen and read by as many fishermen with highest priority on columns appealing to the readers at all levels in the fishing communities.

## Classification of Contents by Category

### (i) Technical Information on fisheries

This monthly magazine has put its paramount objective on supplying technical information on the fisheries to the fishermen to improve fishermen's income. For this purpose the magazine has carried every month columns on the management of seaweed and shellfish culturing and information on catching by fishing grounds. This magazine has carried scientific and technical information on the fishing grounds. In particular, the "New Fishermen" has carried a special edition on fisheries production which has been aimed to supply necessary information corresponding to the fishing operation season by fishing type, caught species and fisheries culturing. Another special edition has been included in this magazine to present the fisheries policy in future, issues and answers facing the fisheries cooperative movement and new income sources for the fishermen. Among the major special editions were the Creation of Fisheries Resources, the export of marine product, use of marine products as food marine development, the tourist development in the fishing communities, measures to overcome the fisheries disasters, preservation of freshness in the marine products, measures to ensure fair prices of marine products and processing of marine products.

Today's technology and science is making a rapid progress and owing to this progress the fisheries techniques has changed year after year. In line with this trend the "New Fishermen" has established columns of Brief News on Foreign Fisheries" and the "Changing World's Fisheries" to provide up-to-date fisheries information to the fishermen.

### (ii) General Culture

The columns of culture in "New Fishermen" has appealed to the readers of all levels because they contain most informative and interesting stories in daily life. The foreword is written by prominent figures such as president of university, dean of college, professors and journalists and it usually contains valuable contents contributing to the fishermen's spiritual enlightenment. In this category the monthly magazine has carried dialogue columns on legal affairs in such non-fiction stories as the dairy on savings, fisheries management, successful case in the saemaul project and the Guidance Worker's Dairy in the Fishing Communities. The introduction of these stories has greatly impressed the young people in fishing communities.

### (iii) Literature and arts

The "New Fishermen" has carried columns of literature and arts and they have played a leading role in promoting the ocean and sea literature in this country. Every month 15 pages have been used for the novel, essay and nursery story. Three novels depicting the historic events in sea or fishing villages and a nursery story have been carried in the monthly magazine. The "Nursery Story Read in the Beach" is aimed to provide the young people in the fishing communities with full dream toward the sea.

In order to fulfil the demand of readers interested in literature the magazine has spared 4-5 pages for the readers' columns and they have carried poem, essay and short story supplied by the readers. In addition, the monthly magazine has allotted entertainment and sports columns carrying stories about the famous entertainers in the movies, drama and T.V.

### Public Relations

The "New Fishermen" has an indirect influence on the formulation of the government's fisheries policy by carrying the planned editions and other articles related to the government's fisheries policy. It plays a catalytic role between the fishermen and the government by propagating the government's general policy as well as fisheries policy. For this purpose the monthly magazine has a column running at 10 pages and sometimes it has the contributions written by the Minister of Agriculture and Fisheries and the Administrator of the National Fisheries Administration.

This magazine also propagates the service and activities undertaken by the fisheries cooperatives to the fishermen as well as the members and for this purpose it has a column of 'Fisheries Cooperative News'. 6-7 pages are used for the column of 'Fishermen's Voice' to reflect the fishermen's opinion.

### Photograph

The "New Fishermen" usually carries 14 pages of colour photographs and 14 white and black photographs. Most of the colour photographs are allotted to the cover, list of contents and public relation column on the service and business activities by the fisheries cooperatives and about five pages of colour photographs are devoted to such fishermen's interesting columns as "Advancing Fishing Communities", "Prize Winner for Increased Production", "Korea's Sea Birds", "Stories Behind Fishes", "Fishing Scene in Full Season", "Festival for Mass Catch", "Cultural Event in Fishing Communities", "Proud Fisheries Cooperators", and "Introduction of Cash Crop for Fishermen's Side-Line Job."



## Classification by Level of Readers

The "New Fishermen" is the monthly fisheries magazine with the largest circulation and its readers are the fishermen, fisheries cooperators, people engaged in the fisheries production, young people, students and women living in the fishing communities. In particular the level of transportation, culture and education in the fishing communities are lagging behind those in the urban and rural communities and hence the role of this monthly magazine distributed into every corner of the fishing communities has a great importance. The "New Fishermen" has, therefore, made every efforts to diversify its readers by establishing special columns for the women, juvenile and children in the fishing communities.

For example the magazine has a women's consulting column carrying articles about health, nursery, and family programmes. In addition, it has columns of the menu in the fishing communities and 'This Month's Cloth', Taste and House' to provide knowledge required for appropriate home economics. As part of the efforts it carries a special edition entitled the Consciousness Reform of Women in the Fishing Communities to enhance the women's consciousness in the fishing communities.

On the other hand, the "New Fishermen" has carried various diaries in the column titled the "Flag Bearer in Fishing Communities" and it has been designed to encourage the juvenile's participation in the community development. In addition, it has carried nursery story for the children in the fishing communities. In an effort to provide the marketing information of marine products to the consumers in the urban areas and the producers it has carried every month a column of the Price of Marine Products in the large consuming cities.

## Get Up and layout

### (a) *Get Up of the "New Fishermen"*

The "New Fishermen" has 188 pages with the size of 18.8 cm in length and has been printed in both of off-set and movable type. The cover has the most importance in appealing to the readers and the cover of the "New Fishermen" has photographs depicting scenes of fishing communities, fishing operation, seaweeds, fishes and shell fishes.

According to the survey of the readers' opinion on the cover of the "New Fishermen" 55.5 per cent favoured the photograph currently carried on the cover and 19.4 per cent preferred drawings to the photograph. The survey further revealed that 15.8 per cent preferred the figure photograph and 9.2 per cent chose abstract picture. Based on the survey result it is considered to diversify the cover picture by carrying the orient and western paintings as well as the figure photographs.

Art/150 g/m<sup>2</sup> paper has been used for the cover of the "New Fishermen" and the title has been put on the upper part of the magazine with the date of issue and number of issue printed on right-lower part of the cover. Regarding the paper quality art/100 g/m<sup>2</sup> is used for the list of contents and colour picture and 8/g/m<sup>2</sup> is used for the black and white picture. 55/g/m<sup>2</sup> rough paper is used for the rest of contents.

### (b) *Lay Out*

In laying out the "New Fishermen" emphasis has been placed to enhance the readers' understanding and interest and for this purpose as spacious as blank and as much as freshness have been given casting away the traditional layingout method. The editors review over

and over the manuscripts contributed by the writers to meet the aforementioned purpose. In addition, the monthly magazine has been printed in the Korean language so as to make the readers of all levels accessible to this magazine and the foreign language is used in parenthesis if necessary. As a significant development in laying out the magazine the traditional vertical writing was switched over to parallel writing beginning April edition of 1982. The Korean language is suitable for both vertical and parallel writing and largely influenced by the newspaper, magazines and general books, partly written in the Chinese characters, the vertical writing has been generally adopted.

The government has encouraged the exclusive use of the Korean language and most of the readers have no knowledge of the Chinese language. What is more, it has been proved that the parallel writing is more scientific than vertical writing to suit the human sight structure. Most publications written in the Korean language, therefore, have the trend of switching from vertical writing to parallel writing.

## Pricing

In general the price of magazine has been decided on the basis of cost and earning. The price of the "New Fishermen" issued by the Federation has no significant meaning because 20 per cent of total earning after deducting the business cost has been allocated to cost required for the guidance service, and this is clearly stipulated in the regulations governing the service and business by the fisheries cooperatives. In accordance with this regulation fixed portion of the budget has been set aside for the fishermen's welfare and educational programme.

Production of the "New Fisher-

men" has been made as part of the guidance service and Federation has to meet the full production cost and other cost required for the distribution. As a result, the readers get, copies free of charge. In case of subscription order from general public other than the fishermen, from regional and business-type fisheries cooperatives for the exclusive use the Federation has charged only prime cost of production i.e. 350 Won.

#### Advertisement

It has been hoped to carry as many as advertisements on the publications to reduce the production cost by increasing the earning. In case of this magazine, however, there have been limitations acquiring sponsors and in carrying advertisements. The limited marketability of this magazine has hampered the sponsors from ordering the advertisement and the stagnant economy has worsened the situation of acquiring the sponsors. Another problem is the contents of the advertisement. The "New Fishermen" is in no position to carry the advertisement without limit since this magazine has been issued to provide the fishermen with guidance and enlightenment and to promote education and culture in the fishing communities. For example the magazine has refrained from advertisements encouraging luxury, waste and immorality. Currently the industries ordering the advertisement are the companies manufacturing boat engines, fishing gears and banking institutes. The advertisement order is anticipated to grow in the future.

#### Measures for Securing Readers

Twenty years have passed since the "New Fishermen", a magazine for Korea's 800,000 fishermen has been first issued and the issued numbers reached 169. Two opinion surveys have been

conducted in August 1976 falling on the 100th issue and in October 1980 falling on 150th issue respectively and based on the survey result efforts have been made to upgrade the magazine's production and distribution. The survey produced the reading rate as specified in the following table. As a significant development the monthly magazine carried the technical information on fishing by the fishing grounds and this has been based on the survey result. In addition, the magazine had been distributed to fishermen through the fisheries cooperatives in the past and currently they are transported directly to the fishing communities.

#### Reading rate of the "New Fishermen"

	1976	1980
Reading most of contents	47.6%	60.3%
Reading only the interesting part of the contents	49.3%	34.1%
Roughly looking over	2.1%	5.6%
No response	1.0%	

Providing technical information on fishing by the fishing grounds started in 1981 and it has been considered as a reasonable measure since the three sea areas surrounding the Korean peninsula have varying fishing situations.

The Federation ships the magazine to the fishing communities and the chief of fishing village society takes the full responsibility for distributing them to the fishermen. In some cases problems have arisen in distributing the magazines to the Fishermen due to the dishonesty of the responsible chief. For this reason the Federation has started mailing the magazine directly to the Fishermen starting from 1981.

The difficulties facing the special magazines has been the weak marketability and earning and these have been regarded as the most important factors deciding on the editing methods and contents. The "New Fishermen" has been free from these problems since it has been issued at the Federation's own cost. The contributors in the field of culture, literature and arts have been professors, doctors, lawyers, journalists, novelists and poets and the contribution on the technical information on the fisheries have been coming from the technical staff working for the National Fisheries Technical Promotion Institute. It has, however, been experiencing the difficulties to secure the able contributors because of the limited fee and field. As a measure to overcome these difficulties the Federation plans to expand the contributors to the professors of the university and also to the teachers of the fisheries high schools.

#### Conclusion

Magazines including the "New Fishermen" issued by the cooperatives have the character of integrated education and act as organs of the organizations with vulnerable marketability and earning. In particular, attention must be paid to the difficulty of understanding matters written in technical jargon as the readers have a low level of education. These and other conditions have been the major factors playing a role in deciding the contents of the publication.

Under this situation the magazines issued by the cooperative organization should rearrange its excessive emphasis on the propagation of the technical information and culture, priority should be placed on the enhanced understand-

(Continued on page 24)



# NAGAOKA CITY MULTI- PURPOSE COOPERATIVE SOCIETY\*

## Situation

The Nagaoka City Multipurpose (Agricultural) Cooperative Society is situated in Nagaoka municipality in the central part of Nigita Prefecture. Nigita prefecture has an area of 12,578 sq. kms. and is the fifth largest prefecture in Japan. It has a population of 2,451,000. The total number of households in this prefecture is 657,916.

Nigita city has an area of 259.92 sq. kms. and a population of 177,887 (1981).

## Establishment

The Nagaoka City Multipurpose (Agricultural) Society which is the second largest society in Nigita prefecture was established in August 1969 by amalgamating 16 small societies. The largest society that was amalgamated—Yamamoto Multipurpose (Agricultural) Society had a membership of 600 and the smallest—Ogigawa Multipurpose (Agricultural) Society had 200 members.

Original plan was to amalgamate all the 20 societies situated in the area. But four of them did not consent to the plan. The societies

\*Prepared by Mr. Lionel Gunawardana, Joint Director & Specialist in Agricultural Cooperation, ICA ROEC, New Delhi.

that objected had comparatively better management and economic conditions and wanted to maintain their separate identity.

## Area

Nagaoka municipality has an area of 259.92 sq. kms. The cultivated area was 6,859.64 hectares (1980). The four societies that opted not to amalgamate and the Nagaoka Multipurpose (Agricultural) Cooperative Society cover this area.

## Crops

The cultivated area in the municipality has gradually declined

### Area under rice, upland, orchard and the number of farm households cultivating them—1970-1980

	Unit = Hectare		
	Farm Households		
	1970	1975	1980
Rice	6,872.55	6,321.57	6,107.84
Farm			
house-			
holds	7,130.00	6,743.00	—
Upland	801.98	704.32	—
Farm			
house			
holds	6,834.00	6,384.00	—
Orchards	13.15	14.26	—
Farm-			
house-			
holds	81.00	97.00	—

due to housing, road construction, etc., during the last two decades. The area under rice cultivation also has gradually declined. This is due the overall decline in cultivated area as well as deliberate conversion of paddy in to other crops. The decline of the total cultivated area from 1970 to 1980 was 921.32 hectares and the decline in rice cultivated area was 764.71 hectares.

The major crops grown in the area is rice. The Nigita prefecture is famous for growing a high quality rice called "Koshi hikari".

Eightynine per cent of the total cultivated area is under rice. The target area next to rice is under vegetables. It amounts to 6.2 per cent of the total cultivated area.

	Unit hectare
Area under different crops	
Rice	6,107.84
Wheat and barley	5.30
Other grains	3.99
Potatoes	75.64
Cereals	73.97
Industrial crops	84.93
Vegetables	424.92
Flowers and plants	0.78
Seedling	0.27
Food crops	37.39
Other crops	45.11
Total	6859.64

## Live stock

Raising of live-stock is increasingly becoming popular. Cattle farming is the most popular.

### Number of farm households raising different livestock and the number of live-stock

	No. of farm households	No. of Livestock
Dairy cattle	43	364
Beef cattle	36	739
Pig	33	1,411
Larger hens	43	2,576
Broilers	1	520

### Farm Households

The total number of households in Nagaoka Multipurpose (Agricultural) Cooperative Society area is 219,929 ha. of which 6,890 are farm households.

There are only a small number of full-time farm households.

Part-time farm households of category I—those who derive a greater part of their income from agriculture—amount to 28.2 per cent of the total farm households. The category II—those who derive greater part of their income from non-agricultural occupations—amounts to 68.9 per cent.

<i>Farm households in the society area</i>	
Full-time farmers	223
Part-time farmers Category I	1,940
Part-time farmers Category II	4,727
<b>Total</b>	<b>6,890</b>

The number of full-time farmers has declined over the years and so has the number of part-time farmers of category I. The number of part-time farmers of category II have increased. This is due to full-time farmers becoming part-time farmers of category I and II and

part-time farmers of category I falling into the category II.

### Land Holdings

The size of the land holdings in society area is very small as the case in other parts of Japan. Only 116 (or 1.68 per cent of total number of farm households owns land holdings of over 3 ha. Large majority of farm households (4,976) owns land holdings of less than 0.5 ha.

### No. of farm households according to size of land holdings held by them

<i>Size of land holdings</i>	<i>No. of farm households</i>	<i>Percentage of farm households</i>
Less than 3 ha.	116	1.68
Between 2-3 ha.	803	11.60
Between 1.5—2 ha.	981	14.30
Between 1—1.5 ha.	1,168	17.20
Between 0.5—1 ha.	1,766	25.60
Between 0.1—0.5 ha.	2,023	29.40
	<b>6,890</b>	

### Membership

The total membership of the society at the end of fiscal year 1981 was 7,833.

<i>Membership</i>	<i>1978</i>	<i>1981</i>
Regular members	6,001	5,939
Associate members (individual)	1,671	1,759
(Group)	135	135
	<b>7,807</b>	<b>7,833</b>

**Note :** Fiscal year of the society is 1st March to 28th February. Reference to the year hereafter means fiscal year.

The number of regular members have declined from the figure of

1978 by 62 while the number of associate members (individuals) have increased by 88.

### Officials

The society's Board of Directors consists of 30 directors including the President and the Managing Director. Two of the directors are full time directors. The society has 5 elected auditors.

### Employees

There are 360 permanent employees including the General Manager. The society also employs 13 temporary workers. Immediately after the establishment of the society by amalgamating 16 societies in 1969 it had only 164 employees but 160 officials of the former societies that were amalgamated too worked in the society bringing the total strength of the work-force to 324.

### Representative Meeting

The supreme decision-making body of the society is the Representative Meeting. The representatives are elected at block level meetings. There are 512 representatives. The Board of Directors including the President is elected by the Representative Meeting.

## BUSINESS ACTIVITIES

### Credit

#### *Savings*

The total amount of savings with the society at the end of the fiscal year 1981 was 43,007.20 million yen. This is an increase of 22.8 per cent over the total saving of 1978.

The average saving per individual member in 1978 was 456 million and in 1981 the amount rose to 5.59 million.

Fixed-term saving : Here the money is deposited for a fixed period.

### Savings

Unit=million

	1978	1981
Fixed term savings	27,107	34,723.77
Fixed term instalment savings	1,460	2,046.42
Ordinary savings	6,448	6,237.06
<b>Total :</b>	<b>35,015</b>	<b>43,007.25</b>

**Fixed-term instalment savings :** Here the target amount to be completed in a certain period is decided at the time of starting the saving account and periodic regular deposits of fixed sums are made to complete the targeted amount.

### Loans

The total amount of loans outstanding at the end of the fiscal year 1981 was 11,701.07 million yen including a loan of 5,943.57 million yen to the City

### Loans

Unit=million yen

	1978	1981	Interest rate (%)
Institutional loans	978	1,024.03	
Housing loans	2,377	3,186.57	8.22
Loans on personal security (bills)	781	1,087.39	8.50
Farm Management loans	382	459.51	8.30
<b>Sub-total</b>	<b>4,518</b>	<b>5,757.50</b>	
To City Corporation	8,811	5,943.57	
<b>Grand Total</b>	<b>13,329</b>	<b>11,701.07</b>	

Corporation. The total loans to individual members was 5,757.50 million yen, an increase of 27 per cent over 1978 amount.

The average amount of loans outstanding from an individual member at the end of the fiscal year 1978 was 5,888,946 yen in and at the end of 1981 it was 7,479,215 yen.

Institutional loans are those given for modernisation of agriculture such as improvement of land by re-structuring, establishing vinyl house, buying farm machinery, etc.

In case of institutional loans government gives a 3 per cent subsidy on the rate of interest.

Farm management loans are for meeting cultivation expenditure while the loans given on personal security are short-term loans usually for consumption purposes.

The City cooperative borrows funds for the society for road construction and other infrastructure improvement purposes.

### Capital Insurance

The society sold long-term insurance policy holdings during the fiscal year 1981 to a value of 30,170.60 million yen exceeding the target of 30 billion set for the year, bringing the total value of long-term insurance policy holdings of society to 235,458.63 million. The increase in the value of policy holdings for the three years from 1978—1981 was 530 per cent.

The average value of long-term policy holdings per individual member at the end of fiscal year 1981 30.59 million yen which is 528 per cent more than the corresponding figures for 1978 which was 4.87 million yen.

### Policy Holdings of Long-term Insurance

Unit=Million

	1978	1981
Life and Juvenile insurance	28,022.90	162,381.88
(of which new contracts) (	20,460.90)	
Building endowment	9,328.75	73,076.75
(of which new contracts) (	9,709.60)	
<b>Total</b>	<b>37,351.65</b>	<b>235,458.63</b>

### Short-term Insurance

Automobile insurance	43,630.50	334,363.75
Fire insurance	64,010.50	10,860.23
Automobile liability insurance	1,143.00	2,365.00

The value of automobile insurance policies have increased from 1978 to 1981 by 666 per cent and the number of cases of automobile liabilities insurance has more than doubled during the three years from 1978 to 1981.

### Supply

The value of production material supplied by the society to the members during the fiscal year 1978 was 1,132 million yen and corresponding figure for 1981 was 1,298.76 an increase of over 15 per cent.

The average value of production material supplied per regular member household in 1978 was 188,635 yen and in 1981 the amount rose to 218,683 yen an increase of 16 per cent.

The value of consumer goods supplied in the fiscal year 1978 was

1704 million yen and the corresponding figure for 1981 was 1,811.87 million an increase of over 6 per cent.

The average value of consumer goods supplied per individual member household in 1978 was 222,106 yen and in 1981 this amount rose to 235,368 yen an increase of 6 per cent.

### Supply

Unit=million yen

	1978	1981
<b>Production Material</b>		
Agricultural chemicals	353	382.01
Fertilizers	322	378.61
Feeds	190	246.40
Production material including seeds	267	291.74
<b>Total :</b>	<b>1,132</b>	<b>1,298.76</b>
<b>Consumer Goods</b>		
Fuel & L.P. Gas	396	713.26
Electric Goods	107	107.73
Groceries, Rice		
Other consumer goods, Rice wine	1,201	990.88
	<b>1,704</b>	<b>1,811.87</b>
<b>Agricultural Machinery and Automobiles</b>		
Agricultural machinery	388	368.29
Automobiles	262	345.75
<b>Total :</b>	<b>650</b>	<b>714.04</b>

The total value of agricultural production marketed by the society in 1978 was 6091 million yen. The amount has slightly decreased in 1981. There has been a small

increase in value of both fruits and vegetables and livestock products marketed. The decrease is due to the decrease in the value of rice marketed.

The rice production in the society area being of high quality they fetch a higher price than the guaranteed price of the government. Therefore, it is sold in the open market.

The value of fruits and vegetables and other agricultural products marketed by the society in 1981 has increased by 229.80 million yen over the amount marketed in 1978 an increase of 51 per cent. The value of livestock products marketed has increased by 28 per cent.

### Marketing

The total value of agricultural production marketed by the society in 1978 was 6,091 million yen. The amount has slightly decreased in 1981. There has been a small increase in value of both fruits and vegetables and live-stock products marketed. The decrease is due to the decrease in the value of rice marketed.

### Marketing

Unit=million yen

	1978	1981
<b>Rice sold to Government</b>	<b>1,414</b>	<b>788.02</b>
Rice sold to free market	4,281	4,817.41
Low quality and surplus rice	57	8.16
<b>Total :</b>	<b>5,752</b>	<b>5,613.59</b>
<b>Fruit and vegetables and other agricultural products</b>	<b>152</b>	<b>229.80</b>
Live-stock	187	240.10
<b>Total marketing turnover</b>	<b>6,091</b>	<b>6,083.52</b>

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The value of fruits and vegetables and other agricultural products marketed by the society in 1981 has increased by 229.80 million yen over the amount marketed in 1978 an increase of 51 per cent. The value of live-stock products marketed has increased by 28 per cent.

### UTILIZATION

#### Wedding Hall

The society maintains a number of facilities and services for the benefit of its members. The society has a wedding hall which it rents out to members for wedding celebrations. The wedding dresses are also available from the society on rent. Provision of this facility enables members to avoid expenditure on making new wedding dresses. The wedding dresses are very expensive in Japan. During the fiscal year 1981 the society rented out the wedding hall for 395 ceremonies and earned an income of 557.16 million yen.

#### Funeral equipments

The society also keeps equipment needed at funerals and rent them out to member families. In 1981 society earned 122.73 million yen by renting them out on 257 occasions.

#### Tours

The society arranges tours for member families in Japan and abroad. Non-members are also permitted to join. In 1981 the society turnover on tourist activities was 270 million yen and 13,224 persons took part in the tours.



### Utilization facilities for Agricultural Production

	Area served or quantity delivered
Seedling Centres at Syoshi	43.6 ha
Seedling Centres at Fusoki	64.2 ha
Seedling Centres at Saizu	107.5 ha
Soil dryer	7,166 bags
*Manure centre	1,446 bags
Deep ploughing tractor	8.8 ha
Seed centre	9,879 bags
Soyabean grading machine	3,001 bags

### Guidance

There are commodity groups among farmer members who cultivate different crops and raise live-stock. The commodity groups are :

- Rice Group
- Horticulture Group
- Live stock Group

The farm advisers of the society attend the meetings of the groups in different hamlets and extend advice and guidance. They also visit members' farms and give guidance when necessary.

The society make efforts to improve the quality of rice "Koshi hikari" for which the area is famous through its guidance activities. It has established 19 farms for this purpose.

The farm guidance workers also make efforts to assist farmers to

\*\*Seedling centres are managed by association of farmers members. Seedlings are produced and distributed among members.

\*Manure Centre : The members who are engaged in live-stock raising deliver animal droppings to this Centre. The society stores them and sells to farmers who are engaged in vegetable and fruit growing.

convert rice fields for cultivation of other crops in order to assist the implementation of the national policy of reducing rice production. The main conversion crop in the is soya-bean.

### Contract Farming

An increasing number of part-time farmers are finding it difficult to manage their small farms while working elsewhere in non-farming occupations. The society arranges to rent these lands and entrust full time farmers to cultivate them. Guidance workers have a role in arranging these contracts and guiding the cultivation.

### Better Living Activities

In order to enable the member families to lead a better and fuller life the society is engaged in better living activities such as guiding in agricultural production for making farm families self-sufficient in agricultural produce, health education, medical check-ups, assisting in household budgeting rationalisation, of wedding and funeral ceremonies and reducing unnecessary expenditure on them etc.

### Women Association

The Women's Association takes an active part in the better living activities of the society. The women's association has a membership of 3299. There are 16 sub-groups which are based on branch offices of the society.

### Meetings and Seminars

The Associations organise meetings and seminars to strengthen women's activities, promote friendship and enhance knowledge. During the fiscal year 1981 it organised the following meetings and seminars for these purposes.

Following activities were carried out for assisting better living of member families :

- Study meetings to teach book-keeping.
- Joint purchasing and commodity test.
- Assisting in rationalisation of expenses in wedding ceremonies and funeral services.
- Saving promotion.

Activities for promotion of health and sanitation. Following were carried out :

- Lectures on sanitation.
- Provision of information on good dieting habits through wire broadcasting system and cooperative bulletins.
- Conducting of cooking classes.
- Medical examination—various check-ups on anemia and brain apoplexy.
- Stomach cancer
- Uterine cancer
- Diabetes

After the examination providing advice and guidance based on the result :

- Giving vaccination against influenza.
- Organising athletic and support meets for women.
- Meetings to discuss health promotion.
- Activities for promotion of self-sufficiency in food.
- Holding of seminar on kitchen gardening and self-sufficiency.
- Flower growing campaign.

### Cultural activities

Various activities for enhancement of refined and cultured living are conducted such as as :

- Classes for flower arrangement,
- Classes for cooking and kimono dressing;
- Classes for tea-ceremony; and
- Classes for dress making. ■

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## Bangladesh

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### IDACA RE-UNION HELD

The Institute for the Development of Agricultural Cooperation in Asia (IDACA), Japan, held reunion meetings of ex-participants of IDACA Seminars from Bangladesh and Nepal in Dhaka and Kathmandu respectively. The reunion programme which also included visits to agricultural cooperatives was conducted in Bangladesh from 25th to 30th January 1983 and in Nepal from 31st January to 5th February 1983.

Mr. Ali Hossain, Chairman, Bangladesh Jatiya Samabaya Union, presided over the inaugural meeting of the reunion programme in Bangladesh. Mr. A.T. Shamsul Haque, Additional Secretary Incharge of Rural Development and Cooperative Division, Mr. Toru Tashiro, Secretary General, IDACA, Mr. Golam Ali Quaderi, General Secretary, Bangladesh Jatiya Samabaya Union, and Mr. Lionel Gunawardana, Joint Director, ICA ROEC, New Delhi, spoke on the occasion.

The inaugural meeting of the re-union programme in Nepal was presided over by Mr. Narendra Kumar Basnyat, Registrar, Department of Cooperatives, Mr. Toru Tashiro, Mr. Lionel Gunawardana and several others addressed the inaugural meeting.

### NATIONAL SEMINAR ON COOPERATIVE MEMBER EDUCATION

A national level seminar was jointly held by the Bangladesh Rural Development Board (BRDB), Danish International Development Agency (DANIDA), Bangladesh Academy for Rural Development (BARD) and ILO Materials and Techniques for Cooperative Management Training

(MATCOM), at the Bangladesh Academy for Rural Development (BARD), Comilla, from 27th February to 3rd March 1983. Forty participants from various cooperative organisations and development agencies in Bangladesh attended the seminar. The seminar was conducted by Dr. L. Skaaret, Team Leader, ILO-Matcom and Mr. K.M. Rahman Director (Training), BRDB. Resource persons were drawn from agencies and international organisations such as DANIDA, UNESCO, ILO-MATCOM and the ICA-CEMAS.

The overall aim of the seminar was to reach a consensus among leading cooperative training planners and decision-makers on the ingredients for an "action plan" for more effective cooperative member education in the country.

Among other subjects the seminar participants discussed in detail the aims and objectives of cooperative member education, possible methods and techniques for cooperative member education and organising cooperative member education programmes in Bangladesh.

Dr. Dharm Vir, Joint Director (Education), ICA ROEC, New Delhi, introduced the Field Education Development (FED) Approach in the seminar.

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## India

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### IMPACT STUDY OF THE DISTRICT RURAL DEVELOPMENT PROGRAMME UNDERTAKEN

Consultancy assistance for making an "Impact study of the District Rural Development Pro-

gramme in respect of weaker sections and below poverty line families through cooperative action" was provided to the District Rural Development Agency (DRDA), Kolhapur, by Dr. G. Ojha, Education Officer, ICA ROEC. The evaluation design and methodology was worked out in collaboration with Dr. Rao, Principal of Sahu Chatrapathy Institute of Business Management, University of Kolhapur.

Another consultancy working document on Action Research and Rural Development for weaker sections and families below poverty line through cooperative action was also prepared at the initiative of Shree Warana Sahakari Sakhar Karkhana Limited, Kolhapur. The document was discussed at a meeting of the Gram Vikas Samithy of the Cooperative Sugar Factory which accepted the methodology and approach of action research. The action research document provides for complete socio-economic change in the villages within a year.

A decision was also taken to adopt two villages—Bacche Sarveda in Panhala taluka and Nagaon in Hatthdangle taluka for action research. The Chairman of the Sugar Factory, Mr. Tatyah Sahib Kore, pointed out that this was just a beginning of systematic efforts in the field of integrated rural development and he hoped that within a year almost all the talukas and a sizeable number of villages falling within the operation of the Sugar Factory will be covered under the action programme methodology.

### COOP SPINNING MILLS MAY CROSS CENTURY MARK

The number of cooperative spinning mills in the country is expected to cross the century mark

in a few years and consume over one million bales of cotton, excluding the requirements of manmade fibre.

Sixty-three mills are currently in production needing about 700,000 bales, according to the annual report for 1981-82 (July-June) published recently by the All India Federation of Cooperative Spinning Mills.

Of the 63 mills, 43 are working with more than 25,000 spindles which is considered to be the minimum economic size.

### **Rs. 345 MILLION COOPERATIVE GODOWN PROJECT PROPOSED**

A Rs. 345 million programme for additional storage capacity in the cooperative sector has been proposed for 1983-84 by the National Cooperative Development Corporation. It proposes to take up construction of 800,000 tonne capacity during the next year.

According to NCDC, in the first four years of the sixth Plan it would have created 2.5 million tonnes additional storage capacity achieving 74 per cent of the plan target, despite constraints like cost escalation and shortage of cement and steel.

The NCDC had been entrusted with this job in view of the importance of proper and scientific storage facility as a pre-requisite for operational efficiency of marketing and village cooperative societies.

The sixth Plan provided for 4.5 million tonnes capacity to be added to the 4.7 million tonnes in the cooperative sector at the end of the fifth Plan in the first two years of the sixth plan. About one million tonne capacity was added bringing the total to 5.75 million tonnes comprising 28,297 rural and 5,531 marketing godowns. During the current financial year, the NCDC is

expected to add another 750,000 tonnes.

Besides centrally sponsored schemes for underdeveloped states and Union territories and corporation sponsored scheme for other states, the NCDC also executes centrally sponsored internationally-aided projects. These are funded with assistance from the World Bank and the European Economic Communities. Under the scheme, the sixth Plan had provided an outlay of Rs. 1245 Million. Of this Rs. 720 million will be released by the end of the current financial year.

### **REGISTRARS URGE FOR PANEL TO REVIEW COOP. LAWS**

Registrars of Cooperative Societies have recommended that the Union Government should constitute a committee to review cooperative laws and administration in the country.

They have also recommended that study teams be set up for major crops to consider measures for expanding interstate and export trade in agricultural produce by cooperatives, with necessary coordination between primaries and state and national level cooperative marketing federations.

During their two-day conference held in New Delhi on 10-11th February, 1983, the Registrars of cooperative societies discussed in detail further expansion and strengthening of the activities of cooperatives to stress production through provision of credit, inputs and facilities for processing, storage and marketing of products for the benefit of farmers, workers and artisans. The Conference emphasised progressive orientation of the policies and procedures of cooperatives to identify and help the weaker sections of community.

It also recommended measures for improving the operational efficiency of cooperatives through proper recruitment and training programmes.

The progress in the achievement of targets for 1982-83 for cooperative activities like marketing of agricultural produce, construction of godowns and establishment of additional retail outlets for distribution of fertilisers was reviewed. It was noted that the targets of Rs. 23 billion for marketing of agricultural produce, opening of 10,000 retail outlets for distribution of fertilisers and construction of additional 750,000 tonnes of godown capacity, would be achieved by the end of 1982-83.

For strengthening the primary agricultural credit societies at the village level, the conference suggested that the existing margins available to state and central cooperative banks and primary societies be reviewed to increase the margins to primaries. Credit support to beneficiaries under the IRD programme will receive priority attention of cooperatives.

Cooperatives are also to be associated in a big way for distribution of seeds produced by the National Seeds Corporation.

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## **Malaysia**

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### **ARMY NOMINATED FIRST WOMAN COUNCILLOR**

Mrs. Armi Zainuddin, Vice President of ANGKASA, has been nominated by Angkasa as a member of the ICA Regional Council from Malaysia. Mrs Zainuddin is the first woman member to be nominated to the ICA Council for South-East Asia. The Council helps the ROEC in determining priorities for its work and acts as a forum for the Movements in the Region bringing them closer to each other.

## ANGKASA PLANS WEEK-END COURSES FOR SECRETARIES OF PRIMARIES

The Education and Information Unit of Angkasa has planned a series of week-end courses for secretaries and treasurers of primary cooperative societies in Malaysia. 480 members, office bearers and cooperative leaders are expected to participate in these courses, which aim at improving the management and administrative capabilities of the office bearers. Efforts will also be made to mobilise their services for the socio-economic betterment of the areas served by their respective societies.

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## Philippines

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### SAMAHANG NAYON WEEK OBSERVED

The celebration of the Samahang Nayong Week proclaimed by the President of the Philippines (under Proclamation No. 1687 dated October 21, 1977) started from April 14, 1983 throughout the Philippines.

The year 1983 marks the 10th year of the Samahang Nayon as an organisation. The celebration will be a national occasion for all farmers to reflect on the nature and philosophy of the Samahang Nayon; its accomplishments in mobilizing rural capital; in setting up business organisations such as the AMCs, CRBs and the Cooperative Insurance System of the Philippines, Inc.; and in building up their KSNs at the municipal, provincial, regional and national levels to articulate their specialised interests.

### CENTRAL NUEVA ECIJA AMC WAREHOUSE INAUGURATED

The Central Nueva Ecija Area Marketing Cooperative, Inc.

(CENEMCO) in Cabanatuan City inaugurated its new warehouse and rice mill on January 22, 1983 at Cabanatuan City with a simple blessing officiated by Rev. Fr. Arturo de Guzman and with a ribbon cutting led by Minister Jesus Tanchanco, Administrator of the National Food Authority.

Also present at the occasion were Deputy Minister of Agriculture Asst. Secretary Nelia T. Gonzales and Central Bank Director, Ms. Consolacion B. Odra.

The warehouse has a storage capacity of 70,000 cavans; while the Rice Mill has a milling capacity of 7.5 export grade.

### ASEAN SYMPOSIUM ON COOPERATIVE AUDITING HELD

An Asean Symposium on Cooperative Auditing was held in Manila, Philippines, on November 15-20, 1982 jointly by the National Association of Training Centres for Cooperatives (NATTCO) and the Friedrich Ebert Stiftung. Thirty-five Participants from Indonesia, Malaysia, Philippines, Singapore and Thailand attended the Symposium.

The symposium compared the various approaches to cooperative auditing practiced in the five countries and formulated common guidelines for further improvement of cooperative auditing in the region.

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## Singapore

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### SNCF HELPS AMALGAMATION OF THRIFT AND CREDIT COOPS

The Postal and Telecommunications Cooperative Thrift and Loan Society and the Telecoms

Cooperative Thrift and Credit Society of Singapore have decided to merge, following the merger of the two departments into one. The amalgamation was brought about by the Management Services Unit of the Singapore National Cooperative Federation. With this amalgamation, the combined Telecoms Coop. Society will have a membership of 3700 and a paid-up subscription capital of \$ 4.3 million, making it among the top in the thrift and credit cooperatives in the Island. The combined society will have a fourteen member management committee, each society electing seven members from among its membership, for an initial period of two years.

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## Sri Lanka

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### NATIONAL SEMINAR ON AGRICULTURAL COOPERATIVE CREDIT

A National Seminar on Agricultural Cooperative Credit was held in Sri Lanka from 21st to 26th February 1983 in Colombo by the National Cooperative Council of Sri Lanka in collaboration with the International Cooperative Alliance, Regional Office & Education Centre for South-East Asia.

The seminar was inaugurated by Mr. C. M. B. Bogollagama, President, NCC. Mr. Lionel Gunawardana, Joint Director & Specialist in Agricultural Cooperation, ICA ROEC, directed the seminar.

The subjects covered by the seminar included cooperative credit planning for agricultural cooperatives, production oriented credit policies and procedures, provision of credit to small farmers need for

special attention, and integration of services by agricultural cooperatives as a method of ensuring effective use of credit.

The participants of the seminar were credit managers of the multi-

purpose cooperative societies.

#### CMSC TO GET SWEDISH SUPPORT

From Spring of 1983, the SCC/SIDA will support the Co-operative Management Services Centre

of Sri Lanka by providing two advisers in training and sales matters for a period of thirteen months. During 1984 two advisers in transport matters and auditing will be made available for a period of six months. ■

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### JOINT VENTURES BETWEEN COOPERATIVES WOULD BE USEFUL—SINHA

“Joint ventures in the field of fruit and timber processing, rice mills, wood based industrial activity between the cooperative movements of India and Sri Lanka may be explored on cooperative to cooperative basis but with the active support of the governments of the two countries. Provision of expertise and training in rural banking could be yet another area of collaboration between the two countries.”

These are some of the observations made by Mr. B. K. Sinha, Deputy Chief Director, Department of Cooperation, Government of India, who visited Sri Lanka to participate in the ICA Sub-Regional Workshop on Cooperative Press and Publicity as a Resource Person. During his visit he also studied a few cooperative organisations in the Island.

In his report to the Department of Cooperation, Government of India, Mr. Sinha observes that “the MARKFED of Sri Lanka is desirous of establishing direct trade contacts with NAFED of India. The two national level cooperative marketing organisations, may meet and work out collaborative arrangements on a long-term basis.” ■

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#### ICA ACTIVITIES

*(Continued from page 6)*

Limited (ANGKASA) and the Co-operative Union of Malaysia (CUM)

The Conference will have discussions for four days and study visits for two days to cooperative credit and banking institutions in Malaysia.

The objectives of the Conference are: (i) to review the present position of cooperative credit and bank-

ing in the Region; (ii) to suggest guidelines for promotion and development of cooperative credit and banking and (iii) to suggest a plan of action for the future work of the recently established ICA Committee for Cooperative Credit and Banking on whose recommendation the Conference is being organised.

The Conference will also discuss the possibility of establishing a Regional Cooperative Credit Development Fund for the Region. ■

#### ENSURING READER APPEAL IN COOPERATIVE JOURNALS

*(Continued from page 15)*

ing of the cooperative movement among the nations. It is true that the cooperative movement in the Asian region has lagged behind than the Western region and it is, therefore, necessary to revitalize the cooperative movement by propagating the thought of the cooperative movement. At the same time it is required to make sufficient use of the magazines used by the cooperative organizations for this purpose. In this context, the Federation will strengthen the activities of publishing the magazines in the future. ■

**UNIDO MOOTS GLOBAL  
BANK TO HELP POOR  
NATIONS**

The United Nations Industrial Development Organisation (UNIDO) has mooted the setting up of an international bank of industrial development for third world countries.

The bank could provide finance and special services for the specific needs of countries in Asia, Africa, and Latin America.

According to the chief of the UNIDO non-governmental organisation section, Dr. Mostafa H. A. Hamdy, the setting up of such a bank is essential in order to achieve the targets set at the Lima conference by the United Nations.

The proposed bank could help in transfer of technology and promote greater economic cooperation among developing and developed countries, Dr. Hamdy said.

The need for such an international institution is being felt because shortage of capital, managerial and technical manpower resources, non-availability of appropriate technology and general lack of infrastructural facilities have been identified as the reasons behind the tardy economic progress of many developing countries.

An international institution would also have the advantage of drawing upon the advanced technologies of the Western world and transfer them to the developing nations as this would also be in the interest of the industrialised countries. This was particularly so in view of the recent structural changes in evidence in the West.

Dr. Hamdy suggested that the Western countries could open their markets to the developing countries dismantle tariff barriers to counter

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## **NEWS AROUND THE WORLD**

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protectionist tendencies and encourage competition as most of the countries of the West were committed to the concept of free trade.

### **TESTING OF A SPECIAL DISCOUNT CARD**

To increase members' purchasing loyalty is one of the Coop. Group's main tasks during the coming years.

50% of the Swedish households are at present members of the Coop Group but only 16.5% of all household purchases are made from the Group.

During 1983, a cooperative society in Southern Sweden will introduce a so-called discount card for its members on a test basis.

A member who has paid his share, SEK 200, in full, is entitled to buy a discount card for SEK 500 valid in the society's shops. The card entitles the member to a discount of 50% on all purchases during 1983.

The saving for a normal household with two children (at a consumption of goods of the society's assortment to the amount of approximately SEK 30,000) is estimated at about SEK 1,500.

The outcome of this experiment is followed with interest by other cooperative societies.

### **AGRICULTURAL COOPERATIVE COURSE COMPLETED**

Eleven managers from the developing countries completed a 10 week course in the Management of Agricultural Cooperatives at the Cooperative College, Stanford Hall

England, on 17th December, 1982.

In presenting the certificates Mr. Cross, General Manager, Marketing Services Group/Cooperative Wholesale Society said that whilst he viewed the Rochdale Pioneers Museum as representing the historical origins of the movement, as an ex-student himself, he looked on the College as the home of the philosophy of Cooperation, without which the movement was just another enterprise. The immense contribution the College had made to his own understanding of Cooperation and his subsequent career in the movement would, he hoped, also be the experience of the current course members.

The purpose of the course was to improve the ability of course members to manage and promote agricultural cooperatives and included a series of lectures on Cooperative Policies, Agricultural Cooperatives, Accounting, Management and Management of Specific Activities.

The course made a number of visits to horticultural establishments notably Staffordshire Farmers Ltd., the Central Council for Agricultural and Horticultural Cooperation and Midland Nurseries Ltd.

Also visits were made to the Plunkett Foundation for Cooperative Studies, the greater Nottingham Cooperative Society, and the Greater Midland Cooperative Society.

### **JOIN THIS COOP AND PAY \$ 5 FOR A ROOM**

How would you like to travel around North America paying \$ 4 or \$ 5 per person a night for



accommodation sounds like a fantasy in these days of \$ 100 hotel rooms? Well, there is a way and so far it seems to be working. Key to the price break is an organization called INNter lodging Coop, a two-year-old organization whose members provide room for each other all over the American Continent.

It works this way : You join the Coop, have your name and other information listed on its membership list and receive the names of other members, all of whom are pledged to offer accommodation in their homes to other travellers listed. Then, when you're planning a trip you contact members along the route and make arrangements to

stay with them. It's neither a home exchange service nor a bed-and-breakfast scheme. The per person fee (\$ 5 with private bath or \$ 4 with shared bath, plus, 25 c. a night per child) is intended to cover only lodging and is meant to reimburse hosts for such costs as laundering the bed linen.

As a member, of course, you also must agree to accept other members as overnight guests for at least three months a year, though you are not required to accept any particular party and can refuse anyone without giving a reason. Since arrangements are made member to member, through information given in the directory, you have every opportu-

nity to make your own decision each time. And since the directory shows hosts and guests-interests and age groups and such things as whether smokers are welcome or not, you have a rough idea of compatibility.

At the moment the Coop has only 340 members, but they're spread through 46 states and 4 provinces and the word is just getting around. There are plans to expand to Europe and later to other parts of the World.

The cost of joining is \$ 35. Information can be obtained by writing INNter Lodging Coop, PO Box 7044, TACOMA, Wash. U.S.A. 98407. ■

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## ***OUR VISITORS***

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**M**r Hel Bongo Adoum, Chief of Cooperatives Division, ILO Geneva, visited the ICA ROEC and had discussions with the staff of the ROEC on 16th March 1983.

Mr Malte Jonsson, Chief of Development Section, ICA, Geneva, visited the ICA ROEC from 4th to 8th April 1983 and held discussions with the Regional Director and other officers. Mr Jonsson was on his way to Geneva, after attending the ICA Executive Committee meeting held in Korea in March 1983.

On his way to Kuala Lumpur to attend the Regional Seminar on Manpower Management as a Resource Person, Mr Hans Ardelius, Senior Administrative Director, KF, Stockholm, visited the ICA ROEC on March 23rd.

A group of twelve Swedish Co-operators, participants to the SIDA/NGO Seminar held in India from 25th February to 13th March, visited the ICA ROEC on 27th February 1983. Talks on "Cooperatives and the Poor" and "Cooperative Education Techniques and

Methods" were given to the participants by Mr R.B. Rajaguru, ICA Regional Director and Mr J.M. Rana, Director (Education), ICA ROEC, respectively. The participants visited several SIDA on going projects in India.

Other important visitors to the ICA ROEC during the period include : Mr. Sten Inge Lensson, SCC, Stockholm, Mr R. A. Kimaro, Lecturer, Cooperative College of Tanzania, Dr. B. Gyllstrom of the Swedish Council for Research in the Humanities and Social Sciences, Stockholm, Fifteen students of M-A. Cooperation from Sri Ramakrishna Mission Vidyalaya, Coimbatore, 75 participants of three courses on Leadership development held by the NCCE, New Delhi. ■



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This column is expected to serve as a feed back from the former participants of the ICA educational activities. Comments for publication may be sent to the Editor.

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—Editor

### COOPERATIVE JOURNALISTS WORKSHOP

I am happy to state that I found the workshop extremely useful on three counts :

We stood to gain as professional journalists, the workshop provided an insight into the present health of the cooperatives in Sri Lanka and we had a peep into the cultural heritage of the beautiful island country.

A number of experts, both from the world of cooperatives and communications were invited as guest speakers who very frankly shared their experiences with the participants, benefiting the latter immensely in the process. The talks of speakers like Mr Edwin Ariyadasa and Mr. B.K. Sinha would be hard to forget. Group discussions and practical assignments were thoughtfully added to the advantage of the participants. Besides

the group work established and fostered warm friendship between the participants. To cap it all a visit to the Daily Press of Colombo was the most rewarding experience.

We also discovered the Sri Lankans were without exception extremely warm-hearted, cordial and friendly people who would go out of the way to shower their fondest hospitality and care on their guests and unsurprisingly, this wins them the instant friendship and affection of those who have the privilege of being their guests.

The ICA and the NCC of Sri Lanka deserve all credit and congratulations for organising such a useful meet. One could only hope that such workshops could be organised more often and in different countries to foster understanding and friendship among cooperators.

PARMINDER SINGH  
Dy. Manager, PR  
IFFCO, New Delhi.

The lectures and study visits provided an opportunity to critically examine the role of journalists of the cooperative press and this will go a long way to improve one's own performance as a journalist of a cooperative press.....I have no doubt in my mind that this workshop will help 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.

JAYARAM. R. DESAI

Radio Officer, Maharashtra State  
Cooperative Union, Pune.

(Participants to the ICA Sub-Regional Workshop on Coop Press and Publicity held in Sri Lanka in January 83).



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Review of International Cooperation, Quarterly. £ 6  
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Agricultural Cooperative Bulletin, Monthly. £ 4  
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I, A. H. Ganesan, hereby declare that the particulars given above are true to the best of my knowledge and belief.

New Delhi  
March 31, 1983

Sd/- A. H. Ganesan  
Publisher, ICA REGIONAL BULLETIN

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# ICA Member-Organisations in South-East Asia

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Cooperative Federation of Australia,  
Box 5211 AA GPO,  
Melbourne Victoria 3001 Australia  
Tel : 6631674

## BANGLADESH

Bangladesh Jatiya Samabaya Union, 9/D Motijheel  
Commercial Area, Dhaka-2  
(RANGDHENU) Tel : 231697

## 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 Coop. Consumers' Federation of India Ltd.,  
3, Siri Institutional Area, Panchshila Marg,  
Hauz Khas, New Delhi-110016.  
(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.  
34, Nehru Place, New Delhi-110019.  
Tel : 682506 (IFFCO)

National Federation of Industrial Cooperatives Ltd.,  
3 Siri Institutional Area, 4th Floor,  
Panchshila Marg. New Delhi-110016.

## INDONESIA

Dewan Kooperasi Indonesia, Komplek Pusdikop,  
Jalan Jenderal Gatot Soebroto, Jakarta  
Tel : 792844

## 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

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1st Street, Chungjong-Ro, Jung-ku, Seoul  
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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,  
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Kuala Lumpur, Malaysia.  
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Angkatan Kerjasama Kebangsaan Malaysia Limited  
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Peti Surat 368, Petaling Jaya

Malaysian Cooperative Insurance Society Limited,  
Wisma MCIS, Jalan Barat, Peti Surat 345,  
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Kuala Lumpur  
Tel : 914155

National Land Finance Cooperative Society Ltd.,  
Bangunan Tun Sambanthan,  
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Kuala Lumpur 02-12 Tel : 207044 (NALFICD)

Federation of Housing Cooperatives Ltd.  
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(COUNPHIL)  
West Avenue, Quezon City, Philippines  
Tel : 994198, 976119.

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 Coops  
c/o FES, Suite 74, ZETA Building,  
191 Salcedo Street,  
Legaspi Village, Makati,  
Metro Manila, 3117 Philippines.

## SINGAPORE

Singapore Amalgamated Services Cooperative  
Organisation (SASCO)  
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

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### *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 365 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 Geneva, there are three regional offices, viz., the Regional Office & Education Centre for South-East Asia, New Delhi, India, started in 1960, the Regional Office for East and Central Africa, Moshi, Tanzania, started in 1968, and the Regional Office for West Africa, Bingerville, Ivory Coast started 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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# ICA REGIONAL BULLETIN

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

*Nothing is at last sacred but the integrity of  
our own mind. Absolve you to yourself,  
and you shall have the suffrage of the  
world.*

—Emerson



Read not to contradict and confute, nor to believe and take for granted, nor to find talk and discourse, but to weigh and consider.

—Francis Bacon

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EDITOR

**H. P. Lionel Gunawardana**

ASSISTANT EDITOR

**A. H. Ganesan**

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# 61st International Cooperative Day

SATURDAY, 2ND JULY, 1983

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## Message from the ICA Executive Committee

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Dear Cooperators,

“The International Cooperative Day was instituted to enable Cooperators in all countries to manifest annually their united will for the betterment of mankind and to make known, nationally and internationally, the task of world-wide international cooperation through the instrument of the International Cooperative Alliance.”

Therefore, the Executive Committee of the International Cooperative Alliance, which met in Seoul, Korea, at the end of March 1983, decided to seize the opportunity of the International Cooperative Day, to place special emphasis on, and to give the widest possible publicity to the ‘ICA POLICY FOR COOPERATIVE DEVELOPMENT’, adopted after a decision of the Central Committee in Rome in October 1982. The Executive Committee of the ICA calls on its 364 million individual members to spread the content of this Policy Paper and to support its implementation, as they celebrate the International Cooperative Day.

The Policy Paper will be available in all five ICA official languages, it will be printed and circulated to all member organisations, national government authorities and international bodies, both governmental and non-governmental.

It states the objectives of the “ICA support to Cooperative Development”:

- (a) The basic objective is the establishment and growth of independent democratic and viable cooperative organisations, in which men and women participate on equal terms. These organisations must be capable of serving their members efficiently and contributing to economic growth and social equity in their respective communities and/or countries.
- (b) The ICA policy shall aim at strengthening collaboration between cooperative organisations of various types and in different countries, thereby promoting the growth of International solidarity which is the foundation of a constructive peace.
- (c) The ICA shall endeavour to influence public opinion, national authorities and international organisations in order to stimulate the growth of a favourable atmosphere for cooperation, promote the enactment of appropriate cooperative legislation and enlist the support of government and international organizations for the development of cooperative movements.

It indicates the fields of action :  
Food and Nutrition, Employment  
and Industry, Saving, Credit,

Insurance, all types of cooperatives including multipurpose ventures.

It sets ICA priorities : a development towards Self-Reliance, Democracy, Involvement of Women, Education and Training etc.

It emphasizes ICA’s resources for aid, namely : Movement to Movement Aid, Regional Offices, Auxiliary Committees, the Cooperative Development Fund, Governmental Development Agencies as well as UN and other international bodies.

It states that the ICA offers its cooperation, based on century old experiences of cooperative development, to the UN and other specialized agencies which recognize social and economic development as one of the principal conditions in their search for Peace.

The ICA, its affiliated organisations and their 364 million individual members show daily the evidence that voluntary cooperation across boundaries exists and that inter-cooperative international understanding makes a dynamic and positive contribution towards a better world, even today.

On this 61st International Cooperative Day, the ICA Authorities wish you and your movement every success in the present year and assure you of their continuous attention and support.

—ICA Executive Committee

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## ***Regional Seminar on Youth and Cooperatives***

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A Regional Seminar on Youth and Cooperatives was held in Kuala Lumpur, Malaysia, from 22nd March to 2nd June 1983. It was attended by 22 participants, which included two Observers, from 12 countries in the region. The Seminar was jointly sponsored by the ICA ROEC, New Delhi, the Commonwealth Youth Programme : Asia Pacific Centre, Chandigarh (CYP), India, and the Ministry of Culture, Youth & Sports of the Government of Malaysia. The seminar was declared open by the Secretary-General, Ministry of Culture, Youth & Sports, Malaysia, Dato Wan Mansor Abdullah.

The Seminar was significant in that it brought together several organisations working in the field of youth and cooperatives into a jointly sponsored activity, namely the ICA ROEC and the CYP supported by the Ministry of Culture, Youth and Sports of Malaysia. The participants from the Commonwealth countries were supported by the CYP while those from the non-Commonwealth countries were supported by the ICA. The participants to the seminar consisted of both ministry/government officers and also representatives from youth and other cooperatives in the region.

The main objectives of the seminar were to assess the work done in the field of youth by governments and other agencies, to see

how far cooperative solutions would be applicable and acceptable to youth aspiration, to assess the role of the on going cooperatives in the various countries in the region in the field of youth; to evolve strategies for cooperatives to play a more significant role in the field of youth and also to find ways and means of establishing effective collaboration between the various governments and non-government organisations working in the field of youth. An area of special focus was that of young women and the role cooperatives play in furthering education of young women and in promoting income generating activities for them.

Mr. W. de S. Ratnaweera, Regional Director, CYP, Mr. D. Agochiya, CYP, Miss Jayantha C. Tennekoon, Project Director, Women's Project, Sri Lanka, Mr. Mohd. Wahiduddin Abdul Wahab, Managing Director, KOBENA, Kuala Lumpur (Malaysia), Mr. Mohd. Soffian Abd. Rahim, Director-General—Youth Division, Ministry of Culture, Youth & Sports, Malaysia, and Mr. R.B. Rajaguru, Regional Director, ICA, presented special papers at the seminar and functioned as Resource Persons for the seminar. The seminar was directed by Mr. R.B. Rajaguru, Regional Director, ICA ROEC.

Several wide ranging conclusions and recommendations were made at the seminar and the seminar

identified priority areas of action in this field :

- Implement continuing education programmes to increase awareness of the nature and potential of cooperatives;
- Establish mechanism at all levels to ensure close liaison and collaboration between organisations with a primary focus on youth;
- Create a sound information and data base to act as a resource in planning and development;
- Identify suitable sources of funds to promote cooperative activities and to ensure basic viability;
- Provide training opportunities for those working with youth and cooperatives to acquire broader understanding of youth work and cooperatives;
- Initiate education programmes for teachers at both pre-service and in-service levels;
- Foster the establishment of National Consultative Councils at both National and local levels to act as two way channels for communicating youth aspirations and concerns to governments; and
- Work towards closer collaboration between countries in the region on matters affecting youth and cooperatives. ■



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## ICA ACTIVITIES

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### REGIONAL SEMINAR ON MANPOWER MANAGEMENT & COOPERATIVE DEVELOPMENT

A Regional Seminar on Manpower Management and Cooperative Development was held in Kuala Lumpur (Malaysia) in collaboration with ANGKASA—the Cooperative Union of Malaysia from 27th March to 9th April 1983. The seminar was attended by 14 participants from India, the Republic of Korea, Malaysia, Nepal, the Philippines, Sri Lanka and Thailand.

The seminar was inaugurated by Y. B. Dato Sanusi Junid, Minister of National and Rural Development, Government of Malaysia. In his inaugural address the Minister pointed out how the cooperative movement in Malaysia was being strengthened and emphasised the role of efficient manpower in cooperative development. He emphasised the need for honest and dedicated leadership as well as the importance of appropriate guidance from the Government for ensuring development of cooperative movement on healthy lines. The seminar was also addressed by Mrs. Armi Zainuddin, Vice President, ANGKASA and Mr. R. B. Rajaguru, ICA Regional Director for South-East Asia.

Highly experienced resource persons from Canada, Japan, Sweden, India, Malaysia and Sri Lanka assisted the seminar in its deliberations. The resource persons were: Mr. Peter Hlushko, Vice President (Personnel) Cooperative Insurance Group, Ottawa (Canada). Mr. Hans Ardelius, Senior Admini-

strative Director, KF, Stockholm, (Sweden); Mr. Morimasa Kunii, President, Research Institute of Agricultural Cooperative and Labour Management, Tokyo (Japan); Mr. V. B. L. Mathur, Managing Director, National Cooperative Development Corporation, New Delhi; Mr. W. U. Herath, Project Director, Teachers Training Project, Colombo and Mr. Fazim Fadzim bin Othman, Faculty of Economics and Administration, University of Malaya, Kuala Lumpur (Malaysia).

The seminar considered in depth the strengths, weaknesses and constraints which have direct influence on cooperative employee attitudes and performance and made recommendations for ensuring better working environment for cooperative employees. The seminar also made recommendations on the roles of the cooperative organisations at various levels and the governments in ensuring proper recruitment, formulation of competitive wage structure and benefits, development of career systems and evolving efficient manpower training and development programmes so as to enable cooperatives to function more effectively with the support of a properly motivated work force.

#### ICA EXECUTIVE COMMITTEE MEETS IN KOREA

KOREA'S National Agricultural Cooperative Federation (NACF) hosted a three day ICA Executive Committee Meeting in

Seoul from 29-31 March 1983. Co-operators from sixteen countries discussed preparations for the Central Committee Meeting in Prague, Czechoslovakia in September 1983 and the ICA Congress in Hamburg, West Germany in October 1984.

At the opening ceremony the Minister of Agriculture and Fisheries, Dr. Johng Moon Park stated that the ICA was the oldest and largest non-governmental organization in the world which had been able to maintain its unity and had not experienced ideological conflicts. He said that the objective of the Cooperative Movement was to enhance the social and economic status of the cooperative members and that the role of governments was to support the people through cooperatives. He explained how the agricultural cooperatives had played a vital role in rural development. NACF President Mr. Yun Kun-hwan, during an address at the ceremony, expressed willingness to offer the NACF's past experience in the agricultural development movement to other developing nations.

During the session the Cooperative Development Committee reviewed the final version of the document "ICA Policy for Cooperative Development" which will be translated into all ICA official languages and widely circulated to the Members, to Governments and to International Organizations.

The Executive Committee took note of the progress made in the



installation of the new Headquarters in Geneva where a team of 15 staff members from 5 countries is operating. The Executive Committee was also informed that instead of an estimated deficit of about £25,000, the 1982 accounts will show a small profit, after an allocation of £30,000 to reconstitute the depleted reserve fund. However, as in the past, the financial base of the ICA remains unsatisfactory and severely affects the functioning of the Secretariat. Therefore, following decisions taken at the last Central Committee Session (Rome 1982) it was decided to recommend a new approach for the 1984 budget based on an increase on the subscriptions decided by the Central Committee.

The Director of the ICA, Mr. A. E. Saenger, reported on progress made in the development of relations between the ICA and other International Organizations. Since the installation of the Secretariat in Geneva, a closer relationship has been resumed with the ILO, FAO & UNIDO. At the United Nations recent meetings of the Commission for Social Development a draft resolution has been unanimously adopted for consideration by ECOSOC. This resolution would request the Secretary General to submit a report to the 40th session of the United Nations General Assembly in 1985 entitled "National Experiences in Promoting the Cooperative Movement". During the Executive Committee talks, emphasis was placed on the increasing need to coordinate efforts promoting international cooperative trade.

#### ICA WOMEN'S COMMITTEE MEETS IN WORTHING

THE ICA Women's Committee held its meeting in Worthing,

England, at the invitation of the British Cooperative Union from May 10 to 12th, 1983.

Items taken up for discussion were: Proposed amendments to the Rules and Standing Orders of the Women's Committees as well as to the ICA Rules, and a Working Paper entitled "Women as Partners in Equal Development".

The Women's Committee also took part in events forming part of the celebrations for the Centenary of the English & Welsh Cooperative Women's Guild, including a Special Thanks giving service in Westminster Abbey, on May 9th. Ms. Ulla Jonsdotter conveyed the Committee's greetings to the Guild at the opening of its Centenary Congress.

Her Majesty, Queen Elizabeth II honoured the Guild by her presence at the service and the Archbishop of Canterbury gave the address. During the service the Rainbow flag was borne the length of the Abbey and placed on the high altar by Mrs. Kathleen Kempton, General Secretary of the Guild.

#### WORKING PARTY ON COOPERATIVE PRESS

An ad-hoc Executive Committee Meeting of the ICA Working Party on Cooperative Press, chaired by Mr. E. Morley-Fletcher, took place at the Park Plaza Hotel, London on May 7th, 1983. Among other items of lesser importance, three significant points were discussed: the ICA Press Award, the possibility of a Cooperative Press Agency and the organization of the Working Party Meeting which will take place in Prague on September

29th. An ambitious programme of talks has been scheduled for Prague with four themes: the place of cooperatives in socialist countries, Cooperation in the economic competition of the Western World, the death and resurrection of a cooperative magazine and how to increase contribution to the monthly "ICA News". The last topic will be introduced as an alternative to the idea of a Cooperative Press Agency which is not feasible at the present time.

#### ICA PRESS AWARD

As both the ICA Women's Committee and the ICA Working Party on Cooperative Press were meeting in London between May 7th-10th, it was decided to organize a joint meeting on May 8th, to attribute the ICA Press Award for 1982. This year the award was organized in honour of women and the first prize was awarded to Ms. Marta Nicolini for her article "Idea: investiamo nei servizi" (A New Idea: Let's Invest in Services) which has been published in "Noidonne", an Italian monthly publication. The second prize was awarded to Mrs. Hilka Kempinen for her paper "Nainen paattaa mista leipa ostetaan" (The Women Decides Where to Shop) which appeared in "E", a Finnish cooperative weekly. The third prize was attributed to an entry submitted by K Magazin, a yearly publication of the German Democratic Republic's Consumer Cooperative, "Vera du must Firm sein! (Vera, you must be firm!) by Mr. Horst Winkler. The jury was jointly chaired by the chairwoman of the Women's Committee, Mrs. Ulla Jonsdotter (Sweden) and the Chairman of the Working Party on Cooperative Press, Mr. Edwin Morley-Fletcher (Italy).

## SUB-REGIONAL WORKSHOP FOR COOPERATIVE LIBRARIANS AND DOCUMENTATION OFFICERS

A Sub-Regional Workshop for Cooperative Librarians and Documentation Officers of South-East Asia was organised by the ICA ROEC, in collaboration with the National Cooperative Union of India (NCUI) and Vaikunth Mehta National Institute of Cooperative Management (VMNICM), in Pune, India, from 1st to 30th June 1983. The Workshop was attended by 18 participants from Afghanistan, Bangladesh, India, Nepal and Sri Lanka.

### Inaugural Session

The Workshop was inaugurated by Dr. R. G. Takawale, Vice-Chancellor, Poona University, Pune, on 1st June, and presided over by Dr. R. C. Dwivedi, Chief Executive, National Cooperative Union of India. Mr. J. M. Rana, Director (Education), ICA ROEC, and Mr. B. K. Sinha, Deputy Chief

Director, Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India, also addressed the inaugural session.

Mr. Rana attended a few sessions of the Workshop in the beginning and delivered a lecture on "ICA ROEC—Its Education and Training Activities with special reference to the promotion and the development of Cooperative Libraries and Documentation Services in South-East Asia". He assured the participants of ICA ROEC's continued support to the activity. Mr. R. B. Rajaguru, Regional Director, ICA ROEC, also addressed the Workshop. He said so far libraries have received lesser attention from cooperative authorities. He advised the participants to create a climate through their good services, thereby convincing their authorities the importance of library and documentation services

as an integrated part of cooperative education and training.

Dr. Takawale, in his inaugural address mentioned that with the information explosion of present time, there is a need for well organised documentation systems in all branches of human knowledge and cooperatives are no exceptions to it. Without keeping a watch on the fast growth of knowledge, it will be buried within the heap of literature and thereby users will be deprived of the knowledge. He further said with the present system of processing and documenting the knowledge, we will be lagging behind. Time has come for a switch over to computerisation, particularly in science subjects. He said at any point of time the authorities should not feel that investment in a library is unproductive.

Dr. R. C. Dwivedi briefly dealt with the working of the Indian Cooperative Movement in general and its education and training system in particular. He outlined the need and the role of a well organised library and documentation services for cooperatives. He pointed out that this area has not yet received the desired attention. He appreciated the ICA's move to conduct this workshop in India and assured ICA authorities his fullest cooperation and support for furthering the cooperative library movement in the Region of South-East Asia in general and India in particular.

Mr. B. K. Sinha addressing the inaugural session emphasised the need for development of cooperative libraries as a support for cooperative education and training.

The Workshop was directed by Mr. B. D. Pandey, Librarian and



*Dr. R. G. Takawale, Vice-Chancellor, Poona University, inaugurated the Workshop. (l-r) Mr. B. K. Sinha, Dy. Chief Director, Department of Cooperation, Government of India, Dr. Takawale, Dr. R. C. Dwivedi, Chief Executive, National Cooperative Union of India, Mr. J. M. Rana, Director (Education), and Mr. B. D. Pandey, Librarian and Documentation Officer, (Workshop Director) ICA ROEC.*



*Participants at the book exhibition.*

Documentation Officer, ICA ROEC, New Delhi. Dr. S. G. Mahajan, Chief Librarian and Head of the Department of Library and Information Science, University of Pune, was the technical coordinator of the Workshop. Other resource persons were drawn from Poona University and Delhi.

At the end of the Workshop, Dr. S. G. Mahajan gave his impressions on the technicalities of the workshop. He appreciated the ICA for the pioneering work being done for promoting cooperative library system in Asia and the teaching-cum-participating technique used in the workshop. Screening of films on library and information science as well as on cooperative movement of the world gave the participants technical and general insight of cooperative movement as well as library science, he said. Blue prints prepared by the participants shall provide the basis of future development of the activities in their respective countries.

#### **Valedictory**

Valedictory address was given by Prof. S. B. Rao, Joint Director, Vaikunth Mehta National Institute

of Cooperative Management, Pune, on 30th June 1983.

#### **Objectives**

The objectives of the Workshop were : (i) to review the present state of cooperative libraries and documentation services in the participating countries, (ii) to impart skills to cooperative librarians and documentation officers, and (iii) to prepare blue prints for the development of cooperative libraries, documentation and information services and systems for participating countries.



*A group work in progress.*

#### **Subjects**

Subjects discussed at the Workshop included : role of cooperative library, documentation and information services vis-a-vis cooperative education and training programmes of the movements, Library organisation and management, book selection, acquisition, ordering, loans, circulation and daily routines of library, classification, cataloguing, press cuttings, and other related services of libraries, and discussions on the working of the International Working Party of Cooperative Librarians and Documentation Officers and the Social Science Documentation Centres and Libraries.

#### **Practical Work**

The Workshop also provided guidance in practical work in classification, cataloguing, documentation, abstracting services, press cuttings, bibliography and use of audio-visual aids.

Role plays on extension work, users orientations and public relations for librarians were also included in the practical assignments.

### Workshop Methodology

Teaching-cum-participating technique was followed for conducting the Workshop. More emphasis was given to group discussions. Few films on library science and on cooperative movements were shown. A book exhibition of over 300 titles on cooperatives was organised.

### Blue Prints

Participants were assigned to prepare outlines of blue prints for the development of cooperative library, documentation and information services and systems in their respective countries. They were asked to send their comprehensive blue prints to ICA ROEC as well as to submit them to their authorities for necessary follow-up.

### Study Visits

Study visits to certain important cooperative libraries in and around Pune, including those of the VMNICM and the Pune University were arranged. Study visits to a few successful cooperative organisations in Maharashtra were also arranged to enable the participants to study the working of cooperative organisations.

### Recommendations

Some of the important recommendations of the workshop were :

- Each participating country should prepare a comprehensive blue print for the development of cooperative library, documentation and information services and systems in their respective countries.
- Workshop—cum—Conference should be organised to discuss the blue prints for intensive and extensive follow-up.

—The Vaikunth Mehta National Institute of Cooperative Management should incorporate in its calendar of courses a regular workshop/refresher course/orientation course for cooperative librarians and documentation officers of India.

—The Workshop suggested that sectoral intensive information system should be built-up, viz. for banking, marketing, education and training, management, etc., which in turn should be amalgamated into a National Cooperative Information System.

—The Workshop emphasized the need to conduct national level condensed courses for prospective cooperative librarians and refresher courses for trained librarians. It recommended the formation of a National Working Party for Cooperative Librarians in each of the participating countries culminating in a Regional Working Party for Cooperative Librarians and Documentation Officers of South-East-Asia. It was also recommended that where National Working Parties have already been formed, such as in India, they should be activated.

—The National Working Party should arrange dialogue between users of library resources and librarians.

—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.

—The Workshop requested the ICA ROEC to consider offering a fellowship programme for cooperative librarians of South-East Asia.

### UNESCO MEETING OF EXPERTS, PARIS

On 25th-29th April, UNESCO called a Meeting of Experts in Paris to consider ways and means of taking workers interests into consideration when formulating and implementing adult education policies. The findings of the meeting will be submitted to the World Conference on Adult Education which will be held under the auspices of UNESCO in 1985. The ICA was invited to participate in the meeting as Cooperatives traditionally have a strong interest in adult education. Representing the ICA were : Dr. Dante Cracogna, Director for Social Affairs, El Hogar Obrero, Cooperative Ltda., Argentina; Mrs. Margaret D Cruz, Education Officer (Women and Youth), ICA Regional Office & Education Centre for South-East Asia; Dr. Janoa Juhasz, Deputy Director of the Hungarian Cooperative Research Institute; Mr. Tasilo Mahuwi, Principal, Cooperative College, Moshi, Tanzania. Mrs. Margaret D'Cruz, ICA ROEC, was elected Chair-person of the Meeting. Attending as observers were Ms. Francoise Baulier, Adviser to the Director, ICA and Mrs. Rita Rhodes, Education Officer, ICA. Three major International Trade Union Confederations were also represented at the meeting.

## WORLD CONFERENCE ON INDUSTRIAL COOPERATIVES

The second ICA World conference on industrial cooperatives is to be held in Warsaw from October 5-8-1983.

The conference is convened by the International Cooperative Alliance and its International Committee of Workers Cooperative, Productive and Artisan Societies.

The conference's three working topics are: rural development and industrial development; from handicraft to industry through cooperatives; and self-management: the answer to the problem of unemployment.

### ICA ROEC FORTHCOMING ACTIVITIES

#### Top Level Cooperative Leaders Conference to be held in Japan

A Top Level Cooperative Leaders Conference will be held in Tokyo, Japan, from 7th to 12th November 1983 to deliberate upon the problems facing the cooperatives and to work out useful strategies which will help on "Enhancing Cooperative Capability". The Conference is being jointly organised by the ICA ROEC, the Afro-Asian Rural Reconstruction Organisation (AARRO), the Central Union of Agricultural Cooperatives of Japan (CUAC) and the Institute for the Development of Agricultural Cooperation in Asia (IDACA), Japan.

Ministers, top level executives of cooperative departments and top level non-official cooperative leaders from member movements of the ICA and member countries of AARRO are expected to participate in this Conference.

## DAMAN PRAKASH REJOINS ICA

Mr. Daman Prakash, Education Officer (Audio-Visual Aids) in the ICA ROEC has rejoined the office after a successful completion of his assignment in Indonesia with the ILO-UNDP as its Advisor (Cooperative Training) for two years. The Cooperative Training Project of the Directorate General of Cooperatives of the Republic of Indonesia, was supported by the ILO and the UNDP under a technical assistance programme for Indonesia.

Before taking up his assignment with the Indonesian Project, Mr. Daman Prakash assisted the ICA-SCC-NCC Cooperative Teachers' Training Project in Sri Lanka as its Technical Advisor (Audio-Visual Aids) for three years. Mr. Prakash, working with the ICA Regional Office since 1962, has been actively involved in various training activities for the Cooperative Movements in the Region.

During his two years' assignment with the Indonesian Project, he was able to design and support several training programmes for the PUSLATPENKOP—the National Cooperative Training and Development Centre—besides advising and assisting in the development and operation of a Cooperative Training Material Production Unit, a Cooperative Media Resources Unit,

The four-day conference will discuss three main areas:

- (i) cooperative development—the role of cooperatives in national development, and the government role and policy for cooperative development;
- (ii) Cooperatives and the Poor, problems faced by the poor, the technical assistance required by them and the



Mr. Daman Prakash

and in the production of cooperative training materials and aids. He has produced, in collaboration with his national counterparts, a large number of training materials which could be of relevance to cooperative trainers and field educators in developing countries. He has also assisted the Directorate of Extension in designing educational material for cooperative member education-extension programmes.

At the ILO-UNDP project, Mr. Daman Prakash, was a member of a team of international experts which included Mr. Matti Teravainen, CTA (Finland), Mr. Jacob Deorksen (Canada), Mr. Kaj Skjonneman (Denmark) and Mr. Pradit Machima (Thailand).

role of cooperatives in this regard—Technical assistance from the donor angle;

- (iii) Integrated Rural Development—

— issues and comparative experiences in integrated rural development;

— Japanese experiences in integrated rural cooperative development—a case study. ■



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# *The International Cooperative Movement—Tradition and Change*

DR. S. K. SAXENA\*

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Jawaharlal Nehru, during the stewardship of the country laid the foundations of a free and independent India by emphasising and creating an infrastructure for independent India and influencing the attitudes of our people which have been helpful in the creation of all that is meant by a modern society.

The intellectual that Nehru saw with provision, the social, economic and egalitarian potential of Cooperation in moulding Indian society. In the thirties, when the National Planning Committee had been set up by the Congress, he emphasised the contribution the movement could make to the development of the country.

And while head of the government, when the Report of the Rural Credit Survey came out in the early fifties, he did not flinch from giving what was a remarkable intellectual appreciation of the essence of the Cooperative Movement, the need for people themselves to organise and run cooperatives without official interference. And in 1960, when inaugurating ICA RO's first education activity on "Cooperative Leadership in S.E. Asia", he made the famous remark which has been so often quoted :

\*Former Director, ICA and presently Consultant, Swedish Cooperative Centre. Address delivered at the first Jawaharlal Nehru Memorial IFFCO Lecture on Cooperation, in New Delhi, on 15th April, 1983.

"I want to convulse India with Cooperation".

When the earlier Five Year Plans were formulated and emphasized the creation of large irrigational and industrial facilities, I remember Panditji referring to them as modern temples. One such temple is the Indian Farmers' Fertiliser Cooperative, a remarkable organisation which serves the Indian farmers.

## **IFFCO**

Conceived in November 1967 as a Cooperative to own and operate its own fertilizer plants with a seed capital of Rs. 2.5 million, IFFCO was set up with the support and collaboration of number of agencies

At present, IFFCO has got three plants in operation, two manufacturing ammonia and urea in Kalol and Phulpur and the third at Kandla in Gujarat producing complex fertiliser products.

This unique experiment in cooperative ownership of a sophisticated, capital intensive industry has now come to occupy pride of place in the Indian fertilizer industry in performance, efficiency and service to the farming community. Since service is the ultimate goal of a cooperative society, let me give some details on these aspects.

A family welfare education project has been initiated with the

help of ILO and the UN Fund for Population Activities. And, under the label CORDET, a Cooperative Rural Development Trust has been established for developing professional leadership for improving agriculture in villages.

All this, I submit, Mr. Chairman is vital, important work in promoting and improving agriculture; although much remains to be done, IFFCO must take some credit in reducing the vulnerability of Indian agriculture.

I have concentrated on: the problems which affect the efficiency of the movement—more specifically the area of structural reform—then give some attention to selected international aspects of the movement and conclude by examining briefly the state of cooperative principles.

I have titled my subject: *The International Cooperative Movement—Tradition and Change*. Pandit Nehru's outlook was nothing if not international—he wanted to be unfettered by the heavy hand of tradition. The more I see cooperative movements the world over, the stronger is my impression that we are looked into specific and, often static positions and that there is an urgent need to generate a debate which will give full interplay to the dialectic of the pro and the con. Unless we bring to bear an open and restless mind on problems of the Cooperative Movement, we will

be witness to its dwindling influence on contemporary affairs. There is need to radicalize our thinking and to formulate concepts relevant to the cooperative mode.

### The International Scene

Let me, then, sketch briefly the main features of movements in different continents. In all countries I know and I have visited, cooperative organisations exist in one form or another. My recent attendance at the continental Assembly of the Organisation of Cooperatives of Americans in Ecuador has confirmed my impression of the diversity of cooperative activities in that continent. From Peru in the West through the United States, Europe, Africa and Asia in the East, cooperative organisation have emerged to provide essential services to their members in many fields. The credit unions in Peru, as exemplified by the Santa Ellisa Credit Union, are probably the most rapidly growing cooperative organisations in that part of the world. The cooperative bank in Ecuador, consumer cooperation in Medellin, Colombia, and the large consumer, housing and agricultural cooperative developments as evidenced in El Hogar Obrero's work in Argentina, are worth noting.

In Latin America, two rather well-identifiable currents have shaped the cooperative movements in that continent. The first originated in the 19th century in the southern cone of Latin America and was largely influenced by the immigrants from Germany and Italy where the ideas of Raiffeisen were influential. The idea of mutual aid funds progressed; societies were organised on cooperative principles and credit services provided to members.

The second current was influenced by the Catholic church and the papal encyclical regarding "the

people's participation in the processes of global, social and economic transformations". The social secretariat of the church began the training of young leaders, people were sent to Europe, Canada and the United States for further training and church workers spread the idea in several Latin American countries, especially in Peru, Puerto Rico, Bolivia, Mexico, Venezuela and Colombia. The influence of St. Francis Xavier University in Antigonish, Canada, has been important. By and large, the concentration of cooperative activity has been in the field of thrift and credit and agricultural production.

In the United States and Canada, the cooperative movement displays a remarkable range of activities in agriculture-marketing, processing, etc. as well as the credit union movement (the caisses populaires in Quebec). In both countries, it is true to say that the consumers' cooperative movement has been comparatively weak, the consumers' movement came late on the stage when private distributive channels and organisations had been firmly established; efficient retailing techniques and intense competition had cut margins to the bone.

Western Europe has of course been the cradle of the cooperative movement. The consumers', agricultural and workers' productive movements are associated with the Rochdale Pioneers of 1844, Willhelm Friederich Raiffeisen and Schulze-Delitzsch. The various sectors of cooperatives-agriculture, dairying, consumers, banking insurance and housing, have shown remarkable growth in many countries of Europe.

The Scandinavian countries have highly developed movements. In the Basque province of Spain, Modragon reveals a fascinating project of industrial cooperation and cooperators from Peru, Chile,

and more recently the U.K. have studied this organisation.

In Eastern Europe, the cooperative movements are strong and pervasive. In the Soviet Union, Centrosoyus is responsible for providing consumer goods to the entire countryside. In Poland, Hungary, Czechoslovakia and Bulgaria, different sectors of economic activities have been cooperatively organised; agriculture, consumers', housing, workers' production are the four principal ones. The large agricultural complexes in Bulgaria have become important disseminators of agricultural technology and science to surrounding countryside.

In Poland, where ownership of agricultural land is still largely in private hands, cooperative penetration is most impressive; share of cooperatives in supply of capital goods for individual farms is between 95 and 100%; share of coops in the purchase of agricultural plant produce is between 65 and 70%.

In East Africa, where Tanzania, Kenya and Uganda led the rest of the Continent in Cooperative development, emphasis was placed on cooperatives in providing inputs and marketing facilities for farmers. The Nordic governments are providing considerable support to the East African movements and the Swedish Cooperative Centre is strongly supporting the ICA Office for East Africa in Moshi.

In West Africa cooperative movements, especially in Nigeria and Ghana have played an important role in the internal marketing and production of the countries' major crops.

I should point out in passing that contact between the East and West African Cooperative Movement remain extremely weak and fragile,

a consequence; no doubt, of past Colonial rule. In the middle Eastern countries, cooperative development has been patchy and it is only in Egypt and perhaps Jordan that Cooperatives have been of some significance.

I shall not talk about the cooperative movement in Asia. Suffice it to say that cooperative developments in Japan and, still more so in the Republic of Korea, provide fascinating experiences which, with relevant modifications, may have implications for other countries. In India itself, developments in sugar production, fertilisers, spinning and weaving and man-made fibre are significant.

As we go further East into ASEAN countries, we find cooperative societies playing role of varying significance in providing support to farmers and the urban middle classes—the thrift and credit movement in Malaysia which has promoted other forms of cooperative activity, the collaboration between cooperatives and trade unions in Singapore which has thrown up some ideological questions and some interesting developments in the Philippines, such as the Regional Cooperatives Development Programme in the Cagayan Valley are worth noting.

I do not want to leave you with the impression that all is well with the movement. There have been many problems—of leadership, of management, especially financial management, of the lethargy of the movement to respond to rapidly changing social and economic situations and of problems created by inflation and energy prices in which the world finds itself today.

First, cooperation has done well in countries where the population is homogeneous and where income distribution is not severely skewed. All the Scandinavian countries

exemplify this statement and some small group research is supportive of it. Perhaps a commonsensical explanation is that the comparative absence of social differences makes the group feeling strong and the perception of a common need, which is at the basis of cooperation, sharper. A *second* aspect is that the movement has concentrated in some limited, though important, areas of economic activity.

*Third*, the consumer-producer dichotomy has seriously split the movement. Parallel structures have been adumbrated by both wings and it almost appears as if “never the twain shall meet”

*Fourth*, the movements in the three continents of Latin America, Africa and Asia have leaned heavily on government support. This has caused some operational difficulties and some ideological obscurities.

*Fifth*, some considerable and recent literature has doubted the efficacy of cooperative movements in reaching the poor in the Third World. A series of UNRISD publications, Kuznets’ “U” Curve, ILO’s Concept of “Basic Needs” and McNamara’s passionate argument to assist the poor—all these approaches, in their different ways, have begun to compel sensitive cooperators’ views in this direction. A careful consideration of this aspect raises serious questions of ideology, of cooperation and the wider community and of the economic capabilities of the movement.

Finally, Mr. Chairman, throughout the world of cooperative movements and in fact even in the same country we come across very small, community-based cooperatives and large industrial cooperative establishments which are often difficult to distinguish from other industrial enterprises. The small community-oriented society, while important

and serving an important purpose, will yield the place of pride to large cooperatively owned establishments. Our mode of management, leadership pattern, financial policies will have to adjust to these changes. Individual members’ sense of control and participation will have to be combined with sound economic and financial policies of quite another dimension.

### Structural Reform—Three Models

This brings me to another allied issue, that of structural reforms which occupied the movements in the sixties and seventies and continues to do so to-day. Perhaps we shall never find the ideal organizational structure, good for all time and places. At the risk of generalization, one can identify three patterns. Historically, a small cooperative society, satisfying a need in the local community, has joined hands with similar organizations from neighbouring areas thereby creating secondary organizations and ultimately, apex bodies. The situation is quite familiar to cooperators in India. This model keeps intact the sovereignty of the individual society while ceding certain suitable functions to the secondary or apex body; in political terms, it is like a federal state with various provinces.

The relationship between the primaries and federal bodies is governed not by effective sanctions but by a sense of mutual loyalty. A unified discipline is worked out which makes possible the application of sound administrative principles with the flexibility which ensures variety and freedom to the primary organization.

Looking back; it appears, on the whole, that the system of federalistic structure has proved itself useful in practice. However, recently doubts have been raised as to whether the traditional structure of our movement is suitable to the

present sharpened competitive edge which we encounter all over the world.

Large, centrally directed organizations have cut costs to the bone and the effect on cooperative movements is noticed in the declining market share of the latter.

The movements have responded by a process of amalgamation thereby creating larger, more efficient, units. In attempting to restructure and streamline the old model, several resistances have been experienced and some are mentioned in the ICA Vienna Congress Report of 1966. One thing is clear, the results are not convincing enough for us to say that we have found the right answer. If pushed to its logical limits, this second model lends to the renunciation of the legal personality of the cooperative societies and to the constitution of a single national cooperative society. This is possible in a small country with homogeneous population and an effective communications network. The Danish consumers' movement is an example, and it is now organized in one single society. There have been some considerable discussions at recent cooperative congresses in the UK on the possibility of creating a Coop Great Britain. In the U.K. in 1958 there were 918 retail societies; at present there are only 201. This process of amalgamation has been forced, very largely by the comparative challenge of private trade where large organizations with common management and human resource development policies have become the rule. Can the cooperative movement have a development policy based on the individual considerations of its various retail societies? What has served the movement well in the past will not meet the demands of the future. The President of the 1979 Coop Congress in Britain said "I have come to the conclusion that the only way forward for our

movement is by the formation of a new national cooperative organization".

Between these two models—a federal structure and a single national society—there is an intermediate solution as adopted by the KF. Under this model, certain functions are submitted to the sovereignty of the wholesale, for example, purchasing, central warehousing, sales policy, special sales or accounting. The basic point emphasised in this model is that any structural reform must be motivated in terms of the basic promotional task. The duty of the apex is to promote to the maximum the interests of its members. At the same time, it is recognized that under present conditions, this can only be done if the movement acts as a whole and not as a series of disparate units where each unit takes its own decision with regard to the larger issues.

I have presented the three models in a form sharper than is the case in reality. Behind organizations is the reality of human beings, the extent of their readiness to submerge their differences for the good of the whole movement—the Japanese agricultural movement presents a brilliant example of rapid and effective amalgamation—the social and economic structure which shapes peoples' attitudes.

It would be dangerous, without the most careful consideration, to make any specific recommendation, certainly not for the Indian movement where the diversity of culture, the size of organizations and management levels are very different. A movement must prepare for the battles of tomorrow and not be fettered in its past. The National Cooperative Union of India could play a leading role in this respect. In addition, we must recognize that there is nothing sacrosanct about a structure just because it has existed

for many years. Detailed case studies of IFFCO, of the Saskatchewan Wheat Pool, of the London Cooperative Society, of El Hogar Obrero in Argentina, of Konsum, Stockholm, all large primary organizations, will reveal some important lessons for rationalizing the cooperative structure.

#### Cooperatives and the States

I must now turn to another subject which has been discussed ad infinitum in India—the relationship of the movement to the Government. Ever since the All-India Rural Credit Survey of 1952, state partnership in the cooperative movement is much in evidence. It was seen to be a strengthening factor to the cooperative movement. In this process, as the Standing Advisory Committee on Agricultural Credit at its 5th meeting in 1956 reminded us, two precautions were to be observed: first, that the State government was to be a partner in the sense of partaking in the risk of share capital and not a mere creditor and, second, the apex Bank's position as leader of a coherent structure was to be strengthened, if possible, but in no case impaired. Cooperatives, it must be said, have been somewhat ambivalent on the issue.

I have elsewhere summed up the causes as I see them, of government involvement in cooperative movements in the developing countries as :

- (i) lack of movement's financial and trained manpower resources;
- (ii) recognition by the government that the cooperative movement is a grass roots movement and can thus be helpful in the implementation of national development plans; and
- (iii) political parties' perception of the cooperative move-

ment as an institution which can enhance their own political position and image if the movement can be manipulated to their own party gains; the cooperative society can thus be used as the disbursing of patronage (loans to farmers, creation of a processing facility in a certain constituency, etc.).

If the above causes are close to truth, and I realize they are highly condensed version of a vast, complex process—perhaps the following could be recommended as some alleviating measures in order to restore a degree of autonomy and spirit of self-help to the movement. There is, first, the need at senior levels of government to impart information about the principles and ideology of the movement. We cannot build bridges by continuing to emphasize the we/they dichotomy. There is a psychological hiatus which needs to be covered and if we cooperators take the initiative, a response would be forthcoming. The National Cooperative Development Corporation, with its 20 member body consisting of official and what are called “non-official” cooperators, provides a meeting point. The movement’s personnel need training in management, especially financial management, as it is the weakness in this area which invites government intervention. New ways of building equity, especially in inflationary times, have to be explored.

A dialogue between the co-operators and important politicians could be useful although the extent to which this could be a causative factor in sustained change in politicians attitudes towards cooperative affairs, is unclear. Let me give you an example from France. Cooperative leaders in that country, in political elections, do not attach their federations to any political party.

Perhaps, as was recognized at the ICA meeting in Copenhagen in 1978, the problem of the relationship between the State and Cooperatives will never be solved in toto. At that meeting, there were varying points of view but there was agreement on the collection of information and experiences, the need for a continuing dialogue between the two, leading sometimes to the creation of institutionalized links, the need for advocacy of the role which cooperatives play in general social and economic development and the overall credibility of the movement in society.

### Cooperative Principles

The word principle means: fundamental source, primary element, fundamental truth as basis of reasoning. Such principles must represent something permanent, the basic values of our movement, not shifting rules which sway with changing social and economic conditions. There have been, from time to time, veiled references to the inadequacy of cooperative principles as formulated by the ICA Commission of 1966.

The two main weaknesses in the present formulation are, first, that current practices have been elevated to principles, and secondly, the present formulation is largely dominated by practices in consumers cooperation at the neglect of other fields of Cooperation such as housing, agriculture, credit, etc. Moreover, there is no mention of the fact of working towards the establishment of a cooperative commonwealth, towards establishing a more refined and less exploitative pattern of relationships between human beings.

The congruence of interests of the cooperative and the community is not mentioned. What is to happen if the two diverge? We must honestly ask ourselves if the

principles as enunciated by the ICA Commission on Cooperative Principles and accepted by the Vienna Congress in 1966 really represent the fundamental strivings of our movement, the ideals the movement would like to see come to fruition in society. Or are they the abstraction of operational rules? Is the fact that share capital will receive a strictly limited rate of interest really a fundamental issue? Is not any rate of interest a limited rate of interest? Again, the way of distributing surplus; is it not really a practical policy which should, ideally, combine equitable distribution among members with considerations of economic prudence for the organization? What happens to that part of the surplus which is generated by dealing with non-members?

Cooperation among Cooperatives stems from the very nature of the movement; is this “principle” really anything more than creating a mechanism for obtaining the economies of scale especially as there is no mention of creating a Cooperative Commonwealth? Is there any mention of the social accountability of Cooperatives in the Principles.

The Commissioners were men of wisdom and experience. They brought a wealth of knowledge and our own Prof. Karve was a man of sound and good judgement. However, an international commission is subject to many pressures; there is an inevitable and unwitting tendency to produce a unanimous report—it is considered in some ways to promote the unity of the international movement—which leads bland compromises rather than results in cogently argued, polarized views. The East-West rift, the producer-consumer divergence, the shades of nuances between cooperative and cooperative-like institutions, the existence of Migros in Switzer-

(Continued on page 19)

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# ***Priority Areas of the Role of Agricultural Cooperatives in Rural Development***

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R. B. RAJAGURU\*

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In this brief paper, it is my intention to focus attention on the traditional role of agricultural cooperatives, the concept of rural development and the capacity of the agricultural cooperative to be the catalyst for an on-going approach to integrated rural development. I would, however, like to make it quite clear that the jump from the traditional role, as available in many of the Asian countries, to the catalytic role of a wide dimension, is not as easy as one would expect and that much has to be achieved at various levels, even to make an initial headway.

In many countries in the region, agricultural cooperatives were born out of the need for a people based institution at the village level to give effect to the efforts made at national level, to increase productivity in selected sectors of food production—mainly rice, maize, wheat, pulse etc. Traditional peasant agriculture was essentially subsistence-oriented and prices of agricultural commodities being what they were prior to the second World War, there was never an incentive to produce more as the returns did not adequately compensate the

efforts. It was only in face of severe shortage in food supplies after the second World War, that many a government was compelled to develop strategies to produce as much as was possible locally, and depend only to the least possible extent on outside sources, if they were to avoid starvation on a mass scale. So we come to an era of food rationing on the one side and the conscious involvement of governments in food production. Earlier governments interest were mainly on the plantation crops like Tea, Rubber, etc. and less on food crops like rice or wheat.

In trying to promote food production, many a government resorted to one or more of the following :-

- (i) Guaranteed price.
- (ii) Subsidised fertilizer and other inputs.
- (iii) Concessional rates of interest.
- (iv) Institutionalised Marketing.
- (v) Support for development of high-yielding-varieties of seed.
- (vi) Support for improvement of technology.

May be there were several other steps taken in particular situations—but whatever the efforts were at national level, many a

government came to the realisation that they could never reach the mass of the peasantry through the already existing governmental structures and machinery—and hence the decisions to extend the cooperative form of organisation, which had achieved some success in the field of credit and consumer in some countries, also to the field of agriculture production, sales and marketing. I will not here trace the development of this effort from the rudimentary single crop oriented approaches to the multi-purpose complexes of today—but shall try to highlight the basic essence of the approaches made and see how far these early approaches narrowed the focus of the agricultural cooperatives.

As mentioned earlier, cooperatives became necessary for the various governments to give effect to their drives for increased food production. Various efforts made on the scientific and technological fronts concerned with food production had borne successful results and these had to be conveyed to the fields—and the cooperatives were the chosen channel. There were (i) the high yielding varieties of seed, (ii) new cultural practices—like row sowing etc., (iii) increasing use of chemical fertiliser, (iv) subsidised loans—both in kind and cash, (v) a guaranteed price for the crop etc.

All the details in regard to how much loan per hectare for each particular crop, how much fertiliser and of what kinds and at what stages, were all worked out in detail at the level of the concerned government departments and finances were made available to banking sources and the cooperatives were expected to do their own calculations based on the figures available,

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\*Regional Director for South-East Asia, ICA ROEC, New Delhi. Lecture delivered at the IDACA special seminar held on the subject in November 1982.



get their members to fill in the form (in some cases far too many of them) and then make available the facilities. The exercise was certainly time consuming and mechanical—but of course many of the members went through the exercise of filling in the forms, buying additional shares, providing sureties or security and of course using the new technology even if they did not understand fully the full mechanics of these. The societies could not help with advice and guidance as they did not have the personnel and only access to advice was through the government field works who unfortunately had far too wide an area for effective coverage. Of course, with the application of new technology the yield increased, there was less of pest attack and the farmers were able to obtain a satisfactory price. The cooperatives performed many of the middlemen functions and were themselves able to grow and strengthen their societies and to expand the services to the farmer. But farmers who found themselves to be the targets of interest realised their capacity for leverage and all too often the loans taken remained unsettled, the produce, which under the marketing contracts they signed, should have been marketed through the society found its way into other hands and yet they were sure, with a government emphasis and focus on food production, the subsidies and facilities will continue to be channelled in their direction.

The approaches made by the various government departments were essentially vertical—each preserving its own functional interest and the cooperative often became the target for severe criticism by the technical departments concerned with food production, for not keeping up to the targets set

out for them—often the criticism was also levelled against the officials of the cooperative department, who in spite of the various pressures, were trying to safeguard the cooperative by trying to inculcate an understanding of cooperative spirit and practices and thus help a strong members' institution to grow.

The effect of all these diverse pressures was that the cooperative was compelled to approach development on a narrow basis—often confined to one product and one strategy, and several government departments were operating on a vertical hierarchy, peddling each one's point of interest—the horizontal collaboration that would have helped was used only to further each department's viewpoint and hence did not lead to a point where the cooperative member could visualise the full potential of the cooperative for growth at the village level—he too had to think departmentwise if he was to benefit from the various schemes that governments were formulating in an effort towards accelerated development.

Development is a process, and must necessarily be continuous as society *per se* is never static. There can be various goals of development—but to my mind, in the developing situation that we are in most countries of Asia, development must necessarily mean eradication of poverty and unemployment and the best utilisation of the available resources to ensure an acceptable quality of life to a large mass of the people. It is also generally accepted that development on an ad hoc basis leads only to skewed growth and no continuous processes of development can be generated unless, those who benefit from the process are themselves made aware of the processes and themselves

became active participants in the development effort. The donor recipient situation only tends to perpetuate dependence and poverty. It is interesting to view the efforts made in the field of what is traditionally known as rural development. In many a country, many an attempt has been made to improve the quality of life at the village level—in the 40s the aim was rural reconstruction, trying to get those living in the villages to be proud of their occupations and trying to make rural farming and rural industry respectable. In the 50s we were on to rural development and later to community development—and of course the latest is Integrated Rural Development.

Development necessarily depends on ideas and for ideas to take effect we need institutions which can translate the ideas into practice. But institutions are man made and made for people—and it is to the extent that we can get the involvement of the people that the institutions will be able to contribute towards development. All too often, under the target-oriented approaches of government hierarchical machinery, what eventually results is a proliferation of institutions with little or no peoples involvement. So between the problem and its solution, we build institutions which are skeletal, and which are unable to be the catalytic agent in the participatory process of development.

It is not my intention to go into a detailed review of rural development strategies followed in various countries. I will however, refer to some of our own experiences and experiences of specialised agencies in regard to participatory approaches before I proceed to identify priority areas for action. I am

sure, many in Asia have heard about the Saeumul Undong programme in the Republic of Korea, the K. K. K. (better livelihood) programme in the Philippines and various other programmes elsewhere. You have already seen the Japanese experience and the lessons that can be learnt from Japan. I shall, therefore, refer to some other approaches which would be relevant in the context of rural development :-

(1) The ICA/NCUI Cooperative Education Field Project—Indore District, India—started in 1971—which emphasised the need for an integrated approach, basing education on economic needs and functions, and which worked towards an integrated approach formulated by the beneficiaries, and worked in close collaboration with the societies, the banks and the government staff concerned.

This mode has been replicated in 15 more projects in India and has been studied and perhaps followed by several Asian and African countries.

(2) The Women's Consumer Education Project, Sri Lanka—the approach is once again participatory with the identification of needs and determination of priorities being left to the women's groups. The process is one of formation of groups leading to the identification of needs—the education process is one based on motivating the members towards greater group awareness and group activity and the aspect of family health, family welfare, nutrition and family budget are made the focal points on the basis of

which requests for opportunities to improve incomes are dealt with and cooperative solutions found to ensure better living.

(3) Women's income generating project in Yasotharn Province in Thailand—here an income generating activity is made the base on which awareness and motivation for group activity is built up.

(4) In follow up activities on the ICA/RTI Small Farmer Research Study—where once again the emphasis is on group action, the participatory process of involving the beneficiaries in the development process.

(5) The FAO/Small Farmer Development Programmes and the ILO's Peoples Organisation for the Rural Poor Programmes highlight the organic aspects of group formation and development as being a sound base for a continuing development programme.

It is against the background of these experiences that I would like to identify the priority areas for action for cooperatives. The hitherto accepted "Trickle Down" theory does not seem to have worked, so we got to find an alternative approach.

In the Asian context, the agriculture cooperatives would remain generally of a large-size and has a tendency to grow towards a multipurpose complex as against the single function approach practiced earlier. An agricultural cooperative by its very nature would be concerned with those involved in agriculture—until recently, only the land owner and sometimes the tenant farmer were the beneficiaries.

But the more recent approaches would include also the landless labourers and there is a need for the future to include also the rural poor, if the cooperative is to play a catalytic role in the process of development.

Let us look at the problems in the farming sector:-

(i) Increasing population, creates pressures on the size of the farming unit.

Not all countries have been able to carry out effectively land reform programmes—and even where carried out, notwithstanding land redistribution and resettlement of people, the size of the farm unit is likely to diminish.

(ii) The need for better management of the small farm—better and more productive use of land, labour, water, modern technology etc.

(iii) Locating suitable avenues for income earning for the landless and other excess labour or those under employed.

(iv) Protection and safeguarding the environment.

(v) Ensuring better market prices for agricultural and other produce.

(vi) Providing adequate protection to the consumer.

Perhaps there could be many more areas, but I would like to highlight the above, as these that have the potential for an integrated approach to development at this level.

Based on the above, I would identify the priority areas for future action as follows :

(1) A change in the conceptual outlook based on the new

awareness of a new role for the cooperative—capacity to take a macro-view of needs and trends and to work on micro projects.

- (2) Organisational restructuring and adequate re-assignment of staff.
- (3) Proper orientation of staff to function as facilitators for participatory action.
- (4) Group formation of members based on identified needs, community of interests—and the emphasis on planning and programming from below.
- (5) Identification of special programme for the poor, and the less privileged—especially women and youth.
- (6) Integration of resources and careful allocation based on priorities identified by the members—improving management performance and providing better services.

- (7) Continuous emphasis on member relations programmes with a view to make the total membership aware of a feeling of unity and togetherness.
- (8) Special programmes for resource development inclusive of savings.
- (9) Establishing relationships, horizontally and vertically with cooperatives, other organisations and government departments and staff concerned with development.
- (10) Leadership development, staff development, member motivation for a healthy environment for development effort.

These by no means are an exhaustive list, but would indicate areas of emphasis which would lead to a change in the outlook of the role of cooperatives. It is my view that if the outlook can be changed

and accepted at all levels, many of the other actions would follow as a consequence.

The purpose of the paper I have provided, is to focus attention on a need for change in outlook and approaches, if cooperatives are to play a role of much greater consequence in the community at large. The examples we already have, have shown that a better quality of life becomes available where all concerned play an active role in the process of development—and, therefore, it becomes worthwhile for all of us concerned with development to find ways and means of involving the mass of the people in the development effort—and cooperatives have shown that they can effectively be the catalytic agent at the base level, in this process. Perhaps this will help in making more people aware of the need for change in our outlook, our approaches and our roles. ■

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## THE INTERNATIONAL COOPERATIVE MOVEMENT— TRADITION AND CHANGE

*(Continued from page 15)*

land, of Edeka and Rewe in Germany are some examples. We must talk of establishing a non-profit, non-

exploitative economy through cooperative methods; we must emphasize self-help and mutual help; we must ponder on our wider social and economic concerns.

It is partly for these reasons that some movements do not derive the clear guidance they need and

thereby impart obscurities to their Cooperative Acts.

I hope the Indian Cooperative Movement in the tradition of Vaikunthbhai Mehta, Professors Gadgil and Karve will give some thought to this fundamental aspect. ■



# GUJARAT URBAN COOPERATIVE BANKS FEDERATION AND URBAN COOPERATIVE BANKING DEVELOPMENT

Cooperative Banking Sector in Gujarat State has made commendable and remarkable progress together with overall development of cooperative movement in the state and in the country.

There are several agencies providing short, medium and long term credit in agricultural and non-agricultural sector under the existing banking structure. In the cooperative credit structure, we have both federal and unitary structure.

Urban Cooperative Banks or the people's cooperative banks are primary cooperatives in Gujarat which provide credit to non-agricultural sector consisting chiefly of urban and also semi-urban community engaged in trade and industry and also the salary earners, self-employed persons and professionals as well as artisans.

It was felt quite essential and imperative to have a federal body of the urban cooperative banks at the state level in Gujarat in order to promote and develop urban cooperative banking sector and to solve their problems and difficulties and for providing consultancy services to these banks. As a result, the Gujarat Urban Cooperative Banks' Federation (GUCBF) was registered in March 1975 followed by organisation of similar state federations

in other states. The GUCBF had also taken active interest and initiative in the organisation of National Level Federation of Urban Cooperative Banks and credit societies which was registered in 1977.

The GUCBF is chiefly engaged in solving the problems and difficulties of member urban cooperative banks and for representing the same at appropriate levels to authorities concerned for bringing out solutions, for activating the working of these banks and development of urban cooperative banking movement in the State on sound lines. However, in the initial stage more attention was diverted to induce these banks to open up as many branches as they could serve to their constituents at their door and to provide them better and personalised services. Efforts were also made to see that new urban cooperative banks may come up in those areas where there were no urban banks or branches of good banks.

The main activities of the Federation today include organisation of conferences, seminars, meetings, providing consultancy, bringing out study material through publication of journals, manuals, year book on statistics and guidance and guidelines to member urban cooperative banks through circular letters, news bulletins etc.

It is interesting to go back to the year 1960-61, to the formation of

Gujarat State to review the position of growth of urban cooperative banks and their progress in Gujarat State. In that year, there were only 41 urban cooperative banks with 18 branches. These banks had at that time paid-up share capital of Rs. 7.3 million and reserves of Rs. 3.7 million. Their deposits amounted to Rs. 56.7 million and their advances amounted to Rs. 37.5 million only and their working capital was Rs. 75.3 million only. That was the stage in the cooperative movement when stress was chiefly laid on supplying agricultural cooperative credit and more attention was diverted to the development of central cooperative financing agencies from credit and urban cooperative banking sector was not taken much care of.

However, after nationalisation of 14 big commercial banks in July, 1969, there has been rapid increase in the number of urban cooperative banks since then and also in the volume of their working and in terms of scope and content too. Precisely, the urban community had doubts about proper contribution of nationalised banks in fulfilling the credit requirements of and providing banking facilities to those engaged in small industries and business and commercial activities. It was perhaps rightly feared that when these banks were to be engaged in meeting the big requirements of public sector the state managed nationalised banks may not take

Prepared by Mr. Vithalbai P. Amin, Chairman, Gujarat Urban Cooperative Banks Federation, Ahmedabad.

care of urban people in terms of their needs and requirements.

It is worthwhile to note that during the year 1968-69 there were 121 urban cooperative banks in Gujarat State having total advances of Rs. 220 million which increased to 208 urban cooperative banks with their 68 branches during the year 1973-74 i.e. within the span of 6 years and also up to the organisation of GUCBF in March 1975. During the year 1973-74 these banks had paid-up share capital of Rs. 90 million, deposits of Rs. 900 million, reserves of Rs. 50 million and their working capital had amounted to Rs. 1220 million and their advances amounted to Rs. 730 million.

After 1974-75 within the span of 5 to 6 years the growth and development both in terms of volume and working have been rapid and remarkable and there has been expansion and extension in its scope and content. Consequently this sector has played very important role in rendering effective and efficient services in the banking field and for the upliftment of socio-economic conditions of the urban and semi-urban community.

The role played by the GUCBF is indicative of the achievements of urban cooperative bank and improvements in their working, concerning their development on sound lines and increase in their volume of work within the period of 5 years of existence as the Federation. As of 30.6.1981 there were 171 urban cooperative banks with 152 branches spread over in 148 cities/towns of the State. As on 30.6.80 the paid up capital of these banks was Rs. 214.4 million, reserve of Rs. 205.5 million, deposits of Rs. 2.9 billion. The working capital was of Rs. 4 billion and advances amounted to Rs. 2.3 billion.

The Federation had remained

ever conscious and active to see that these banks are placed on sound footing and they are managed smoothly and efficiently, that there progress shall be dynamic and there should be acceleration in the pace of the urban cooperative banking movement throughout the State. That they should cover all strata of the society under their fold and provide credit and banking facilities as quickly and as efficiently as they could and their services to their constituents should be not only quick and timely but personalised in a best possible manner so as to maintain their cooperative character.

As on 30.6.80 these banks in the state had to their credit 843,106 share holders and their varieties of advances have reached to 298,825 borrowers, and they have on their record 1,560,859 depositors. These banks have provided employment to about 6000 personnel. The capable, experienced and dedicated cooperative leadership has rendered due and efficient services in managing the affairs of these banks in a democratic manner which is quite apparent in the working and administration of not only these banks but cooperative institutions as a whole in the State. Equally remarkable contribution had also been from the professional and ministerial personnel of these banks, which has been complementary and supplementary to the efforts of the ever alert and attentive leadership rendering remedial measures for strengthening these banks.

Since the activities of the Federation of these banks are chiefly directed to the healthy growth and development of these banks, efforts of the state cooperative bank, district cooperative banks, state cooperative department and the Reserve Bank of India are subservient to the principal objectives of the Federation. As a result of coordinated approach of the Federation and receptivity on the part of urban cooperative banks,

problems and difficulties of these banks are effectively and actively dealt with and solved at appropriate level adequately by the Federation.

Within the period of five years of its existence the GUCBF has been able to work as per its objectives and has undertaken multifarious activities for accelerating the progress of urban cooperative banking movement in the state and has also provided useful services to and through the National Federation for development of this movement in other states.

The Federation has so far organised three state level cooperative conferences of urban cooperative banks in September 1975 at Ahmedabad, in May 1977 at Rajkot and in May 1979 at Anand and the first national level conference was held under the aegis of National Federation hosted by this Federation at Ahmedabad in March 1978.

A State level Seminar of urban cooperative banks was held at Ahmedabad in February 1981.

The Federation has also arranged for employees training for personnel of urban cooperative banks in collaboration with training institutions in diploma and specialised courses at various levels.

Among publications of the Federation, GUCBF Bulletin is a regular monthly magazine and statistical year book/hand book and Cooperative Banks' Diary are regular features. Some important publications include cooperative banks' manuals, Manual on Advances by Cooperative Banks, Manual on Internal Check and branch control of Cooperative Banks and Rules relating to Finance by Urban Cooperative Banks guidelines and model forms, Handbook of Circulars and Directives issued by Reserve Bank of India, and Manual on Mutual Arrangement Scheme.

Framing of model bye-laws for registration of urban cooperative banks in the State is on hand at present including a set of forms to be used by these banks in their management and administration as per procedures laid down under Banking Regulations Act and as per directives of Reserve Bank of India model of loaning policy for adop-

tion and bringing out uniformity as general application by the urban cooperative banks is also planned.

The Federation has started construction of its own building on Ashram Road, Ahmedabad.

This apex organisation of the Urban Cooperative Banks in Gujarat

has ever been alert and ambitious to help and guide the urban cooperative banks in developing their non-agricultural credit movement on sound lines and also in developing commercial and industrial activities of their member constituents thereby contributing towards the total development of economy in the State. ■

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## ***Just Released . . .***

### **ADULT PSYCHOLOGY AND EDUCATIONAL METHODS**

**—A Handbook**

pp 120 + viii Price : US \$ 6 Ind. Rs. 60

*by*

**D. Vir Ph. D.**

Since its inception the ICA ROEC has been actively involved in providing technical support to cooperative educators and trainers in S-E Asia through a variety of means such as seminars, conferences, training programmes and production of training materials. Under its "Methods in Cooperative Education" series, the above Handbook has just been brought out.

In cooperative education and training the learners are adults and hence it is very important to understand the principles of adult learning and factors which contribute to better learning. The Handbook deals with these matters in as simple and practical manner as possible. Having dealt with the principles of adult learning in Section I, the Handbook proceeds, in Section II, to explain some of the participative methods which are based on these principles. Section III gives specimen materials of use to cooperative trainers.

The Handbook, which is well illustrated, will be of great use to cooperative trainers and adult educators. It has been produced in file form with arrangements for easy detachment of materials by the users. For details please write to :

*The Publications Section.*

**INTERNATIONAL COOPERATIVE ALLIANCE**  
Regional Office and Education Centre for SE Asia  
Bonow House, 43 Friends Colony (East),  
New Delhi-110065 India.



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## Australia

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### BOURNE ELECTED PRESIDENT OF CFA

Mr. R. J. T. Bourne of the Cooperative Federation of New South Wales, was elected recently the President of the Cooperative Federation of Australia. Mr. A.T. Poustie of Cooperative Bulk Handling, Perth, was elected the Vice-President of the Federation.

The Secretariat and registered office of the Cooperative Federation of Australia has moved to Sydney from Malbourne with effect from 1st July 1983.

### RAWLINSON RETIRES

Mr. W. W. Rawlinson, Executive Officer of the Cooperative Federation of Australia has retired from his post from June 30, 1983. Mr. Rawlinson has served the Cooperative Federation of Australia with distinction for many years and has been closely associated with the activities of the ICA ROEC in Australia.

Mr. B. W. Freeman of the Cooperative Federation of New South Wales has been appointed to succeed Mr. Rawlinson as Secretary and Executive Officer of the Cooperative Federation of Australia.

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## India

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### JUNIOR COOPERATIVE CREDIT SOCIETY CELEBRATES GOLDEN JUBILEE

The Golden Jubilee Celebrations of the Eastern and North-Eastern Railway Junior Cooperative Credit Society Ltd., Sealdah, was inaugurated at a colourful ceremony held on 16th April 1983 at Rabindra Sadan, Calcutta.

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## REGIONAL NEWS ROUNDUP

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The session was presided over by Prof. Nirmal Bose, Minister-in-Charge, Department of Cooperation, Government of West Bengal, and Mr. Pranab Mukherjee, Finance Minister, Government of India, was the Guest-in Chief.

Mr. S. C. Halder, Senior Divisional Personnel Officer, Eastern Railway, Sealdah and Chairman of the Society, welcomed the guests and audience on behalf of the society.

Mr. K. M. Lall, Secretary, Department of Cooperation, Government of West Bengal, released a Brochure entitled "50 years in Retrospect" containing the activities and achievements made by the society during the last 50 years.

Addressing the meeting Mr. Pranab Mukherjee pointed out that success of a cooperative organisation to a considerable extent depended on the cooperation of the members and efficient professional management of the society.

He congratulated the management of the society and expected that many more cooperative organisations would take cue as to what are the key factors to the success of an organisation like this society.

### IFFCO INSTITUTES JAWAHARLAL NEHRU MEMORIAL LECTURES ON COOPERATION

The Indian Farmers Fertilizer Cooperative Limited has instituted Jawaharlal Nehru Memorial Lectures on Cooperation. The first lecture was delivered on "the International Cooperative Movement-Tradition and Change" on

15th April 1983, by Dr. S K Saxena, former Director of the ICA and presently Senior Consultant to the Swedish Cooperative Centre. The session was chaired by Mr. M. Srinivasa Reddy, Chairman of IFFCO.

### COURSE FOR COOPERATIVE EDUCATORS

A residential course in methodology of intensive cooperative education at the local level was held by the National Cooperative Union of India for cooperative education officers and the field instructors of the Bihar State Cooperative Federation at the Cooperative Training College, Patna, from 11th to 20th April 1983. There were 35 participants.

Dr. Dharm Vir, Joint Director (Education) and in charge of CEMAS Unit of the ICA ROEC, presented the CEMAS approach to Field Education Development. At the concluding session Dr. Vir was the Chief Guest and distributed certificates of participation.

### FOLLOW-UP WORKSHOP ON CEMAS FED MATERIAL

As a follow-up to the National Workshop on CEMAS Field Education Development (FED) material held by the National Cooperative Union of India (NCUI) at New Delhi, the SAMAKYA, Hyderabad (Andhra Pradesh) conducted a state level workshop at its Cooperative Education Centre at Mulukanoor. The workshop was held from 23rd to 28th May 1983 and was attended by 16 participants representing Andhra Pradesh State Cooperative Union, Cooperative Central Banks in the

State and the SAMAKYA. In addition there were three participants-cum-observers from the Tamil Nadu Cooperative Union.

Mr. A. K. Viswanath Raddy, President of Rural Cooperative Bank, Mulukanoor, welcomed the participants during the introductory session. Mr. Maimidi Rama Reddy, Executive Trustee, SAMAKYA, Ms Shashi Rajagopalan, Director, SAMAKYA and Dr. Dharm Vir, Joint Director (Education), ICA ROEC also addressed the session.

Ms. Shashi Rajagopalan and Dr. Dharm Vir were Course Managers and assisted the participants for the effective use of CEMAS FED material. Towards the end of the workshop, action commitments by each participant with regard to use of FED approach on return to his job situation was discussed.

In the light of the experience gained and comments made at the workshop, the FED material is being revised and adapted to local conditions in Andhra Pradesh by SAMAKYA with the active assistance from the Andhra Pradesh State Cooperative Union, ICA CEMAS and other agencies.



*A group work in progress.*

## INCENTIVE SCHEME FOR NEW COOPERATIVE SUGAR PLANTS

The Government of India plans to review the scheme of providing incentives for setting up new sugar units in the cooperative sector, according to the Minister for Food and Civil Supplies, Mr. Bhagwat Jha Azad. He was inaugurating the 23rd annual meeting of National Federation of Cooperative Sugar Factories Limited in New Delhi on April 29. The Minister said incentives have not been envisaged to compensate the unit for its full cost and losses etc. due to operational factors. It envisages only a limited need to share a part of the heavy financial burden and enable added liquidity to the mills for repaying the dues of central financial institutions.

The industry, he said, must take immediate steps to cut production costs through increased efficiency and cost effectiveness so that sugar exports become profitable. Until the industry made all-out efforts to make sugar exports profitable, no tangible results would be possible.

This was best reflected by the 1981-82 and the current seasons. The global glut had brought down the sugar prices internationally and

the country's need to export more had also become greater. The price constraint had made any such effort somewhat "superfluous and counterproductive", he added. He also called upon the sugar industry to cooperate fully with the Bureau of Industrial Costs and Prices for enabling it to make a fresh cost study of the sugar industry. This would go a long way in making the cost study and recommendations of BICP fruitful for the industry.

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## Japan

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### IDACA TO CELEBRATE ITS 20TH ANNIVERSARY IN NOVEMBER

THE Institute for the Development of Agricultural Cooperation in Asia (IDACA), Japan, will be celebrating its 20th Anniversary in November this year. It has so far conducted numerous programmes and has trained more than 2000 cooperators from Asia and the Pacific and helped them to get a first hand knowledge about agricultural cooperative movement in Japan.

A top level Cooperative Leaders Conference would also be held by the ICA/AARRO and the Central Union of Agricultural Cooperatives of Japan, in collaboration with the IDACA, from 7th to 12th November 1983 to coincide with the 20th year celebrations of the IDACA. The theme of the Conference will be on "Enhancing Cooperative Capability".

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## Korea

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### ROLE OF KOREAN AGRICULTURAL COOPERATIVES IN RURAL DEVELOPMENT LAUDED

THE Minister of Agriculture and Fisheries, Mr. Johng-moon

Park has lauded the crucial role played by the agricultural cooperatives in Korea in the rural development of the country. Addressing the Executive Committee meeting of the ICA held in Seoul, in March 1983, Mr. Park said "the Korean government has taken various policy measures to ensure continuous development of the rural sector by narrowing the growth gap between the urban and rural sectors largely resulting from an export-oriented economic growth policy.

"In two decades, the Minister added, the agricultural cooperatives in Korea have played a crucial role in rural development through the delivery of modernized agricultural credit services, well-organised supply of various farm inputs and systematic marketing of agricultural produce.

"Now in rural Korea, the problem of chronic poverty has already disappeared" he declared.

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## Pakistan

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### NATIONAL COOPERATIVE UNION OF PAKISTAN FORMED

A National Cooperative Union of Pakistan has been formed in Pakistan recently with headquarters in Lahore. All provincial Cooperative Unions in the country have become members of the National Cooperative Union.

Mr. Riazuddin Ahmed, a front-ranking Cooperator of Pakistan and a former member of the ICA Executive Committee, has been elected President of the Union. Mr. Muhammad Muslim, a veteran cooperator, has been appointed as the General Secretary of the newly formed Union.

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## Philippines

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### NEW THRUST ON RURAL DEVELOPMENT THROUGH COOPERATIVES

THE Minister of Agriculture, Mr. Arturo R. Tanco, has recently announced in Manila his Ministry's new thrust entitled "Rural Development through Cooperatives." Targetted for development under the new programme are the Samahang Nayans, Area Marketing Cooperatives and Cooperative Rural Banks. He stressed business viability as the guiding principle of the new Thrust.

The Minister was addressing participants to a one-day Conference on Cooperatives held in Manila on April 6, 1983. The participants to the conference discussed the status, and problems of cooperatives, and proposed measures aimed to improve their situations and solve their problems.

Mr. Tanco also announced that the 15,000 field workers of the Ministry of Agriculture will be trained in cooperatives as generalists, that two business specialists will be provided to act as business consultants to cooperatives and a project assistance team shall be installed in every Regional Office.

### NATIONAL COOPERATIVE MANPOWER SURVEY TO BE UNDERTAKEN

THE International Labour Organisation (ILO) in collaboration with several Filipino cooperative organisations will be undertaking a project designed to produce a set of uniform cooperative training policies and standards and a data bank for the use of all education and training institutions.

The project is a part of the ILO programme of supporting coopera-

tive education and training in developing countries.

It will be preceded by a national survey of cooperatives manpower during the second half of 1983, the results of which will be the inputs for the National Workshop on Cooperative Training Policies and Standards. The expected output of the Workshop will be the set of policies and standards on cooperative training and data bank earlier mentioned.

A steering committee comprising senior cooperative leaders and officials of the cooperative movement has been formed to implement the project.

### NATIONAL SEMINAR ON FISHERY COOPERATIVE DEVELOPMENT

A National Seminar on Fishery Cooperative Development in the Philippines was held by the Cooperative Union of the Philippines (CUP) in collaboration with the ICA ROEC, from 6th to 11th June 1983 at the Institute of Industrial Relations, University of the Philippines, Quezon City.

The seminar was inaugurated by Mr. Arnold B. Caoili, Deputy Minister for Natural Resources. The inaugural session was also addressed by Mr. Felix Gonzales, Director of Fisheries and Aquatic Resources, Brig. Gen. A. S. Lozada, President of the CUP and Mr. Lionel Gunawardana, Joint Director & Specialist in Agricultural Cooperation, ICA ROEC. Prof. Alfredo V Sanchez acted as the Director of the Seminar.

The seminar was attended by 30 participants from fishery cooperatives, Bureau of Cooperatives Development and various government agencies charged with fishery development. The seminar discussed problems encountered in



*Mr. Felix Gonzales, Director of Fisheries and Aquatic Resources, seen addressing the inaugural session. (l-r) Prof. Alfredo V. Sanchez, Seminar Director, Mr. M. F. Verzosa, Secretary General, CUP, Brig. General Arcadio S. Lozada, President, Cooperative Union of the Philippines, Mr. Arnold B. Caoili, Dy. Minister for Natural Resources, and Mr. Lionel Gunawardana, Joint Director, ICA ROEC.*

developing fishery cooperatives and drew a broad plan for fishery cooperative development. The seminar also recommended to the CUP to constitute a Steering Committee comprising representatives of Bureau of Cooperatives Development and all government agencies charged with fishery development to guide, monitor and evaluate the implementation of the plan.

The closing session of the seminar was addressed by Mrs. Nelia Gonzales, Assistant Secretary of Agriculture, and Officer-in-Charge of Bureau of Cooperatives Development.

#### **NATIONAL SUMMER COURSE FOR SELECTED HIGH SCHOOL FACULTY IN COOPERATION IN PHILIPPINES**

**A** National Summer Course for selected high school faculty in

the Philippines was organised by Cooperative Education Centre in San Juan, Metro-Manila, Philippines, from 18th April to 21st May 1983, with the assistance of the ICA ROEC.

The main aim of the Programme was to train faculty members in cooperative ideology and give them the skill to supervise and manage cooperatives in secondary schools.

Twenty six participants from the following regions of Philippines participated in the course, i.e., Manila and main Luzon, Bicol, Visayas and Mindanao Region.

Mother Leontina Castillo, the Project Director of the Cooperative Education Centre, San Juan, coordinated the Course.

Dr. G. Ojha, Education Officer of ICA ROEC, participated in the

Programme as a resource person for a period of ten days.

The teaching techniques used were mainly participative. Emphasis was more on skills orientation through practice sessions rather than class room lectures.

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## Sri Lanka

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### **DASWATTA ELECTED PRESIDENT OF NATIONAL COOPERATIVE COUNCIL**

**A**T the general meeting of the National Cooperative Council of Sri Lanka held on May 28, 1983, Mr. M. R. B. Daswatta, was elected President of the Council. Mr. Daswatta had also earlier served as the President of the Council. He succeeds Mr. C. M. B. Bogollagama. Both Mr. Daswatta and Mr. Bogollagama, during their tenures as President of the National Council and members of the ICA Regional Council, actively associated themselves with the activities of the ICA ROEC.

### **MINISTER HERATH PASSES AWAY**

**M**R. S. B. Herath, Minister of Food and Cooperation, Government of Sri Lanka, died in London on 6th June 1983, where he was undergoing medical treatment.

Mr. Herath has been an active cooperator long before he became Minister for Cooperation. During his tenure as Minister he associated closely with the ICA ROEC activities in Sri Lanka. ■

**CONSUMER CONGRESS  
TO DISCUSS COOPERATIVE  
FUTURE**

“Cooperative Future” is the name of a booklet which is the working tool of study groups in Consumer Cooperative Societies in Sweden. Its main themes are the finances of households, food, new competitors, department stores, clothing, furniture, do-it-yourself, capital and youth. Although this doesn't sound very interesting material it can be stimulating. The topics discussed are those of the whole history of consumers cooperatives corresponding with deep aims which have existed for many years but which may take centuries more to achieve. The rapid progress of the 20th century, bringing with it problems such as devaluation and the price freeze, also provides the study groups with new material and new angles of approach. For instance there are already some non-integrated cooperatives who try to deal at “cost-price”. Will this formula be the Cooperative Movements answer to outside competition? More about this matter and many other questions will be gathered and prepared for the consumer congress which will take place on October 19th to 21st. This congress will be a large scale forum where measures concerning current cooperatives problems are to be discussed. Its importance is emphasized by the fact that 50% of Swedish households are today members of the Cooperative group.

**LEIF LEWIN IS KF's NEW  
CHIEF EXECUTIVE**

Mr. Leif Lewin has been appointed as Chief Executive Officer of the Kooperativa Forbundet (KF) of Sweden beginning January 1, 1984. Mr. Lewin will succeed Mr. Karl Erik Persson who

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**NEWS AROUND THE WORLD**

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will retire in end of 1983. Mr. Lewin has held several important positions, including that of Chief Executive of the OK Union, prior to his appointment as the Chief Executive of KF.

**CIDA FUNDING TO CDF  
REACHED \$ 2.7 MILLION  
IN 1982**

The Canadian International Development Agency increased its funding allocation to the Co-operative Development Foundation of Canada to \$2.7 million in 1982 from \$1.4 million the previous year.

This, coupled with donations from the cooperative movement, enabled the international development arm of Canada's English language credit unions and cooperatives to provide funding or technical support to 102 cooperative and credit union development projects in 30 countries.

Of these, 18 were in Africa, 25 in Asia, 12 in Latin America, and 47 in the Caribbean.

**ECONOMIC GROWTH IN  
ASIA-PACIFIC REGION  
SLACKENS BUT STILL  
HIGHER THAN OTHER  
DEVELOPING AREAS**

The economic growth of the developing member countries (DMC's) of the Asian Development Bank was significantly lower last year than the year before, according to the Bank's Annual Report for 1982.

However, the overall growth

achieved during the year was much higher than in other developing regions of the world. This may be attributed, the Annual Report says, to sound policies and pragmatic measures adopted by DMCs in response to several adverse developments in the international economy.

The combined gross domestic product (GDP) of the DMCs is reported to have grown at 3.8 per cent in 1982, a rate of growth considerably lower than the past trend.

The average rate of inflation in the Asia-Pacific region, meanwhile, declined a relative price stability that compares favourably with that of other developing regions.

**ADB LOANS BENEFIT THE  
POOR**

During the year 1982, 98 per cent of the Asian Development Bank's \$ 546 million in concessional lending went to low-income countries Bangladesh, Burma, Nepal, Pakistan, and Sri Lanka.

A study of the Bank's Operational Priorities and Plans for the 1980s, completed last year, outlines an approach for the remainder of the decade that seeks to enhance the ADB's role in reducing poverty.

It recommends that the Bank's objectives should be to support an appropriate blend of growth, job creation, and poverty alleviation throughout its broad range of development activities. ■



## LABOUR COOPERATIVES – RETROSPECTS AND PROSPECTS

**M**ANY kinds of labour cooperatives have existed in the past. In this volume the author investigates the potential of such societies for the creation of jobs, the initiation of new economic activities and the improvement of living and working conditions. In the first two parts he traces the development of labour cooperatives at different times in a variety of countries and of sectors of the economy.

Part-I deals with societies legally independent of the authorities such

as goods handling and custody and maintenance cooperatives in Argentina, Sudan, Malaysia, France and Switzerland, Russian artels, Luggage porters cooperatives in Italy and Labourers' cooperatives in Italy and Labour cooperatives in Palestine. Part-II deals with government sponsored societies such as Cooperative labour systems in New Zealand, Labour construction cooperatives and forest labourers' cooperatives in India.

In the third part he draws on the

lessons of that experience to put forward suggestions for the elaboration and implementation of a scheme to promote the development of labour cooperatives among the most underprivileged sections of society, with the joint support of the authorities, the cooperative movement and the trade unions.

*Author:-Raymond Louis*

Published by  
International Labour Office  
Geneva, Switzerland, pp. 162+vi  
Price : 25 Swiss Francs

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Review of International Cooperation, Quarterly. £ 6  
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International Cooperative Alliance  
35, rue des Pauquis, BP 862, CH 1211, Geneva. 1 Switzerland



# ***International Exposition of Rural Development***

**I**N February of 1984 delegations from 50 countries will assemble in India for an International Exposition of Rural Development (IERD). The Exposition will focus and document from actual field experience the most effective methods of grass roots rural development presently in use in the participating countries.

The primary objectives of the Exposition are:

- to enable development practitioners such as field workers, community leaders, government and voluntary development agency officials and company representatives to share workable and tested project experiences.
- to research successful methods, approaches and technologies and to present these in a format which will benefit local implementation.
- to document effective application of the local approach and thereby motivate those involved in it to move from single unit projects to more cost-effective broad-based programmes.
- to complement significant international development programmes such as those related to the U.N. Decade of Women by illustrating the significant strides being made in local rural situations across the globe.
- to catalyse in each participating nation the acceleration and/or establishment of replication projects emphasising the involvement of local people in the design and implementation with the active support of the relevant government, private and voluntary sector organisations and agencies.
- to formulate a network of people from all sectors who are concerned to infuse a greater effectiveness and new momentum in development efforts across the world through continued interchange of significant development accomplishments.
- to design and disseminate conference methods which encourage full participation, serious exchange and creative action on the part of those involved.
- to train interested field practitioners of local development programmes in methods of comprehensive development on the local level emphasising local initiative, planning and implementation.

The Exposition is being organised by the Institute of Cultural Affairs International through its members and in cooperation with India, United Nations Development Programme and United Nations Fund for Population Activities.

The Exposition Event-February 5-15,1984

The Exposition event in India will comprise three sections beginning and ending at the New Delhi conference site:

## **Global Symposium**

(February 5-7) - Delegates from the participating nations and organisations will begin by staging a multi-media exhibition of their work and accomplishments including edge breakthroughs in relevant local rural development technology.

Delegates will then study the documentation presented by the participating countries to discern the basic contradiction to development progress and articulate the key directions and mandates for the future.

## **Research Practicum**

(February 8-12) - Delegates will then divide into 35 working parties which will each visit a different project location in India selected objectively as contributing significantly to resolving local rural development issues. The projects will be examined to identify key factors which are producing lasting and self-sustaining results. These findings will be compared with experience which delegates bring from their own countries in conversations and workshops with local leaders, government and voluntary agency officials. A report will then be prepared by each of the 35 working parties.

## **Documentation Assembly**

(February 13-15)- Delegates will reassemble in New Delhi to exchange their findings and prepare a compendium report appropriate for use at the local level. This report will be both a summary of the pillars of successful local development schemes and a directory of replicable ideas, tested projects and effective technologies from the participating countries. The assembly will then conclude with a "Celebration of the Nations".

For further information following office may be contacted:

**Exposition Coordination Centre  
Rue Amedee Lynen 8**

**1030 Brussels, Belgium**

(Tel. 322/217-4884 and Telex:  
62035-ICABRU) ■

# ICA Member-Organisations in South-East Asia

## AUSTRALIA

Cooperative Federation of Australia,  
GPO. Box No. 1758,  
44, Young Street, Sydney NSW 2001  
Tel : 2315766 ; Telex : CFNSW 75303

## BANGLADESH

Bangladesh Jatiya Samabaya Union, 9/D Motijheel  
Commercial Area, Dhaka-2  
(RANGDHENU) Tel : 231697

## 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 : 681016, 683334 (NAFED) Telex : No. NFD-IN 31-3254

National Coop. Consumers' Federation of India Ltd.,  
3, Siri Institutional Area, Panchshila Marg,  
Hauz Khas, New Delhi-110016.  
(KONFED) Telex : NCCF-IN-2111

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 (COPBANKFED)

Indian Farmers Fertiliser Cooperative Ltd.,  
34, Nehru Place, New Delhi-110019.  
Tel : 682506 (IFFCO) Telex : IFCO-IN 3887/3260

National Federation of Industrial Cooperatives Ltd.,  
3, Siri Institutional Area, 4th Floor,  
Panchshila Marg, New Delhi-110016.  
Telex : 5027 NFIC-IN

## INDONESIA

Dewan Kooperasi Indonesia, Komplek Pusdikop,  
Jalan Jenderal Gatot Soebroto, Jakarta  
Tel : 792844

## 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) 3234

National Federation of Fisheries Cooperative Associations, "Coop. Building" 1-12 Uchikanda, 1-chome, Chiyodaku, Tokyo (NAFEDEFISH) Tel : 2949611  
Telex : ZENGYO J, TOKYO 222-6234

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 Telex : J. 23918/9

Zen-Noh (National Federation of Agricultural Cooperative Associations), 8-3-1, chome, Otemachi, Chiyodaku, Tokyo. Tel : 03-279-0211  
Telex : Zenno 222-3686

IE-NO-HIKARI Association, 11 Funagawara cho, Ichigaya, Shinjuku, Tokyo. Tel : 260-3151  
Telex : 232-2367

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 : 723-0021, 7252681  
Telex : NACOF K. 27421

National Federation of Fisheries Cooperatives,  
88, Kyun Wun Dong, Chongro Ku  
Seoul 110, Republic of Korea (FISHFEDER)  
Tel : 70-6211-724436 Telex : FISHCO K. 24359

## MALAYSIA

Cooperative Union of Malaysia,  
107, Jalan Bunus, Opp. Jalan Masjid India  
Kuala Lumpur, Malaysia.  
Tel : 914155

Angkatan Kerjasama Kebangsaan Malaysia Limited  
ANGKASA, 23, Tingkat M. Jalan SS 2/67  
Peti Surat 368, Petaling Jaya  
Tel : 761414, 761213

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

Cooperative Central Bank Limited,  
29, Leboh Ampong P.O. Box 685,  
Kuala Lumpur  
Tel : 26531

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.  
POB 2528, Kuala Lumpur-0404  
Tel : 423813, 421743

## PAKISTAN

Mercantile Cooperative Finance Corporation  
197-A, The Mall, Rawalpindi,  
Tel : 67630, 62155-58, Telex : 5828 FELAB PK

## PHILIPPINES

Cooperative Union of the Philippines Inc., Room 400F, (4th Floor) N. de la Merced (Delta) Building, West Avenue, Quezon City, Philippines Tel : 991073, 922161.

Sugar Cooperatives Development Institute of the Philippines Inc.,  
Rms. 211-213 Cuenca-Gonzaga Building,  
San Juan Street, Bacolod City. 6001. Tel : 20666

National Association of Training Centres for Coops c/o FES, Suite 74, ZETA Building,  
191 Salcedo Street,  
Legaspi Village, Makati,  
Metro Manila, 3117 Philippines.

## SINGAPORE

Singapore Amalgamated Services Cooperative Organisation (SASCO)  
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, 24-13332 ■

## 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 365 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 Geneva, there are three regional offices, viz., the Regional Office & Education Centre for South-East Asia, New Delhi, India, started in 1960, the Regional Office for East and Central Africa, Moshi, Tanzania, started in 1968, and the Regional Office for West Africa, Abidjan, Ivory Coast, started 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* 35, rue des Paquis, B.P. 862, C.H. 1211  
Geneva.1. Tel. 022-31. 77. 50,58,59  
Telex : CH 28827, Coop. Ch.  
Attn. : Interallia

#### *South-East Asian Office*

**Regional Office & Education Centre for S-E Asia**  
'Bonow House', 43 Friends' Colony (East), 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. 4706

#### *West African Office*

**ICA Regional Office for West Africa**  
"Maison de la Mutualite-AMC", 15, Ave. Joseph Anoma,  
01 BP 3969, Abidjan 01. Ivory Coast. Tel : 324327  
Telex : 3216 OITIVC, 2629 Interallia.



## Some ICA Publications

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Open Asian Conference on Coop. Management, Manila, 1981. Rs. 25.00  
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How to Improve the Effectiveness of National Cooperative Organisations  
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Rs. 25.00  
    Manual of Role Plays for Cooperative Teachers. Rs. 48.00  
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    Open Asian Conference on Cooperative Management,  
    Singapore 1977—Report and Papers. Rs. 25.00.  
    Open Asian Conference on Cooperative Management,  
    Singapore 1978—Report and Papers. Rs. 25.00.  
Recent Changes, Trends and Developments of the Cooperative Movement  
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    Member Activities in Japanese Consumer Cooperative Movement  
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    Cooperative Press and Publicity—Report of Regional  
    Workshop. Rs. 15.00  
    A Model Cooperative Societies Law with Author's Commentary  
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The Publications Section

**INTERNATIONAL COOPERATIVE ALLIANCE**

Regional Office & Education Centre for South-East Asia

P.O. Box 3312, 'Bonow House', 43 Friends' Colony (East), New Delhi-110065



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# ICA REGIONAL BULLETIN

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

*The night has a thousand eyes,  
And the day but one;  
Yet the light of the bright world dies,  
With the dying sun.  
—Francis William Bourdillon*





Good will is the mightiest practical force in the universe . . .

—C. F. Dole

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**ICA  
REGIONAL  
BULLETIN**

EDITOR

**H. P. Lionel Gunawardana**

ASSISTANT EDITOR

**A. H. Ganesan**

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### **OUR COVER**

**CHERRY BLOSSOM  
IN  
JAPAN**

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# ***Integrated Cooperative Activities for Agricultural Development***

A Regional Seminar on "Integrated Cooperative Activities for Agricultural Development" was held by the ICA ROEC in Seoul (Rep. of Korea), in collaboration with the National Agricultural Cooperative Federation (NACF) from 1st to 12th August 1983. Fifteen participants from seven countries attended the seminar. The countries represented were Bangladesh, India, Rep. of Korea, Malaysia, Philippines, Sri Lanka and Thailand.

The inaugural session of the seminar was held in the morning of 2nd August 1983 at Koreana Hotel. The seminar was inaugurated by Mr. Ho Sun Han, Executive Vice-

President of NACF. The inaugural session was also addressed by Mr. Lionel Gunawardana, Joint Director & Specialist in Agricultural Cooperation, ICA ROEC.

The seminar was directed by Mr. Lionel Gunawardana in collaboration with the staff of NACF.

The objectives of the seminar were :

- (i) to review the situation of integrated cooperative activities of agricultural co-operatives in the region,
- (ii) to discuss different activities of agricultural cooperatives intended to develop agriculture.
- (iii) to discuss problems of integration and coordination of different activities of agricultural cooperatives like credit, supply, guidance and marketing.
- (iv) to study the integrated cooperative activities for development of agriculture in the Rep. of Korea and Japan, and
- (v) to frame guidelines for agricultural cooperatives on linking credit, supply, farming guidance, processing, marketing and better living activities into an integrated service package.

## **Study Visits**

To provide seminar participants an opportunity of learning about the role played by the agricultural cooperatives in Japan a study visit programme for one week was organised by the ICA ROEC in collaboration with the Central Union of Agricultural Cooperatives (CUAC) and the Institute for the Development of Agricultural Cooperation in Asia (IDACA) from 24th to 31st July 1983.

The seminar programme in Korea also included study visits. The participants were taken to National Agricultural Cooperative Federation and its branches at provincial and county level, a marketing centre maintained by the NACF and primary agricultural cooperatives.



*Mr. Ho Sun Han, Executive Vice-President, NACF (centre) inaugurated the Seminar. Mr. Lionel Gunawardana, Joint Director, ICA ROEC, seen addressing the inaugural session. Also seen is Mr. Ki Won Suh, Director, Research Department of NACF.*

## Recommendations

The seminar recommended various activities that should be undertaken by the agricultural co-operatives. It recommended that pilot projects be undertaken in the countries of the region to demonstrate how an integrated service package can be provided to farmer members by cooperatives. The seminar said "any development organisation aims primarily to uplift the condition in all aspects of all its clientele within the whole area of its jurisdiction. Nevertheless, change cannot simply take place overnight. Motivation, inducement and demonstration are essential in bringing about change and development, especially so with respect to a national cooperative federation considering its wide area of coverage the limited resources at its command; and the diversified idiosyncracies of its member societies".

Such being the case, the cooperative movements in the developing countries of Asia must embark on pilot projects in strategic locations that will be demonstrative to the totality of its objectives and aspirations for the surrounding area to follow.

Agricultural cooperatives in Japan and Korea have launched a



↑ Seminar in Session ↓



programme integrated cooperatives development and at this point in time, have realised successful strides in integrating the various services needed by the members of their agricultural societies to the extent of allowing these societies to provide economic, social welfare and infrastructural services to their

beneficiaries—the members, their dependents and the communities in which they operate.

The seminar emphasised that the experience in Japan and Korea deserves emulation and must be experimented in the countries of the Region. ■

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## ICA ACTIVITIES

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### SCC SEMINAR ON CONSUMER COOPERATION

THE Swedish Cooperative Centre (SCC) conducted in collaboration with ICA Regional Office and Education Centre an International Seminar on "Organisation and Operation of Consumer Cooperation in Sweden", from 11th April to 20th May 1983. The Seminar was attended by 21 participants from seven countries of the region, namely India, Indonesia, Malaysia, Philippines, Singapore, Sri Lanka and Thailand. The seminar was directed by Mr. Bo Buren, Senior Staff Member at Var Gard and Mr. M. K. Puri, Specialist in Consumer Cooperation in ICA Regional Office.

The main objectives of the seminar were to study the factors which have contributed to the outstanding success of consumer cooperative movement in Sweden and to find out how the Swedish Movement is facing the stiff competition from the private trade.

The seminar was conducted at Var Gard. Papers were presented on various subjects by experienced leaders and management consultants followed by discussions and group work. Study visits were arranged to medium sized consumer cooperative societies, their retail outlets and other facilities. The participants were afforded ample opportunities to study and discuss about the Swedish experiences in regard to planning procedures, procurement, warehousing, supply and distribution of consumer goods, management of retail operations, assortment policy and ordering system, budgeting and reporting, staff training, member education etc.

At the end of seminar each participant was required to make an action commitment and formulate an Action Programme, based on the knowledge and experience he had gained in Sweden, which he would carry out in the cooperative organisation in which he was working. It was decided that the ICA Regional Office will closely follow up and assist the participants in implementing their action programmes.

The Seminar emphasised also the need for member movements to pay special attention to the preparation of annual, quarterly and monthly budgets and the control of their operations on the basis of the budgets prepared. It was suggested that the Regional Office should be in contact with the movements and help them in this regard.

A suggestion was also made that the ICA ROEC should arrange Workshops on Budgeting and Reporting, in collaboration with the national movements and the government cooperative departments.

### NATIONAL WORKSHOP ON FIELD EDUCATION DEVELOPMENT HELD

As a follow-up to the first workshop held at the National Cooperative Union of India (NCUI) New Delhi, during November 1982, the above workshop was organised and held by the NCUI in Gandhi Nagar in collaboration with the Gujarat State Cooperative Union (GSCU) and the ICA CEMAS. The workshop was inaugurated by Mr. Shantubhai C Patel, Chairman of GSCU on 1st September 1983. The inaugural session was chaired by Mr. M.C.

Shah, Vice President of the NCUI and addressed by Mr. Bo Engstrom, Head, ICA CEMAS, Geneva, Dr. Dharm Vir, Joint Director (Education), ICA ROEC, Mr. J.M. Mulani, Executive Officer, GSCU and Dr. V.K. Singh, Principal, Co-operative Training College, Gandhinagar

The main objectives of the workshop were as follows :

- (i) to acquaint the participants with the Field Education Development (FED) Approach developed by the ICA-CEMAS.
- (ii) to expose the participants to Indian adaptation of FED material, and
- (iii) to provide them an opportunity to learn the techniques of using the FED material in Indian conditions.

There were 24 participants in the workshop representing the NCUI, ten State Cooperative Unions and several field level organisations. They studied the different modules of the Indian Adaptation of the Training Package on Field Education Development individually at their own pace and worked in groups for the preparation of action proposals on field education. Towards the end of the workshop the individual as well as the group action proposals were presented in a plenary session and discussion were held focussing follow-up of these proposals by the participants, sponsoring State Cooperative Unions, the National Cooperative Union of India and the ICA CEMAS.



*Mr. M. C. Shah, Vice-President of the NCUI, Presiding over the inaugural session. (l-r) Mr. Bo Engstrom, Head, Cemas Unit, ICA, Geneva, Dr. D. Vir, Joint Director, ICA ROEC, and Mr. J. M. Mulani, Executive Officer, Gujarat State Cooperative Union*

During the workshop the participants visited different cooperative organisations in Gujarat State and learnt about the field education programmes being conducted by the Gujarat State Cooperative Union. Mr. B. K. Sinha, Director General and Vice President of NCCT also addressed the participants.

An exhibition of selected educational materials produced by the ICA-CEMAS was arranged for the benefit of participants and guests during the workshop.

Mr. Bo Engstrom, Head, ICA-CEMAS, Geneva, Dr. Dharm Vir, Officer-in-Charge, CEMAS Unit, ICA ROEC, and Mr. K.C. Jain, Executive Director, NCUI, worked as course managers.

At the end of the workshop on 15th September 1983, the participants assessed the conduct of the workshop and related arrangements. During the concluding session, Mr. Bo Engstrom distributed certificates of participation to all participants.

#### FIELD EDUCATION DEVELOPMENT PACK- PREPARATION OF INDIAN ADAPTATION

**A**S a follow-up to the national workshop held at the NCUI,

New Delhi during November 1982 an Editorial Committee consisting of the following members was formed to prepare an Indian adaption of the FED material.

(i) Joint Director (Education), ICA ROEC, (ii) Education Officer (CEMAS), ICA ROEC, (iii) Executive Director, NCUI, Convenor and (iv) Principal, National Centre for Cooperative Education, NCUI.

The committee worked from December 1982 to July 1983 and prepared the Indian adaptation of the original CEMAS material received from ICA Geneva. The material has been tried out in the national level workshop held at the Cooperative Training College, Gandhinagar, from 1st to 15th September 1983.

The Indian adaptation will further be revised in the light of experience gained and opinions received and will be published for larger circulation. It would also be used as a reference material for the Regional Workshop on CEMAS Field Education Development Material to be held at Pune during February 1984.

#### INTERNATIONAL CONFERENCE ON FOOD PROCESSING, OTTAWA

**T**HE August 22-24 conference was a follow-up to UNIDO's first

consultation on the food processing industry in November 81, in the Hague and brought together 50 senior government and cooperative officials from 25 developing countries and representatives of 22 Canadian food processing cooperatives.

The Ottawa conference was coordinated by the Canadian International Development Agency and organized by the Cooperative Union of Canada.

A better use of existing mechanisms to initiate and develop various forms of partnerships among cooperatives in food processing was recognized rather than creation of new mechanisms.

The role of governments was discussed throughout the conference. Government support through appropriate legislation and credit facilities is required but use of these mechanisms to control, will hamper a constructive development of cooperative business organisations.

Background papers were presented by Dr. S.K. Saxena, former Director of ICA, Mr. Youn Daneau, a member of the ICA Executive Committee and Mr. Robert Hewlet, former Executive Secretary of COPAC.

Mr. Ulf F Bergstrom, Trade



Adviser of ICA and Mr. H. Bjorn Jacobsen, Trade Promotion Adviser of SCC, took part as observers and had also the opportunity to present the ICA/SCC COOPTRADE Project through the exhibition arranged by CUC and to make contacts with representatives from potential Canadian Cooperative importers.

#### COOPTRADE MEETS CLUSA

Mr. H. Bjorn Jacobsen and Mr. Ulf F. Bergstrom ICA/SCC COOPTRADE Project met with Dr. Allie C. Felder Jr., Senior Vice President of the Cooperative League of the USA and his colleagues at CLUSA Head Office in Washington D.C. on August 17, to discuss international cooperative trade promotion.

Exchange of information on interesting export opportunities from cooperatives in developing countries and potential buyers in USA through close contacts between CLUSA and COOPTRADE will strengthen international cooperative trade promotion. Another subject of interest was the creation of a cooperative trading organisation in the USA, sponsored by CLUSA and its member organisations. The new organisation, CTI (Cooperative Trade International) is expected to

start its operations within two years and will focus on LDC's.

#### OJHA REJOINS VAIKUNTH MEHTA INSTITUTE

Dr. Gyaneshwar Ojha, Education Officer (Cemas). ICA ROEC has rejoined the Vaikunth Mehta National Institute of Cooperative Management, Pune, as Registrar, after completion of five years assignment with the ICA ROEC in September 1983.



*Dr. G. Ojha*

During the period with the ICA ROEC, Dr. Ojha helped the Cemas Unit of the ICA in its different educational activities, in the compilation of a Case Book on Co-

operative Management, in the preparation of an annotated bibliography on cooperative management cases and a manual on preparation of training package. He also helped in the preparation of course designs, course materials and in the conduct of courses in training methodologies in the region.

During this period, Dr. Ojha assisted the ICA/RTI Project on Small Farmer Development as its Research Officer and conducted research studies in respect of India and Malaysia on the problem of cooperatives and small farmers development. He organised workshops at micro and macro levels on the basis of researches done on the subject.

#### NEWSLETTER STARTED BY ICA'S WEST AFRICAN OFFICE

THE International Cooperative Alliance's regional office for West Africa—has started a newsletter.

In an introduction, ICA Regional Director Babacar N'Diaye says its pages are open to all cooperators "for an open and frank dialogue".

He says he hopes it will help people share experiences "so as to

### A. E. Saenger Resigns from the ICA

Mr. Andre E. Saenger, Director of the ICA, has resigned from his post, effective October 1983. The Central Committee meeting of the ICA held in Prague from September 27 to October 2, 1983 was informed of his resignation. The Executive Committee of the ICA has set up a search committee to identify and propose appropriate candidates to fill the post of Director.

Until a new Director is recruited, the Executive Committee has appointed Ms. F. Baulier, Interim Director of the ICA.

avoid waste and duplication in some countries resulting from lack of information on what is going on in neighbouring countries”.

### **POSTPONED TECHNICAL CONFERENCE ON COOPERATIVE CREDIT AND BANKING WILL NOW BE HELD IN NEW DELHI**

**T**HE Technical Conference on Cooperative Credit and Banking which was originally scheduled to be held in August in Kuala Lumpur, Malaysia and was postponed due to certain difficulties, will now be held in New Delhi on the invitation of the National Cooperative Union of India. The Conference will be held from 17th to 22nd October 1983 in the NCUI Premises. The National Cooperative Union of India has offered to meet board and lodging costs of the participants for the duration of the Conference.

The Conference will review cooperative Credit and Banking situation in the region, suggest guidelines for promotion and development of coop credit and banking, and will suggest a plan of action for the ICA Committee for Cooperative Credit and Banking for South-East Asia. Study visits to coop. credit & banking institutions in and around Delhi will also be arranged for the benefit of participants.

### **REGIONAL DIRECTOR HOLDS DISCUSSIONS WITH MEMBER MOVEMENTS**

#### **(1) Sri Lanka**

**T**HE Regional Director on his way to Indonesia met with Mr. M.R.B. Daswatte, President of the National Cooperative Council of Sri Lanka (NCC) and discussed matters pertaining to the integration of the projects now on going in Sri Lanka with the normal activities of

the NCC and also NCC's future education and training programmes. He attended also a meeting of the Sub-Committee on Education and a meeting of the Board of Directors of the NCC.

The Directors of the NCC expressed their thanks and appreciation for the work done in Sri Lanka by the two projects namely the Teachers Training Project and the Women's Consumer Education Project and were also highly appreciative of the work done by the two Project Directors who had worked with the projects from their inception on a basis of deputation from the government department and who were now due to rejoin the department.

Discussions with the Board covered besides other matters the possibility of holding periodical Congresses of cooperators, the need for developing capability with the NCC for project identification and feasibility study, the possible action on follow-up on ICA activities and arrangements for the utilisation of the services of those trained in particular fields through ICA activities and the aspect of closer links with the ICA ROEC.

The RD attended also a Project Direction Committee Meeting of the Women's Project which was held a few days prior to its Project Director, Miss Jayantha Tennekoon rejoining her Department after relinquishing duties with the National Cooperative Council. The RD on behalf of the Regional Office tabled a note of appreciation of the work done by the Project Director from its very inception. He also congratulated her successor, Mrs. Lalitha Gunasekara on her assumption of duties in charge of the project and assured her of continuing collaboration and support from the Regional Office.

### **Indonesia**

The Regional Director and the Director (Education) participated in a number of discussions in Indonesia arranged by the Dewan Koperasi Indonesia (DEKOPIN) during the period 15th August to 19th August, 1983. Discussions were held with H.E. Bustanil Ariffin SH, Minister for Cooperatives; Professor Sudarsono, Chairman of DEKOPIN and some of the Board Members of DEKOPIN; Dr. Sudjanadi, Director General for Cooperative Institution Promotion, Drs. Sularso, Director General for Cooperative Business Promotion; Drs. Parmin, Director of PUSDIKLAT (Cooperative Staff Training Centre) and Mr. Imasuwandi, Director of PUSLAT-PENKOP (National Cooperative Training Centre). The discussion covered a wide area of subjects which have relevance to Cooperative Development and helped in identifying areas of need where the ICA ROEC in particular could be of assistance.

They visited also DEKOPIN's Institute for Cooperative Management in Bandung and had fruitful discussions with the Director and staff of the Institute in regard to Training Policy and Training Needs.

They took part also in an "Open Talk" organised by the DEKOPIN and attended by over 30 cooperative leaders from both the official and non-official sectors. This opportunity was made use of to explain ICA's role and its development policy and also to identify ways and means of closer collaboration between the ICA ROEC and the Indonesian Cooperative Movement.

The ROEC is hopeful that with the enthusiasm and dynamism as is evident at present, cooperative development in Indonesia will certainly have greater support and impetus.

# Cooperation and Youth

R. B. RAJAGURU\*

I shall make an attempt in this paper to take a brief look at the process of development, the way in which cooperatives have been able to contribute to this process and to see what new approaches and strategies will help cooperatives to play a more significant role. In this approach 'youth' will be treated not as a separate entity within any given society—but as an integral part of any society, but which requires special focus, in view of the way in which cooperatives have developed and also the way in which the very development process has taken place. What is being postulated is by no means a comprehensive thesis or a set of solutions, but merely to serve as a starting point for a meaningful and critical analysis of the issues before us.

All approaches to development generally try to ensure the best utilisation of the resources, and the maximisation of the benefits accruing to the mass of the people. The expectations of the people at large are that development would lead to a better life, with more goods and resources, better facilities for education, health, housing, transport leisure etc., and generally a feeling of security and stability. As many are aware, the approaches to development themselves have not been uniform with the approaches varying from open economy, mixed economy to centrally planned and controlled economies—the approaches being dependent on the particular political and economic ideologies to which the powers that be show adherence. This paper does not

intend to make any pronouncements in respect of the merits or demerits of the various systems—but will take a general look at the overall development approaches in the developing countries of the region and see what role, if any, cooperatives have generally been able to play.

Many of the countries in Asia were at some stage or other dependent colonies of one colonial master or the other—and it is a generally accepted observation that most colonial masters used the colonies sustain and develop their domestic economies. The conscious approach to national economic development in all situations began after the colonial states gained independence and set up their own national governments. In most situations in Asia, this happened around the 1940's and thereafter. The elite in many of the then colonial countries had their education and orientation in keeping with the traditions of the colonial masters who were mostly European and consequently most approaches to development planning and implementation used the European experiences, which by the early 50's included aspects of mixed economy approaches coupled with some element of centralised planning. The plan outlays brought into focus the necessary resources to implement the plan and measured its impact on the economy in terms of the increase in the Gross National Product (GNP) of the country. The exercise implied that if any particular country wanted to develop, it had to achieve at least marginal headway in its economic growth over the growth in population, and that as much resources should be raised

from domestic sources, as against external funding, both by way of aid and borrowings. It was assumed that economic growth achieved in this manner would generally lead to better life for all concerned. I must admit that what is stated above is a very simplistic view of planning and development—but this would give some indication of the general approaches made. Since the inception of approaches to development on a planned basis in the mid-fifties, many a plan has been implemented in each country, while enormous amounts of resources have been used and a tremendous amount of development has taken place in each country—developments in Industry, Transport Housing, Education etc. But the question that began to be asked in many a country, in many an international forum, in many an aid consortium, was whether in fact the visible development and increase in GNP has led to a better quality of life—and if so, how many share this better quality of life.

It is against this latter assessment of development, the measuring of the Physical Quality of Life (PQL), and the interest shown by the average persons in the development process that there is increasing disenchantment in regard to the approaches and their efficacy. It is an admitted fact, that notwithstanding tremendous sectoral development the number of persons below what is termed the poverty line has tended to increase or remain stagnant in many a country in the region. It is also a fact that development by and large has meant the development of a few as against the mass of the people—that the process

\*ICA Regional Director for S-E Asia.

has led to a class of tremendously rich elite while many are in abject poverty. It is also a fact that the development process supported by the more affluent countries of the "North" has led to their enrichment and to a position of dependency and poverty for the nations of the "South". The North-South cleavage thus exists both within the developing situation in each country and between the developed and developing countries. The 1980 World Development Report—gives the following figures in income distribution within countries. In Brazil the poorest 20% of the population apparently get 2% of the income and the richest 20% get 67%; for Malaysia the corresponding figures were 3% and 57% of income; for India 7% and 49%; for Great Britain 6% and 39%.

When you look at the global situation quoting from the same report, the average annual income per head of 18 Industrialised Countries in 1950 was US\$ 3841; that of 38 countries with the lowest income was US\$ 164 or about one twenty third of the industrialised. In 1980, the estimated average income in the former countries is US\$ 9684, while in the latter it is US\$ 245, or about one fortieth.

In the early 1970's the ILO estimate of "destitute" people was 700 million while today the World Bank says it is closer to 800 million, or about 40% of the population of the developing countries excluding China. They are said to live in "absolute poverty", "a condition of life so characterised by malnutrition, illiteracy and disease to be beneath any reasonable definition of human decency". When you take into consideration that a large proportion of the population in developing countries falls in the category of "youth", it can well be surmised as to how many youths are in this category, with the development process leaving them

more destitute and disadvantaged than before.

More recent thinking in regard to development, tends to think of development as "a process, which should stimulate a critical awareness among people as a basis for their involvement in self determined and self-directed action". The traditional approaches generally tended to make of the needy, passive recipients of benefits that trickled down from the various programmes initiated by a welfare oriented government—providing them neither the capacity, motivation nor the awareness of the need for active involvement in the processes of development.

What has been the role of the Cooperatives in this "development process? If we are to go by recent pronouncements on Cooperatives, and by the UNRISD studies done in the '70's the Cooperatives have failed to be an effective means by which those with limited resources could work towards an improvement in their life style—the general impression created by these studies is that cooperatives have been able to help the affluent but have not been able to assist the disadvantaged and the poor. Here, I would think that it would be useful to look at Cooperatives from the point of view of historical growth to assess cooperative performance in its proper perspective. The arguments, however, are not intended to be an "apologetica" for cooperative non-performance but are put forward in the hope that new approaches to cooperative effort may be made to enable cooperatives to be more acceptable and effective.

Cooperation in its modern concept was introduced to Asia by the colonial masters, starting with the cooperative credit society of unlimited liability, with the ostensible intention of relieving chronic-rural indebtedness among the

peasantry. The very nature of unlimited liability made it rather an "exclusive" organisation for the generally well to do in rural society while the way in which the societies operated led to trust and understanding among the membership—but did not necessarily lead to corporate community activity which would bring the membership together in the economic effort. Generally, the laws that were used also prevented the societies undertaking any activities not spelled out in the laws and the bylaws, except to limited use of the Education and Common Good Funds for limited social purposes. Individuals, using the Cooperative Credit Societies, who have improved their economic levels are considerable, but such success has been achieved through individual enterprise, using the credit cooperatives and its good faith to advantage. It is my view that if the cooperatives had the opportunity for natural growth in this fashion, they would eventually have turned out to be much more effective, member oriented economic and social organisations in time. Unfortunately for the proper development of cooperatives in many countries in Asia the world was convulsed with a second world war which had tremendous impact on the course of cooperative development. In many of the British Colonial countries, food distribution became a matter of primary concern and most governments sought to use the cooperative form of organisation to ensure equitable distribution of scarce commodities. This in itself would not have seriously affected the proper growth of cooperatives. Save for the fact that, any situation of scarcity leads to a 'Black Market' and cooperatives rightly or wrongly get tainted with sources of unscrupulous manipulation—notwithstanding yeoman service rendered in keeping the channels of distribution open. This situation also led to a more disastrous development, wherein some persons, at various levels of

leadership and operation, looked on the cooperative society as a place where one could make some 'quick' money and then strike out on one's own. It can be said, therefore, that the Cooperatives emerged from the Second World War with a mixed image—one of having done a difficult job well and the other tainted with some elements of corruption and double dealing. One other factor of significance is that many governments recognised cooperatives as a potential instruments for carrying out government policy. Thus when many governments concentrated their efforts on increasing food production at home, while maintaining the pattern of food rationing through cooperative channels, the governments began to use the Cooperative form of organisations to develop agricultural production and marketing. With the advent of independence, the role of the Cooperatives thus got firmly established both as an instrument of national policy and also a channel for the distribution of various commodities based on government policy. In some countries, the cooperatives were even elevated to the level of a distinct sector in the Plan documents and Cooperatives were called upon to achieve set targets within stipulated time periods. With this form of backing and support from government, commendable achievements have been recorded in many a country, with the cooperative form of organisation being used almost any economic development plan, be it in the fishery, industrial, handicraft, consumer or agricultural or any other sector—there is considerable evidence of significant achievements and also of failures—and also a general tendency to feel that cooperatives have grown, but the awareness of the people has not grown commensurately. It is generally said that in many countries we have a number of cooperative societies which may be good, bad or indifferent, but yet very few

countries have been able to progress to the level where it can safely be said that there is a Cooperative Movement within a country. In this context, a concept of a cooperative movement would imply that there is within the membership of individual societies, a conscious feeling of belonging to a larger entity with its own principles, ideologies and aspirations, towards the preservation and achievement of which, the membership as such would continuously endeavour, when one views the increasing control of bureaucracy and the politician over the affairs of cooperatives. In many situations, one would tend to agree that the type of awareness among the membership is still inadequate and cooperative performance is often ad hoc and perfunctory. For that matter in many situations, cooperatives survive because of specific government programmes and have not been able to build up sufficient inner strength and cohesion to survive if and when the particular government programmes cease.

What of Cooperatives and Youth? It must be said that the overall outlook of cooperatives in this regard has always been that youth are the future cooperators and that approaches must be made while they are still young to inspire them to future cooperative involvement. In this connection there have been several approaches, often government inspired, or at least backed by government to the development of school and university cooperatives, or cooperatives for the school leavers, or again dependent on government policy of setting up agricultural/cottage industrial etc. Cooperatives for Youth. Steps have also been taken by some countries, to introduce the subject of Cooperation into the School Curricula while many universities today offer Cooperation as a subject in their degree courses, or as areas of specialisation for Post Graduate

degree. No proper assessment has been made of these approaches to evaluate the impact of these programmes in producing cooperatively oriented youth who would like to either find employment within the cooperative sector or find cooperative approaches to solve their general economic problems—suffice it to say that in many countries, cooperative approaches to provide income generating opportunities to at least a limited number of persons, have proved to be of advantage to youth. Overall, the question may well be asked, have the Cooperative Systems in any given country, a conscious focus on youth and they have been able to win the confidence of the youth for cooperative effort? My view is that very few countries, if any can answer affirmatively—mostly because over the years, cooperative effort has not emerged out of a desire to meet local needs and aspirations, but have generally tended to support some centrally planned government effort—with the membership and the beneficiaries only being partially involved in the whole process.

What of the Youth themselves—whether they have been expressed to Cooperatives or not—do they have at least some faith in Cooperatives?—Would they look to Cooperatives as a possible means to solve their social and economic needs? The answer is difficult to find—but till recently, if one went by the age structure in the composition of the membership of cooperatives—the general picture was that of a preponderance of the more elderly, with only a few youth in membership and fewer still in leadership positions. Unfortunately for cooperatives and cooperators, in many countries of the Region, the cooperatives tend to suffer from hostile publicity wherein, the lapses in cooperatives are highlighted and the achievements played down. Cooperatives by themselves have not been effective enough in influencing media to



portray a better image for cooperatives, nor have they been able to find suitable fora to correct erroneous impressions. An image, as it prevails at present, would certainly not be attractive enough for youth to join in, in the cooperative effort or to think of cooperatives as even a second or third priority for employment prospects. In recent times there is said to be an increase in youth membership in cooperatives—but here again there are some who believe that this is more because the potential of the cooperative as a stepping stone to other avenues is being recognised—rather than for the intrinsic value of cooperative effort in itself.

What has been said earlier may show a tendency to emphasize the negative rather than the positive aspects of cooperative growth, while conceding the fact of growth of cooperative structures in many situations, greater emphasis would be made in the course of the paper to areas which have suffered by neglect; which have tended to minimise the spirit of cooperation even where the structures are sound. The cooperative by its very nature is an association of people, who think that cooperative effort can lead to the satisfaction of their social and economic needs. In the process of growth of cooperatives, for quite some time the emphasis was on its legal structure and economic objectives—with societies being able, under the existing laws, only attend marginally to social needs. This in itself tended to alienate the cooperative from the social environment in which it functioned. In the context of a developing economy, the cooperative at the village level happened to be the only people's organisation with a juristic personality and a fairly sound economic base and hence should have developed the potential as a forum for identification of needs, mobilisation of resources, planning of activity

which sought to satisfy the needs of the society and the utilisation of the corporate strength of the societies for socio-economic improvement. For a proper achievement of these objectives the cooperative would have had to function as the meeting point of diverse persons and opinions within the socio-economic environment. They would have then had the potential to make demands on external sources for assistance in implementing their programmes, designed to meet their needs. Unfortunately what really happened was the reverse; the planning and programming was done by outside agencies, the funding came by and large from outside sources and the cooperative became only the instrument for disbursement and recovery. Even the attempts at improving member awareness (often approached on the basis of member education) was a part of an external input, where what was "taught" generally depended on, not what the member wanted but on what the teacher could teach. The alienation of the member from the actual day to day operations and thinking of the society became all the more emphasized once cooperatives began to be amalgamated on the basis of plans and programmes of external agencies, who decided on norms to determine a society's viability and its capacity to support professional management. In a situation of this nature, it is no wonder that very few cooperatives have developed conscious policies on their own to meet particular problems within their social systems. Far too few are the number of societies which had conscious programmes to recruit youth or for that matter women, into cooperatives, to train them for leadership and accommodate at least some of them in the Board of Management. Far too few are the societies that allowed interest-groups to grow within societies and gave them necessary encouragement to improve their

particular interests—not unless these were imposed as a government fiat from above. The success of a cooperative, and its very acceptance would depend on good member relations and member participation—where the cooperative provides the necessary forum to discuss common and sectoral interests and helps in formulating and implementing programmes to help these interests. Effective people's participation is one way of ensuring member loyalty and help also in reducing bureaucratic restraints and adds substance to this belief that the sources of knowledge and wisdom does not necessarily depend on outside sources, that they can well emerge out of local effort. It is to this extent that cooperatives have allowed the thinking to outside sources that they have not been able to be responsive to their own needs. And this would be true in case of many activities, inclusive of activities pertaining to youth and women. In both these spheres there is government initiative already taken, but cooperatives by and large have not been able to respond. It would be seen that government approaches, especially in the case of youth, are in a sense time bound, as membership in youth cooperatives functions are limited by age. It would, therefore, be the responsibility of the general cooperatives to work towards closer collaboration with government effort to ensure that those who receive their initial orientation through specialised cooperatives limited to youth, find meaningful avenues of continuation of cooperative effort within the cooperative system as a whole. For that matter, it should be the endeavour of the cooperatives to provide suitable fora for youth activities within the existing cooperative to ensure that youth are not alienated from the mainstream of cooperative activity. Here it must be emphasised that any successful approach would depend not only on meaningful steps taken by individual

cooperatives, but also by their federations and in particular the National Cooperative Organisations—which should be the proper forum to establish linkages and collaboration with agencies concerned in this sphere at national level.

What is it that the youth expect and what can cooperatives do? It is certainly not possible to find an answer which can correctly portray the expectations of youth—the responses would vary from place to place and society to society, But in general we are at a critical point when traditional value systems have been eroded and seriously challenged and the parent or the community find it difficult to find satisfying answers to youth expectations, whose expectations have been raised both by education and exposure to outside situations by more effective media, and whose attempts to secure satisfying situation in are thwarted by the manipulations of politically motivated or economically corrupt society. Add to this, the average expectation of the parents that, if they are farmers, their children should do better—not return to the land and soil their hands—and many similar view points and the complexity of the problem can be at least moderately grasped. But, in this social milieu what really has happened, is that both parent, and the social organisations to which they belong in their own environment, have left the onerous task of finding solutions to external agencies and make little or no effort in their own locale to find at least some workable solutions, which in itself has led to the alienation of youth and the over emphasis on generation gap and inability to communicate properly. I would venture to suggest that there is definite role cooperatives can play in this regard, as it has the potential for action—it could be the focal point for identifying areas of action and formulating programmes, which of course would require considerable

assistance and guidance from external sources—especially from governments—but in addition to implementation of programmes, the cooperative—which would form the opinion forming body in a given social environment, the opportunity of influencing the respect and regard for established value systems, culture heritage, the work ethic, social commitments, dignity of labour and all other accepted norms which will help to reduce the feeling of alienation and help the youth to find an active position in the task of nation building. This does not mean, however, that this can be a lone effort by the cooperatives. The cooperative could be the focal point and coordinator of effort but it should be possible to draw upon the assistance of schools, universities,

other social organisations and religious bodies, who could provide the depth and dimensions, the cooperative by itself lacks. It would then be a joint social effort for social betterment.

All this may sound fanciful but I am sure, during the course of this Seminar we will come across numerous instances which would show that if a genuine attempt is made, it is not beyond the potential of cooperatives to provide a means of meaningful action for youth to contribute their best both for their own development and for the development of the society they live in. It is my hope that the examples we share will help us to inspire us and help us to intensify efforts and thus work for the greater benefit of the community at large. ■

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**ICA/SCC**

***Cooptrade Project***  
***—An Introduction***

**ULF F. BERGSTROM\***

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**The COOPTRADE Project**

**T**HE ILO/SIDA Regional Project on Strengthening of Inter-Cooperative Trade Relations COOPTRADE, began to function in 1978 as a result of a joint recognition by the International Labour Organisation and the Swedish International Development Authority on the importance of trade promotion between cooperatives in selected developing countries in Asia and their counterparts and others in developed countries, and also intra-regionally among the developing countries. Cooperatives in many developing countries in Asia have become more and more involved in the marketing of agricultural and other products. This increasing role has often led to a better price structure for both producers and consumers, as in the case of essential food products. With slowly increasing production the ambition to develop foreign markets has become an issue of major importance for many cooperatives in developing countries. Development of international trade constitutes an important means for cooperatives in order to raise the standard of living of their members, who mainly belong to the lower income groups in their countries.

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\*Trade Adviser, ICA ROEC.

**The first phase of the COOPTRADE Project**

At the initial stage of the project, ITC (International Trade Centre UNCTAD/GATT) was contracted to carry out a supply survey of cooperatively produced products export potential.

The supply survey was followed by a regional workshop in Singapore with 50 participants representing 15 developing and developed countries. The objective was to identify existing problems and opportunities in the different countries and to make general recommendations on a suitable working procedure. The regional seminar was followed up by a number of national seminars, with basically the same objective. The regional and national seminars were carried out during 1978-80.

A fellowship programme was organized for representatives from cooperative organisations in the region, including study visits to cooperative societies in Western Europe. The project team carried out a number of fact finding missions to cooperatives in various countries in the region.

The above activities resulted in a number of product studies and

initiated short-term consultancies in various areas, such as : management, product adaptation and export techniques.

A document entitled "Cooperatives with export and/or import potential in Bangladesh, Burma, India, Indonesia, Republic of Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Thailand" was published in November 1980 and later revised in November 1982.

At the final stage of the ILO/SIDA COOPTRADE Project, a training pack on export marketing was produced in collaboration with the ILO/SIDA Project on Material and Techniques for Cooperative Management Training, MATCOM, which was tested at a pilot seminar in New Delhi in December 1982 organised in collaboration with ICA ROEC, New Delhi.

**ILO/SIDA COOPTRADE Project becomes ICA/SCC COOPTRADE Project**

After the ILO/SIDA sponsored trade project COOPTRADE had been operating from Bangkok (ILO Regional Office for Asia and the Pacific) during four and a half years it was taken over by ICA with SCC financing in December 1982. The organisation of the ICA/SCC COOPTRADE project consists of a Trade Adviser, Ulf F. Bergstrom, stationed at ICA ROEC., New Delhi, who concentrates on the supply side in the region and a Trade Promotion Adviser, H Bjorn Jacobsen, stationed at SCC, Stockholm, who concentrates on the demand side. The general strategy is to identify products for which there exists a steady international demand and to identify cooperatives operating in these product sectors having reached the level of development where export marketing has become a priority. The main elements behind this strategy are selection, timing and continuity. Selection of the

right product groups, assistance when it is most needed and planned follow-up actions to ensure a continuity of trade activities. By this procedure COOPTRADE will best assist export oriented cooperative societies and organisations to operate on the international markets.

Among the services rendered by COOPTRADE are feasibility studies, problem identification, result oriented short-term consultancies, assistance in establishing trade contacts, specific training programmes in export marketing, etc.

#### Present status of the COOPTEADE Project

Prior to the formal take-over of the project and the transfer from Bangkok to New Delhi in December 82, preparations for a six month work programme based on analysis of previous working procedure and experiences was made. The pilot seminar in Export Marketing in New Delhi in December 1982 constituted the start of the new project.

During the first six-month period of 1983, 14 product studies were carried out. These were :

1. Twisted coir—Sri Lanka.
2. Tea—Sri Lanka, India, (Nilgiris, Darjeeling)
3. Handloom—India
4. Lace—India
5. Spices—Sri Lanka
6. Desiccated coconut—Sri Lanka
7. Outdoor furniture—Burma
8. Rubber—Malaysia

9. Frozen food—Singapore
10. Steel cabinets—Philippines
11. Rattan furniture—Philippines
12. Gem stones—Sri Lanka
13. Textile handicraft—Thailand
14. Frozen shrimps—Bangladesh

Five of the above product groups (handloom, desiccated coconut, outdoor furniture, textile handicraft, frozen shrimps) had been initiated by the former COOPTRADE Project, followed up by consultancy services (except for desiccated coconut).

The Handloom project was finalised during the spring of 1983, with the result that three cooperative handloom producers in India were presented with a new textile design programme and introduced to a number of European consumer cooperatives.

Pre-feasibility studies on a number of potential export oriented projects have been carried out.

1. Twisted coir
2. Tea
3. Out-door furniture
4. Rubber
5. Steel cabinets
6. Rattan furniture

The studies have included identification of suitable producers/suppliers, their general level of standard, technical competence, organisation and marketing experience etc., identification of potential overseas buyers and studies

of their respective demand, specifications, purchasing policies and procedure etc. Consultancies for the above projects are presently under preparation for execution within the existing budget period. The projects will comprise result oriented consultancies in order to overcome existing weaknesses in the present organisation, development of efficient marketing functions, assistance in establishing trade contacts and planned action programmes including specific training inputs. The objective is that a project will not be considered finalised until the recipient has established international trade on a continuous basis.

As all technical aspects of international trade is of great importance to the potential exporters with whom the project works a training package in export marketing has been produced for the project in collaboration with the ILO/MATCOM project to be used when suitable participants can be identified. Two courses per year are planned to be conducted.

The project has the ambition to keep in close contact with international organisations involved in trade development in developing countries, such as ILO, ITC, CLUSA etc. Of equal importance are contacts with organisations representing potential importers of products manufactured and/or produced by the cooperatives with whom the project works on behalf of, such as : INTERCOOP, NAF, OXFAM, UNICOOP, KF and other purchasing organisations of the developed world, cooperative as well as non-cooperative. ■

# *Agriculture and Cooperatives*

## *in Japan During 1982*

IWA0 YAMAGUCHI\*

### 1. Environment Surrounding Agriculture in 1982.

#### (i) *Low growth of economy prolongs*

THE growth performance of Japanese economy, which registered an average 8% annual growth rate in its GNP (at constant price or in real terms), has changed its tone to more mild level having gone through two oil crises. Thus, the growth rate for 1981 and 1982 was of the order of 3% level respectively, reflecting protracted process of recovery from the effects of second oil crisis.

#### (ii) *Slower decrease in active farming population*

Under the cloudy outlook of economy, the nation's employment situation also keeps stagnant with effective job offers / job seekers ratio remaining at low level of 0.6 in both 1981 and 1982, which kept well beyond 1.0 during the period of high economic growth. In this situation, off-farm employment opportunities for farm family members also keeps severe.

Under the circumstances, the population gainfully employed in agriculture is marking slower rate of decrease since after 1974, and according to surveys of prime

minister's office, the rate of decrease further lost moment to minus 3.6% and minus 1.0% in 1981 and 1982 respectively. A deeper look into the situation of occupational transfer of agriculturally employed

with 26,000 persons net gain in primarily farming population arising from occupational transfer, while the net result used to be an average annual decrease of 120,000 persons during the first half of 1970's.

This article is being published to provide background information on the Agricultural Cooperative Movement of Japan especially to the members of the ICA Council for South-East Asia and the various Sub-Committees who will be meeting in Tokyo in November, 1983.

work force reveals that an annual rate of outflow of people mainly engaged in farming sharply declined to the order of 100,000 persons in recent years as compared to more than 250,000 persons in the peak year of 1973. Meanwhile, the rate of inflow from off-farm jobs to primarily agricultural engagements is reversing its trend in favour of increase since 1979. The net effect of changes in two factors shows up

#### (iii) *Spending on foods growing more slowly*

The sluggish pace of economic growth is also having its effect felt on people's spending for foods. The nation's expenditure on foods and beverages at constant prices, as reported by the national economic accounts, has made an extremely lower annual growth rate of 1.9% during 1973 to 1981, while it used

TABLE 1  
General Economic Indicators

(Unit Ave. annual rate in %)

	1965-1975	1975	1978	1979	1980	1981	1982
GFP annual growth rate at conts. prices	8.0		5.2	5.3	4.5	3.3	3.0
Rate of complete unemployment					2.1	2.1	2.2
Jobs offered/job seeking people	1.73	0.59	0.64	0.54	0.73	0.67	0.60

Source : Economic Planning Agency "National Economic Accounts"  
Ministry of Labour "Monthly Survey of Work Force" etc.

\*Senior Executive Director, Central Union of Agricultural Cooperatives, Tokyo Japan.



TABLE 2  
Population Gainfully Employed in Agriculture

(Unit : 1,000 persons)

	1970-1974	1975	1978	1979	1980	1981	1982
Gainfully employed in agriculture	12,000	5,890	5,710	5,430	5,060	4,880	4,830
Annual % change		-0.3	-0.2	-4.9	-6.8	-3.6	-1.0
Occupational transfer from & into primarily agri. engagements							
into agriculture	100.1	94.3	124.8	80.2	95.2	103.9	
out from agriculture	222.9	145.0	144.2	76.1	99.1	77.7	
net change	-122.8	-50.7	-19.4	4.1	-3.9	26.2	

Source : Prime Minister's Office "Survey on Work Force": Ministry of Agriculture, Forestry and Fishery "Occupational Situation of Farm Household Members"

to expand at 6.3% per year during 1965-1973 period. The family incomes and expenses survey, which covers general households, also shows that home spending on foods grew by only 2% at constant prices in 1982, here again to reflect dull economy.

(iv) Pressure upon farm markets growing stronger

Under the difficult situations where off-farm employment opportunities for farm family members are increasingly more limited and demands for farm products are faced with stagnant growth, pressures from foreign governments centered around the United States of America are getting stronger to urge Japanese government to take more liberal stance towards farm importation.

While much progress has been made to open access to Japanese farm market as the number of residual farm products under import quotas has been reduced from 69 in 1961 to 19 today, farm import indices grew to 134.7 in 1982 with 1975 taken as the base

year certainly much surpassing the growth in domestic farm production whose index stood at 127.5 in the same year. As a result, the food self-sufficiency, ratio declined from 91% in 1960 to 71% in 1981 in terms of all foods, and the ratio in calory basis declined to 53%.

The United States, for her part, maintains virtual import restrictions on 15 farm products composed of

13 items for which the country obtained waiver privilege under GATT, 2 meat items and one item of residual import restriction. On the other hand, the U.S.A. criticises our country, which has reduced the self-supply ratio to a point where as many as 86% of the people feel uneasy about the future food supplies according to an opinion poll by the prime minister's office, for keeping 19 items under import

TABLE 3  
Consumption Expenditure and Family Expense on Foods

(Unit : Annual change in %)

	1978	1979	1980	1981	1982
Private sector consumption expense at constant prices	6.2	5.0	0.8	1.1	4.7
Family expenses at constant price		2.4	-1.2	0.2	2.4
Family expense on foods at constant prices	0.4	1.0	0.1	-0.8	2.0
staple foods	-3.2	-0.2	1.8	-1.1	-0.3
side dish items	-0.7	0.6	2.0	-0.2	1.8
fancy foods & beverages	1.8	0.6	-3.6	-2.1	3.4
eating out	7.2	5.8	-2.2	0.4	4.6

Source : Economic Planning Agency "National Economic Accounts", Prime Minister's Office "Family Incomes and Expenses Survey".

control. They have recently so hard-lined, on the matter and dared to bring, the cases to GATT. The special problems of agriculture being neglected, Japanese farms are threatened by strong winds of liberalization pressure.

## 2. Situation of Japanese Agriculture in 1982

### (i) Stagnant demand for farm products continuing

As described above on spending in foods, under the situation where the nation's expenditure on foods and beverages grew at an annual rate of 6.3% in real terms supported by rapidly growing economy, calory supply per person per day also increased from 2,290 Kcal in 1960 to the peak of 2,522 Kcal in 1973. During the same period, contents of food supplies also changed much; per capita net food supplies of rice and potatoes declined while those of meat grew to 3.4 times, egg, milk and milk products, fats and oils and fruits more than doubled respectively.

Contrary to the above, since when the economy has entered lower growth stage, the nation's expenditure on foods and beverages has grown at an average annual rate of 1.9% only in real terms, and spending in 1981 grew by 0.2%. Under the circumstances, per capita daily calory supply has never hit the previously established peak, while the basic trends in changes of components, with starchy foods decreasing and livestock products, fats and oils increasing their shares are in force. However, the pace of change is getting slow with most items halving, the pace observed during demand expanding period.

### (ii) Farm production double-hit by production controls and unkind weather

Farm production expanded along the line of selective expansion of

production at an average annual growth rate of 2.3% in quantum terms during 1960-1970 period when control of rice production had not been in force yet. However, since the early 1970's slower growth of production has become a trend, and average annual growth rate during 1970-1979 period has remained at 1.2%. 1979-1981 period registered minus growth rate of 2.7%.

The minus growth of more recent period is a result of a combination of factors including continued enforcement of rice production control which keeps

600,000 ha out of 2,800,000 ha of rice fields excluding ridges away from cultivation of rice; the single largest sector still accounting for 32% in total output value of domestic agriculture; the effects of unkind weather which hit our rice sector especially badly for the three consecutive years and brought cropping index down to a historical low of 87 in 1980, followed by 96 points of the next two harvests.

In addition, the sectors of selectively expanded production, of which development has been much encouraged till recently, such as

TABLE 4

### Demand for Agricultural Products

(Unit : Average annual change in%)

	1981	1965-1973	1973-1981	1981-1980
Nation's expenditure on foods & beverages at const. prices	—	6.3	1.9	0.2
Per capita daily supply of nutrition				
1. Calories (Kcal)	2,520	0.6	-0.1	0.2
Starch	1,242	-1.9	-0.6	-0.6
Livestock products	311	5.7	2.6	1.6
Sugar, fats and oils	590	5.9	0.6	1.6
2. Protein (grs)	80.7	0.9	0.2	0.0
Animal protein	39.7	3.3	1.6	1.5
3. Fats and Oils (grs)	72.5	4.9	2.5	3.6
Per capita annual net food supplies (Kg)				
Rice	77.8	-2.6	-1.9	-1.4
Wheat	31.8	0.8	0.4	-1.2
Vegetables	112.7	0.3	0.1	0.4
Fruits	38.9	5.5	-1.4	-0.8
Meat	22.6	8.1	3.5	0.4
Hen egg	14.7	2.7	0.3	
Milk, milk products	64.8	4.4	2.6	4.3
Fish and shell fish	35.1	2.0	0.3	1.4
Sugar	22.4	5.2	-2.8	-3.9
Fats and oils	14.6	6.7	3.5	5.8

Source : MAFF "Food Balance Sheet".

fruits, vegetables and livestock also have come to face with more sluggish demand expansion. Since around 1978 or 1979, expansion restraining planned production or production control has been enforced in these sectors also. As a result, the quantum index of overall agricultural production has plunged to minus growth.

(iii) *Agricultural output value plunged for four consecutive years*

Agricultural output in nominal terms rose at an average annual rate of 14.6% during the first half of 1970's supported in large part by the rise in agricultural prices. Output value, however, has much downed its pace of growth to an average annual rate of 2.1% since 1975 due to restrained rise in policy supported prices and glut inclined markets for general farm products. Especially the year 1980 marked a loss in agricultural output value again in nominal terms by 2.6% largely affected by the extremely poor rice crop as previously mentioned.

Under the circumstances, the agricultural production incomes, which are balances of agricultural output value after deducting expenses for material inputs, have ended up in minus growth for 4 years in succession since 1979 due to stagnant production and rise in input prices.

(iv) *Farm household economy faced with dull trend*

Total incomes of farm household consist of incomes from farming, incomes of off-farm jobs and social welfare benefits like pension allowance etc. Incomes from farming, as will be predicted from the foregoing have been stagnant since 1975. Incomes in 1982 decreased by 1.1% and again failed to recover to the level of 1978 in nominal terms.

TABLE 5

Quantum Indices of Agricultural Production

(Unit : Ave. annual change in %)

	Annual rate of change			Share of output value
	1960-70	1970-79	1979-81	1981
All sectors	2.3	1.2	-2.7	100.0
Land using sectors	0.9	0.3	-3.3	72.8
Rice	-0.1	-0.6	-6.6	31.8
Land using other than rice	2.1	1.2	-1.2	41.0
Upland crops	-7.3	-1.4	-1.4	4.8
Horticultural products	4.2	1.7	-2.1	16.7
Large livestock	5.8	2.8	2.0	11.6
Facilities intensive sectors	9.8	3.8	-0.8	27.2
Horticultural products	4.2	2.8	-0.7	10.6
Small-medium size livestock	13.0	4.2	-0.9	16.6

Source : MAFF "Production Indices of Agriculture, Forestry and Fishery", "Agricultural Production Incomes Statistics".

TABLE 6

Agricultural Incomes and Prices

(Unit : Average annual change in %)

	1975	1982	78/79	80/79	81/80	82/81
Agricultural output value	14.6	2.1	1.8	-2.6	4.3	0.1
Agricultural production income	15.6	-2.7	-5.5	-10.5	-1.7	-3.5
	1975-1979					
Overall producer prices	12.6	4.2	4.1	3.7	2.8	-1.9
Policy supported	13.6	2.0	—	2.4	0.3	—
Others	11.2	5.1	—	4.7	4.5	—
Farm inputs prices	12.7	2.5	5.9	11.7	3.2	-0.2

Source : MAFF "Agricultural Production Incomes Statistics", "Rural Prices and Wages Survey".

Off-farm incomes have been stagnant in growth, too, as wage increases have been more limited in the face of deteriorating off-farm jobs conditions since 1978 and marked only a small percentage growth each year.

As a result, total farm household incomes have grown on an yearly average of some 5%, and disposable incomes after tax by some 4%. This protracted situation is severe both to full-time and type I part-time farm households which derive 84%

TABLE 7  
Farm Household Economy

(Unit : Annual change in %)

	1982 (1000)	79/78	80/79	81/80	82/81
Farming incomes	943	-5.8	-15.5	1.6	-1.1
Gross revenue	2,532	—	—	—	—
Operational expenses	1,589	—	—	—	—
Off-farm incomes	3,926	8.8	8.3	6.8	6.3
Transferred incomes	1,177	—	—	—	—
Total household incomes	6,147	6.0	5.1	5.8	5.9
Disposable incomes	5,117	4.7	4.0	5.1	5.0
Family expenses	4,214	7.4	7.3	4.4	4.1
Economic surplus	903	-4.6	8.5	8.3	9.1
Bigfarm machines purchase	159	0.3	-4.1	-10.1	4.6
Year-end savings balance	12,128	12.8	12.2	11.9	10.5
Year-end debt balance	1,716	8.7	9.2	5.7	3.5
Rural consumer prices index		5.0	8.2	3.9	1.8

Source : MAFF "Farm Household Economy Survey".

and 65% of total household incomes from farming, and to type II part-time farm households which finance their family expenses by off-farm incomes.

Growth in disposable incomes are almost nil in real terms or deflated by the rising commodities price index. Farm households are tightening their consumption behaviour and investment in farming, giving adverse effects on domestic economy in rural parts.

### 3. Farm Policies and the Response of Agricultural Cooperatives —The Agricultural Development Scheme in Action

#### (1) Actions to block liberalization and quota expansion for farm imports

Faced with strong demands of the U.S. government to liberalize importation of beef, oranges and other farm products, our Japanese agricultural cooperative movement

has established special committees both at the national level and in each prefecture. The committees are making great efforts to earn understanding and support of consuming public with consent signature collecting campaign covering 10,000 thousand consumers etc., and to see to it that the government does not take decision in neglect of domestic agriculture and its problems.

The U.S. commodities trade balance with Japan is estimated to end up in U.S. \$ 20 billion deficit this year. If the Japanese farm markets for these items were made completely open, it would mean several hundred million additional dollars to the existing market (by U.S.D.A. estimate), and the additional exports could not offer a fundamental solution to the bilateral trade and economic adjustment.

The acts of enforcing the means, which could not be a fundamental solution, in neglect of losses likely to

be brought about on our farmers, are to use the agricultural issues as a symbol of the bilateral problem; an approach we cannot accept. Our movement will continue even greater efforts towards opposing the possible move to make farmers' sacrifice.

It may be additionally mentioned that it is the prolonged slump of our general economy which tends to generate export oriented economic growth pattern, leading to larger external frictions. That brings back repercussions in the form of pressure to open Japanese farm market. Our movement, therefore, makes repeated appeal to the government that they should alter the ways of economic management towards one which will lead the growth based on expanded domestic demand for our economy.

#### (2) Steps towards lower cost rice production being initiated

Japanese agriculture has made much progress in terms of productivity and international competitive capacity in such branches as pork, chicken meat and egg which do not require extensive use of land and therefore, easy to expand unit size of operation; fruits, vegetables and fresh milk for which freshness of the products is essential. In fact, with most of them, our agriculture maintains fairly high degree of self-sufficiency, though they are mostly freely traded items.

In contrast to the above, such branches as grains production which are highly dependent on availability of extensive land, have made slower productivity improvement and internationally compared price gaps have tended to become bigger. This coupled with the continued fiscal burden, has led to some severe criticism in the public opinion.

Demand, arising from such criticism, for more efficient and

rationalized agricultural administration and production. now, tends to cut short and lead to ungrounded criticism on agriculture and voices for market opening, which largely neglect specific nature of agricultural problems.

In the rice branch of our agriculture, which is still the main both in terms of production and food consumption, consumption demand is on gradual losing trend in the face of changes towards richer diversity of table meals; the price level for which our government procures rice is unlikely to be raised by substantial margins. In order to secure incomes for our rice farming operations and thereby preserve our rice culture, it is more urgent to raise productivity and reduce cost of production.

In our rice sector today, there exists a production cost gap of some 50% per unit of land as between larger operation and smaller operational units. Cost gap between the larger and average operation is also as big as some 20%. Centered around the lowering of machine cost and reducing of working hours, i.e. labour cost through enlarged scale of operation, reducing the cost of production.

Japanese agricultural cooperative movement is initiating from this year a campaign of three years to 1985 to promote cost reduction in rice production through intensive guidance to be given to model farms and group farming units, and through the demonstration effects.

(3) *Paddy fields use reorganization programme and efforts towards regional agricultural development*

In the face of growing gap between productive capability and demand for rice, the paddy fields use reorganization programme of some ten years which has been in



*Participants to an ICA Regional Seminar visiting a primary agricultural cooperative in Japan.*

force since 1978 and 1983 is the final year of its second term of three years. The task of finding and planting other crops on more than 600 thousand hectares of paddy fields in an attempt to secure agricultural income of cooperative member farmers is indeed great.

Replacing crops are susceptible to moisture damages when planted in fields surrounded by water logged paddy fields especially where lands sown to replacing crops are chosen by individual farmer's decision alone, rather than according to certain plants to group the pieces of land taking into consideration how the water canals run; individually diverted production is also not suitable from the view point of working efficiency as it means working on extremely limited space of land as also from the view point of marketing where it should mean, and in fact, it tends to mean shipment of small quantities to mass-handling markets. Introducing other crops on paddy lands, thus, means a complexity of problems for farming operations.

Unless new crops, to take part of the place of rice, the main crop

for many regions, are chosen on the basis of regional consent of certain degrees including regional discussion on more efficient use of land in the region, and unless farm guidance system of agricultural cooperative covering from production techniques to effective marketing is reorganized or consolidated to new directions of regional agriculture and promotions in these lines activated long-term set back of agriculture should be unavoidable.

Japanese agricultural cooperatives are in the process of implementing the agricultural development scheme adopted by the 16th national convention in October, 1982 so as to meet the challenge of paddy fields use reorganization as part of the activities to practice regional agricultural development plans they have either already formulated or under preparation now.

As for the third term plan of the paddy fields use reorganization programme to start in 1984, our movement is proposing, as pronounced in the development scheme mentioned above, that producing of rice other than for table rice purposes should be recognised and



given proper place in production. Policy measures in that direction might materialize in the third term plan of the government.

(4) *Nationwide planned production being promoted*

In the past, planned production largely meant in practice, actions on the part of producing centres or agricultural cooperatives geared to generate production response to meet with expanding market demands, i.e. expanded production plans for individual cooperatives. However, under the circumstances where growth of demand for agricultural products is getting more sluggish, a marginal excess of supply over demand tends to invite falls in prices and sales turnover.

In view of the above, Central Union of Agricultural Cooperatives has started since 1982 to collect schedules of production and marketing from all the cooperatives in the country, and to give go-sign or warning guidance based on prices and turnover estimates made according to the collected schedules. This new effort, while not like a production and shipment quota system based on legally binding forces like the marketing orders practiced in U.S.A. still aims to maintain or possibly increase marketing revenue, and to avoid negative economic results caused by unrestricted or in orderly production without calculating market trends.

As for commodities like oranges, small-to-medium size animal products, and fresh milk, whose supplies tend to be excess over demand easily and whose market prices, in fact, are soft over a period of time, more binding production planning and planned shipment systems of nation-wide scale have been instituted, in addition to the above efforts, and commodity-wise promotion of supply-demand adjustment is being practiced centered

TABLE 8  
Energy Supply by Protein, Fats and Carbohydrates

(Unit Share in %)

		Protein	Fats	Carbohydrates
Japan	1951	12.6	9.7	77.7
	1981	11.8	25.9	61.3
Appropriate ratios		(12-13)	(20-30)	(57-68)
U.S.A.	1978	12.5	44.1	43.4
	Appropriate ratios		(12)	(30)
Norway	1978	12.4	42.0	45.6
Sweden	1978	13.4	41.6	45.0
F.R. Germany	1978	11.6	47.2	41.2
France	1978	13.4	45.8	41.5
Italy	1978	12.9	36.7	50.4

Source : MAFF "Food Balance Sheet", OECD "Food Consumption Statistics"

Note : Appropriate ratios for Japan is quoted from "Nutrition Requirements of the Japanese" by Ministry of Welfare (announced in March, 1979), and that for Americans from "Dietary Goals for the United States" (1977) a report to a Senate committee.

TABLE 9  
Distribution of Wheat the End Consumers Pay

(Unit : Yen thousand billion; %)

	1970	1975	1980
Amount paid by end consumers	12.5 (100)	26.2 (100)	36.2 (100)
Domestic farm output value	3.9 (31)	7.5 (29)	8.1 (23)
Value of imported foods	1.0 (8)	2.2 (8)	3.0 (8)
Food processing sector cost	3.3 (26)	6.7 (26)	11.2 (31)
Distribution sector cost	3.1 (25)	6.1 (23)	7.7 (21)
Catering shops services	1.2 (10)	3.7 (14)	6.2 (17)

Source : MAFF "Input-Output Table centering around Agriculture, Forestry and Fishery Industries"; MITI "Input-Output Table of 1980 (extension)"

around agricultural cooperatives with support from the government.

(5) *Steps for increasing demands for agricultural products*

Nutrition intake of the Japanese has come to a satisfactory stage both in terms of calory supply level and PFC components of calories. The Japanese type of diets nurished in the process has the merit of being good to health in such a respect as not being excessive in intake of fats (especially of animal fats) as compared to Occidental food habits. The Central Union is promoting consumer education to see that the Japanese food habits take on firmer ground in our dietary lives, and at the same time to facilitate usage or consumption of foods produced on domestic resources.

Furthermore, in the light of the fact that rice consumption level is lower among the younger families, and that basic food habits are formed during infancy, our movement has much stressed that rice should be introduced on wider range in the school lunch menus and government policy measures should be taken to propagate its use. In 1982, more than 90% of schools practicing complete school lunches have provided rice on an average 1.7 days per week. Our movement has continued stressing

TABLE 11  
Membership of Multipurpose Agricultural Cooperatives

	Regular	Associate	Individual total	Average per society		
				Regular	Associate	Total
1961	6,045,270	776,794	6,822,064	554	72	626
1969	5,874,811	1,257,126	7,131,944	966	207	1,173
1972	5,838,122	1,566,179	7,404,301	1,064	286	1,350
1975	5,767,929	1,848,554	7,616,483	1,211	388	1,599
1978	5,691,379	2,066,834	7,758,213	1,255	456	1,711
1981	5,619,715	2,242,478	7,862,083	1,259	502	1,761

Source : MAFF "Statistics on Multipurpose Agricultural Cooperatives"

that fresh milk and fresh oranges be also introduced to school lunches.

(6) *Agro-forestry based small-scale rural industrial complex to be promoted*

With the off-farm employment opportunities and environments deteriorating for long, outflow of agricultural work force is reducing its pace: and this situation makes it necessary to increase labour absorbing capacity and opportunities for additional incomes within agriculture. Under the situation, the farmers share of what the end consumers pay for foods has been on decline to a level less than a quarter, in addition to sluggish growth in consumption expenses.

It is increasingly necessary to strive to maintain that part of the value of agricultural products which remains in or returns to producer by stepping into processing activities. The Central Union is initiating promoting works to develop small scale rural industry complex based on agricultural and forestry products. Now with the basic research and analysis on which branch of foods has possibility of demand expansion as processed foods, manuals for food processing on small scale will be produced by the end of this year.

**BUSINESS AND MANAGEMENT OF AGRICULTURAL COOPERATIVES**

Cooperative business and management performance is largely determined by environmental conditions such as situation and/or developments taking place in the general economy including financial situation, agricultural economy and farm household economy. These determinents are described in part I of this report in detail.

**1. Organization of agricultural cooperatives in 1982**

(1) *Number of primary cooperatives*

Number of primary level multipurpose agricultural cooperatives in

TABLE 10

**The Number of Primary Multi-purpose Agricultural Cooperatives in Japan**

March end		
1962	11,586	The Amalgamation Assistance Law came into force
1967	7,320	
1969	6,470	1st revised law expired
1972	5,688	2nd revised law expired
1975	4,942	3rd revised law expired
1978	4,657	4th revised law expired
1982	4,473	5th revised law expired
1983	4,373	

Source : MAFF "Current Number Statistics of Agricultural Cooperatives"

TABLE 12

## Business Performance of Agricultural Cooperatives

	(Unit : Annual change in %)					
	FY 1982 Yen 1,000 billion	78/77	79/78	80/79	81/80	82/81
Savings	31.7	11.6	12.4	9.6	9.7	7.6
Long-term	23.1	12.6	12.6	12.5	11.5	8.2
Loans	11.2	8.4	3.6	5.3	7.1	2.5
Mutual Insurance						
Long-policy	146.8	23.0	20.6	17.1	15.1	13.2
Short-term		41.6	54.7	30.5	36.0	n.a.
Marketing turnover	5.5	4.0	4.3	-4.5	1.9	3.5
Rice	1.9	-3.7	-1.3	-17.3	-0.9	5.6
Others	3.6	10.9	8.5	4.7	3.4	2.3
Supply turnover	4.7	2.5	11.5	11.9	4.8	1.0
Farm inputs	2.9	-0.8	12.1	11.4	3.4	-0.4
Consumer goods	1.7	10.3	10.0	12.9	6.9	2.8

Source : MAFF "Statistics on Multi-purpose Agricultural Cooperatives Central Union of Agricultural Cooperatives" Quick Report on Management of Multi-purpose Agricultural Cooperatives"

our country has been on the decrease for many years since the Law to Assist Amalgamation of Agricultural Cooperatives was enforced in 1961. April that year, there were 12,065 primary cooperatives and their number declined to 4,473 by the end of March, 1982 when the fifth revised law of the said law expired. After that, the number further decreased to 4,373 by the end of March, 1983.

## (2) Membership

The number of individual farmer members, classified as regular members, has been on gradual decrease since 1961 when the number was 6,040 thousand to today's 5,600 thousand as at the end of business year 1981. Individual associate membership, the status given to non-farmers in the area of operation of cooperative, increased to 2.9 times from 770 thousand to 2,340 thousand during the same period of time. The increase in membership of this category is explained in part by the shift of

status of some farm households which quit from farming, joining of farmers' sons who are not farming, and also by the increase in the number of residents whose number increased as urbanization made progress in rural areas where it became more common to observe mixture of farming and non-farming population, and facilities of cooperatives have come to be used more by the non-farming residents.

## (3) Size of a unit society

As a result of developments described in (1), (2) above, regular membership per cooperative increased from 554 to 1,256, while that of associates increased seven times from 72 to 502 and raised their share in individual membership from 11% to 20%.

## 2. Business performance of Agricultural Cooperatives

## (1) Credit

The balance outstanding, as at the end of business year 1982, of the savings made by the members with the primary cooperatives went beyond yen 30,000 billion, according to quick report on management of multi-purpose primary agricultural cooperatives. However, the growth speed of the savings is on downward trend slowing from an annual average level of 20% during the decades from the middle 1960's and the level of 10% during the latter half of 1970's, to single digit level after 1980. Further down on the trend, the growth during 1982 remained 7.6%.

This is explained in large part by the stagnant trend of farm incomes growth and resulting surplus position of farm households. In addition the cooperative share of farmer's

TABLE 13

## Shares in Rural Savings

	(Unit : %)		
	Agri. Coops.	Postal Savings	Banks
1970	62.4	1.08	26.8
1975	60.2	10.7	29.1
1978	57.9	12.3	29.8
1979	57.5	12.5	30.0
1980	56.0	13.2	30.8
1981	55.9	13.0	31.1
1982	53.9	13.3	32.8

Source : MAFF "Farm Household Economy Survey"

saving is being eroded as the money market competition is getting severer under the addition situation where the non-agricultural income, another source of saving money, constitutes more than 50% of the saving fund of farm households. Also on loan side of the credit business, growth is very sluggish in the deteriorated mood for consumption and investment on the part of members.

### (2) Mutual Insurance

In the same financial conditions of farm households as they surround the cooperative credit business, the growth in value of the long-term policies newly contracted has been slow since 1975. Under the condition, growth in value of the long-term policies outstanding at year end has been down on 10% level since 1980. Likewise, the cooperative share of insurance premia paid by farm households has remained stagnant at 44% level for some years.

### (3) Marketing

The cooperative marketing performance grew at an average annual rate of some 10% during the latter half of 1960's, and its growth has been hit by enforcement of rice production control in the early 1970's. Since 1978, when the marketing turnover of products other than rice has began to stagnate at single digit level due to lower growth of production in the face of weak market conditions, unkind weather hit rice production to keep the growth of turnover of all products below 5%.

### (4) Supply

During 1981 and 1982, deterioration in the willingness to produce on the part of member farmers came to surface, and this, together with tightening of family purse relating to consumer purchasing of member households kept the growth



*A farm guidance adviser giving technical advice on vinyl house cultivation of vegetables.*

of supply turnover down to 4.7% and 1.0% in these two years.

### 3. Income Position of Agricultural Cooperatives in 1982

#### (1) Gross business incomes

Gross business incomes of agricultural cooperatives, which are balances of business revenue minus

direct cost incurred in businesses, have shown slow growth these days affected by slow growth in the volume of cooperative businesses expressed in pecuniary terms. Particularly in 1980, the gross business incomes of the credit business branch, the largest source of financial surplus, marked a negative growth bringing current surplus to minus growth, both for

TABLE 14  
Financial Results of Cooperative Business

(Unit : Annual change in %)

	Gross Business Incomes					Administ. Expenses		Current surplus
	Credit Insurance	Market- ing	Supply	All branches	Total Persons			
1970	26.4	25.4	5.2	15.6	19.2	18.2	19.2	
1978	14.5	20.0	8.8	5.7	12.0	10.3	9.5	20.7
1979	4.7	17.6	7.2	11.8	8.9	8.6	7.8	10.8
1980	-5.8	13.2	-0.6	10.5	2.3	6.6	5.0	-12.0
1981	7.1	12.6	4.7	4.7	4.7	6.6	6.4	3.3
1982	12.9	11.5	4.0	0.5	7.6	5.2	6.1	11.2

Source : MAFF "Statistics on Multi-purpose Agricultural Cooperatives" CUAC "Quick report on Management of Multi-purpose Agricultural Cooperatives"

the first time in 30 years. causing the growth of gross business incomes of total business branches to remain at 2% level.

(2) *Business Administration Expenses*

As the gross business income has got stagnant in growth, growth of business administration expenses has been controlled centered around the personnel cost. However, for the two years of 1980 and 1981, growth in administration expenses outpaced that of gross business incomes, with the logical result of depressing the margin of current surplus, which registered minus growth, and cooperatives were made alert on possible management crisis.

(3) *More societies faced with deteriorating financial results*

Under the above situation, the number of cooperatives which experienced either (i) less current surplus than previous year, (ii) negative surplus this year while the previous result was positive, or, (iii) increase in loss than previous year jumped to 59% of all the cooperatives. Still in 1982, the percentage of such cooperatives was as large as 34%. The number of cooperatives with net current loss in 1980 was 89 which is some 2% of all cooperatives.

(4) *Stress towards Renovating and Strengthening the Cooperative Management Performance Initiated*

Environmental conditions surrounding the business and manage-

ment of agricultural cooperatives have become increasingly more severe as mentioned, and the basic tone of severity is expected to continue for long. In the light of the situation, the Central Union presented the picture frankly before the 16th National Convention of Agricultural Cooperatives held in October, 1982, and proposed that a new initiative be taken by all the cooperatives to renovate and strengthen the positions of business and management.

Agricultural cooperatives in Japan are striving to meet with the challenge in an attempt to rationalize and improve efficiency of cooperative management, and to give lives to their activities. ■

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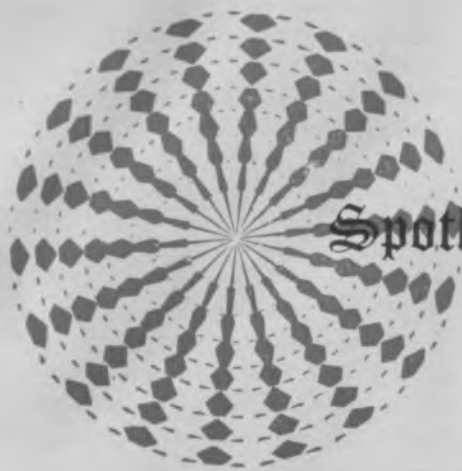
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Spotlight

# KERALA DINESH BEEDI WORKERS' COOPERATIVE (KDBC)

**P**AUL Lambert defines a cooperative as an enterprise formed and directed by an association of users, applying within itself the rules of democracy and directly intended to serve both its own members and the community as a whole. Success of a cooperative can be measured in terms of its ability to fuse in the relationship between members and the organisation to insure that goals of both are recognised and fulfilled. The most important aim of the cooperative movement is the promotion of social and economic rights of the people.

The Cooperative character connotes a set of objectives wherein the organizational goals and member user goals are unified through the instrument of cooperation. In other words, the degree to which the cooperative becomes sensitive to member development, would determine the extent of its cooperative character. In the final analysis, the effectiveness of a cooperative is to be judged against the yardstick of socio-economic development brought about by it in its operational sphere.

An analysis of the cooperative

\*Prepared by Mr. N. Mohanan, CMA,  
Indian Institute of Management  
Ahmedabad.

Source Credit : NCDC Bulletin, April  
1983 Issue, New Delhi.

character of Kerala Dinesh Beedi Workers' Cooperative (KDBC) from two major angles, viz; (i) Organisational Development and (ii) Member Development, is presented.

## Genesis of Formation

The KDBC set-up consists of a Central Society and 22 primaries affiliated to it. It came into existence in February 1969 due to the abrupt closure of prominent private beedi manufacturing units in the Cannanore district of Kerala namely Ganesh, Bharat, Durbar and PVS who were well entrenched in this trade. The chief motive behind their action was attributed to the decision of the Government of Kerala to implement the provisions of the Beedi and Cigar Workers' (Conditions of Employment) Act of 1966 in the State from October 1968. The legislation stipulated a lot of financial obligations on the part of the employers. The crux of the Act has been the abolition of the contract system of employment. In fact, this vicious system, was the pinnacle of exploitation of the helpless workers especially women and children who were at the mercy of contractors for employment. With the closure of the beedi units, more than 12,000 worker-families lost their means of livelihood all of a sudden. The plight of these families caught the attention of the

Government of Kerala which decided to rehabilitate the workers in the very same trade on cooperative basis. The Government provided working capital and deputed officials for implementation of the scheme. The Central Society and the primaries were to have nominated Boards of Directors. This has been done on the basis of proportional representation of trade unions depending on their strength in membership of the primaries. In this fashion, various trade unions got nominees in the boards of the primaries.

The basic objective of the Central Society has been to function on a commercial basis for the development, production, and marketing of the beedies produced by member societies. To achieve this end, it undertakes a host of functions like procurement and supply of raw materials, providing working capital and making arrangements for sale of finished products. The primaries are engaged in the manufacturing of beedies and maintaining of accounts. Drying, packing, labelling and bundling are done at the primary level. At each work centre a supervisor is appointed for every 100 workers to ensure quality of beedies manufactured. The KDBC has achieved significant progress in business during the past one decade. The business turnover, production

and sale of beedies and the number, of workers employed by it has increased manifold.

### **Organizational Development**

As regards organizational development the KDBC set-up has several innovative features which are in tune with the cooperative character of developing the sub-systems. Some of these are explained below :

#### **Purchase Rebate**

One of the novel features in KDBC's operational control mechanism over the primaries has been the system of purchase rebate. Under this scheme, rebate is paid to the primaries by the Central Society on a pro rata basis depending upon production of beedies in the preceding year. The method has been used as a lever for achieving financial control over the primaries. The funds thus ploughed back are used by primaries to give various incentives to the workers. A sum of Rs. 1.25 million was reimbursed to primaries as purchase rebate during the year 1980-81.

#### **Model Wage**

Beedi workers under KDBC system get maximum wage rate per 1000 beedies for this trade in the country. Wage is linked with the cost of living index. Current rate is Rs. 10.18 excluding other incentives. Inclusive of all other incentives (but excluding provident fund and gratuity) as sundry wages, national and festival holidays, leave wages, bonus, etc. the current wage rate is about Rs. 16.50 per 1000 beedies. To some extent, wages of beedi workers in the neighbouring states has been going up as workers there have started bargaining for higher wages and better service conditions taking clue from the KDBC system of wage payment. In this context, it could be stated that KDBC has become a trend

setter for enhancing wage rate of beedi workers in the neighbouring states.

### **Industrial Harmony**

KDBC's presence has made tremendous impact in developing healthy industrial relations in the region. It has been the pioneer to introduce trade union led participative management system in beedi industry. This has brought about tremendous attitudinal changes among the beedi workers towards fulfilling organizational objectives. Decision-making through consensus frame has become a source of strength in the organizational growth process. Intra-organizational conflicts are defused through evolution of conciliatory approach towards problem-solving. This pattern has a trickle down effect even in the private sector. The district which was once notorious for labour unrest has emerged as a model for others as regards healthy industrial climate in so far as beedi sector is concerned.

#### **Spread Effects**

KDBC, as a model beedi unit organised under the umbrella of the cooperative framework, has been gaining strength and popularity within the state of Kerala and in its neighbourhood, Karnataka is the other state which has taken steps towards cooperativisation of beedi industry on the KDBC pattern.

#### **Member Development**

Membership under KDBC system is open and voluntary. As such, it fulfils the basic tenets of cooperation. Member-organization interface in this set-up is direct. There is an emotional tie up between the members and their cooperatives. The major focus of KDBC from the very beginning has been directed towards member development. This is reinforced in a variety of ways in

its operational style. Some of these are described below :

### **Workers' Participation in Management**

Under KDBC set-up, the Board of Directors of the Central Society and the primaries are drawn from trade union cadres through nomination by Government on the basis of proportional representation. At least, half of these nominees turned out to be genuine beedi workers. This system of workers' participation in management brought up from below on a voluntary basis helped achieving both organisational goals and individual goals. Consequently, this has resulted in a 'consensus frame' of decision-making at the organisational plane. -

#### **Promotion of Thrift**

One of the cardinal principles of cooperation is promotion of thrift among members of a cooperative. From the inception of KDBC, a a thrift deposit scheme has been introduced for the beedi workers. According to this scheme, an amount of five paise per rupee of wages are to be collected from weekly payment of wages and credited to thrift deposit account of each worker. The amount of loans advanced against share capital contribution by the workers at the time of enrolling them as members has been fully adjusted out of the accumulated credit under their thrift deposit. As on 31st January 1982, the workers who could not raise even Re. 1 in 1969 have got an accumulated thrift deposit of about Rs. 10 million with their societies. This amount has been utilised by primaries to meet their working capital needs. Further, interest free loans upto 50 per cent of the workers' contribution towards thrift or Rs. 600 whichever is lower could be availed by each worker to meet certain specific purposes like house repairs, children's education, marriage and death of family members.

## Flow of Benefits

KDBC has been the pioneer to introduce several welfare measures to beedi workers. To start with, the 'contract system' of employment considered as a curse by workers was abolished. Further, the KDBC started implementing several welfare measures to workers conferred under the Beedi and Cigar Act. These included minimum wages, fixed hours of work, leave with wages, provident fund and bonus. In recent years, the KDBC has introduced two new schemes for the benefit of worker families : (i) Family benefit fund, under which each worker contributes Re. 1 every month to this fund. Whenever a death is reported, the Central Society would contribute Rs. 1000 to this fund and an amount of Rs. 5000 would be given to legal heirs. The scheme has been implemented since January 1977. As on 30th June, 1981, Rs. 1.21 million has been distributed to 243 worker families as per this scheme; (ii) Retirement benefit of Rs. 3000 is given to all those workers who volunteer to retire after 12 years of service. This scheme has come into effect from 1st January, 1982.

## Member Satisfaction

Member organisation interface is the crucial factor in the pace of progress of a cooperative. Member satisfaction is one of the primary criteria to gauge the efficiency of cooperative's performance. A look into Table 1 reveals that, by and large the workers of KDBC are a satisfied lot. This is reflected in their attitudinal profile towards organisational goals. It is significant that all the 30 workers of KDBC interviewed under a sample study expressed associative feeling with the organisation. Not surprisingly as high as 83 per cent of members were satisfied with the organisational set-up of KDBC. An

equal proportion of members expressed satisfaction with working conditions in KDBC. Majority of the workers (80 per cent) derived job satisfaction. An over-whelming proportion (87 per cent) of the workers of KDBC were aware of its financial strength. A vast majority (73 per cent) of the workers of KDBC believed in its ability to assist them. In the final analysis, as high as 77 per cent of the workers were satisfied with its overall performance.

### Worker's Perceptions Regarding Dinesh Beedi

Item	Percentage of workers' reporting
Associative feeling with the Organisation	100
Satisfied with organisational set-up	83
Believes in its ability to assist them	73
Satisfied with its overall performance	77
Satisfied with working conditions	83
Derived job satisfaction	80
Aware of financial strength of Dinesh	87

## Conclusions

The organizational set-up of KDBC amply demonstrated the fact that integration of individual goals with the organisational goals hold the key to organizational effectiveness. The success story of KDBC points to the fact that the cultural backdrop built-up through the ethos of cooperation has been its basic strength to face the onslaught of market competition. From organizational development point of view, the KDBC has several positive features to its credit. Its system of purchase rebate, model wage, consensus frame in decision-making

and spread effects are acknowledged merits in this framework. Workers' participation in management, promotion of thrift, flow of benefits to workers and members satisfaction were some of the features that are attuned to member development.

The operational effectiveness of KDBC system could be attributed to the three aspects ingrained in its operational style.

First, the cooperative framework helped bridging the gap between labour and capital from one of antagonism to that of harmony. This enabled it to build up solid foundation of copartnership, both in terms of capital formation and labour participation.

Secondly, the KDBC pursued a combination of integrated approach in its operational facets and functional autonomy to the constituents in respect of productivity and management.

Thirdly, the trade union led management system followed in the KDBC provided a setting for operationalising integrated management principles.

This neutralised areas of conflict between members and organization. Mr. G. K. Panickkar, Chairman of KDBC epitomizes its mission in the following words : "Our's has been an effort to develop a cooperative out of trade unionism at its climax. We feel that we have succeeded in inculcating the cooperative behaviour in the trade unionists. We have succeeded in our effort to make use of the trade union discipline to develop this organization".

## Implication

An objective methodology to gauge the effectiveness of a cooperative is a difficult task. However, certain general parameters could be spelt. From this perspective are : (i) self-reliance, (ii) self-help

and (iii) self-government. Looking through these criteria, the KDBC setting has succeeded in fulfilling the first two yardsticks of success. As regards the third aspect it is yet to break any new ground.

*(i) Self-reliance*

The saga of KDBC's growth reveals that over the years it has attained a high degree of self-reliance both in terms of capital formation and man-power development. It is now able to meet the entire working capital requirements out of its own funds. Primaries have their own paid employees as office staff. Further, each of the primaries is being treated as a profit centre from the angle of organizational entity. Incentive schemes like purchase rebate are linked with the operational viability of the primaries. In this fashion, seeds of self-reliance have been ingrained in the cultural ethos of the organization.

*(ii) Self-help*

Under KDBC set-up, the primaries are designed to perform as autonomous units. This is to encourage them to develop their self-help capabilities. However, due to the functional integration of the business activities between the Central Society and the primaries, a built-in dependency system has come to stay in the very organizational setting. What has been most striking in KDBC's operation relates to its effort towards inculcating the spirit of self-help qualities among its worker-members. The successful operation of the thrift deposit scheme is a clear testimony to this phenomenon. The spirit behind self-help through mutual help is clearly demonstrated in another activity. For instance, if one would visit the work centres, he could notice a peculiar situation wherein one of the workers would be reading newspapers for the benefit of all the workers in that centre. This helps

increasing awareness and better appreciation among workers about the socio-political events. The reader's service is compensated by contributing beedies by fellow workers so that he also earns an equal wage. This reading is done by workers, in turn.

*(iii) Self-government*

This is an aspect wherein democratic character of the KDBC has not been functional. Instead of elected Directors on the Board, representatives of diverse trade unions are being nominated by the Government. This practice has been continued since inception. It is contended that in case of election being held in the societies, certain trade unions

enjoying larger followers alone would get into the Board. This would lead to factionalism in the functional sphere and the holistic approach to managerial decisions through the 'consensus frame' would come to an end. On this phenomenon, the Chairman of the Central Society laments : "The election has to be conducted, but this is an enterprise in which the cooperation of each one of the trade unions, even if in minority, is required. One party alone cannot run the industry. We cannot treat this on par with election of a credit society, or even a panchayat. Here quality of stuff that we produce is the most important matter, and if a person works underhand, the whole thing would tumble down".

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*We welcome readers' comments on this story. Comments specially on the present method adopted by the society for constituting the Board of Directors, with suggestion how in a democratically elected board representation can be ensured for all sections of the membership would be useful.*

—EDITOR

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## Bangladesh

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### KAZI ABDUS SALAM ELECTED PRESIDENT OF BJSU

At the recently held elections to the Board of Directors of the Bangladesh Jatiya Samabaya Union, Kazi Abdus Salam has been elected President of the Union. Mr. S. M. Selim has been elected as the General Secretary of the Union. Messrs Salam and Selim have succeeded Mr. Ali Hossain and Mr. Golam Ali Quaderi as President and General Secretary respectively.

### INTERNATIONAL COOPERATIVE DAY

The Cooperators and Cooperatives of Bangladesh observed International Cooperative Day on 2nd July, 1983 throughout the country under the leadership of the Bangladesh Jatiya Samabaya Union (National Cooperative Union of Bangladesh), Sectoral Cooperative Organizations, and District Cooperative Unions. Publication of Special Issues of Cooperative Journals holding of Conferences and Meetings, discussion about recent changes and developments in the Cooperatives and current events and problems of Cooperative Organizations in different sectors at different levels were the main topics of discussion. The main function was organised by Bangladesh Jatiya Samabaya Union at Bangladesh Shishu Academy. Nearly 15,000 Cooperative leaders from different parts of the country attended the Conference. The Conference was inaugurated by the Chief Martial Law Administrator Lt. Genl. Hossain Mohammad Ershad, Mr. Mahboobur Rahman, Minister-in-charge of Local Government, Rural Development, Cooperatives and Religious Affairs, addressed the Conference as Special Guest. The Chairmen of all Apex Cooperative Organizations addressed Cooperators highlighting their achievements

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## REGIONAL NEWS ROUNDUP

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and future programmes. The Conference was presided over by the Chairman of the Union Mr. Ali Hossain. Chief Martial Law Administrator urged the Cooperators to play an effective role to make every village self-reliant. Mr. Mahboobur Rahman in his address to the gathering assured that the Government will extend all possible support and assistance to the cooperators and Cooperatives of the country to make the Cooperative Movement strong and self-reliant. The Chairman of the Union in his presidential speech assured that the cooperators will play their due role to build up self-reliant cooperative organizations as people's organisation to extend all cooperation to the Government Agencies to implement their development programme for increased production and building up self-reliant villages.

Immediately after the Conference a National Workshop on development of Cooperative Leadership in the Cooperatives was held in Bangladesh Shishu Academy. The Workshop was conducted by Mr. Rashed Mosharraf, Chairman, Bangladesh Jatiya Palli Unnayan Samabaya Federation in cooperation with the Chairman of the Union and Registrar of Cooperative Societies, Bangladesh. The Workshop discussed in detail the weaknesses and defects that hinder the growth of cooperative leadership in the cooperative movement. The views expressed by the Workshop were highlighted by the Registrar of Cooperative Societies, Bangladesh and he assured that he will take appropriate measures to overcome those defects. The Workshop was addressed by Mr. A. T. M. Shamsul Haque, Additional Secretary in charge of Ministry of L. G., R. D. & Cooperatives.

### NATIONAL COOPERATIVE HOUSING FEDERATION FORMED

The Bangladesh Cooperative Housing Federation was formed and registered with Mr. A.Z.M. Shamsul Alam, Registrar of Cooperative Societies, as Chairman of the Federation. The first Committee of Management has been formed with 18 Cooperators from different Cooperative Housing Societies. The Federation has become a Member of the Cooperative Union. The Federation plans to draw up development schemes for Housing and implement the same in collaboration with the Bangladesh Jatiya Samabaya Union.

### NATIONAL COOPERATIVE LAND MORTGAGE BANK FORMED

The Bangladesh Samabaya Jami Bandhaki Bank has been formed and registered with Kazi Abdus Salam as Chairman of the Bank with 17 Committee Members from different District Cooperative Land Mortgage Banks. The Thana Cooperative Land Mortgage Banks are being organised at Upa Zilla level and steps are being taken to re-organise District Cooperative Land Mortgage Banks as secondary organizations to cater to the needs of long-term credit for agricultural development in the country.

(A. K. M. Zahirul Haque)

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## India

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### TOP LEVEL CHANGES IN THE INDIAN COOPERATIVE MOVEMENT

In the recent months there have been several changes in the top level managerial positions in the



national cooperative organisations in India.

Mr. Vishnu Bhagawan, Joint Secretary in the Department of Cooperation, Ministry of Agriculture and Cooperation, Government of India, has taken over as the Chief Executive of the National Cooperative Union of India, in place of Dr. R. C. Dwivedi.

Mr. B. K. Sinha, Dy. Chief Director in the Department of Cooperation, Government of India, has assumed charge as Director General of the National Council for Cooperative Training of the National Cooperative Union of India.

Mr. M. H. Avadhani, a technocrat, has taken over as Managing Director of the Indian Farmers Fertilizer Cooperative Limited (IFFCO).

#### **IFFCO BAGS BEST PRODUCTIVITY AWARD**

The Indian Farmers Fertiliser Cooperative Limited (IFFCO), Asia's largest fertiliser cooperative and India's largest producer and marketer of fertilisers, bagged the Best Productivity Performance Award instituted by the National Productivity Council in recognition of outstanding productivity performance by its Kalol Plant during the productivity year 1982.

Mr. M. S. Reddy, Chairman, IFFCO, received the Silver Cup from Mr. N. D. Tiwari, Union Minister of Industry and President of National Productivity Council, on 19th August, 1983, at a special function organised in New Delhi.

The nation's 13% of nitrogenous and 27% of phosphoric fertiliser production is met by IFFCO by its three plants at Kalol and Kandla in Gujarat State and Phulpur in U. P.

State. During the cooperative year 1982-83, the fertiliser production of IFFCO touched an all time record level of 1.6 Million tonnes. Kalol Plant produced 400,000 tonnes of Urea achieving 101% of its rated capacity while Kandla Plant produced about 800,000 tonnes NPK attaining the capacity utilisation of 100%. Another Ammonia/Urea Complex is being established at Anola near Bareilly in U.P.

#### **KANUNGO COMMITTEE ON COOPERATIVE TRAINING AND EDUCATION COMMENCES WORK**

The Kanungo Committee on Cooperative Training and Education constituted by the Government of India has commenced its work. The Committee has been constituted in pursuance of the decision of the Central Council on Cooperation of the Department of Cooperation in the Ministry of Agriculture, Government of India. The terms of reference of the Committee are as follows :

- (a) to examine the relevance and effectiveness of the existing policies, programmes and administrative and financial arrangements of Cooperative Training and Education;
- (b) to evaluate the performance of the various schemes of cooperative training and education being implemented by the National Cooperative Union of India and the National Council for Cooperative Training respectively; and
- (c) to suggest measures relating to policies, programmes, structure, organisation, administration and finance for bringing about all-round improvements and raising the standard of Cooperative Training and Education and modernising the same.

## **Japan**

#### **33RD JCCU CONGRESS HELD**

The Japanese Consumer Cooperative Union (JCCU) held its 33rd Annual Congress in Tokyo on June 16-17, 1983, where 420 delegates and observers participated. Mr. S. Nakabayashi, the JCCU President, inaugurated the Congress. He stressed that cooperatives were expected to play a more important role in the community especially today when they were growing as a consumers' stronghold.

This year's Congress discussions highlighted the urgent necessity of new food additives. In response to this discussion, the Congress resolved to tackle this problem as the principal consumer issue during coming months.

Further discussions touched various problems on financially unhealthy coops., election of officers, regional integration, and cooperative insurance.

Mr. Sadao Nakabayashi was elected President of the Union, Mrs. Fumiko Takei (President, Shimouma Coop.), Mr. Hideo Sato (Managing Director, Kyoritsusha Coop), Mr. Akira Ikawa (President, Cooptrade Japan), and Mr. Isao Takamura (Vice President, Nada Kobe Coop), were elected Vice-Presidents.

#### **JCCU OFFERS ON-THE-JOB TRAINING IN JAPAN**

The Japanese Consumers Cooperative Union (JCCU) has agreed to offer five fellowships every year for on the job training in Japan for a period of one month. Persons eligible for training have to be full time employees serving consumer cooperatives as store managers or senior employees, with at least three years experience. They should

belong to such cooperatives which require and can make full use of the training received in Japan.

The candidates will be required to give an undertaking that they will continue to serve the cooperative movement for a period of at least two years after their training in Japan. Immediately on return from the training they will have to submit a written report on their training both to the JCCU and the ICA ROEC.

While the travel costs from the participants country to Japan and back will have to be borne by the trainees themselves or their sponsoring cooperatives, all local costs in Japan will be met by the JCCU.

Usually the training period will be in August every year. The interested movements should send their nominations to the ICA ROEC New Delhi by 15th May each year with the full particulars of their nominees.

This year, the JCCU has agreed to offer this training facility to five trainees—two each from Malaysia and the Philippines and one from Thailand in the month of January 1984 but in future training will be offered only in the month of August.

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## Malaysia

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### CHANGE OF POLICY PAYS OFF FOR MCIS

Malaysian Cooperative Insurance Society (MCIS) currently headed by a government appointed caretaker committee, has managed a commendable overall performance last year.

In a press conference held recently, Rural and National Development Minister, Dato' Sanusi Junid

announced that MCIS has increased its surplus income from life insurance business from M \$ 17.4 million in 1981 to M \$ 21.1 million in 1982, an increase of 21.3 per cent.

The increase from surplus was due to higher investment earnings in 1982. Investment income rose by 27.7 per cent from M \$ 13.7 million in 1981 to M \$ 17.5 million in 1982.

The higher investment was due to a change in the Society's investment policy last year, in which it decided to change its investment policies to those of an insurance company from those of a holding company.

Since the policy change, MCIS has sold off its investments in other industries, including its controlling stake in Hotel Jayapuri last year.

At the same time, the Society has increased its total assets from M \$ 210.5 million in 1981 to M \$ 238.8 million last year, an increase of 13.4 per cent. Overall premium income from life and general business stood at M \$ 42.5 Million in 1982.

### ANGKASA ORGANISES COOPERATIVE STUDY VISITS TO ASEAN COUNTRIES

Sixteen members of Fisheries Department of ANGKASA Malaysia and Committee Members of the East Coast Fishermen Corporation visited Indonesia recently, to observe and learn about the development of the Indonesian Fisheries Cooperatives, as a part of the study visit programmes to Asean Countries in the field of fisheries organised by ANGKASA.

They visited and studied auction and marketing of fish at Mina Jaya Cooperative in Muara Angke, KUC Makaryo, Semarang where they had built the ice-fabric industry, export

of prawn at puskud Mina Baruna and storage and ice industry in Jakarta.

Earlier, RISDA Cooperative had sent 31 members to Indonesia under the same programme. They had visited DEKOPIN, ACO, PERWANF (Women Organisation of Republic Indonesia), United Indonesian Batik Corporation, the Women Store and also to the Soyabean Processing Factory, VCU Bandung and Bandung Handicraft Cooperative.

Eight members of farmers Cooperatives had been to IDACA earlier to attend the joint Agricultural Seminar for one month. They included the state Chairmen and Secretaries of ANGKASA from Kedah, Penang, Trengganu, etc.

### THE FIRST NATIONAL WOMEN SEMINAR, 1983

One of the activities of ANGKASA is to organise seminars from time to time for women cooperatives and the women members of cooperatives.

The first National Women's Seminar this year was held at the Cooperative College of Malaysia from 1st to 2nd September 1983 in Kuala Lumpur, Malaysia, in collaboration with the Cooperative Development Department, LPP (Farmers Organisation Authority), LKIM (Malysian Fisheries Development Authority), and CUM (Cooperative Union of Malaysia).

The over-all aim of this seminar was to define the role of women in the cooperative movement and to exchange views and knowledge corresponding with the government policy. The theme of the seminar was "Women Cooperators Looking at East".

About 93 participants attended the seminar. They included board of directors, managers, secretaries, treasurers and ordinary members

from various cooperative organisations and development agencies in Malaysia. Mr. Yonezo Obara, the Chief of Better Living Section, Farm Management and Better Living Department, CUAC gave talks on "Better Living in Cooperatives".

The Minister of National and Rural Development of Malaysia inaugurated the seminar.

(Rabiah A. Rahman)

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## Nepal

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### TECHNICAL ASSISTANCE FOR RURAL COOPERATIVES PROJECT

The Asian Development Bank has approved a technical assistance grant to Nepal for the Rural Cooperatives Project.

The objective of the technical assistance study is to review the institutional structure of rural cooperatives, examine their performance potential, role and problems in the context of their role in the rural/agricultural development programmes of the country.

The study will include, among other things, formulation and evaluation of a specific investment project to meet the needs of the rural population, particularly the poorest section, together with proposals for implementation which will include measures to strengthen the cooperatives as institutions. Emphasis will be put on manpower development.

Up to the present, cooperatives in Nepal have been mainly involved in the channelling of short-term pro-

duction credit and in setting up delivery systems for various inputs but these are inadequate in terms of their economic viability and in relation to the demands made by the rural people.

To be conducted in two phases, the study will be carried out by a team of experts. Phase I will be done by two experts, one in the field of cooperative organisation, management and training, the other in banking, finance and accounting. Phase II will require experts in four fields. In addition to those needed in Phase I the two others will be experts in agro-processing and marketing and economic and financial appraisal.

The Department of Cooperatives, in the Ministry of Land Reforms, will be the Executing Agency for the technical assistance.

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## Sri Lanka

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### SRI LANKA COUNCIL INITIATES FOLLOW-UP ON NCOO WORKSHOP RECOMMENDATIONS

The Sri Lanka National Cooperative Council has taken the following follow-up actions on the recommendations of the ICA Sub-Regional Workshop on Strengthening of National Cooperative Organisations for More Effective Action held in Bangkok in January 1983 :

- i. A Flag Day was held to coincide with the International Cooperative Day (2nd July) as a fund-raiser. From preliminary reports reaching the NCCSL from

the Districts it appears that the 'Flag Day' was a success.

- ii. A Cooperative Exhibition will be organised in December 1983 to focus attention of Leaders of State and general public to the Movement.
- iii. A separate Division has been created in the NCCSL to devote special attention to Women's activities of the Sri Lanka Movement. The Head of the division will coordinate activities of the National Women's Committee.
- iv. To upgrade the skills of managerial level personnel in large primary cooperatives, three Regional Cooperative Training Institutes have been set up with the assistance of Swedish International Development Agency, SCC and the ICA ROEC.

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## Thailand

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### DOCTORATE CONFERRED ON KING OF THAILAND FOR ENCOURAGING COOPERATIVE DEVELOPMENT

His Majesty the King of Thailand was conferred a honorary Doctorate by the Kesetsart University of Thailand in recognition of his services for the development of the Cooperative Movement.

The University conferred the Honorary Doctor of Philosophy of Science on His Majesty on July 21, 1983. The King has helped implementation of Land Reform in the country and was instrumental in the development of many agricultural cooperatives such as Kladloug Agricultural Cooperative in Prajuobkeereekhan Province

(Podjanart C.)

## PRESERVATION OF AGRICULTURAL LAND URGED

DEVELOPING countries of Asia and the Pacific were urged to take steps for the proper preservation of agricultural land on the fringes of their cities.

"Urban land policies cannot be dealt with in isolation", said a report adopted at the end of an inter-governmental meeting under the auspices of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). "They should also consider the proper preservation of agricultural land since it is a matter of great concern throughout the developing world".

In Asia and the Pacific, agriculture is the backbone of most developing economies, with approximately 70 per cent of the region's 2.6 billion people engaged in agricultural production for their subsistence.

To halt the proliferation and expansion of slums in cities, the report of the ESCAP Committee on Industry, Technology, Human Settlements and Environment suggested the adoption of land and housing programmes within the broader context of growth-oriented policies so that the urban poor could increase their income and, thus, provide for their own housing needs.

Statistical data from ESCAP and other international sources indicated that six out of every 10 city dwellers faced the grim prospect of living in squatter settlements by the year 2000, unless current trends in the provision of housing for the poor could be reversed.

The week-long meeting attended by representatives from 21 countries affiliated with ESCAP, traced the growth of slums in the urban centres to inefficient land policies as well as

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to the failure of "mass-scale evictions or re-housing squatters without regard to affordability of the poor."

A sound urban land policy should ensure equitable distribution of land ownership and settling of land prices within the reach of the low-income groups, it said. A scheme providing for development of sites and services while at the same time allowing beneficiaries to construct their own houses, could help attain the goal of wider land distribution.

It likewise stressed the need for efficient use of urban land by developing vacant plots.

To help meet their housing needs the developing ESCAP countries, were also advised to give priority to research aimed at upgrading traditional technologies and indigenous materials streamlining building standards and development of low-cost dwelling designs.

### THE ECONOMIC AND SOCIAL COUNCIL PASSES A RESOLUTION ON COOPERATIVES

THE ICA, the largest non-governmental voluntary economic organization in the world, was one of the first three organizations chosen by the UN in 1945 to have consultative status with the ECOSOC, the Economic and Social Council of the UN.

At its last regular session in New York in May 1983, ECOSOC considered a draft report by Secretary General, J. Perez de Cuellar on "National Experience in promoting the Cooperative Movement" introduced by Mrs. Leticia R. Shahani, Assistant Secretary General for Social Development and Humanitarian Affairs with headquarters in Vienna, Austria.

Some members of the ICA having received the text of this report from the secretariat, requested their government to support it through their delegations in New York.

Several interventions were thus made in particular by Mr. Pekka Harttila, on behalf of Finland, Norway, Sweden, Denmark and Iceland and by the French, United Kingdom and United States delegations.

Following up on an intervention by the Director of the ICA, Mr. A.E. Saenger, at the UN Commission for Social Affairs (Vienna, February 1983) and in a remarkable statement distributed as official document to all government delegations. Mr. Wallace P. Campbell, ICA representative to the UN, underlined the position of the Alliance with regard to economic and social development. Suggestions were offered as to how the work of the UN in those fields could be enhanced by an appropriate utilisation of the resources and expertise available in non-governmental organizations such as the ICA.

The discussion of the Secretary General's draft report ended with a resolution being adopted in New York. This resolution reaffirms that "cooperation plays an important role in the socio-economic development of developing countries". It restates "the fact that the establishment and growth of cooperatives is one of the important instruments for the full economic, social and cultural development of all members of society".

It points out that "the exchange among countries of national ex-

perience relating to the cooperative movement plays an essential role in strengthening cooperatives for the benefit of their members and in overcoming difficulties in the development of various cooperatives".

It further points out "the important role that cooperatives in various sectors of the economy can play in improving the production, marketing and consumption of food with particular reference to special population groups".

The resolution also requests the Secretary General to submit a new report in 1985 which should be prepared in consultation with the non-governmental organizations concerned. Among other important points to be covered by this report would be the role of governments in the promotion of the cooperative movement.

#### **COOP LAUNCHES HEALTH PROMOTION FOR ADOLESCENTS**

**T**he Saskatoon Community Health Cooperative, Canada, has launched a health promotion programme for adolescents and their parents. The coop is assembling a kit that

provides information on nutrition, physical fitness, smoking, alcohol and drugs, mental health, and other topics.

The kits are designed not only

to present facts to encourage young people to make responsible decisions for conducting their own life styles. They also include a list of resource people available by appointment to adolescents or parents.

### **BHASKAR JOSHI PASSES AWAY**

**M**R. Bhaskar P. Joshi, 44, a former employee of the ICA ROEC and who was working



with Folksam Insurance Cooperative in Stockholm, Sweden,

passed away in Stockholm after open heart surgery on 9th September 1983. Mr. Joshi worked as Personal Secretary to Dr. S.K. Saxena when the latter was the Regional Director in the ICA ROEC in the late 60's. He then went to Sweden to work with Folksam. He had carried out several special assignments in cooperative insurance in developing countries on behalf of Folksam. He maintained close contact with the ICA ROEC and all his colleagues in the ICA ROEC will miss him very much. Upon hearing the news, a condolence meeting was held by his colleagues in the ICA ROEC to mourn his untimely death.

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## ***OUR VISITORS***

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#### **BO ENGSTROM VISITS ICA ROEC**

**O**N his way to Ahmedabad, India to attend the National Workshop on FED approach, Mr. Bo Engstrom, head of Cemas, Geneva, visited the ICA ROEC and held

discussions with Mr. R.B. Rajaguru and other staff of the ROEC.

Other important visitors to the ICA ROEC during the period include: Mr. A.J. Kidwai, Vice-Chancellor, Jamia Millia Islamia University, New Delhi, Mr. Beveridge, Consultant, Institute of

Mass Communication and Research, New Delhi; Mr. A.H. Khan, Director State Resources Centre, New Delhi; Prof. John Launder, Tutor, Co-operative College, Loughborough, UK. and Mr. Somenit Varanokanoyubol of the Asian Confederation of Credit Unions, Bangkok.



## ICA MEMBER-ORGANISATIONS IN SOUTH-EAST ASIA

### AUSTRALIA

Cooperative Federation of Australia,  
GPO. Box No. 1758.  
44, Young Street, Sydney NSW 2001  
Tel : 2315766 ; Telex : CFNSW 75303

### BANGLADESH

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Tel : 662750 & 662751 (COPUNION)  
National Agricultural Cooperative Marketing Federation of India Ltd., Sapna Building, 54 East of Kailash, New Delhi-110024. Tel : 681016, 683334 (NAFED) Telex : No. NFD-IN 31-3254  
National Coop. Consumers' Federation of India Ltd., 3, Siri Institutional Area, Panchshila Marg, Hauz Khas, New Delhi-110016. (KONFED) Telex : NCCF-IN-2111  
National Cooperative Land Development Banks Federation, Shivshakti, 2nd Floor, B. G. Kher Road, Worli, Bombay-400018 (BHUMIVIKAS) Tel : 395349  
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Telex : Zenno 222-3686  
IE-NO-HIKARI Association, 11 Funagawara cho, Ichigaya, Shinjuku, Tokyo. Tel : 260-3151  
Telex : 232-2367  
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 : 723-0021, 7252681  
Telex : NACOF K. 27421  
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Kuala Lumpur 02-12 Tel : 207044 (NALFICD)  
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Tel : 932935

### PAKISTAN

Mercantile Cooperative Finance Corporation  
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Tel : 67630, 62155-58, Telex : 5828 FELAB PK

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Sugar Cooperatives Development Institute of the Philippines Inc.,  
Rms. 211-213 Cuenca-Gonzaga Building,  
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National Association of Training Centres for Coops c/o FES, Suite 74, ZETA Building,  
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## 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 365 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.

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