

Background Papers Presented at the

Regional Seminar on

"Study Circle Methods"

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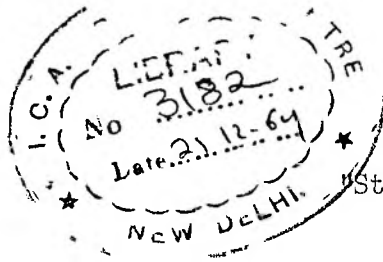
held at New Delhi, India

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"Study Circle Methods Course"  
25.1.1963

GROUP REPORT OF THE GROUP SET UP TO FRAME NATIONAL PROGRAMME (INDIA)  
ON STUDY CIRCLE ACTIVITIES

Chairman : Mr M.D.Joshi  
Secretary : Mr K.C.Jain

All the delegates from India constituted the group which also have had the benefit of the advice of Dr S.K.Saxena and Mr M.V.Madane. The group was of the opinion that in view of the effectiveness of the Study Circle Methods in the programme of Cooperative Member Education it is necessary to make at least a beginning in the direction of introducing the Study Circle activities in the Cooperative Societies in India. It was, however, felt that before the programme is undertaken on a large scale, the method of study circles should be tested on a pilot basis. The outline of the programme suggested is as follows:

I. Scope for Study Circle Activities in Indian Cooperative Movement.

It is considered that we should start the programme in some pilot areas where Cooperative Education Programme had already been in progress. In this country where training for members including prospective members, managing committee members, office bearers including secretaries is given, Study Circle activity, applied mutatis-mutandis, can supplement our work. This can also help us to increase the coverage and provide a convenient method of follow up which may result into intensive, self-directed and continuous process of education.

It was agreed that one project should be developed as rapidly as possible in each State. In addition the Union territory of Delhi may also have a pilot project. It is also suggested that the Study Circle activity may be introduced in the urban areas of Bombay, Calcutta, Delhi and Madras and a beginning may be made by organising 15 to 20 study circles on different subjects in each of these cities.

Area for locating the pilot project in a State:

The pilot project should be located in the areas which are (a) relatively advanced from the point of development of cooperative movement, (b) where cooperative Member Education work may have been taken up intensively, (c) the literacy level is comparatively higher, (d) the area is relatively compact and (e) District Cooperative Unions and the District Central Banks, business federations, agree to help in the implementation of the programme.

II. Tasks of National Cooperative Union and the Regional Cooperative Unions in the Study Circle Programme

In the opinion of the group the National Cooperative Union of India should have the following roles to play:

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1. Planning and Promotion of Study Circle Activity in the country,
2. Preparation of model study material,
3. Training of the staff of the State Cooperative Unions in the preparation of study material etc.
4. Collaborating with the State Cooperative Unions and other agencies for implementing the study circle activity,
5. Periodic review and evaluation of the programme.

#### II.A. Role of the State Cooperative Union

Implementing the programme of study circle activity in all its phases and especially in the matter of:

1. Guiding the societies in the matter of selection of group leaders and arrange for their job training,
2. Adaptation, production and provision of study material and maintaining the communication with the group leaders.

#### II.B. Role of the Primary Society in Carrying out study circle Prog.

The group felt that the primary societies will have the following role in organising the study circle activities.

- i. Selection of group leaders,
- ii. Making arrangements in connection with the holding of the meetings of the study circles,
- iii. Provision of small funds for meeting contingent expenditure of meetings.

#### II.C. Training of Group leaders for study circle activities

Training of group leaders will have to be arranged at the cooperative training centres or somewhere similarly suitably equipped places. The training can profitably be imparted by the lecturers of the training centres and selected cooperative educational personnel who in turn should be given specialised training by the NCUI before they could be put on the job.

#### II.D. Financial Requirements for the Suggested Programme

The group feels that the programme of organisation of study circles should be developed with the long term objective of making it self-supporting through the contributions of primary societies.

Very heavy additional finances may not be necessary in the initial stages. Much of the needed finance could be had if the programme is accepted, by readjustment of the existing financial resources.

#### Assistance From the International Cooperative Alliance

The group feels that the ICA could help the programme through the National Cooperative Union of India in the matter of planning and production of the materials, specially that may be needed by the teachers and guides and such other technical guidance which the ICA may be able to provide.

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ICA Education Centre  
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New Delhi.1

"Study Circle Methods Course"  
22nd January 1963

### STUDY CIRCLE METHODS IN SCANDINAVIAN COUNTRIES

A study circle usually consists of about ten members meeting weekly or fortnightly intervals over a specified period in order to study a topic agreed in common. The topic is studied with the help of a book and the study guide specially prepared for it.

The study guide is divided into a number of sections each dealing with a different aspect of the topic under study. Sometimes, special study material is prepared to deal with the topic. It contains matter of the topic, discussion points and some questions to be answered. The answers may be written by group as a whole and sent to the teacher working at the Central organisation for corrections. The teacher returns the reports with his comments, to the group.

The study circle has its leader and a secretary. The leader may lead the discussion, encourage participation by the members and conclude it. The secretary arranges for the group meeting, writes the group report and may help the leader in keeping contact between the group and the central organisation. The group may choose its own leader. It is not necessary that the leader should be an expert of the subject. But he is however expected to have more knowledge than other members.

The experts and the ordinary members are brought closer through the study circles. The experts of the subject may write the study material on the topic, the teachers at the central organisation edit it, make it more readable for the members, put points for discussion and questions to be answered by the members of the group. The questions may be of essay

The material is well illustrated and the format is very attractive. The course sets are sold to cooperative societies or members. The cost of sets covers all the fees for services.

The cooperative section prepares material for one year ground course and runs courses for the cooperative personnel as well. The school collaborates with Vår gård, the cooperative college run by KF in running the educational programmes for cooperative personnel. The former prepares study material for the latter.

The Cooperative College (Vår gård) Training courses for the teachers of study circles are organised at Vår gård and financed by KF.

The Correspondence School (LTK) of the Agricultural Cooperative Movement.

In 1943, the Federation of Swedish Farmers' Associations, founded the school in order to supplement the education given in professional agriculture schools. The school also gives instructions to housewives in domestic economy through individual teaching or group study i.e. study circles. There were about 42,000 pupils in the school in 1949-50.

The workers education associations, the trade unions, the local cooperative societies and temperance movement also run study circles on varied topics, in Sweden.

NORWAY :

The People's Correspondence School (Folket Brevskole)

The first body to take up the study circle method in Norway was IOGT which in 1911 appointed a special leader for all the work with study circles within its organisation.

Norwegian League of Youth started study circles in 1922. The Workers' Educational Association founded in 1930, used study circle method. (400 approxi. circles)

Now the following other organisations run study circles as well:

The Norwegian Housewives Association.- 438 approved circles.

Norwegian Union of Total Abstainers

State Education in the Armed Forces and the Merchant Marine - through study circles.

People's Correspondence School - 727 study circles.

Agricultural Correspondence School - 370 correspondence circles.

Norwegian Correspondence School - 353 study circles.

In 1932, Joint Committee for Study activity was formed, arranged for the training of leaders. Its other functions are:

1. Printing of syllabuses
2. International Cooperation
3. Studienyt (Study News)

FINLAND :

Finland's Progressive Cooperative Movement and the Cooperative Union has a Correspondence School. It runs varied types of courses involving study circles. The individuals are given certificates at the end of the Course. These courses are generally for the Cooperative Personnel.

DENMARK :

A.O.F. (Worker's Education Association) has a correspondence school which run courses on different subjects including cooperation. As the tradition of folk high schools and the residential courses is strong in this country there are not many study circles of the Swedish types.

Dharam Vir.

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New Delhi-1. (India)

"Study Circles Methods Course"  
25th January, 1963

GROUP REPORT OF THE FOREIGN GROUP REGARDING NATIONAL PROGRAMME  
ON STUDY CIRCLE ACTIVITIES

Chairman : Mr Mokhtar bin Bahaiddin  
Secretary : Mr G. Ramaswamy

Frame of Reference

1. Scope for Study Circle Activities in your Cooperative Movement.
2. (a) Tasks of National Cooperative Unions and the Regional Cooperative Unions in the study circles programme.
  - (b) Role of primary society in carrying out study circles programme.
  - (c) Training of group leaders for study circle activities.
  - (d) Financial requirements for the suggested programme.

After having the views of the participants from East Pakistan, Ceylon, Singapore and Malaya, the Committee was of the unanimous opinion that there are scopes for study circles in all the countries as mentioned above. The implementing of the study circle programme could be undertaken by the National Cooperative Union and Regional Cooperative Unions for they have financial resources and the personnel which primary societies do lack.

One of the countries in South and South East Asia which has undertaken the task of organising the programme is Ceylon, but unfortunately, it is still in the stage of infancy.

In East Pakistan the Cooperative Union prepares the study material for the study circles programme and journals are printed in Bengali and English.

To meet the task of organising study circles programme the National Coop. Unions are recommended to employ specialists and to encourage its members for the production of study circle materials such as study guides, special study materials with emphasis on cooperation and relevant audio-visual aids.

The topics to be undertaken initially should be:

- a. "Why Cooperative Credit"
- b. "How much could one gain through Consumer Cooperatives"

It is the opinion of the group that for the present moment the above mentioned topics should be used as experiments to gain experience for future developments and the National Cooperative Unions should undertake to persuade the Regional Cooperative Unions to distribute the study materials to primary societies. It has also been suggested that study circles periodical should be prepared when the programme goes on smoothly. The relevant answers to the study circle materials should be sent to the National Cooperative Union which initiate the course.

The role of primary societies is to organize as many study circles as possible so that materials obtained from the National Unions could be used widely, and efficiently. The responsibility of organizing the study circles at primary society's level be vested, if possible, to a sub-committee on cooperative education. If this is not feasible, one member of the primary society's management committee should be made responsible. The functions of the management committee or educational sub-committee would be:

- 1) To select members for group leaders for training
- 2) To request/enquire materials from the National Unions.
- 3) Preliminary work for executing study circle activities.

The members selected to be group leaders for study circle activities should be given facilities for training at the cooperative college or institutions wherever such facilities exist at National or Regional level. The period of training should vary from two weeks to one month according to needs. The course should be residential and the ideal number of students to attend should be between 10 to 15 persons.

Production of study materials, necessary equipments, together with publicity materials and remuneration for teachers and specialists employed by the National Cooperative Union for the Cooperative Education Programme should be met by the National Union. The expenditure incurred for the educational purposes etc. should be recovered, partly, from the proceeds of sales of study materials,

The rest of the funds required to meet this expenditure ought to come from within the movement itself, either directly from local societies or indirectly through general contributions by the local societies to the National Cooperative Union. Should the need arise external sources such as Government and other International organizations may be approached.

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ICA Education Centre,  
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New Delhi.

CONFERENCE ON STUDY CIRCLE METHODS

Conference on Study Circle Methods held at New Delhi  
between January 21st and 27th, 1963.

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The group agreed on the importance of the study circle method in providing intensive education to the active members of the Cooperative Societies. These active members who usually belong to the opinion-forming groups in their societies will thus get qualified for rational decision-making in the Parliamentary meetings of Cooperative Societies and the Movement. Also, they constitute a pool out of which future leaders in the Movement would emerge. The study circle method has been most effectively used in Sweden and other European Movements, and has also proved its usefulness with suitable adaptation in the Commilla project in East Pakistan.

It was recognized that overwhelming emphasis in Cooperative Education programmes on organization of regular courses for members does not ensure continuity of education work and produces only a very superficial impact. A phenomenal number of teachers would be required if Cooperative education programmes were to be based on educational courses alone. Compared to this study circle method is very economical in the sense that it helps to reach a large number of members with relatively few teachers employed at the national level. The group recognized that this kind of selective approach would yield maximum results. So far as the rest of the membership was concerned they could be reached through other educational media such as films, cooperative press, radio, etc.

The conference agrees that, to start with, experimental programmes of study circle activities should be undertaken by the National Cooperative Unions as part of the member education work. These experiments could be carried on in collaboration with the ICA Education Centre. The Centre would serve as a coordinating body for the different experimental activities. A special pilot project could be started in India in direct collaboration between the National Cooperative Union of India and the ICA Education Centre, so as to provide experiences which can be made available to the other National Cooperative Unions in the Region.

The conference recommends that the experimental study circle activities should be undertaken only on the basis of specially designed study material, and under the guidance of teachers trained for the purpose. Based on the discussions during the conference, concrete plans for such teacher training should be worked out by the ICA Education Centre and presented to the National Cooperative Unions.

The production of model study material started by the ICA Education Centre should continue, and the possibility of its adaptation for use at the national levels be carefully investigated. As and when the study circles become a regular and important part of the national member education work, each National Union itself must become responsible for producing adequate study material, as

well as arrange for its distribution. When selecting the subjects for study circles and producing suitable study material, it should be realized that Cooperative Education work must be directly related to the practical tasks and problems facing the Cooperative Organizations and their members. Such a practical approach will necessitate close contacts between the Cooperative Unions responsible for the education work, and the Cooperative trading and banking organizations, in order to ensure that factually adequate material is brought out.

In order for the experimental programmes to become successful, training of group leaders must be organized by the National Cooperative Unions. This should be recognized as the first responsibility of the teachers who are to guide the study circle activities, and must therefore be borne in mind when the teacher training programme is being planned. Existing facilities such as Cooperative Colleges and Cooperative Training Institutes should be fully utilized for the group leader training. The conference recognizes that the success of any education programme, perhaps particularly study circle activities, will depend upon the extent to which active responsibility is assumed by the primary cooperative societies. It is therefore necessary, already from the start, that the selection of group leaders and the organization of the local study circles is done by the societies themselves. Similarly, the financing of the programme should, in so far as possible, also actively involve contributions by the local societies, for instance, by their purchasing study materials, taking care of paying honoraria to group leaders, making available meeting rooms etc.

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Education Centre,  
Canning Road,  
New Delhi.

CONFERENCE ON STUDY CIRCLE METHODS

January 25, 1963

Report of Study Group on Question No.1.2 and 1.3 in the  
Discussion Guide to the Book "Cooperative Leadership in  
South-East Asia".

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1.2 Discuss why indigenous cooperative leaders are indispensable  
if the tasks of cooperative organizations include development of human beings.

In the first meeting of this study group, the group came to the conclusion  
that it is important to search for local cooperative leaders who, when trained,  
will take over leadership tasks from the government officials. Taking this as the  
basis for today's discussion the group went on the list why indigenous cooperative  
leaders are indispensable if the tasks of the cooperative organization includes the  
development of human beings.

The following points were involved in the "development of human beings".

1. Working together to reach common goal.
2. Sense of responsibility towards each other.
3. Mutual help and self help
4. Respect and regard for others' views and welfare
5. Democratic functioning
6. Self-reliance and self-sufficiency.

In short the cooperative ideology aims at the development of social  
and economic aspects of human life through the means of developing the human  
faculties enumerated above.

This being the aim, the local cooperative leaders can be the best suited  
agency for this task, especially because:

1. Local leaders have got a greater awareness of the local  
conditions, needs and problems.
2. Local leaders are best acceptable to those whom they are expected to lead.
3. greater involvement of the leaders in local problems adds to their  
effectiveness.

Government or other outside leaders are sometimes helpful but the fact  
that they later on involve themselves in various vested interests makes their  
presence embarrassing. It was also suggested that the very basic conception of  
government makes it suited more for control than for guidance.

It was also suggested that local men will have the welfare of the  
society more at heart than any outside leader. On that account they would  
avoid making risky suggestions or introduce risky reforms.

Moreover government officers, in their zeal to show quick results adopt short-cut methods and by pass the healthy means which cooperatives aim at.

Q.1.3. Discuss how the functions of leaders change with the development of the cooperative movement.

Ans. The group first discussed and listed the various stages in the development of a cooperative society as well as the development of the cooperative movement. It was felt that broadly the development can be divided into the following stages.

1. Initiation: It will include the understanding of the local needs, creating an awareness among the public to the needs and suggesting solutions to be immediately followed by organizations.
2. Stabilization: In this stage the societies may be faced with the problems of membership apathy which can be tackled by member education programmes. This stage may also need specialist approach to the organizational tasks.
3. Developmental: In this stage the societies may feel the need of major changes in their set up as well as the need of organizing secondary associations. They may also feel the necessity of having a pool of expert knowledge at the apex level.
4. Another stage in the life of the cooperative movement may be "depression or crisis".

The functions of the leaders of the cooperative movement would naturally be in conformity with the requirements of the stage at which the movement at a particular period of time is. In the first stage of the development leaders may have to prepare themselves for carrying out propaganda for the movement. In the second stage they may have to equip the movement properly for carrying out education of the members at an extensive scale and also to do something for the training of the office bearers and employees. In the third stage the leaders may have to pay special attention towards the education of the members and also equal attention towards training of the office bearers and employees.

The leaders may have to play a special role at the time of depression or crisis. They will probably have to stick to their posts, face the crisis boldly and be able to retrieve whatever is left back.

The leaders have thus to adopt themselves accordingly as the needs of the movement require them.

Mr. T. T. Thomas  
Secretary.

Mr. R. D. Bedi  
Chairman

TECHNIQUES OF STUDY CIRCLE ACTIVITIES (WITH SPECIAL  
REFERENCE TO INSTITUTIONAL FRAME WORK, FINANCE, FOLLOW-UP ETC.)

Study circles, centrally organised, have been of great value to some of the cooperative movements in Western countries. The important consideration for organised study circle activities is that any subject which is meant to be understood by members of cooperative societies needs be discussed on a systematic basis. Hence it is necessary to provide the members with study material, guidance and advice on various aspects of problems from time to time. This could be done only by a centrally organised agency equipped to undertake such activity.

The need for organised study circle activities is more urgent in South East Asian countries owing to the following three reasons:

1. Lack of local initiative,
2. Lack of resources,
3. Absence of able leadership.

The primary cooperative societies in this region have not so far been able to carry out even the minimum responsibilities which they are expected to carry out towards their members. Hence, for sometime to come the initiative for organising, planning and carrying out education programmes, will have to rest with the central cooperative organisations. However, ultimately the responsibility will have to be gradually shifted to the local societies. At present the societies are also not able to plan and carry out educational programmes owing to lack of financial resources.

The agency which could carry out study circle activities on a planned basis could be the national cooperative unions or the regional unions in this region. These unions usually have their own educational programmes and study circle activities could be made a part of these educational programmes. The cooperative union could create a section within their institutional framework and make some persons responsible for study circle activities. These persons should have experience of field work in various fields of the cooperative movement and also be able to plan study circle activities, follow it up and produce material for such activities.

The following services will be required to be rendered by study circle section of the cooperative unions:

1. Supply of study material,
2. Training of group leaders,
3. Examination of replies from the societies and comments thereon,
4. Organisation of discussion on study circle subjects through the radio,
5. Production of visual aids to supplement the reading material,
6. Publication of the journal on study circle activities, and
7. Periodical evaluation of the study circle programmes.

With a view to enable the cooperative unions to render these services effectively, it would be necessary for them to engage a group of teachers for production of material and examination of replies and giving

comments thereon. The arrangements for training of group leaders could be made at a suitable cooperative training centre functioning in the country for which the study circle activities will be planned. The planning of the programmes to be broadcast through radio could be done by teachers employed for these activities. The work of production of audio visual aids and other material to supplement the study circle activities could be made a part of the audio visual programme of these cooperative unions.

The publication of a journal in support of study circle activities should be the ultimate aim of all the cooperative unions. However, till the time such a separate journal is possible some space in the present cooperative journals could be used for study circle activities. These journals could also be used to publicise the study circle programmes.

The programme of study circle activities could be prepared according to the convenience and seasonal variations in each country. It would also be helpful to take the operational seasons of the societies into consideration while drawing up these programmes.

For making any educational programme effective it is necessary to involve the primary cooperative societies in such programme. Unless the local society is made a part of the educational programme and some responsibility for initiative is entrusted to such societies it would be difficult to get good results from study circle activities. It is, therefore, necessary to encourage the society to take initiative in organising study circle activities. Of course, for many years to come the encouragement for such activity will have to be supplemented by financial and other assistance from the cooperative unions so as to enable the society gradually to take over the study circle activities.

For any sustained cooperative activity it is necessary to have built-in follow up arrangement in the educational programme. Follow up is also an important part of the study circle activity, as only follow up can keep up the interest of the members of the cooperative societies for a long time in a particular subject. The central cooperative union will have to ensure that follow-up arrangements are made and carried out in time so as not to allow the programme to fizzle out in course of time.

The ultimate aim of the cooperative union should be to make the study circle activity an economic proposition. With this aim in view the unions should attempt to sell study circle material to cooperative societies and their members at nominal cost. If it is not possible to sell the literature in the initial stages, the cost could be subsidised by the National central union, government or other suitable agency. It will, however, be a very healthy practice to encourage the society to pay at least nominal cost for purchasing study material for the study circle activity. Incentives of various kinds could also be provided by the cooperative unions or the government in encouraging them to take up study circle activity.

As majority of the members in cooperative societies in this region are illiterate the study circle activity will have to be started in select areas for sometime to come. Also within the society in which the

study circle activities are to be started a small group should be formed for taking up such activities. It may not be possible to get a large number of members to join the group in the initial stages. However, as the study group activities become known more and more members would be willing to join the group.

#### Production and Adaptation of Study Material

For a sustained study circle activity continuous supply of study material is essential. The primary responsibility for keeping the continuous flow of study material to primary societies is of the national cooperative unions and the regional cooperative organisations. The material will, therefore, be produced by such unions through teachers and other members of the staff who have experience in various fields. In addition to this the following material could also be used as a basis for preparing study guides on various subjects:

1. Reports of various committees appointed to examine various aspects of the cooperative movement,
2. Special issues of cooperative journals on various topics published from time to time,
3. Literature produced on various subjects at the time of cooperative congresses and conferences,
4. Books written on various subjects with a special purpose either for competitions or for discussion of various subjects within the cooperative movement,
5. Administrative reports which critically examine the various aspects of the movement.

The audiences for whom the study material is to be prepared may have different levels of comprehension. However, the primary need is of producing study material for the members of primary cooperative societies. Hence, preference should be given for the production of the material which could be followed by persons who are able to read and write. This literature could also be used by persons at higher levels. In addition to this literature on special subjects like marketing, housing and consumers cooperation could also be produced for members of the societies interested in such subjects.

The cooperative unions could produce literature of various subjects, publicise the list of such subjects and could make available such literature to societies who are interested in taking up the study circle activity in these subjects.

As the resources of the cooperative unions in this region are limited the cooperative federations engaged in various economic activities within the cooperative movement could play a useful role in supporting study circle activities. They could either financially support such activities or get study circle activities for their constituent societies planned and

executed through the agency of the national cooperative unions which are equipped to carry out such activity. As owing to wide spread illiteracy the majority of the people may not be able to follow the study material prepared on various subjects. It will, therefore be necessary to use the material with audio visual aids, films and other aids used for educating the members.

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ICA Education Centre,  
6 Canning Road,  
New Delhi.

Study Circle Conference  
25th January 1963.

RE: NATIONAL PROGRAMME ON STUDY CIRCLE ACTIVITIES

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Assuming that you are the Education Committee of the National Cooperative Union, please draw up a programme for Study Circle Activities in your country. While drawing up the programme the following may be taken into consideration:

- 1) Scope for study circle activities in your Cooperative Movement.
- 2) (a) Tasks of National Cooperative Unions and Regional Cooperative Unions in the study circle programme
- (b) Role of the primary society in carrying out study circle programme:
- (c) Training of group leaders for study circle activities:
- (d) Financial requirements for the suggested programme.

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Study Circle Methods  
24.1.1963

GROUP REPORT

Chairman .. Mr. L.M. di Silva

Secretary .. Mr.R.N.Vyas

Report of the Study Circle on the subject "Technique of  
Study Circle Activities; the participation by members  
• and the use of Audio Visual Aids"  
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The Study Circle met with Mr.L.M. di Silva in the Chair and Mr.R.N.Vyas as Secretary.

The subject was introduced by Mr.J.M.Rana, Deputy Director, ICA Education Centre, New Delhi. After brief opening remarks about the merits of the study circle as an effective instrument in raising the total knowledge of all the participants, he pointed out at the difference between a Discussion group and a study circle. Study circle being an integrated programme of continuous education, anticipated a membership which is not subject to frequent changes, whereas in a disucssion group this fluctuates from time to time. Also the study circle consists of a comparatively larger number of participants, generally it has an active nucleus of some 12 to 13 persons.

Mentioning the salient features of study circle, Mr.Rana stressed the need for keeping up the member's interest in the group by (i) choice of subjects which bear direct relevance to the profession of the members e.g. tractor-farming, use of insecticides, better cultural and social practices, production-plan, and similar cooperative aspects depending upon the major interest of their own profession. (ii) Variety in the programme should be maintained through recreations viz. filmshows, talks by cooperators or instructors etc. and these may supplement the study material used for the group. (iii) Need for a capable group leader was deemed necessary so that discussions may be aroused through summing up the view-points expressed, putting leading questions for well-thought out decisions. Thus involving all the members in the discussion and making them feel their responsibilities and importance for the whole group. Besides this the leader should put a check on the more vociferous members, as well as calling forth the shy members to participate and thus rotating the discussion. The leader should have the ability to control and plan the study circle. He should be the repository of the trust of the members, and should have progressive ideas. He cited examples of some good leaders who have risen from the traditional element, yet they had the progressive outlook. Training of the leaders was also deemed necessary so that they may be better suited to handle the people in a group. (iv) The study material should be such which could meet the comprehension of the people. The material must be attuned to their requirements in a simple language. Literacy being the main problem in the South East Asian region, use of illustrated audio visual material viz. charts, simple graphs etc. should be made. Groups may anticipate objective group replies and the discussion should be carried in context of the experience of the members. The local situations and other relevant basic factors should be kept in view.

The observations made by Mr.Rana were further discussed by the study circle and it was agreed that there should be a continuity of purpose in the selection of the subjects to be discussed. A series of various relevant aspects of the

same subject could be taken up in the meetings. As for the selection of the leader it was felt that though the leader may come from the traditional sector of society yet, he should hold progressive views, and there should not be a disparity among the members of the group. As far as possible people from the middle range of society were best suited for the leadership. However the leader may be elected as the study circle comes to stay. The general customs of the area may be observed in the study circle, so that the members may feel at home in the group, and local incentives e.g. Hukkas, Tobacco etc. may be used.

Mr. Dharam Vir of the ICA Education Centre further confirmed the discussion by giving suitable techniques for appealing the members. The factor of psychology were illucidated, and till the audience had assembled the best approach would be to read out the news paper or magazine. The venue of the meeting should be a central place preferably the library. The factors of punctuality of time was discussed and the approach of personal attention of the person concerned was felt suitable. The study material be explained, and the audio visual aid should supplement the material, whenever the audience is illiterate. Emphasis was laid on creating interest and a suitable method of involving the member's interest were found to be a puppet-show, use of cheap visual aids, flash cards etc., which depended more on the intelligence of the leader.

At this stage certain important problems were enlisted by Mr. M. Radetzki, Director, ICA Education Centre, which are (i) Participants not coming at time (ii) leaving the group during discussion (iii) mentally sleeping (iv) talking too little (v) talking too much (vi) talking outside the subject, (vii) not understanding, (viii) impossible to persuade (ix) personal offending remark (x) Lack of group discipline. The discussion was summed up at this stage and the group generally agreed upon the remarks made out.

ICA Education Centre  
6 Canning Road  
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"Study Circle Methods"  
23rd January, 1963

### "GROUP REPORT"

#### A. Selection and Training of Group Leaders with special reference to Local Conditions.

The subject was introduced by Mr Bertil Mathsson, Director of the Education Centre. At first he gave an illustration of how a big problem can be taken up and solved after proper analysis and careful study of the problem concerned. He said that the question of selection and training of a group leader can be considered from a most realistic standpoint after studying local conditions. When the study circle activity is meant for a benefit of a locality or local society, the activity should be started at local level only. As an example, he cited the examples of study group activities organised by the East Pakistan Academy of Village Development at Comilla. There in the villages group discussions are organised by the group leaders at the initiative of the local society. At the initial stage encouragement and incentive was given by the Academy authorities and demonstrations were held to create confidence in them on the cooperative activities.

He stressed that the selection of group leader should be made by the societies themselves because it is the duty of the societies to create awareness among the members.

In Ceylon, though study circle/study groups were organised, the system has not worked upto the mark, because there was no continuous contact with the study circle process. There was no regional or district level organisation to maintain contact with the study circle and group discussion courses. But in Comilla such contact is being maintained by the East Pakistan Academy for Village Development.

It appears that sometimes it is not wise to start such activity in a wide scale at the beginning. The target should be realistic with reference to (1) finance and (2) materials available.

The above observations were discussed by the study circle and it was argued that there should be follow up and some sort of incentive to keep such activity progressing. To cite an example societies successfully organising ~~ex~~ study circle activities might be promoted from "B" class to "A" class. In some cases cash prizes to societies could get the societies involved. Continuous campaigning on the benefits of cooperation and demonstration on practical utilities might also create a favourable atmosphere. It should also be seen that a village level worker be not heavily burdened, In that case his efficiency will fail and he would not be in a position to create motivation.

Mr Dharam Vir Gupta, ICA Education Centre further discussed the subject. He tried to give a short analysis of the dynamic and psychological aspects of the question. He confirmed that (1) cooperatives are democratic organisations having dynamic forces and purposes, (2) that they must sustain and develop themselves. The selection and training of its group leader is its own responsibility in the process of its development.

As regards the functions of the leader, he must have the capacity to organise, he has to conduct the course and he must have coordination from other corners and agencies. His function would be to arrange for selection of persons in consultation with the societies concerned. To make the course successful there might be some interesting functions before and after the course. The society or committee organising the study circle is to be encouraged to ask the members to attend the study circle. If response is poor at least two persons from each society may be encouraged to attend the course in the beginning.

Then Mr Dharam Vir discussed the psychological aspect of the situation also. At the time of selection there might be competition to join the study circle if proper publicity is given for the course. Publicity has a natural tendency to develop competition. Sometimes issue of a certificate to the participant-member at the end of the course also develops competition and gives incentive. It is also to be seen whether the leader himself is interested in reading and fit for lecture and delivery. In such selection it is to be tested whether he is a more potential leader than the other candidates. Next also comes the question of his tolerance and character. Such a leader should be temperamentally fit for doing such works. He should have at least a normal rural bias.

As to the qualifications of a leader, it is necessary to consider his physical fitness, marital status, age, sex, loyalty to the cooperative movement etc.

Before starting training on the study circle course, there should be advertising and publicity sufficient time ahead so that there might be sufficient time for selection for training, preparation of material etc. Such a programme may also accompany adult education to make the course attractive and prospective. During the training, it would be the functions of the group leader to make the leaders group minded. Successful conduct of the training course might serve as a psychological technique also. The member might be thinking rightly that (1) the training has got a weight and value in the society he lives, (2) and that he can learn something new and technical. Use of audio visual aid is also a technique which has got influence on the psychological tension of human beings.

#### B. Role of the Primary Cooperative Society in Promoting Group Leadership and in Encouraging Study Group Activity

This subject was introduced by Mr D.Silva the participant from Ceylon. He tried to present a realistic picture of the role actually played by the primary cooperative societies in his country. In Ceylon about 14,000 primary societies are working at present. But the study circle activity there has not yet made much headway due to the lack of sufficient enthusiasm from the societies. The organisations for such activity have not been active at the horizontal level also. However, the study circle is gaining momentum very slowly and it is passing through trial and error methods. He suggested that in a society where membership is very high, only the members of the managing committee, say nine or twelve, should undergo training first. Because leadership lies with the committee of management Management first. This is the committee at the grass-root level **responsible for** the development of the society and development of the movement in the area.

After his observations Mr M.R.Kaushal, Deputy Director of the National Cooperative Union of India discussed the topic from a different angle of vision. He discussed it in two aspects - short term and long term. A cooperative institution in its short term policy should try to promote group leadership, and this it can do if it works democratically i.e. on the basis of the cooperative principles. Proper working of a cooperative institution can generate dynamic leadership among its members. It may allow its members to join the course and it may allow the prospective member financial backing during the training period.

As regards long term policy, the society should try to help the trained personnel, directly or indirectly, and encourage the youth people to develop their leadership qualities. It may encourage the study circle activity as a matter of acceptance of the idea that it is a continuous process of education for the ultimate generation of group feelings.

He also pointed out that the follow up from a higher tier organisation is necessary to maintain the study circle activity encouraged by the primary cooperative institutions.

Then the study circle members discussed the subject in length. They more or less confirmed the views expressed by the speakers. One of the group members stressed the necessity for coordination of allied training institutions like Rural institutes in India and Pakistan, with cooperative training colleges and cooperative training institutes. This would give a cooperative bias to the students who are supposed to play the role of leaders in future by and large.

Mokhtar bin Bahauddin  
Secretary

M.R.Sikdar  
Chairman

ICA EDUCATION CENTRE,  
6 Canning Road,  
New Delhi.1. (India)

Study Circle Method  
New Delhi

GROUP REPORT  
(21.1.1963)

Sub: Methods of Member Education to motivate  
active participation

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The overall aim of cooperative education is to build up a strong, self-reliant and democratically-managed cooperative movement, able to match the private enterprise in competitive capacity and to achieve its socio-economic goals. Specifically, cooperative education programmes should therefore aim at developing among members orientation about cooperation, its aims and methods of operation, creating member understanding concerning current cooperative problems with a view to achieving rational decision-making in the parliamentary meetings of the societies, and ensuring a steady supply of leaders to man cooperative institutions. It was recognised that as cooperative education passes from its early phase, it will be directed more and more to the current problems of the movement.

The various audiences to which cooperative programmes should be directed to, were listed as follows :

1. Members
2. Active members from among whom leaders of the societies would emerge.
3. Managing Committee Members and Office bearers
4. Prospective members
5. Children- youth and women.

It was emphasised that in view of the immense tasks to be performed by cooperative education, greater attention should be concentrated on the first three groups.

It was felt that the following factors should be taken into account for deciding upon which educational methods should be employed.

1. Cooperative Education is education of adult persons who possess a fund of knowledge and experience. Members thus have a lot to contribute to their own education. Hence in cooperative education programmes such methods should be selected as would involve the members in the educational process.
2. The number of members to be reached is vast.
3. There should be continuity of education work, if it is to produce an intensive impact.
4. If the objectives of cooperative education outlined earlier are to be realised, education work cannot be superficial.

The methods chosen therefore should be such as would help in reaching the vast membership without unbearable economic burden for the movement, would provide continuity of education work, and would lead to a certain depth of knowledge, and

finally in involving the members in education work.

The education methods listed were as follows :

1. General Body Meeting,
2. Cooperative Press,
3. Various mass media methods such as radio, film shows, dramas, etc.
4. Study Tours, Seminars and Conferences,
5. Regular Courses,
6. Group Discussions, and
7. Study Circle Method.

The relative merits of the various methods were discussed. The most usual method adapted in the various countries of the region was the organisation of regular courses. In some countries namely East Pakistan, Malaya, Ceylon, regular courses were arranged to train leaders who in turn were expected to organise group discussions or study circles.

While it was recognised that all the methods listed were useful, it was felt that from the point of view of the criteria listed above viz. involving members in cooperative education, ensuring continuity, capacity to reach vast numbers and producing depth of knowledge, the most effective methods would be those which have a local basis and which are carried on by the members themselves without the presence of an outside agent. Group discussions and study circle methods met these tests.

By group discussions it is generally understood a small group of 10 to 15 members who carry on discussion under the guidance of a leader chosen from amongst the members.

As mentioned earlier, in Malaya and East Pakistan training courses are organised for committee members, and few other leaders of the villages, who in turn are expected to organise group discussions in their respective villages. However, the expected group discussions did not materialise for want of discussion material and lack of guidance from the National Unions to the group leaders. The group discussions originally organised in Sweden had also languished on account of these reasons. In view of this, the Swedish Cooperators developed the Study Circle Method which has earned a well-deserved reputation and has spread to many other countries.

The main features of the Study Circle Method as developed in Sweden are given below:

A study Circle is a group of 10 to 15 who decide to follow a particular study course and meet periodically, once a week or once in 10 days, to hold group discussions. The difference between the ordinary group discussions and study circles is that the latter is a thoroughly organised system. The groups do not function on their own but they are supplied with study material produced by the Swedish Cooperative Union and Wholesale Society. Questions are included in the study material and each group holds discussion and formulate group replies.

Study material is produced by teachers employed by Kooperative Forbundet. These teachers also keep in touch with the groups. They examine the group replies and send their comments. Thus a two-way communication is maintained between the teachers and the groups.



The teacher is not present in the group and his place is taken by the study material. The crucial man in the study group is therefore the group leader whose functions are to keep the group together and regulate the discussions.

The study circles have been found to be a very economical method of reaching active members with an intensive education programme. Since these members are the opinion forming groups, their awareness of the current problems and the suggested approaches which they study in the study groups, has helped in rational decision-making in the parliamentary meetings of the cooperative society and the movement. Secondly the concentration of the education programme on the active members has created an enlightened corps of members out of which future leaders for the societies and the movement emerge. Thirdly the study group activity has led to improvement in the economy of member households by spreading consumer information.

While the study circle technique may be utilised for training the "elite" membership, other methods of member education may be used for membership in general. In any corp education programme, a combination of methods has to be employed keeping in view the nature of audiences and the objectives.

ICA EDUCATION CENTRE  
6 Canning Road  
New Delhi.1. India.

COURSE ON STUDY CIRCLE METHODS, NEW DELHI (INDIA)

January 21st to 27th, 1963

P r o g r a m m e

Monday, 21st January 63

10 a.m. - 12.30 p.m.

Inauguration  
Introduction to ICA Activities  
Purpose and Working Methods of the Course

2.30 - 5.30 p.m.

Methods of Member Education to motivate active participation.

Introduced by : Mr.J.M.Rana,  
ICA Education Centre, New Delhi.

This session will mainly be devoted to the review of various methods of member education and their usefulness in bringing about active participation by members in cooperative activity. The delegates to the Course will also narrate their experiences in the various methods used in member education work.

Tuesday, 22nd January 63

9.30 a.m. - 12.00 noon

a) Experiences of Study Circle Methods in Cooperative Education in Western Cooperative Movements

Introduced by : Mr.Marian Radetzki and Mr.Dharan Vir  
ICA Education Centre, New Delhi.

b) Discussion on Similar Experiments of Study Circle Methods in Cooperative Education in countries of South East Asian Region.

(Mr.J.M.Rana will lead the discussion)

2.30 - 5.30 p.m.

Techniques of Study Circle Activity (Organisation Programme and Follow up)

Introduced by : Mr.M.V.Madane, ICA Education Centre.

This session will be devoted mainly to the procedure of organising study circle activity and the institutional framework needed to do so.

Wednesday, 23rd January 63

9.30 a.m. - 12.30 p.m.

Preparation and adaptation of Study Material

Introduced by : Mr.M.V.Madane, ICA Education Centre.

Wednesday, 23rd January 63 (contd.)

2.30 - 5.30 p.m.

- a) Selection and Training of Group Leaders (with special reference to local conditions)

Introduced by: Mr. Bertil Mathsson and  
Mr. Dharam Vir, ICA Education Centre.

- b) Role of the Primary Cooperative Society in promoting group leadership and in encouraging study group activity.

(Two participants from among the delegates will introduce the subject)

Thursday, 24th January 63

9.30 a.m. - 12.30 p.m.

Techniques of Study Circle Activity (with special reference to members' participation and use of audio-visual aids)

2.30 - 5.30 p.m.

Demonstration of Study Circle Methods  
Film Show

Friday, 25th January 63

9.30 a.m. - 12.30 p.m.

Exercise by participants on Study Circle Methods on a given subject.

2.30 - 5.30 p.m.

Preparation of National Programmes for Study Circle Activity.

Saturday, 26th January 63

Republic Day Holiday

Sunday, 27th January 63

9.30 a.m. - 12.00 noon

- a) Presentation of a National Programme for Study Circle Methods.
- b) Discussion on the methods of implementation of the National Programmes.
- c) Follow up by the ICA Education Centre and the delegates.
- d) Summing up.

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ICA EDUCATION CENTRE  
6 Canning Road  
New Delhi.1. India.

COURSE ON STUDY CIRCLE METHODS, NEW DELHI  
January 21st to 27th, 1963

SOCIAL PROGRAMME

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22.1.1963 1.00 P.M.	Lunch with Mr. and Mrs. Bertil Mathsson at 95, Sundar Nagar.
6.00 P.M.	Tea with Mr. and Mrs. Madane and the Research Fellows at D.12 Green Park Extension.
24.1.1963	Film Show
25.1.1963 6.00 P.M.	Tea with Mr. and Mrs. Rana at Lady Sriram College
26.1.1963 7.30 P.M.	Dinner at India International Centre
27.1.1963 2.30 - 5.00 P.M.	Sight Seeing in Delhi

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ICA EDUCATION CENTRE,  
6 Canning Road,  
NEW DELHI.1. (India)

List of Participants for the Study Circle Course to be held at New Delhi  
from 21st to 27th January 1963.

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Ceylon

1. Mr. L.M. de Silva,  
President,  
Colombo Mudliars Division A.P.C.S. Union,  
169 High Level Road,  
MUGEGODA.

India

2. Mr.M.D.Joshi,  
Assistant Director (Training),  
Department of Cooperation,  
Ministry of Community Development,  
Panchayati Raj and Cooperation,  
Krishi Bhavan,  
NEW DELHI.1.
3. Mr.R.D.Bedi,  
Sr. Training Officer,  
Committee for Cooperative Training,  
34 South Patel Nagar,  
NEW DELHI.
4. Mr.M.R.Kaushal,  
Deputy Director,  
National Cooperative Union of India,  
72 Jorhugh,  
NEW DELHI.
5. Mr.K.C.Jain,  
Principal,  
Cooperative Instructors Basic Training Centre,  
Chaudranagar,  
P.O. GURGAON. (Punjab)
6. Mr.R.P.Biswas,  
Cooperative Education Officer,  
West Bengal State Cooperative Union,  
6 Old Post Office Street,  
CALCUTTA -1.
7. Mr.P.C.Rao,  
Cooperative Education Officer,  
Jammu and Kashmir Cooperative Union,  
JALAJ,

Malaya

8. Mr.Mokhtar bin Bahauddin,  
c/o Town Council,  
Taiping.  
Perak.

Pakistan

9. Mr. Atta Ullah Shah,  
Director (Training),  
West Pakistan Cooperative Development Board,  
1 Mozang Road,  
Lahore. (West Pakistan)

10. Mr. Moniruddin Ahmed,  
Assistant Director (Extension),  
37 Purana Paltan,  
DACCA. (East Pakistan)

Singapore

11. Mr. Thekungal Thomas,  
c/o Mr. Andrew B. Pinto,  
Singapore Cooperative Union,  
P.O. Box No. 366,  
SINGAPORE.

ICA Education Centre  
6 Canning Road  
New Delhi-1. (India)

January, 1963

Discussion Guide to the book on Cooperative Leadership  
in South East Asia, to be used by individuals and  
study circles.

M.Radetzki

## 1. NEED FOR COOPERATIVE LEADERSHIP

Cooperation is a people's movement. Among its aims can be mentioned enlightenment of the member body and improvement of its economic and social conditions. Naturally in order to be able to exist and act, such a movement needs leaders. In the particular socio-economic conditions prevailing in most of the South-East Asian countries, Government has in most cases been the initiator of cooperation. Thus, government officials were in most cases the first to assume positions of responsibility in the erected cooperative organisations. Leadership was necessary, but as the organisations were newly started, indigenous leadership was not immediately available.

Of course the cooperative registrars and other official leaders had to perform all the ordinary functions of leaders. These we will discuss further down. But in addition to this, one of their most important tasks was and still is to "search for local cooperative leaders, pick them out and assist them to get into the management of cooperatives" (Ryan p.81). Thus the government's role in leading cooperation was supposed to be at transitional. When the indigenous leaders, coming from the member cadres were found, and educated, they would take over the leadership tasks from the government officials.

QUESTION 1.1. Is it important to search for local cooperative leaders? Can cooperative societies not just as well, or even better be led by outside officials from the government?

There is however one great risk in the government officials' assuming leadership positions in the cooperative movements, and that is too much government influence in the activities of the cooperative, and not enough emphasis on the voluntary and independent people's movement, which cooperation is supposed to be. If everything is decided in the cooperative department, members will tend to regard the cooperative movement as a government issue. Even if the economic effects are good of such "state-cooperative" organisations, these will not be able to fulfill the tasks of real cooperatives. "If cooperatives were to be mere economic institutions, we would only need state managers and administrators to run them. But if they are to build up not only the economy, but also human beings, then it is a task beyond the competence of any government anywhere, at any time". (Jain p.85). To achieve these ends, an independent cooperative movement is necessary. But to build an independent cooperative movement, indigenous leaders are indispensable. "Unless and until the cooperative movements are capable of finding and choosing their leaders by their own democratic processes, they will continue to be dependent on external direction." (Watkins p.47).

QUESTION 1.2. Discuss why indigenous cooperative leaders are indispensable, if the tasks of cooperative organisations include development of human beings?

Indigenous leaders are necessary to give to the cooperative movement its inborn qualities, and to make it independent of external directions. We will now try to discuss in greater detail which are the tasks of cooperative leaders, and why the leaders are necessary. In the early stage



of the cooperative development, when the great bulk of population is yet unaccustomed to the very idea, the task of the cooperative leaders will to a great extent consist of making people conscious of the conception, and give them to understand, that through this conception they will be able to improve their conditions. "In the pioneer stage the task of both the official and non-official leaders is one of changing people's attitudes. The leader's first task will be to create a sense of dissatisfaction with the existing conditions, the condition of mind which is necessary for the seed of cooperation to germinate." (Wieraman p.52). When this is achieved, and we have a group-conscious cooperative body, the need of leaders is nonetheless important, even if at this stage their functions have been slightly changed. "If people are to achieve the common objects, for which they band themselves together, someone must take the initiative, make proposals, assume responsibility...give directions...inspire." (Watkins p.41). In short, the leaders' role will be to "keep the minds of the members moving... and prevent them from straying down by-paths" (Watkins p.42), but keep to the main track, to the cooperative idea. For the success of a young cooperative movement, a courageous cadre of peoples' leaders is essential. As Nyi Nyi points out on page 97, many failures in cooperative movements in Asia and Africa can be attributed to lack of adequate leadership. A fact, which is perhaps still easier to observe is how the existence of good and qualified leadership and success in the cooperative efforts appear together.

QUESTION 1.3. Discuss how the functions of leaders change with the development of the Cooperative Movement.

As the cooperative activities develop, the needs for leaders become more varied and complex. At this stage we will probably find besides local cooperative societies of various kinds, also district and national unions and wholesale societies. All of these have distinct requirements for leaders. The task of the national unions is among other things to create the cooperative policy, and to defend it against opponents whether they come from the governmental or private sector. "At the national level the highest responsibility would be the duty of shaping and securing acceptance of the general policy." (Nyi Nyi p.100). But this is not sufficient for the effective leaders of the national union. Theirs must be a more active approach. It is not enough to create a policy and defend it. The message must be spread both among members, cooperative employees and the general public. Emphasis must be put on the organisation of education on cooperation. The leaders "will need to educate and train the general membership of cooperative societies as well as the directors and office bearers. In addition to its responsibilities towards the movement, cooperative leadership has certain duties to perform vis-a-vis government and the general public. It should never relax in making honest and sincere efforts to spread the cooperative message among the people, to clarify any doubtful or controversial issues that may arise and to counteract all hostile and biased propaganda against the movement." (Nyi Nyi p.100).

Cooperatives are created for social and economic betterment of the members' conditions. Through cooperative education the members will become more enlightened. This is in itself a social betterment. But as a rule social betterment follows with increased economic resources. Therefore the cooperative organisations will involve themselves in economic

operations. As the movement grows, and the economic undertakings become more complex, the need for qualified business leaders will grow. If a cooperative society cannot create economic benefits, there is no reason whatsoever to keep it in existence. Of course the ideal state would be if the same persons could act both as "ideological" cooperative leaders and at the same time as leaders of the businesses which the cooperatives carry on. But human beings are limited, and qualified individuals for both these tasks are very rare. The cooperative movement will have either to train or else employ **from** outside business specialists in the various branches with which the cooperative organizations deal, be it banking, marketing or retailing. "Most developing countries have yet to build up a cadre of efficient managers of big cooperatives, to whom the leaders of the cooperative movement can entrust the management of cooperatives and confine their attention to the broad policies of administration and the ethical aspect of the movement." (Ryan p.84).

QUESTION 1.4. Why is it difficult to have the elected representatives of cooperative organizations simultaneously as leaders of the businesses which these organizations undertake?

But irrespective of the kind of cooperative leader, all the people in responsible positions must have a thorough knowledge and deep understanding of the cooperative principles. "Serious misdirection of effort at all levels is evident today because of the very uncertain and unclear grasp by all, including the official leadership, of principles fundamental to the formation and operation of cooperative economic activity". (Gadgil p.79). It is, however, not enough to have a grasp of cooperative principles. To fulfill the needs of the cooperative movement, the cooperative leaders must "understand cooperative principles and practices, observe them themselves, impart their knowledge to others, and act honestly and democratically. It is their duty to teach and lead others..." (Weeraman p.52).

Thus we see that the question of development of leadership is a most important one, not only in the very beginning stages of cooperation, but as well and perhaps still more during the more developed stages. We have shortly discussed the varied tasks to which cooperative leaders have to attend, and concluded that these tasks become more complex the more cooperation grows. As a conclusion it may be once again stated that no cooperative success will be possible without a serious effort to develop a group of cooperative leaders from within the cooperative organizations.

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Questions on Chapter I

- 1.5 Enumerate the functions of leaders in a growing Cooperative Movement. Make a distinction between the requirements of leaders of primary and secondary level organizations, cooperative unions and wholesale societies.
- 1.6 In watkins chapter there is a distinction made between functions, qualities and qualifications of leaders. Discuss in this context how the leader can utilise his qualities and qualifications to perform the functions of leadership?
- 1.7 Which is your opinion on the current discussion, whether qualities of leaders can be taught or are inherited? Give reasons and examples.
- 1.8 Discuss the differences between the official and non-official cooperative leaders in respect of:
- (a) Their approach to the Cooperative Movement,
  - (b) Their knowledge about the Cooperative Movement,
  - (c) Their ability to improve Cooperative Movement,
  - (d) Other differences.
- 1.9 In South East Asia, where leadership among common people often lacks, the Government initiation of Cooperation is necessary. Discuss what means Government should undertake in this respect. Also discuss the risks involved in having the Government as an initiator of Cooperation.
- 1.10 The success of a Cooperative Movement depends to a high degree on its ability to find and develop leaders within its own ranks. By this, an indigenous leadership will come forward, which will have an understanding of the current problems and will be familiar with the social pattern in which the Movement works. Indicate measures by which members and employees of the Movement can be prepared for leadership positions.
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## II. SOCIAL BACKGROUND FOR DEVELOPMENT OF COOPERATION AND COOPERATIVE LEADERSHIP

The social background in the West European countries at the time of cooperative beginnings was in many respects different from the conditions prevailing in South-East Asia. Illiteracy was already disappearing in Western Europe, when the cooperative idea was introduced. This meant that the cooperative message could be distributed much more easily by means of the written word. The industrialization process, which preceded the cooperative idea, meant "the collapse of the old, self-supporting household economy, and an increasing division of labour and the establishing of the so called money-economy." (Bonow p.13). This collapse left after it an emptiness and the cooperative idea came just in time to fill in the gap. Industrialisation also meant a high degree of urbanization. With people uprooted, and moved from the countryside to the town and cities, it became probably easier to introduce the new idea of cooperation. Under all circumstances it is possible to state that industrialization helped to realize the cooperative ideas, which themselves were born in the first stages of the industrialization process. "The growth of industrialism and its consequences were thus a prerequisite and an incentive to Cooperative Organization." (Bonow p.13).

One more feature must be stressed, while discussing the social conditions under which cooperation was born in the Western countries. During this era the various forces in the society were very much left to themselves, and the government's role was very limited in the development of the internal social and economic conditions. Thus the cooperative movement which grew up, was in no way sponsored nor supervised by government. The movement was carried on only by the people themselves. Now-a-days conditions are considerably changed. "The State authorities have taken over a number of tasks with the aim of safeguarding the common interests of all citizens. This expansion of the public sector has gradually transformed the 'night watchman's state' of the era of economic liberalism to a more or less pronounced democratic social welfare state." (Bonow p.15). But still the cooperative movement has retained a high degree of independence.

QUESTION 2.1. Compare the conditions under which the cooperative movement was born in Western Europe and in South East Asia.

Conditions in South East Asia have been quite different at the time of introduction of cooperation which took place in the first decade of the twentieth century. Even at the present stage, conditions here are quite different from those prevailing in Europe towards the end of nineteenth century. The fact that most of the South-East Asian countries were under colonial rule had a deep impact on the development of cooperation. In Europe cooperation rose as a people's movement. "In India Cooperative organisation was introduced by the British Government as an institutional means to help the small cultivator to obtain finance on reasonable terms." (Karve p.62). But one of the aims of the colonial rulers was to remain in control of their colonies. Therefore, on organising cooperatives they were anxious not to get the best suited leaders to guide these organisations, so that governmental control of them could easily be retained,

"The need to maintain an alien regime necessarily led to discouragement of any large upsurge of spontaneous activity among governed societies, - as this might lead eventually to agitation for change in the colonial regime." (Gadgil p.69). On gaining of independence conditions naturally improved. Now the governments were eager to utilize the advantages offered by cooperative organization to obtain a fast economic development. Thus "official encouragement of the cooperative sector became readily accepted and in the new context cooperatives were generally agreed upon as the most appropriate agencies through which large numbers of types of plans should be implemented." (Gadgil p.70). Even now, many years after independence was gained, cooperative movements in most of the South East Asian countries are to a greater or lesser degree dependent on governments for guidance, for development plans or for finances. It is, however, very interesting to observe, how several prominent lectures at the ICA leadership seminar, stress the importance of a cooperative movement which will collaborate with - but not be dependent of - government.

On examining the socio-economic conditions for cooperative development in South East Asia, we must always keep in mind that urbanization has not proceeded very far, and that the bulk part of the economy relies on agriculture. Therefore, any cooperative development must also primarily be based around agriculture, if it is to be of a common good to a great number of people. Conditions in agriculture in many parts of the region are such, that cooperative organization would be of great advantage and give good economic benefits. Land ownership conditions don't enable the individual farmers to utilize their plots in a rational way. "Gradually land is split up into tiny little patches. Now it is impossible for that tiny little peasant owner to build much. His resources are limited, very limited, and he can barely carry on from year to year or month to month. And that, of course, makes cooperation in India far more essential than anywhere else". (Nehru p.6). To this might perhaps only be added that conditions in other South East Asian countries are rather similar to those in India.

QUESTION 2.2. Discuss which of the conditions in South East Asia makes the cooperative movement particularly desirable.

We wish to build up cooperation in the rural areas. For this we would need cooperative leaders from among the rural population. Here, however, we come across several difficulties. The rural society is in itself split up in several fractions, according to caste lines, religious faith, language or skin color. "Apart from the general problems arising out of poverty and backwardness, the special problems faced in the emergence and operation of cooperative leadership stem from the stratified social structure and the many diversive factors in the older societies." (Gadgil p.71). "Another aspect of our traditional society is its hierarchical structure. The different closed groups, castes or communities, are usually ranked in an order which traditionally indicates socio-economic status". (Gadgil p.74). In such a society we must face the following problem: There is a lack of common interests to the whole society. Therefore, it is very difficult to create a democratic cooperative effort, based on popular participation. If a cooperative organization is created, there will be a need for leaders.

It will be difficult to find leaders among the common agriculturists, who constitute the majority of the population. Their lack of primary education

and the widespread illiteracy will not make them suitable as cooperative leaders. If we want to have leaders from among the rural population, we will have to rely on the upper classes which already possess leadership positions stemming out of tradition or economic status. "Reliance on natural or traditional leadership in this case would be beneficial only if the natural or traditional leaders accepted fully the values of an open and democratic society..." (Gadgil p.75). Naturally this is often not the case, and therefore there is a great risk for failure. Some examples from Ceylon also confirm this: "These early efforts ended in miserable failure for the two reasons that leadership came from a higher strata of society and that the leaders themselves were ignorant of cooperative methods." (Weeraman p.51). Another unhappy practice can easily develop out of the fact that there are no leaders available among the poor people, who are in need of the cooperative services, while the rich, who don't really require the cooperative assistance, will occupy the leadership positions in the cooperative organizations. Then we may get a class of non-user members, whose interests may become opposed to those of the ordinary members. "The continuation of the devices for admission of non-user members, over a period of time, seems to have led to the emergence of two classes, one consisting of the governing class whose major interest was to occupy positions of leadership, and the other comprising the bulk of members whose job was to supply capital, assume liability deliver their products, purchase their requirements, ask for loans, and last but not the least, vote for the leaders." (Ansari p.91). We are thus facing the unhappy situation, where those, who need cooperation lack the necessary qualifications to organize themselves cooperatively, while those who possess the necessary prerequisites, either don't need cooperation, or are uninterested in the idea. "The classes and groups in these countries who have a significant saving potential, or have clear comprehension of the possibilities of progress, and possess opportunities to take advantage of these, are usually sharply separated from the others." (Gadgil p.68).

QUESTION 2.3 How would you propose to solve the problem of indigenous cooperative leadership in view of the above described social and economic difficulties?

We are forced to draw the conclusion that at present it is not really possible to recruit the cooperative leadership among the common rural population. "Inevitably improvement of the conditions of the poor and backward classes in the underdeveloped countries, cannot be initiated by leaders among themselves..." (Gadgil p.69). On the other hand, even if we found suitable leaders among the upper classes of the society, who might appreciate the common people's problems, there are still risks of inadequacies, into which we will probably run. "To the extent that leaders in the secondary organisations came from castes with administrative, professional or scholarly backgrounds, they might show an understanding of cooperative principles and an enthusiasm for them, but little appreciation of administrative techniques and almost no aptitude for practical business. On the other hand, if they derived from business communities, they would, in the main, not show a high social purpose, and would, in addition, be more distrusted by the backward communities." (Gadgil p.76).

Division into classes of the rural societies, and lack of common interests between the various classes is a very important obstacle for the formation of a strong cooperative movement in South East Asia. There is probably no short-cut solution to this problem. Development must take its time. In the long run it is often found that the great leaps forward are not at all as time-saving as they originally appear to be. What is then the solution to our question? "How do we fight this battle with the satellite and feudalistic leadership which is raging in the underdeveloped countries? The only answer to the problem is education of the masses and education of the members, so that they know what is good and what is bad." (Dey p.110). To this might only be added, that education will not only teach people to see the difference between the common good and common bad. It will also help to evolve among the common people a class of leaders, able to take the responsibility for the growing cooperative movement. And with such leaders there will be good chances that a real independent people's cooperative movement will evolve.

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Questions on Chapter II

2.4 In his lecture Dr M. Bonow enumerates some features of industrialization which were helpful in the development of the cooperative movement in Western countries. Among these are:

1. Introduction of monetary economy
2. Disappearance of illiteracy
3. Growing influence of the democratic state

Enumerate some additional features of industrialization, and show in what way they have been or can be of advantage to the Cooperative Development.

2.5 When the Cooperative Movement has developed, it is desirable that the Government leadership withdraws and gives more liberty to the Movement. Discuss ways and means to make this practice possible. What should be done with the Government officials who have previously guided the Cooperative Movement in its infant stages?

2.6 Most of the countries in South East Asia have for a long time been under colonial rule. The colonial governments often introduced cooperative schemes of various kinds. Still Cooperation often did not develop in a very sound manner. Are there, according to your mind, any relations between the colonial status of the countries and the uneven development of Cooperation? Please enumerate and give reasons.

2.7 It is difficult to evolve local leadership among people in South East Asia. Among the reasons for this are: 1. illiteracy, 2. formalism of government officials, which makes local initiative difficult, and 3. subdivision of the local people into religious, economic and social groups, which makes collaboration around a common target difficult. Could you suggest methods of work to overcome these difficulties at the local stage?

2.8 At the village level we often find traditionally influential individuals who draw their influential position from wealth or social status. They are not willing to take over the leadership of local cooperative societies, because the activities of the societies would conflict with their own interests. Neither are they therefore suited for such leadership positions. Discuss what can be done about this obstacle to cooperation by government and by local people in the village, who wish to form a cooperative organisation.

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### III. MEANS FOR DEVELOPMENT OF COOPERATIVE LEADERSHIP

In the earlier sections of this paper we have concluded that the most important task in order to develop cooperative leaders, is education. Below we will discuss who should be responsible for such education programmes, and what these programme ought to consist of, in order to give the best results.

Let us start to examine the local level, where local cooperative societies perform their activities. The most important task of such societies in this respect is to create opportunities for in-work training. "The task of managing cooperative societies is probably the most effective way by which ordinary men and women learn how to collaborate in a constructive task and to deal with economic realities. Acting as board and committee members and office bearers in voluntary cooperative societies, even if these are small and local in character, is a training in applying democratic principles to the economic field." (Bonow p.28). By in-work training the local society can probably prepare its own leadership to conduct the activities of the society in an efficient way. There is one more very important question at the local level, which has to be attended to. It is not enough that some selected persons get the necessary practical leadership training by working with the management of the society. It is also necessary always to have a large reserve of persons, who might be able, in short time to take over the responsibility of the society, if the present leaders by one or another reason were no longer available. For this, an extensive member education programme is necessary. "The training of members is of the greatest importance. In India this work is at present being done through peripatetic parties which go to villages and hold courses for short periods. This programme has to be expanded on a very large scale." (Bhide p,37). To put through a full-fledged member education programme, the local societies will probably require help from outside, either from their national unions, or else from the government, which can supply them with specialists and work out suitable programmes. An efficient device for member education is the study circle method. By this no external teachers will be required at the local village. The contact between the study circle and the expert teacher can be maintained by correspondence, and in this way the services of the expert teacher can be utilized in a much more extensive way. The study circle method, however, requires a high degree of literacy, which is not always the case at the village level.

QUESTION 3.1 Why is it so important to have an intensive member-education in the cooperative organizations? Wouldn't it be sufficient to develop an educated member elite, and leave the rest of the members to themselves?

The training possibilities at the local level, are however, limited. The cooperative movement will also require leaders for positions in the higher organizations. "Here we also encounter the fact of the incapacity of the typical primary society to train leaders adequately, and the consequent necessity for the secondary organizations, familiarly known as the cooperative unions, to devote special attention to this task." (Watkins p.47). Now we enter into the very important role of the national cooperative bodies in the development of cooperative leadership. First, a distinction has to be made between the role of wholesale societies and the cooperative unions

in the education activities. This is very well explained by Nyi Nyi on page 99. Wholesale societies have as their primary task to conduct business. They have, however, a responsibility to educate cooperative business leaders. They should also participate in the training of general cooperative leaders, if not directly, so at least by providing funds for such education programmes. Cooperative unions, on the other hand, have as one of their most important tasks to provide for education and training of all types of cooperative leaders. The cooperative union ought to create within its own organization an education department, and appoint an education committee which will be responsible for all the education activities. "The committee's job will be to draw up an educational programme on the basis of the needs disclosed, and the resources available...The importance of setting up such essential machinery cannot be over-emphasized. It is a basic operation for the secondary organizations, particularly the non-business unions, and constitutes one of the chief purposes for which they have been brought into existence." (Nyi Nyi p.105). In their activities the education departments can devote themselves to many various tasks. They must always be on the outlook for suitable leaders. "National organizations should address themselves to the task...to discover men having the attributes of leadership...train these leaders to perform their functions as efficiently as leaders in private business concerns." (Ansari p.93). Also in the national unions the in-work training of future leaders is most important. The education department should arrange for such facilities by preparing and implementing thorough training schemes. "The unions must regard it as one of their main tasks to keep an educational road open, and unbroken, whereby the rank and file cooperator, with qualities fitting him for leadership, should be able to qualify himself, stage by stage, for the exercise of its functions right up to the highest level." (Watkins p.45). In the chapter written by Ansari, there are several other methods mentioned, by which cooperative unions can train and prepare leaders for their responsibilities. Correspondence courses, training and refresher courses, study groups and study tours, seminars and summer camps, are some of the devices, since long used by the European cooperative unions. Executive seminars, during which high level executives are assembled for a couple of days for discussions of common problems and hearing of lectures on subjects of actual interest have proved to be very efficient means to keep the leadership cadre with an up-to-date information. For the very young cooperators, participation in junior boards can be a good training device. (See Ansari p.95).

QUESTION 3.2    Couldn't the cooperative movement acquire its leaders directly from universities and other educational institutions, and by this save its own education costs?

The education departments of the cooperative unions must also assume the responsibility for coordination and execution of the member education schemes. They must by various means stimulate the interest of the general public for cooperation. Only if they succeed in these tasks, will they solve the long-run leadership problem. "...the national organisations have to put forth the best of their efforts for educating, informing and enlightening the large body of members for finding a lasting solution to the problem of developing cooperative leadership." (Ansari p.96).

The government's role in the development of cooperative leadership will also consist of several tasks. First, government will have to give adequate training to its own officials who deal with the cooperative movement. The

cooperative registrars should be taught the essence of the cooperative principles. Furtheron, they have to obtain special training so that they can contribute to the search for and development of indigenous cooperative leaders.

QUESTION 3.3 Suggest ways by which the cooperative registrars will be able to find and develop indigenous cooperative leaders.

An important government contribution will also have to come in the field of general education. The ministries of education and cooperation must together work out the curricula containing cooperative education for all types of schools from primary schools to colleges and universities. "The earlier the training is given, the better the results. Hence the need to inculcate the cooperative principles and ideals in school children and introduce them to simple forms of practical cooperation, even while they are at school." (Nyi Nyi p.103). If cooperation is adopted as part of the general education, perhaps we might, in the future, dissolve the problems of the split-up class societies, referred to in the second part of this discussion guide.

Even by merely expanding the general education among people, the government helps in the task of creation of a cooperative leadership cadre. "The development that holds most in store for the future is the rapid growth of educational facilities in small towns and in the countryside, which is raising the level of education in rural society...It appears highly likely that in the near future the peasant classes will provide leadership in increasing proportions not only at the primary but also at secondary levels." (Gadgil p.77).

Finally we have to examine the question, how to finance all these educational activities. It must be said straight away, that the bulk of the costs for cooperative leadership education will have to be borne by the cooperative movement itself. If this will not become true, there is a great risk that the education may be influenced by the financing party in a way not desirable by the cooperative movement. On page 126, in the recommendations, a discussion is carried on, how cooperative organizations should contribute towards education expenses. A percentage of the profit is not so good, because many societies may prefer not to show any profit of their business. Then a fixed per capita allocation seems much better devised. It is necessary to make sure, that all organizations contribute, and that this contribution is not made optional. National wholesale societies should make contributions which at least cover the cost for training the business specialists whom they require. Government will automatically contribute to the cooperative education included in the general education curricula. In some instances government may be willing to grant special amounts for financing the cooperative college or implementing a broad member education programme.

QUESTION 3.4 Why is it necessary for the cooperative movement to bear the bulk of its educational costs? Couldn't these be taken over by the government or other institutions?

"In the development of their education systems generally, and particularly in the training of leaders, the national cooperative movements should keep constantly in mind the possibility of assistance from the UN, its special agencies, and other organizations, which have an interest in the promotion of cooperation." (Recommendations p.127).

Questions to Chapter III

- 3.5 Describe the organisations for further education of government officials and non-official cooperative leaders in your country. Which of these groups is according to your mind provided with the best facilities?
- 3.6 Once the cooperative organisations have been formed, it is necessary to formulate a member education programme in order to overcome the educational deficiencies of the members. On which problems should the emphasis be laid in such a member education scheme? Discuss this in relation to various cooperative activities, such as marketing, credit, consumers' cooperation etc.
- 3.7 Indicate the differences in educational leadership programmes which should be undertaken by:
- (a) Government institutions,
  - (b) Cooperative Unions,
  - (c) Cooperative wholesale societies.

Also indicate the various types of cooperative leaders preferably to be developed in each of these three institutions.

- 3.8 Government can participate in Cooperative leadership education by training government officials in the Cooperative Department. Propose other ways by which the government can participate in Cooperative education and training.
- 3.9 Discuss the relative value of various education methods used to develop a cadre of cooperative leaders. Observe among these methods:
- a. Leadership seminars,
  - b. Practical in-work training,
  - c. Study circles,
  - d. Experience as elected representatives,
  - e. Study visits,
  - f. Junior executive board participation.
- 3.10 Make an overall proposal for the organization of the department for education in a cooperative union and in a cooperative wholesale society.
- 3.11 How should cooperative leadership education be financed in South East Asia? Make a proposal regarding financing for all the various types of education which you consider worthwhile and specify the reasons for your choice of financing agency.
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#### IV. ROLE OF THE COOPERATIVE MOVEMENT IN THE SOCIAL AND ECONOMIC DEVELOPMENT

In order to be a success, the development work in the S.E.Asian countries requires the participation of the whole population in these countries. Everybody has to be put to productive work, and contribute to the economic buildup of his country. The fact that these countries are at present relatively poor is probably explained by the underemployment and scarcity of opportunities for people to work with productive tasks. If there are no possibilities for production, consumption will be scarce and poverty remains.

The countries of South-East Asia have devoted much time to national economic planning in order to raise the economic output in the nation. At the same time they have been eager to proclaim their wish to remain democratic. There has been a firm belief that in the long run the best results will be achieved only if all citizens are allowed to participate in the creation of the new and better nation. "In the short run/totalitarianism/ may give better and quicker results, but even there, experience shows that sooner or later the people have to be brought in at all stages. The success of a plan ... can be achieved only with the fullest cooperation of the people as a whole". (Bhide, p.32). What means can the government utilize to secure the participation of people in planning? Cooperation is a people's movement, requiring active participation of its whole member body. At the same time it is an instrument for social and economic betterment of people's conditions. Thus it is just the device needed by the democratically inclined government. "Governments are welcome to regard the cooperative society as an instrument for economic development, and the cooperative movement will no doubt welcome such an attitude on the part of the government. But it is important that ... the cooperative character of that body must in no way be undermined in the process of its being used as an instrument for economic development (Weeraman p.56). In this utilization of the cooperative movement the government can simply forget that it deals with a people's movement, and start to impose rules on it in an authoritarian way. To prevent this, it must once more be stated, that the movement must develop able leaders, who understand and are able to explain cooperative ends and means.

QUESTION 4.1. Discuss instances where Government has used the cooperative movement as its own tool and by this damaged the cooperative movement.

Today's societies are probably much more complex than during previous times. The Indian Prime Minister states that "the method of an acquisitive society is at present quite out of date." (Nehru, p.8) This would mean that today we have found ways to economic development which are more efficient than the private capitalism as applied in the USA in the beginning of this century. There must therefore be installed a check on the uncontrolled growth of private capitalism in the S.E.Asian countries. Part of the society must be governed by the public sector. Here we may however, encounter another risk, that of the unlimited growth of the public sector. "Our experience of both these sectors has led us to the thesis that there should be a growing and dominant cooperative sector which would act as a balancing force between the private sector on the one hand and the public sector on the other." (Dey, p.108)

QUESTION 4.2 Discuss which activities in the society ought to be handled by the private sector, and which by the public sector? Which activities are best suited for the cooperative sector?

Let us first consider the ways in which the cooperative sector can constitute a check and a balance against the private capitalistic part of the society. "Cooperatives are an indispensable instrument of economic planning in any scheme to change a country from a purely individualistic economy to an economy which is socially regulated and the building up of a cooperative sector is therefore one of the central aims of national policy." (Bhide p.33). Once the cooperative sector has gained some strength it will be able to act as a regulator on costs of production and distribution, and by this contribute to a more even distribution of the national produce of the country. In Sweden the consumer cooperative sector holds approximately 15 per cent of total retail turnover, and naturally the goods retailed through consumer shops are priced in a fair way. But this is not all. "The effect is spread also to those who buy in private retailing outlets, because these have to adapt their prices as far as possible to those ruling in the cooperative shops." (Bonow p.19). Various reasons forced the Swedish Consumer Cooperative Movement to start its own production of goods. By this prevailing monopolies were destroyed, and better prices obtained for the ultimate consumers. Of Sweden's total industry only about 4 per cent is in the hands of consumer cooperatives. Still in many important fields of consumption, the consumer cooperation has influenced production costs considerably. "The long term result in many cases has, however, been still more important. Competition from an efficient cooperative enterprise has resulted in sustained efforts by the competing private factories to rationalize the production process in their plants thus reducing their costs and ultimately the prices of their products to the advantage of the consumers." (Bonow p.19). The same effects can be expected in the countries of South East Asia, if cooperation gets the right leadership and is permitted to develop independently.

An independent cooperative development does not imply that the cooperative movement will not collaborate closely with the government in the development work of the society. "The overall national policies in respect of economic development have to be formulated by the state in consultation with various interests, and the cooperative movement should certainly be consulted. Similarly, before any decisions are taken making the cooperative responsible for implementing a state policy, the consent of the cooperative movement should be obtained. Cooperatives, cannot, however claim complete autonomy..." (Bhide p.38). It is, on the other hand, not particularly desirable, that the government grants various advantages to the cooperative movement. Several instances can be quoted, where government appointed cooperative outlets as sole distributors for rationed goods. When the rationing scheme was no longer necessary, and therefore abolished, many cooperative societies failed. They had made themselves dependent on the government advantages, and could not stand on their own legs. "The government should not grant the movement or any section of it a monopoly of any trade. Monopolies must be won by the movement in the only way open to it, the cooperative way, i.e. by inducing all the people concerned to give their patronage voluntarily." (Weeraman p.57). The collaboration between the government and the cooperative movement can also be implemented along the following

line:"...the national cooperative apex organisations are now being increasingly called upon the state to assist in the formulation and implementation of social and economic legislation." (Bonow p.25). This refers to Sweden in particular, but occurs also in several other countries in Western Europe. With a steady and healthy development the same stage of confidence between government and the cooperative movement should soon be reached also in the South East Asian countries.

QUESTION 4.3 How does cooperation contribute to democracy in the countries of Western Europe?

"My outlook is to convulse India with the cooperative movement..."(Nehru p.1). This statement gives another point of view on the role of cooperation in the social and economic development. Cooperation is supposed to change the lives of the people. Cooperation will make it possible for the people to "individually rise to a full personal life, and collectively to a full social life." (Ansari p.92). We must once again stress the importance of member education in the cooperative movement. Only enlightened people will be able to rise from poverty, and see the paths along which to proceed forward. Cooperation gives furthermore to its members a basic training in democracy, which would be difficult to obtain by other means. "Besides the economic saving, it can procure for its members, and indirectly for the community as a whole, cooperation is, because of its character as a free and voluntary democratic popular movement, a practical method of educating the citizens into an enlightened democracy." (Bonow p.28). Cooperation is furtheron a uniting device, making people struggle in the same direction, and ~~calming~~ calming down differences between them. "The cooperative society is the finest instrument for achieving a state of national unity and integrity..." (Weerman p.56).

QUESTION 4.4 How can cooperation create national unity?

In the present stage of development, government has to take upon itself many responsibilities. But as the voluntary people's movements grow in importance, and as their members become more educated, while their leaders grow conscious not only of their responsibilities towards their own movements, but towards the society as a whole, then these people's movements will be in a position to discharge the government of some of its present responsibilities. In many of the industrially advanced countries, this stage has already been achieved. So, for example in Sweden, between the employers' and salary earners' organisations, "The organisations of the employers and the employees have between them concluded agreements which in practice prevent and at the same time make unnecessary any state intervention as far as wages and salaries are concerned...In practice there are very few strikes and lock-outs in Sweden though there is of course a hard bargaining before a compromise between the parties concerned is reached. This very important sector of the economic life in Sweden is thus controlled entirely by voluntary and democratic organisations." (Bonow p.16). When the cooperative movement becomes strong, and will be able to create within itself a conscience not only for its own members, but for the whole society then this movement will also be able to relieve government of various tasks in the economic field. To achieve this, we must once more emphasize, it is necessary to evolve and train intelligent, responsible and skillful leaders who will take charge of the cooperative movement.

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Questions to Chapter IV

- 4.5 In Sweden: "The organisation of the employers and employees have between them concluded agreements which in practice prevent and /un at the same time make/necessary any state intervention as far as wages and salaries are concerned." Discuss this statement. Which are the pre-requisites for this balance situation? Are there any risks involved in the government's passivity?
- 4.6 Discuss why planning in a totalitarian State often gives faster and more efficient results. Also discuss why, in the long run, democratic planning will prove superior. Analyse this question both from economic and social points of view.
- 4.7 Suggest ways in which the Cooperative Movement can influence the Government planning authorities and how it can be influenced by them in its current activities. Indicate means by which to avoid misunderstandings between Government Planning and the activities of Cooperative Societies.
- 4.8 Which are the risks of uncontrolled development of the capitalist sector in a society? Are there any such similar risks in the unlimited expansion of the public sector? Indicate in what ways the various parts of the Cooperative Movement can balance the stability in the society and diminish these risks.
- 4.9 Discuss various means which would enable voluntary people's movements to participate in legislation decisions proposed by government authorities. As stated by the author, this problem has found a solution in Scandinavia. Discuss the necessary pre-requisites in order to achieve the same thing in South East Asia.
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## "DISCUSSION GROUP"

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### I. DISCUSSION

#### What is Discussion

Discussion means an exchange of ideas and experiences among persons. It involves putting forth views, posing relevant questions and attempting to find answers to and solution for common problems.

#### Why discussion

Discussion has a number of advantages. These include:

- i. It brings clear understanding;
- ii. It leads to logical conclusions,
- iii. It enables active participation,
- iv. It aids self-educating,
- v. It develops tolerance, and
- vi. It trains for public speaking.

#### What Discussion Cannot Do

Discussion has its limitations. It is useless for presenting entirely new material. Secondly it cannot prove or disprove facts though it can evaluate them. Thirdly, discussion is generally not successful in larger gatherings. Finally, it cannot be used when decisions are required to be quickly made as also when there is little time available for deliberation.

### II. FORMS OF DISCUSSION

Generally five forms of organised discussion are recognised. These are: Informal Discussion Groups, Panel, Symposium, Forum and Debate. Each of these forms has its uses. Each can be used singly or in combination with others. Generally the choosing of one or the other depends upon the purpose, the time available, the nature of topic etc. It is however, beyond the scope of this paper to discuss all the five forms. We shall, here, concentrate only on the first, namely, "The Discussion Group."

#### What is a Discussion Group

An informal discussion group is a meeting of individuals. In its composition, it is rather a small group in a round table situation. The participants are friends or neighbours knowing each other and having some common interest. They meet to find answers to questions or solutions to problems. They pool their knowledge and experiences and jointly arrive

at conclusions etc. All decisions are group decisions arrived at through discussion. It is, so to say, a democracy through discussion.

### Essentials of a Discussion Group

A discussion group meeting, properly so called, must possess the following three features. There must be discussion. Each member must have an opportunity to express his opinion, to contribute his knowledge and be free to defend his views as well as criticize or question the statements of others.

Secondly, the decisions must be group decisions. No single member must be able to dictate. No one should be able to influence because of position or authority.

Lastly, the discussion must have a definite objective or objectives. Persons talking in a restaurant do not hold discussion group meetings, they do not have any specific objective. A properly so called discussion group meeting must have a specific, clear cut, objective which should be achievable through discussion.

### Why Discussion Groups

The technique of discussion groups have a number of specific advantages. These, briefly, include the following. A discussion group:

- i. is ideal for problem solving,
- ii. is good for resolving differences,
- iii. makes men think,
- iv. makes men think better,
- v. often changes opinions easily,
- vi. helps voluntary acceptance of decisions,
- vii. enables quick and easy coming to grips with problems or topics,
- viii. enables effective training of persons,
- ix. enables providing and handling of information and materials easy,
- x. is economical.

### Requirements

But the advantages outlined above can be had if certain basic requirements are met. These are:

- i. There must be a suitable group. It must include persons who have some knowledge of the subject and have had experience in dealing with it or closely related ones. In the absence of this there will be no group participation, no real discussion, and consequently, no good group decision.  
In case of training programmes, the trainees must first be provided with background knowledge, through lectures, demonstrations, or reading assignments etc.
- ii. Another requirement is that there should be a problem which can be solved by the group or the topic that can be discussed for specific purpose in view.

- iii. Thirdly, the problem or topic for discussion must be real in the sense that it be possible for the group members to fruitfully interchange their views etc. They must be able to see that the problem has to be solved and it would help them to have solutions. Or they must feel that the topic is such that understanding its various sides would be of some use to them.
- iv. Lastly, a discussion group must have a leader or a guide. A discussion group without a guide or leader can seldom, if at all, be seen effectively functioning. Either it will find its leader or guide, or it will end up in a bull session. No purposeful discussion group should ever be leaderless.

### III. THE DISCUSSION GROUP GUIDE

A discussion group guide is the key person in a discussion group meeting. He need not, of course, be a genius but must possess some desirable characteristics. These are outlined below. However before that let us spend sometime in noting the types of Discussion Group Guides.

#### Type

Four distinct types of group leaders can be distinguished. These are:

1. The Dictator type,
2. The lecturer type,
3. The mirror type,
4. The democratic or cooperative type.

#### The Dictator Type

This type of guide is one who insists on letting people know who is at the head. He is sure he is right and gives his ideas with the air of leaving nothing more to be said. He expects that members would naturally recognize his superior talents and would obediently follow his instructions. This type, obviously, is sure to completely defeat the purpose of a real discussion group.

#### The Lecturer Type

Lecturer type is one who assumes that his job is to pour information into the minds of the group members. He does not show himself to be the boss. But he insists on being the chief source of information. He moreover persists in doing the thinking for the group. A group with such a leader is only a class, which is, obviously, not a discussion group. It is neither cooperative, nor democratic nor productive of group thinking and action.

#### The Mirror Type

The leader who does not hold the group to a cooperative procedure, but enables it to see the contributions of its members is the mirror type. Such a fellow is agreeable, uncritical and non-committal.

He drifts with the group. The guidance provided by such a type is not creative and does not serve the purpose of a discussion group. A good discussion group leader must know when, why and how to keep silent for the sake of the group, But this is of another type of silence and not which the mirror type of guide would have.

#### The Democratic or Cooperative Type

This is the type who gives and takes with the group. Such a guide is one with the group. His concern is that the group seeks the way rather than its members give bright answers only. He encourages all to contribute. By skillful questions and occasional suggestions, such a type holds the attention and interest of the members at a high level. He has a working knowledge of the discussion methods and has faith in the democratic procedure. It is this type of leader or guide who is needed in a discussion group.

#### Desirable Characteristics of a Discussion Group Guide

The desirable traits of a good discussion group guide requires to possess are:

- i. Ability to enjoy working with people,
- ii. A good command of the language,
- iii. Ability to think rapidly and clearly,
- iv. Ability to exercise sufficient self-restraint,
- v. Tact, patience and courtesy,
- vi. A developed sense of humour,
- vii. Faith in the discussion methods, and
- viii. Knowledge of the democratic procedure.

It may be noted that the aforesaid are only desirable characteristics. The guide possessing all of these would be fortunate indeed. But no one need despair, nor be over critical of oneself. One should, rather, realize the use of above mentioned characteristics and then cultivate and develop them. This is possible. Many have done this and are already successful discussion group leaders.

#### What has the Discussion Group Guide to Do .

A discussion group guide may have to organise a discussion group, he has to prepare for and conduct discussions. Organising discussion groups is not treated here. The remaining two, preparing for and conducting the discussions groups are considered in some detail.

#### IV. PREPARING FOR A GROUP DISCUSSION

Purposeful discussion group meetings are planned. The guide prepares for them. An important advantage of adequate preparation is the confidence it gives to the guide or leader. Starting/discussion when the guide knows where to go and how to get there puts him at ease and in complete command of the situation. An unprepared guide is censure of himself. The members detect this, and the ability of the guide is questioned. The job becomes difficult. So be a good guide. Prepare in advance.

##### Notify Members :

Inform each member of the group that he is to attend a discussion group meeting. Tell every one when and where will the meeting be held. Let everyone know the purpose and nature of the meeting, and what he is expected to do. If possible, also tell how long the meeting will last.

Timing of the notice is important. Inform every one early enough so he can arrange to attend. Take care not to send notices so far ahead that they will be forgotten.

##### Study the Group

Make a list of the members who would attend. Find out who these persons are and what is their daily work. What do they know about the problem? What can each contribute in the discussion? Ensure also that full resources of the group are made use of.

In case of discussion groups for training purposes, study the needs of the group. What do the members know and how much they need to know? Do they have the background knowledge so they will need to discuss the problems? Provide this background information if the members do not have it. This can be done by pre-discussion study or through lecture, demonstration, study tour etc. etc.

If the members be meeting for the first time, study the men. Note who talks too much, who needs encouragement, who is radical, who is level headed, who is prejudiced, and who open minded. Studying men while participating is useful even when they be not attending for the first time. As far as possible, the group guide should always be alert for this in all discussions he conducts.

##### Prepare the Place

Have the place where the discussion group is to meet ready and adequately provided? In selecting a place take care that it is reasonably quiet. Arrange to have the necessities like, light, water, seats etc. available in the room where the meeting is scheduled to take place.

##### Keep your aids ready

Have a black-board, chalks and eraser in the room. Select what aids you would need. Get them and try them out ahead of time. Practice **if** you are even slightly unsure that you can use the aid to your advantage.

### Plan the Discussion

Think the problem, through yourself. Consider what responses the group may make. Frame questions you would use for stimulating discussion. Be ready to guide group thinking so you can lead the group to the best possible solution. Prepare a discussion plan, a written one, to guide you in conducting the discussion.

1. First prepare the opening statement introducing the problem or topic. This statement should make the members aware of the problem, start them thinking about your opening remarks. You may not read these, but writing down helps in knowing what exactly you will say.

2. Work out an accurate definition, or definitions required. List the facts and the conditions, the exact situation as it actually exists. Study for facts, if necessary. Definition must include any limitations you think necessary and also any assumptions you feel should be made by the group. List also the terms that may need clarification. Also, consider the criteria which the group may apply to its proposed solution. The process of setting up and developing criteria must continue through the discussion. This must be remembered.

3. Defining the problem, comes next. Here consider how you would lead the group to draw from it an accurate definition of the problem. For example, the group is going to discuss late coming to the work and you decide that the discussion should be limited to late coming in your office. You can, then, easily lead the group to a consideration of this limitation with a lead-off question like; "Should we consider late coming in general or in our own office?" Suppose group members tend to reject the limitation. Then you will have a follow up question like, "What do we know about late coming in other offices?" or "Are we prepared to discuss late coming in other organizations?"

4. Next step consists of analyzing the problem. Study the problem yourself so you would have the overall knowledge to lead the discussion. Then make a list of the data you must draw from the group in guiding it through a solution. It is better to write out the key questions for drawing this information from the group.

Consider also the nature of the data you must draw out from the group. Look for generalizations, connections which you should point out to the group. In the discussion you will have to help the members to identify related facts.

Look for information the group will need but does not have and decide how you will provide this information. Take steps that this be ready. If background knowledge is necessary for the members arrange to have this provided to each member.

Also consider the possibility of using aids to advantage.

5. Now list the possible solutions to the problem. Consider the implications of each so you may ensure against overlooking by the group of any possible solution or any of the consequences of selecting a particular solution.

Your consideration of the solutions may lead you to arrive at the one you think the best possible one. But remember that this best solution is so only

in your own private thinking - only from your point of view. The group may think otherwise. So do not try to force your opinion on the group. Lead the discussion through an unbiased investigation of the problem, following the steps of a scientific method, and the solution the group reaches is bound to be the best possible. Remember, no leader can succeed in forcing his solution on the group. Your forcing may quieten the members if you are an authority, but it will not convince. The solution will not have voluntary acceptance.

6. Prepare an Agenda: When the problem has been thought out, a plan of attack or agenda should be prepared. Essentially, this consist of breaking the problem or the topic down into sub-problems or sub-topics and listing those. One can follow a logical order in listing the sub-topics. But it should be borne in mind that what may be logical to an expert may not be so to others. In training the important point is to keep the students in mind. Therefore, in preparing an agenda for a discussion group of the trainees the problem or the topic should be considered from the trainees point of view.

The guide would do better to visualize several plans of attack and select the best that seems to fit in best. He should also remember that whatever plan he chooses, would only be a suggested one which he may propose to the group or better should lead the group to it.

Often the guide would need that the group members may make a pre-discussion study of the problem or topic. He should in that case prepare another agenda which should be given to the members. This agenda should include:

- i. A statement of the topic including few remarks emphasizing the importance to the members of the topic,
- ii. Definition or definitions of the problem or topic needed. Also include assumptions that may be made, and the limitations if any. If there be some new terms, these should be defined to make their meanings clear,
- iii. The criteria that the group may apply for judging the effectiveness of the problem or topic for discussion,
- iv. The proposed plan of attack.

7. Prepare Questions: While considering the topic or problem through, also consider and note down the questions that you will need in guiding group discussion. In case of discussion for training purposes, specific questions for stimulating and guiding discussion in each sub-area are a must. Note the lead off question for each sub-heading. Predict group responses as far as possible. Then write down the follow up questions to draw out additional information from the group. Also consider and note the key ideas on which you will want to check group acceptance. Besides, determine what questions be needed for illustrations and examples, as also for brief summaries.

8. Use the Plan as Guide: A discussion plan is only a guide for the guide. It is to enable the guide to conduct the discussion. It aids him in keeping the discussion on the track and in preventing any

omissions. A plan also helps in logical development of the topic.

As a group guide you must not use your plan as a crutch. You must not need to refer to your plan constantly. Therefore, you must be familiar with your plan thoroughly. The plan should be available for quick reference. But the members should not be aware of it to the extent that free discussion gets restricted. Follow the plan in a general way. But be prepared to readily include any new ideas which may develop during the discussion.

It may also be noted that a good discussion group guide prepares new plan for each discussion. He never uses the same plan repeatedly even if the discussion topic remains unchanged. He may use a plan prepared by someone occasionally, but not before he has studied it thoroughly and made necessary changes to adapt it to his purpose, the members of his group, and the local situation.

Finally, keep in mind that for a group guide preparation is continuous. It is never completed. He must grow as a guide. He should try to make each discussion the best, and also better than the previous one.

#### V. CONDUCTING A DISCUSSION

For conducting a discussion some skills are required. But no one, generally, can conduct a discussion well unless one prepares well. When all physical arrangements are made and are ready, the discussion is planned, necessary materials and aids are acquired or prepared, is one ready to conduct a discussion? No. What more is needed is that one should also have associated oneself with the topic or problem so that it be real to one. Also, one must be really interested in group discussion. One must have the attitude, "We can work together and bring out a solution". Only then one is ready to conduct a discussion. Preparation is important to all discussions.

Assuming that you, as a group guide, are adequately prepared, what should you do to conduct the discussion. Here are the steps you can usefully take from beginning of the meeting till it is adjourned.

1. Introduce Yourself: Get the attention of the members and introduce yourself. Write your name on the blackboard and tell that you are going to conduct the discussion.
2. Introduce Members: Now ask each member to introduce himself. If the members are known to each other already and also to yourself, you can omit this introduction. But introduce new comers, if any.
3. Tell Members How Discussion in Group Works: Explain the procedure to the members. They must know that the meeting is theirs and that you are merely to assist them. Let it also be known that the discussion can be successful only if everyone actively participates. They must feel encouraged to make their contribution.

Make it clear to all that your job is not to function as an expert. You are only trying to help them solve their problems. Besides, let it also be known that all decisions and conclusions would be representing collective thinking of the group.



A discussion achieves best results when conducted in an informal atmosphere. But there must be a few guiding rules. All members should be made familiar with these rules and should accept them. These guiding rules are the following:-

- i. Stress the informal nature of the meeting: Tell them that they may speak without first getting your permission. However, only one man may talk at a time.
  - ii. Insist that personalities should be excluded from the discussion. Also each must treat everyone else courteously and with due respect. Disagreements should be always friendly.
4. Present the Topic or the Problem: The first three steps are preliminary though important, especially when the meeting is the first one. Presenting the topic actually begins the discussion.

Therefore introduce the problem or topic. Use such remarks as would show the importance of the problem or the topic to the group. Make the members aware of the problem, arouse interest and a desire to discuss. Merely stating the problem or topic and appealing to the members to think is insufficient. Get group agreement on the statement of the problem by leading the member to it. Then record the statement on the blackboard and keep it there till the end.

While introducing the topic remember that you are acting as a lecturer and not a guide. Be brief and to the point. Otherwise you would make the group settle back as an audience. This would be very damaging.

5. Define: When the problem has been properly presented, the members may try to rush to do something about it. Some are apt to consider a solution at once. This is a delicate time in the process. Handle it carefully. Hold the members back. Tell them that it is no use proceeding without getting the facts of the case. Lead the group to accurate definitions. Record the pertinent facts and conditions. Record any assumptions which be necessary to make, Get group agreement on all these.

Next, define terms. In this, it is not necessary that the group should select definitions conforming to the commonly accepted meanings of the terms. The members should agree on the meanings they wish to assign to the terms for purpose of the particular discussion. But define nonetheless. This prevents unnecessary misunderstandings and enables all to talk the same language.

Defining also includes setting limits. Limitations establish the scope of the discussion and make the matter specific. Get group members agree on the limits.

Finally, define the criteria for testing the solutions. "What do we want our solution to do?" or "What standards our solution must conform to?" These questions should be got answered and suitable

standards got established. Doing this, keep in mind, suitability, acceptability and feasibility. Before proceeding further give time to the members to think about the problem or the topic.

6. Get the Agenda Accepted: When the group has a real and specific topic or problem before it, the members must agree on how they will proceed to discuss it. The group leader here may present his proposed agenda to the members. Give the group a chance to modify the agenda, do not force members to accept it.
7. Analyze: After having group agreement on the agenda, not it down. Then proceed to take up the first point for discussion. Ask a question that will introduce the first point. Follow up with other questions to draw out all pertinent information available with the group. Keep the discussion on the first point until it has been completely covered. Then take the next point and so on.

As the group proceeds from one point to the next, get all data that will affect the solution. Help the group in analyzing and classifying the data. Point out generalizations. Make clear the relationships.

8. Solutions: When the group has been lead through a complete analysis, start looking for the solutions. Lead the members to bringing up all solutions based on a complete analysis of the problem. List all solutions suggested. When the group has done its best in this regard, help the members in thinking each solution through considering the results and consequences of accepting each.

This consideration would lead to selection of a tentative selection of the most likely solution. This then should be tested by applying the criteria the group has already adopted. If the tentative solution proves suitable, feasible and acceptable, it would become the group's final or accepted solution. If the testing reveals flaws or short-comings in the chosen solution, the group must modify the solution or consider another.

9. Follow-up: The acceptable solution has to be applied either by the members in their work or by another agency. If the application is to be done by members, they should not leave before considering how the solution they have agreed to would be applied by each. Each must be asked as to what he would do to apply the solution. In case of a discussion group of the trainees, the solution would usually concern the daily work of the members. Each member, therefore, must decide what action he will take in applying the solution. Help him to have concrete steps he may take. Then arrange that the results be available for the next group discussion.

#### Some Useful General Suggestions

It would be useful to consider some suggestions for guiding discussion group members. These suggestions relate to controlling, stimulating and distributing discussion for a complete coverage of the topic. They are of a general nature. They apply to a discussion group as a whole.

### Controlling Discussion

Discussion in a group may be either overhead or closely controlled.

### Overhead Discussion

An overhead discussion passes from man to man in the group without going through the leader. The leader starts with an overhead question. One member replies, the guide does not say anything but allows any other member to comment on the remarks or add to them. Discussion thus is turned over to the group.

Overhead discussion has the great merit of encouraging free expression of opinion. It gives to the discussion an informal atmosphere. There is, however, the demerit of aggressive members monopolizing the discussion since all questions are directed to the entire group in a truly overhead discussion. Another disadvantage is that the discussion wanders away from the subject after a short period of overhead discussion.

### Closely controlled discussion

In a closely controlled discussion, after each response the discussion comes back to the guide or leader. The leader asks a question, an overhead question, to start the discussion. One person replies. The leader thanks him and asks another man, through a direct question to either comment on the views expressed or add to these. By putting a right type of question, the guide indicates the nature of response expected, and also the person who is to talk next. Therefore, direct questions play an important part in a closely controlled discussion.

A closely controlled discussion ensures against going off the track. In fact, often a wandering discussion is lead back by shifting from an overhead to closely controlled discussion. Another merit of closely controlled type is that it enables the leader to distribute the discussion properly so everyone participates. However, closely controlled discussion tends to restrict freedom of discussion to a certain extent.

### Which type to choose?

In fact the two types cannot and should not be sharply demarcated. Some control must be exerted in an overhead discussion. On the other hand the leader must allow maximum freedom of expression in a closely controlled discussion. Most discussions should be a combination of both types. Generally, a leader must not exercise more than the minimum of control necessary to keep the discussion on the track and to keep it steadily progressing towards its objectives.

### Cover the whole Problem or Topic

It is responsibility of the group guide to see that the discussion covers all phases of the topic or problem under discussion. His discussion plan will aid him in this. He must also overcome any temptation to pass over points opposed to the conclusion he wishes to develop. He should remember that if he fails to clear such points during the discussion, chances are that these will occur to the members outside the discussion meeting.

Besides, the group guide must discourage the group from forming conclusions based on insufficient evidence and unfounded assertions. He must insist that the members critically evaluate all the facts regardless of whether these be the ones they put forward or those stated by the guide himself.

#### Ensure Participation By All

Do not permit a few to **dominate** the discussion. A discussion meeting is successful only to the point that all participate. People should talk as well as listen.

The quality of discussion is also to be considered by the leader. There can be much talking without any worthwhile contribution. So encourage persons to make worthwhile contributions and not merely talk.

Enabling all to participate would require that the participants keep their statements brief and to the point. Bring in members into discussion by putting direct questions.

Ensure that the discussion does not become one-sided. Invite opposing arguments when only one side is being emphasized.

Besides, do not permit side discussions. When two or three men are found engaged in a private conversation, single out the leading one and ask him to let the group have the benefit of the discussion. He may contribute information of real value. In any case side discussions would halt.

#### Keep the Discussion Alive

The discussion must keep on moving after when it has been started. For this the guide must ask the right follow-up questions. He can get the views of one member, then throw out a question based on this man's statement. He must remember that to get merely yes or no answers are not enough. The members must also state reasons for agreeing or not agreeing.

The guide must resist the temptation to answer questions himself. Often a man asking a question is interested not in the personal opinion of the group leader but in the group's discussion of the subject. Occasionally a member asking question is only asking for an invitation to talk.

The group leader must also remember that it is no use prolonging a dead discussion. If a discussion cannot be revived by a change of approach, the guide should start the summation. This might help the group members in organising their thoughts, it might also bring out additional information.

#### Summarize the Discussion

It is the duty of the group leader to see that no one leaves a discussion meeting wondering what was accomplished, what they decided or what are they going to do about the topic or problem. They should never be able to criticize a group discussion as having settled nothing.

Therefore before closing the meeting, sum up the discussion and phrase the solutions or conclusions in few brief and clear statements. Also help the members in deciding what action should be taken.

In the summary the important points made by the group should be restated and re-emphasized. Also the important decisions taken by the group be clearly put forth. No new point, the one not suggested by the group, should come up in the summary. Some group guides put the concluding statement on the blackboard and then justify it with the group. This should never be done. We must build up to the conclusion with the aid of the group.

The summary moreover must be brief impartial and in the language understood by the members. It must also be accurate. Besides it is also important that the group members should be able to feel that it is accurate. For this, ask the members to check you and add any points you overlook.

And lastly, do not restrict summarizing to the end. Summarize frequently. Frequent summaries help in keeping the discussion on the subject, give clear pictures of the discussion phases, check needless repetition and record areas of agreements and disagreements.

#### Check Up Acceptance

One of the important characteristic of a group discussion is voluntary acceptance of the conclusions and decisions arrived at. But acceptance cannot be taken for granted. Nor can it be assumed that acceptance is an automatic growth of the discussion. Acceptance, in fact, should always be checked. Ask it specifically of the group. If some disagrees with the conclusion, try revising it. They may be right. Continue the process until the full acceptance or as near it as be possible.

In conciliatory discussion groups, complete agreement is rare. Such discussion groups in fact are characterized by disagreement - at the start itself. In such cases the problem is to get each side to yield a bit so a solution can be reached that will be acceptable to both sides.

#### Concluding Observations

A step by step procedure for conducting a group discussion has been discussed above. This should not give an expression that a discussion moves forward in a series of jerks and jolts. In fact, in a well-conducted discussion every step leads into the next smoothly so that the members are unaware of these steps. Therefore, a good discussion group guide keeps the steps in mind while planning and conducting a discussion group meeting. He proceeds smoothly from the approach, to the discussion, and to the summarizing.

The members of the group should be unaware of the devices the guide employs to stimulate and control discussion. In fact, the devices adopted would be effective only to the extent the members do not recognise them.

## VI. AIDS AND DEVICES A GUIDE CAN USE

In conducting discussion group meetings there are a number of useful tools a discussion group guide can use with advantage. These tools are called Aids and Devices.

### Aids

The different aids are:

1. Recording - on a black-board,
2. Charts, graphs or diagrams,
3. Examples,
4. Case studies,
5. Demonstrations,
6. Films, Film-strips and slides,
7. Consultations (with experts).

A good guide must familiarise himself with these aids, learn how to use them effectively and choose the most appropriate ones for each discussion group meeting he conducts.

### Devices

Successful discussion group guides have also found the use of following devices as very helpful in effectively conducting discussions:

1. Questions,
2. Rephrasing,
3. Deliberate misinterpretations,
4. Pretended misunderstanding.

A few words about each of the above listed may be helpful.

1. Questioning: The device of questions is the principal tool the guide makes use of. Reverse and relay type of questions help the guide to with-hold his own personal opinion. In this manner he can keep the discussion centred in the group. Throw-back questions help when a member wants the guide to oppose him or to commit the guide so he can oppose him. By reversing his question, he is forced to present his views for consideration by the group. Besides, by relaying questions to another member, the guide can put the one who questioned in an embarrassing position of putting the wrong man on the spot. Of course, the person selected must be the one who can deal with the question.
2. Rephrasing Rephrasing is closely connected with questioning. A lengthy statement can be suitably phrased so that the gist may be available to the participants for consideration or for recording. Rephrasing can also be used for clarifying meanings. It should, however, always be kept in mind while rephrasing that ideas not suggested by the group are not included.
3. Deliberate Misinterpretation: This device can be used for asking indirectly a member to defend his statement or to discuss the matter further. The device is useful when some meanings are not

clear or when it be felt that though the ideas presented be correct but the reasons advanced in support be weak. In proving that the guide got him wrong, the member clarifies his statement or strengthens his argument.

4. Pretending Misunderstanding: This device is slightly different from the preceding one, though it is also intended to further draw out a member. This device can be used when it be felt that a statement is not clear to all or when the statement shows that the members' thinking lacks organisation. Pretended lack of understanding forces the person concerned to clarify both his statement and his own thinking.

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## VII. DISCUSSION TRAPS AND HOW TO AVOID THEM

A group discussion, or a meeting, has to be purposeful. That is, through it, members should be able to arrive at a Group Decision, which is the essential pre-requisite for group action properly so called. This objective can be achieved if we recognised what are the factors that can lead to a useless discussion, and then avoid these or take steps so that these do not occur.

These factors or discussion traps are -

- a. slow start,
- b. a few participants monopolise the time,
- c. wandering from the problem,
- d. interest level drops,
- e. discussion becomes too heated,
- f. insufficient or inaccurate information possessed by the group,
- g. discussion becomes too long.

### Slow start

Too little knowledge of the purpose of the discussion or the meeting on the part of the participants results in a slow start. Another reason is a poor introductory statement by the discussion chairman.

To avoid slow start:

1. Provide as much information as be possible regarding the purpose of the meeting to the members. Do this before the meeting.
2. Prepare a careful and strong introduction making the goals of the discussion clear to the participants.

### A few participants monopolize the time

The extent of participation in a discussion varies from person to person. Every one cannot, thus, be expected to participate equally. But discussion involves a pooling of ideas. Therefore it is important to get as many opinions as possible. Following are some useful methods of encouraging better participation.

1. Ask questions of the less vocal members of the group.
2. Ask a shy member to comment on some one else's comment.
3. Direct the discussion away from any one who wishes to dominate it.
4. Establish informal atmosphere.

### Wandering from the problem

Discussions would be found to be wandering away from the actual problem, either a) when a very interesting matter comes up, or (b) when a problem troubling the group comes up into the discussion. This excursion away from the subject is often time consuming. While a little excursion for a few minutes may be even good to relax the atmosphere, too much should be avoided. For this it would be helpful if:

1. It is ensured that the purpose of the discussion is kept before the group;



2. The progress made is frequently summarized ;
3. It is tactfully pointed out to the participants that they are far from the subject and that in the interest of time and energy it be better if the discussion is restricted to the main topic.

#### Interest Level Drops

An uninteresting discussion is seldom a useful discussion. The interest of the members in the subject under discussion must be maintained high throughout. For this some of the useful methods are :

1. Let the discussion not be on a single point for a long time.
2. No one should be encouraged to make a Long Talk, if it can be helped. Ensure to keep contributions down to reasonable amount of time.
3. When difficult material is discussed, use visual aids and examples.
4. Ensure that physical surroundings are reasonably comfortable.
5. Ensure that the total meeting time is put down to a reasonable limit (about an hour) . In case the discussion has to continue, have a short break.
6. Ensure that members as well as the chairman participate.

#### Discussion becomes too heated

It may be worthwhile to let there be an argument or two at times in a meeting. This may promote interest. It may also focus the problem sharply. But arguments do cause actual dislike to develop among members and tend to divide them into factions. This is destructive to a successful meeting or discussion. This should be avoided. The Chairman may -

- a. Ensure and make it clear that every member acts in good faith when commenting ;
- b. Point out the position a member be taking, in words which should make this worth considering and meriting the respect of the group;
- c. Look for the chances to help members engaged in argument to compromise their differences.

#### Insufficient or Inaccurate Information

A good discussion vitally depends upon facts and information. In the absence of enough facts at some point, the discussion stops; lots of disagreements and little progress follows from then on. Therefore, all possible information should be available to the group.

As a group leader, you can make this more certain by a number of steps viz..

1. Bring all of the information you can to the meeting.
2. Encourage any members of the group having special information to attend.

3. Invite all members to bring any information he thinks may be helpful and important to the meeting.
4. Seek to bring out such information during the meeting by use of questions if necessary.

The problem of inaccurate information would become less severe as the amount of accurate information rises. For any member giving inaccurate facts will be quickly corrected by the group. It is usually better if the chairman is not the one to challenge the inaccuracy directly - if possible, allow some one else to do it.

#### Too Long

Generally the efficiency level of persons falls after a short period of mental effort. Discussions lasting beyond an hour, save in special circumstances, are rarely productive after that time.

Most discussions, even some good ones, waste a good deal of the available time. Following measure are likely to be helpful to promote more efficient use of time.

1. Divide the subject area into sections. Estimate about how much time is available on each of the sections. Use this budget of time to encourage the group to move from one subject to another.
2. Frequently summarize to keep the group aware of the general progress being made.
3. Tell the members directly about the time problem. They, generally, would be the last ones to want a long meeting.
4. Watch for the signs that the group is in agreement on a subject. For usually they would go in discussing after they are agreed.
5. Prepare an informal summary of the whole discussion as you (Chairman) listen to the group by taking notes. This way you would be able to bring the discussion to an end on time.

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## VIII. GUIDES SELF-EVALUATION LIST

Question	Yes	No
1. Did I make all the necessary arrangements for the discussion group meeting?		
2. Did I start the meeting on time?		
3. Were my questions well planned and properly asked?		
4. Did all members participate in the discussion?		
5. Was the discussion spontaneous?		
6. Was the discussion progressive?		
7. Did I keep the discussion on the subject?		
8. Did I keep the discussion directed towards the objectives?		
9. Did I refrain from offering my personal opinions?		
10. Did I refrain from lecturing?		
11. Did I attempt to get the members to listen to and respect the opinions of others?		
12. Did I refuse to take sides?		
13. Did I refrain from answering questions myself, throwing them back to the group instead?		
14. Did I rephrase only when necessary?		
15. Did I use the language all could understand?		
16. Did I maintain control at all times?		
17. Did I make frequent summaries to crystalize group thinking?		
18. Did I maintain interest throughout?		

Question	Yes	No
19. Did I make full use of the black-board or recording paper?		
20. Did I cover all essential items?		
21. Did I make a final summary with the help of the group?		
22. Did the group leave the meeting with something to think?		
23. Did I close on time?		

RATING

Give one mark for each yes.

- 23. If you have been honest with yourself, you are really good.
  - 20. You are o.k.
  - 17. You could improve.
  - 14. You should improve.
- and below 14 marks, you need help.

ICA Education Centre,  
6, Canning Road,  
New Delhi 1. India.

January 1963.

M. Kadetzki.

### SWEDISH CONSUMER COOPERATIVE ORGANIZATION

with special reference to members' meetings and particular educational methods.

1. The Swedish Cooperative Union and Wholesale Society, KF

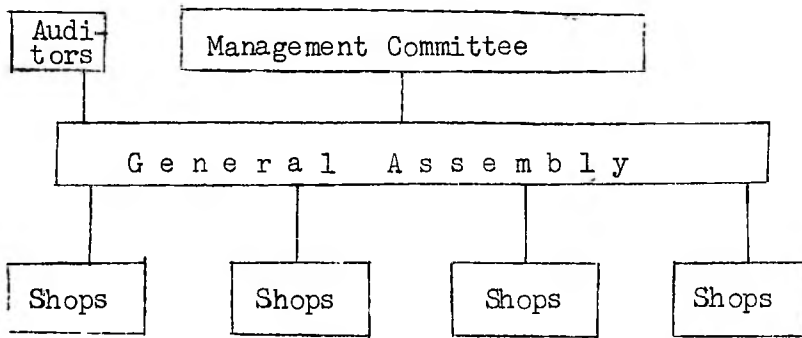
is the top organization in the consumer cooperative field. To it belong at present about 500 consumer societies of different kinds. Total individual membership in the consumer societies amounts to about 1,2 million persons of a population of about 7 million.

2. The Organization of Consumer Societies

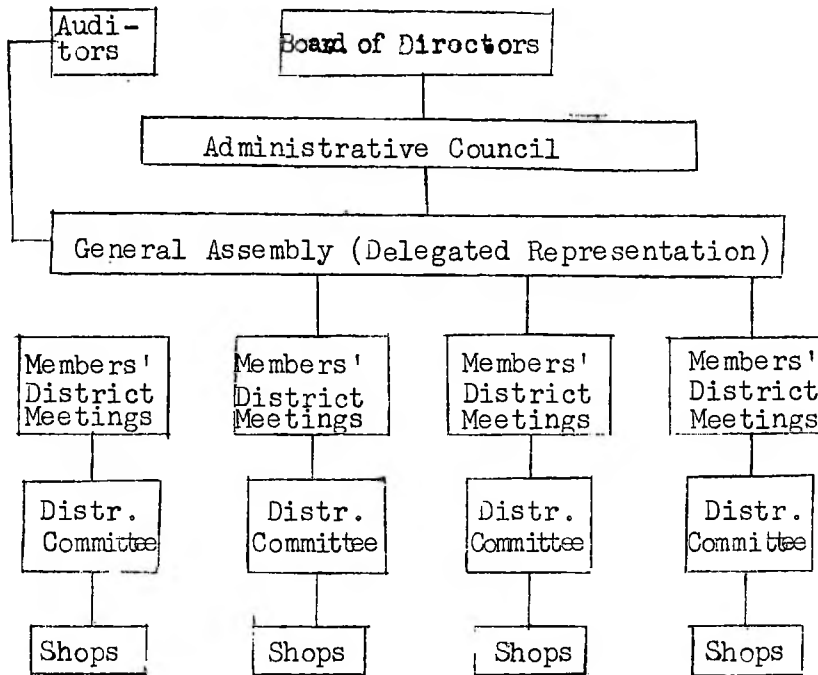
In a small society with one or two hundred members the organization is simple. The members meet once or twice a year in a general meeting and choose a board of management and the auditors; examine the administration during the period under review; decide on the proposals put forward by the management committee and vote on other important questions. The Management Committee has hand of the day-to-day administration and appoints the manager and the remainder of the staff.

contd...p.2.

Organization of a small Society



Organization of a large Society



In a large society with perhaps several thousand members and with activity covering an extensive geographical area it is not possible for the whole of the membership to meet at one and the same time. The area of activity is therefore divided into districts. In each of these districts the members meet at so-called district meetings for a preliminary discussion of the previous year's work and of the proposals of the management committee. The district meetings elect a so-called members' council which serves as a contact body between the society's central administration and the members in the respective districts. The district meetings also choose, usually from the members council, so-called "fullmäktige". These are representatives who together with the representatives chosen from the other districts form the general assembly called for by law. In the same way as the general meeting of the small society the general assembly of a large society has the duty of accepting or refusing the annual report of the society's executive bodies and also to examine and make a decision regarding the proposals of the executive. In the really large societies the general assembly also has the task of choosing a so-called administrative council. In such societies it is the administrative council which choose the board of directors. Matters of great economic importance and those which are fundamental in character must be approved by the administrative council. The chiefs of the society's central administration are members of the board of directors. The board of directors of the large societies are partly and in some cases wholly made up of full-time employees.

### 3. EDUCATION FACILITIES FOR MEMBERS AND EMPLOYEES OFFERED BY KF

3.1. Var Gard, the Cooperative College is mainly an institution for training cooperative staff, which at present amounts to around 60.000 persons. The given courses usually vary from 1-8 weeks' duration. Among others may be mentioned:

Shop assistant week	
Shop manager course	5 weeks
General managers' course	8 weeks

Both theoretical and practical methods are used in the educational work. A two year training course for future leaders in the movement is an established institution at Var Gard. A small number of successful employees who have passed lower courses of the school are accepted every year. Those who are chosen must have given convincing evidence of practical ability and capacity for leadership. Capable shop managers and younger managers of cooperative societies are, as a rule, chosen for this purpose.

The training is arranged so that the students during their first year attend a course of about 700 hours in leadership, pedagogics and other subjects which will form a preparation for future work. The education includes exercise as lecturers and the assistants, as they are called, are later given an opportunity according to their individual capacity to teach in other courses. During the second year they get more than 300 lessons and begin to travel around to cooperative societies to hold staff meetings and carry out various investigations and research work. Great stress is laid on training the assistants to appear before an audience, to take the lead, to make speeches and deliver lectures and to organize. As the assistants are both employees of the school and students, they gradually take more part in the different tasks of the school. They work as assistant course-leaders, as leaders of the investigating groups etc. They are also responsible for libraries, exhibitions, educational materials and book-selling. This form of more thorough and personal training in close contact with the teacher has given good results.

Larger societies also arrange local staff education in cooperation with Vår gård at lower levels.

At Vår gård courses for members' elected representatives are also arranged. Specially during the summer months several one-week training programmes are organized for members of management committees, members of administrative councils, members of district committees and elected society auditors. During these courses the participants study subjects important for their functions in the societies, form discussion groups to deal with actual common problems, make study visits at the cooperative factories, etc.

2. The Correspondence Institute was originally intended to meet the cooperative movement's own requirements for correspondence courses. Apart from this it was to offer members as well as the general public an opportunity of being able to obtain good instruction in general subjects, such as the Swedish language, municipal information, the art of public speaking etc. At present the Correspondence Institute is primarily the theoretical basic school for the Vår gård courses for employees. Oral and written instruction can go hand in hand, and if the correspondence institute is in close contact with the school the former can take advantage of the results and methods adopted in the oral instruction. This latter will always remain the most effective of all forms of instruction. Since long the correspondence institute forms an independent department of KF and engages in extensive instructional work also among the general public. As an example of the subjects taught we may mention agricultural book-keeping, book-keeping for societies, the alcohol question, science of government, the English language, Swedish industrial life, state and municipal administration as well as technical subjects for the training of foremen and engineers.



### .3. The Cooperative Study Groups

Another basic school are the cooperative study groups which carry on their work in some 60 per cent of our cooperative societies. They are voluntary bodies of members and frequently also employees who engage in studies on cooperative and economic matters in the autumn and winter season. The studies are rendered easier by means of manuals or "guide books" printed in pamphlet form and published by KF. As we have mentioned employees of the cooperative societies also take part in the studies. In order to gain admission to some of the Vår gård courses it is even stipulated that students must have taken part in at least one winter's study in a cooperative group. This has proved to be a very valuable form of member education. Recently a course on the capital formation within cooperation was widely distributed and studied, one year ago a course on the necessity of fusions and bigger societies was issued and had good success. In this way the members and the employees come together and have an opportunity for valuable discussion and broader understanding of these so important questions in Swedish cooperation.

Cooperative press is a very important medium for member information and education. The member weekly magazine "Vi" has a circulation of about 0,5 million copies, and covers most of the member households. Cooperative undertakings are presented there, and a discussion is carried on in cooperative matters. Besides Vi is quite successful as an all family magazine. "Kooperatören" is the cooperative official paper with over 10.000 copies. It is distributed to employees in higher positions and most elected representatives. There are also several other cooperative papers with various functions.

### Other means for member contact and education

The cooperative movement tries to advertise so as to give the consumer-member as much information as possible. Often cooperative products have declarations of goods from which they are made. The displays in cooperative shops are arranged so as to inform the member of novelties, and the staff has got a suitable education which enables it to explain to the new customer rules and working methods of a cooperative society.

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## STUDY CIRCLES AS A TECHNIQUE OF COOPERATIVE EDUCATION

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Cooperative education is education of adult persons for whom the traditional class-room teaching is not the best method. Adult members possess a fund of experience and have a great deal to contribute to the discussion of their own immediate problems. The aim of adult education methods should, therefore, be to involve the participants in the learning process and to ensure that their latent talents are brought out. The study circle technique, which is based on this approach, is widely used as a method of member education by the Cooperative Movements in Scandinavia, Canada USA and some other western countries. Experience in these countries has shown that of all the methods of adult education, the study circle is the most effective as also the least expensive. In this paper an attempt is made to outline the technique of study circles in Sweden where it has demonstrated remarkable results and then to examine the possibility of its application to South East Asian countries and the problems involved.

### Working Methods

The study circle is a small group of 10 to 15 persons who get together in order to study and discuss a certain subject. They decide to meet once every week or ten days according to their convenience and the number of meetings for one study course is usually about ten. Each member is provided with study material specially prepared by the teachers of the Swedish Cooperative Union & Wholesale Society (Kooperativa Förbundet). The members study the material at home before coming for group discussions, which are held under the guidance of a leader chosen from among themselves. The members prepare group replies to the questions included for discussion in the study material and send to K.F.<sup>1</sup> teachers, who return them back to groups with their comments and supplementary questions. The study circles which are a combination of individual study and group discussion, are thus based on the correspondence course approach.

Adult members are provided with new information about cooperative societies their economic situation, or whatever is the subject of study, and knowledge about new methods of doing work from outside in the form of study material and without the continuous presence of the teacher. Members, however, are not expected to accept the knowledge without critically evaluating it in the context of their own situation and experience. In the group meetings members debate and discuss the ideas, presented in the study material, sift what is relevant to them, think out pros and cons of a particular course of action, exchange experiences and arrive at new well-thought-out conclusions. The study circle method, thus is not doling out knowledge or ready-made solutions but critical study. An advantage, which the study circle has on account of the group work, may be noted here. A measure of self discipline is enforced on a member since he must study the relevant section and prepare himself like others: before coming for the meeting.

1. K.F. is the abbreviation of Kooperativa Förbundet i.e. the Swedish Cooperative Union and Wholesale Society.

The three important components of the study circle programme are:

- i. Organizational work by local societies,
- ii. Study material produced by the Central Union and the close contact it maintains with local societies and the study groups, and
- iii. The group leader.

#### Local Organisational Work

The study circle programme is run through close collaboration (the need for close integration could be seen from a perusal of the years programme of study circles which follows a tight well-drawn up schedule) between the primary societies and the KF. While the local consumers' societies organise study groups amongst their members, office bearers and employees, KF produces study material as well as leaflets and posters for organizational propaganda work in local societies.

In the organisational work the local societies rely very much on personal propaganda. Normally a planning meeting is organised by the primary society where interested members, office-bearers and store managers are invited. The audience is informed about the new study material for the year and about the subjects which the society wants to emphasise because of its current problems. Those who have participated in this planning meeting then carry on the propaganda personally to their friends and their colleagues to interest them in joining the study groups. Group leaders who are chosen well in advance take special interest in attracting members. In most cases, the larger societies have now employed special propaganda assistants, but the overwhelming majority of societies have no personnel specially employed for the purpose, and propaganda is carried on by the office bearers, group leaders, members of women's guilds and the managers of the societies.

As a result of a uniform schedule followed by the local societies in coordination with KF, a network of study circles follow a particular course during a given period of time. It may also be noted that there is no restriction on the number of study circles which may function in one society. For instance, the most active society had in 1959 not less than 189 active groups with a total number of 1800 participants.

#### Central Organisation and the Study Material

In Sweden the Central Cooperative Union and Wholesale Society has an Adult Education Division with about ten teachers who plan study courses and prepare study material. The study material produced by the Union is an essential aid in helping study circle members to carry on their study and discussions. In the early stages study circles were formed without central direction, and assistance by way of study material. Although these early groups generated some thinking among members, they did not hold together for long and their efforts did not bear significant results. These drawbacks led the KF to adopt the correspondence course approach, under which the Union prepares carefully worked-out study material for use by the study circle members, and a two-way communication is maintained between the KF teachers and the groups.

The study material is produced in simple language, set out in relation to peoples needs and experiences to make it of direct interest to them, and is

specially designed to arouse discussion. Study material on each course is divided into sections, the number of which roughly corresponds with the number of times a group is expected to meet. The material gives factual information, states problems on the subject under discussion, and indicates pros and cons of particular issue. Each section of the study material has questions listed at the end, on which study circles hold discussions and prepare group reports. These reports are sent to the KF teachers who return them back with their comments and supplementary questions to draw attention to points that may have been overlooked. Thus a two-way communication is maintained between the teachers in the Union and the study circles until a study course is completed. This correspondence method is very much appreciated by the groups because it provides an important support to the group members in their work. The comments help them to determine if they are on the right track in their studies and provide supplementary knowledge, information and views related to the discussion carried on in the groups.

KF has also used as study material certain existing publications which discuss problems of the cooperative movement. In order to facilitate a critical study of the book, a Study Guide is prepared and questions are listed for discussion. An interesting use was once made of a publication whose author had made a very serious attack on the cooperative movement. A study guide was prepared discussing critically the views of the author and with its help, this book was discussed by the study circles all over Sweden. The result was that the book could not do any damage to the movement at all. If anything, members' loyalty to the movement increased on account of their critical study of the attack.

Although the study circles function without the continuous presence of the teacher, the contacts between the group and the teacher are quite frequent. There is plenty of correspondence between the two. Further during autumn KF teachers travel on all week-ends, meet study groups and talk to them. By frequent lecture evenings, the contacts maintained through correspondence are further strengthened and there even develops a personal relationship between the KF teacher and members of study groups. A special monthly periodical "Vi Vill" is a further aid in this direction.

After the study circles are formed and start functioning, KF maintains a tight follow-up to ensure that groups are functioning. The local cooperative societies whose members have formed into study circles are required to report information about these groups such as subject matter of the groups and names of the group leaders, the secretaries and the participants. Also if group replies (reports) do not come in, reminders are sent to the non-respondant study circles. The result of this follow-up is that at the end of two or three meetings, a large majority of the groups are found to be functioning actively.

#### Local Leaders for Study Circle

Apart from the study material, the functioning of study circles depends to a considerable extent on the ability of the leader to regulate and guide discussions. Since there is no teacher present at the study circle meetings, the role of a leader is an important one.

He is the organiser of the group, has to keep it together and stimulate group members to contribute to the discussions and work with interest and

energy. At group meetings his functions are to help arouse discussion, to clarify the viewpoints of different people, to direct discussion on the main issues and to help the group arrive at well-thought out conclusions. His job also includes keeping contact with the local society and the KF. It may however be stressed that the group leader need not be an expert in the subject which the group has decided to study, and it is not expected that he should provide all the answers. These functions are performed by the study material and the "correspondence" between the groups and the KF teachers. The group leader's main job is to sustain members' interest and to be an effective chairman. However, this is a function which requires considerable skill and knowledge of human relations and parliamentary procedures. Great emphasis is, therefore, placed on the training of study circle leaders. The KF organises well in advance training courses lasting for about a week for equipping the leaders to perform their functions efficiently. This training is very practical and is aimed at familiarising the leaders with the subject matter of the courses and training them in handling group discussions. Practical demonstrations are given as to how study groups function by involving the leaders in study circles formed at the training courses.

### Achievements

The Swedish Cooperative Movement has kept before itself the following three objectives for its educational policy:-

- i. to provide factual orientation in questions of importance to the local societies and to the movements as a whole, with a view to achieve unbiased and objective decision-making in parliamentary meetings of the societies and of the KF.
- ii. to train an elite of members for elected offices in the movement as also to give those already elected to office an added knowledge of how to carry out their tasks, and
- iii. to spread reliable consumer information amongst the members, thus contributing to the betterment of their economic position.

The choice of subjects for study circles has been governed by these objectives and the subjects followed in the study course may be classified into three categories:

- i. cooperative subjects,
- ii. economic subjects in general and economics of cooperative societies, and
- iii. home and family economics.

These subjects include questions and problems connected with cooperative principles, cooperative business and general economic problems, home and family economics, family psychology and such topics as home-furnishing and interior decoration.

In 1961, 3119 study groups were functioning inside the Consumers' Cooperative Movement in Sweden. The total number of participants is now about 40,000. The composition of the participants in the study circle activity in 1961 was 60 per cent women and 40 per cent men. Of the total participants, 11.5 per cent were employees and the rest board directors and male members.

The study circles have helped in creating an enlightened corps of active members, and also in training board members and employees for their specific tasks in the movement. The members of the study groups are active cooperators who possess an unusual amount of cooperative knowledge and who are able to influence people. They are the carriers of knowledge to other members and opinion-groups under whose leadership rational decision-making becomes feasible.

As pointed out earlier, the subjects chosen for study are such as would give an orientation to members in current cooperative problems. Questions such as the expenses of cooperative societies and owned capital have often been the subjects for study circle courses. In recent years the cooperative movement has been facing increased competition from multiple shops of the private enterprise and this necessitated a review of its entire structure which showed the need to eliminate many small shops.

In order to clarify the position for the members, especially for those in localities where the shops would have to be closed down, the KF Adult Education Division published two study courses explaining the problems and the approaches to their solution. A study course was also prepared which discussed the structural change within the economy, their influence upon the structure of cooperative societies and the consequent changes needed in the structure of the movement. The changes now taking place in rationalising the cooperative structure in Sweden have been made possible on account of the studies made by the members. It would be no exaggeration to state that the dynamism of Swedish Movement and its ability to meet successfully new problems and new situations is, to a considerable extent, a result of the studies of the current development problems by a sizable number of active members, board directors and employees.

The members who participate in study circle activity also provide a pool from which leaders generally emerge. The study circles are thus responsible for creating a steady supply of future leaders for the Movement, as also for giving additional knowledge to those already elected to offices.

An important achievement of the study circle is the dissemination of consumer education and knowledge about household management which has led to an intelligent choice of consumer articles and betterment of household economics of members. It has also been found that members who participate in study circles have a demonstrably higher rate of purchasing loyalty. Even in term of monetary calculus, the expenditure which the movement incurs on study circles 'pays'.

#### Application to South East Asia

The question of introducing study circle methods for cooperative education in the region was discussed at the Conference held in December, 1961 in which Cooperative Unions of various countries of South-East Asia had sent participants, and also at two Seminars on Cooperative Education held in India§ and East Pakistan§§. The concensus of opinion at those meetings was that the study circle method would make significant contri-

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§ Called the Cooperative Development Officers' Conference.

§§ All these events were organised by the ICA Education Centre, the first independently and the other two in collaboration with the Unions in the respective countries.

bution in the sphere of cooperative education and that it deserved to be tried out on an experimental basis. However, it must be recognised that the transplanted idea should be done in a well-thought out manner. There are certain difficulties of which note should be taken and proper approaches developed to meet the needs of the differing situation.

### Illiteracy

The large extent of illiteracy which prevails in most countries in South East Asia would restrict the usefulness of printed study material. However, the extent of illiteracy varies in different parts of the country, and if experimental study circles are to be started, to begin with, areas with relatively high level of literacy could be chosen. It is not necessary that all the members of the study circle should be literate, although it is obvious that literate members would derive the maximum benefit. Study circles could be organised around one or two literate members in such groups, a literate member would read out the study material at the group meeting before discussions start. In such situations, the responsibility of the literate member and the leader will be considerably greater. Also various audio-visual aids such as posters, flannelgraphs, flash-cards, tape recordings if possible, could be used to supplement the study material.

The possibility of utilising the Radio to broadcast the study material, one section for each meeting, could be explored. Groups should then meet at the time scheduled for radio broadcasts of study material, after which discussions may be held on the questions, supplied to them and also spoken over the radio. The comments of the teacher on the group reports and supplementary questions could be given at the time of the next broadcast. The radio is a means of mass communication and would offer an excellent substitute or supplementary aid for the printed study material in communities with large illiteracy, provided a network of study circles are functioning and a joint programme is developed between the National Cooperative Union and the radio authorities. This approach has been tried in the province of Quebec in Canada and also in Sweden, the radio operates its own study circles for adult education.

### Weakness of Cooperative Unions

The second problem is the relative infancy of the national cooperative unions in the region, and languishing condition of many primary societies and the latter's general indifference to cooperative education. The responsibility for initiating and operating the study circle programme will obviously have to be performed by the National Cooperative Unions. Production of study material should be undertaken at a central level in order to have low cost material and also because it would be feasible to appoint at that level technical persons for the job. However, the Unions in most of the countries are of recent origin and generally the financial resources available with them are by no means large. The income which they derive from the movement is inadequate and they depend to a considerable extent on financial assistance from Government for their Cooperative Education Programmes. Their ability to develop study circle programmes would, therefore, depend on the extent to which they can develop their own resources from the movement or can find funds from the Government.

It may also be noted that the channels of communication between the National Union and the primary societies are not sufficiently developed. For instance, although India has a National Cooperative Union and Cooperative Unions at the State level, their counterparts do not exist in many districts. The difficulties of financial paucity and lack of technical personnel exist to a greater degree for Unions at lower level. A two way flow of information which is important in all educational activities and particularly in the study circle programme, is hence difficult to achieve. This is a task which admits of no easy or quick solution and demands a long term approach. On the other hand, there now exist Cooperative Education Officers at various levels in quite a few countries. In India, the National Union has Cooperative Education Division, the State Union has a Cooperative Education Officer to direct and coordinate the programme, and cooperative Instructors function in many districts. The problem of communication could therefore be solved to a certain extent by a rational distribution of functions among the Education officers at the various levels and a system for interchange of ideas and information could be worked out in regard to the study circle activity. A programme of intensive education carried out through study circles, it should be noted, may itself aid in the completion and strengthening of institutional framework.

So far as the primary societies are concerned, the involvement of members in their societies is, by and large, small and in many cases, even managing committees are inactive. This implies, firstly, that the assistance of the primary societies in the local organisational work will remain limited for some time to come and reliance may have to be placed on an organiser appointed by the higher level Union. However, the basis of sound cooperative education has to be local and the local societies should be encouraged to lend a hand in the organisational propaganda for enrolling members. A practice should be established among primary societies to charge one of the elected managing committee members to be in specific charge of cooperative education. The Union can then function through this committee member in charge of education.

Secondly, a major problem would be arousing and sustaining members' interest in study circles. A basic precondition for achieving this is that the subjects chosen for study should be of direct interest to members. The subjects of maximum interest to agriculturist-members generally are farm production, and the techniques of raising it, and cooperative subjects are relevant to them to the extent these affect farmers' economy. In fact in the initial stages the study courses may not deal with cooperative subjects at all. Cooperative subjects may come later when members' interest in cooperative societies is awakened. Alternatively it may mean that people who join cooperative courses may be limited to active managing committee members and a handful of other members. The study circle method permits a flexible approach and it could be possible for the National Unions to offer two or three study courses to different groups during one study session. Much would also depend upon the leader and his capacity to arouse and sustain members' interest.

#### Finding Local Leaders

Finally the question of local leaders. This is one of the crucial problems since the leader's responsibility will be greater in communities with widespread illiteracy, and with comparatively inactive and



indifferently functioning cooperative societies. Selection of leaders and their training are of utmost importance and would be a major task for the local districts or taluk unions, the cooperative instructor, and office-bearers of primary societies. It is hardly possible to suggest anything definitive in this regard in view of the great diversity of conditions in different parts of one country, not to speak of the entire region of South East Asia. In answering the problem two questions arise: What are the sources from which local leaders may be drawn and what training should they receive? As regards the sources of leadership, the village community in most countries in the region is a stratified society on account of various social and economic factors such as caste, land-holdings, religions etc. and one would find that certain traditional groups of people such as the Zamindar (landlord), the village headman or a high caste Hindu (In the case of India) enjoy positions of leadership, irrespective of functional efficiency. No doubt, the organisers of study circles will have to take cognisance of these groups but they are obviously unsuited for leadership work in democratic forums like the study circles. In certain cases where they dominate cooperative societies and have a vested interest in maintaining the status-quo, study circles may have to contend against their opposition. Local leaders for study groups will, therefore, have to be found from non-traditional and progressive groups in the villages. Possible sources of leadership may be the go-ahead farmer who has shown progressive attitudes by adoption of improved techniques of farming, the village school teacher who is an educated person and enjoys respect in the village, interested and active managing committee members of cooperative societies, and social workers.

The next task is to train the leaders and for this short one to two weeks courses may be organised in a decentralised manner. The leaders would require training in the technique of study circles; their functions vis-a-vis the members, the cooperative union teachers and local societies; subject matter of the course; and the art of conducting discussions. As in Sweden, the training should be practical and function-oriented.

In conclusion, the study circles hold out great promise for cooperative education work in South East Asia, but their introduction would require careful consideration in regard to the production and use of study material, choice of subjects, local organisational work, the development of two way flow of information and ideas between the National Union teachers and Study Circles, and the choice and training of leaders.

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COOPERATIVE CREDIT

Study Guide

## 1. THE AIM OF COOPERATIVE CREDIT

The aim of Cooperative Credit is to encourage individual thrift and mutual cooperation among persons of common economic needs for the proper utilization of their combined resources, with the aid of mutual knowledge and experience.

The origin of cooperative credit is traced back to the stagnation of poorer classes, especially labourers and farmers. It was with a view to remove the indebtedness among these classes that cooperative credit was started first in Germany, later in Ireland and of late in most of the countries in the world.

Another aim of cooperative credit is to raise the production capacity of the farmers and the workers. Besides attempting to meet the more obvious economic evils, cooperative credit aims at halting the underlying moral deterioration of the poorer classes due to economic dependence. "It is to promote," as Sir Horace Plunkett said, "better farming, better business and better living".

### Points for discussion :

1. Discuss whether poverty was the root cause for the introduction of cooperative credit; what were the reasons behind the poverty of the majority of the people, What were the other sources from which credit was available to poorer people; discuss the merits of each.
2. Do you think that removal of indebtedness of the people should be the only aim of cooperative credit? If not, what should be the other aims Please give reasons in support of your answer.
3. What was the aim of starting your society? Are the present policy and programme of your society framed with a view to achieve this aim?

## 2. PRINCIPLES OF A COOPERATIVE SOCIETY

The basic principles of a cooperative credit society are :

1. Voluntary Association : The cooperative credit society is a voluntary association of persons of common economic need. They join the association of their own will to satisfy their credit needs.
2. Democratic Organisation : The cooperative society is a democratic organisation of members. This means that the ultimate authority to determine the policy and programme for the society rests with the members. As a democratic body the society confers equal rights to all members including the right to vote on the basis of one vote per member.
3. Business with Members : The credit societies lend only to members and do not deal with non-members. They are formed primarily to meet the credit needs of the members.
4. Loans only for productive purposes : These societies give loans only for productive purposes to farmers, artisans and other persons engaged in some production activity.
5. Absence of profit motive : The cooperative credit societies do not seek to make profit out of their credit activity. The emphasis is on the service of members. The surplus out of income and expenditure is utilized mainly to strengthen the resources of the society and only a small portion is distributed among members as dividend.
6. Permanent indivisible reserve funds : The society tries to build up reserve funds out of its surplus. The bulk of the surplus is ploughed back to the society by way of a substantial contribution to the reserve fund. This brings stability and a sense of security to the society and increases its borrowing capacity.
7. Promotion of thrift : As the cooperative credit society is formed out of persons of small means and as these persons endeavour to meet their credit needs by pooling their resources, it is necessary for the society to promote thrift among members.
8. Honourary Service: Most of the cooperative credit societies are unable to support full time employees and hence they depend upon the honourary service of their members. Most of the societies in the early days never employed salaried personnel although at present the trend is towards appointing paid staff.
9. Promotion of moral as well as educational advancement of members.

### Points for discussion :

1. Discuss the above principles in the light of the working of your society.
2. Do you think that the principle of honourary service is possible is possible to be sererved in the changing economic and social conditions of the present day. Will not the improved financial condition a society encourage it to employ paid staff.

3. Do you think that all the surplus in the society should be ploughed back to the reserve fund or only a portion be put there. Some believe that for some years in the beginning of a society the full amount of the surplus should be put in the reserve fund. Discuss this in the light the policy and experience of your society.

3. THRIFT AS THE BASIS OF COOPERATIVE CREDIT :

Although cooperative credit was originally introduced to rid the poorer people of their indebtedness, the ultimate aim of cooperation is to encourage the habit of thrift among members. As a matter of fact many people fall into debt because they did not practice thrift. People who save regularly out of their income, seldom get into debt.

Thrift, therefore, should be the basis of all cooperative activity. It does not mean miserliness. It is the habit of saving something out of our earnings so that we may be able to use it at some future time when it will be of greater benefit to us than it is at present. It presupposes discrimination and foresight.

Borrowing from outside agencies has to be resorted to by the cooperatives because the societies do not have adequate resources for meeting the credit needs of the members. But as the financial position of the society improves, it should be possible for the society to lend to members from out of their savings deposited with the society.

The cooperative credit society should have a definite programme of encouraging thrift among members. The village communities lack in the propensity to save and have to be encouraged in the habit of setting aside a part of their income for more urgent needs of the future.

The role of the society may not necessarily be restricted to the task of attracting deposits from the surplus income with the members; it should assume a positive role of educating the members in spending their limited income in a more systematic manner so as to enable the members to save.

In order to encourage the members to save with the society, the society should create confidence among its members about its role in bettering the conditions of the members and its ability to utilize the savings to the best advantage of the members.

Points for discussion :

1. Do you consider that thrift should be the basis of all cooperative credit activity?
2. Please discuss why indebtedness is so common among workers and farmers of the South East Asian Region?
3. What would you consider as the best method of encouraging savings among the members of your society?

#### 4. SHARE CAPITAL AND BORROWINGS

The basis for starting any economic activity in a credit cooperative society is the collection of share capital from members. As most of the societies have members of small means, the value of each share is usually very small. Even this amount is not collected in lump sum but in small instalments.

A number of societies collect instalments for share capital at the time of distributing the loans. A certain percentage is deducted for the share capital. In some societies, the contribution is left to the option of the members.

Even with such contributions, the share capital to the credit of an average member is very small. Hence, the total share capital of the credit society is much below its normal requirements.

The negligible share-holding of the average member results in his not getting adequate loans for production purposes. The society is not able to lend more owing to the restriction on lending in certain proportion to the share-holding of the members. This also compels many a members to borrow from other agencies for production purposes.

The limited share capital of the credit society also restricts its borrowing from cooperative banks and other sources. This hampers its normal credit activities. Hence, it is necessary to encourage members to invest more in shares of the society.

In some countries, Governments have come forward to help the societies in widening the basis of their share capital. Here the Governments buy a certain proportion of the share capital of the societies. This helps the societies to borrow more and also creates confidence among the agencies lending money to the societies.

#### Points for discussion :

1. Discuss the need of increasing the share capital of the credit society.
2. What are the advantages of increased share capital and what are the difficulties in raising share capital in a credit society?
3. Do you think that till the society is able to collect enough share capital for its economic activities, the governments should enter into partnership with the society by buying a portion of its share capital?

5. THE PURPOSE OF A COOPERATIVE LOAN

Cooperative credit societies lend to farmers to cultivate the fields. They also lend for buying implements, seeds and fertilisers and also for marketing the produce. The urban credit societies lend to artisans and traders for production and trading purposes. In short, the main objective of giving cooperative credit is to help increase production.

It is also argued that the definition of adequate credit should be widened so as to include the family expenditure and social needs of the primary producer. If the cooperative credit is restricted to his actual production needs the member will have to borrow from outside to meet his current expenses.

Besides his economic activity, the member has to live his social and religious life and hence it may be necessary to take his social and religious requirements into consideration while assessing his credit needs.

Points for discussion :

1. Should the credit society lend for production purposes or should it lend irrespective of the nature of the need of the members?
2. What factors should be taken into consideration while assessing the needs of the members? Please discuss in the light of the practice and experience of your society.



6. HOW COOPERATIVE CREDIT CAN BE MADE MORE EFFECTIVE :

The purpose of giving credit to members will not be achieved unless care is taken to see that the loans given are utilized to the best advantage of both the society and the member. The following three methods are suggested as the most effective ways of ensuring the proper and fuller utilization of loans

- a. The first important task in assessing the correct needs of the farmers is to help the farmer in evolving a production plan for his farm and the artisan for his industry. Only when production is planned the correct demands can be assessed. This practice saves credit being given to members who do not need it and leaving the others half satisfied. The supply of credit should be related to the actual requirements of the producer.
- b. Even when the production objective is achieved, it is not possible for the producers to secure fair price for his produce as several forces operate in the market which compel him to sell his produce at the price dictated by the buyers. Hence, it is necessary to link credit with marketing. Either the society should market the produce of the member by itself or it should arrange market it through the marketing society. This ensures better price for the members and also prompt repayment of loan to the society. Marketing could be made much more effective if it is linked with processing of the goods of members and also the storage of the produce in godowns and warehouses.
- c. After the loans are given it is better to ensure the use of the money for the purpose for which it is given. This entails greater vigilance on the part of the society and its members. The agencies responsible for giving finance and other help to the societies usually arrange for supervision on the utilization of loans by members.

Points for discussion :

1. What measures would you suggest to make the credit policy of the society more effective?
2. Discuss, in the light of the experience of your society, whether it is feasible to evolve a production plan for the members of your society.

7. THE LIABILITY OF A COOPERATIVE CREDIT SOCIETY

Cooperative credit societies, when started originally by Raiffeisen in Germany, were formed on the basis of unlimited liability. This principle was accepted to enable the societies to borrow from outside on the basis of the collective repaying capacity of all the members. The acceptance of the principle of unlimited liability put a charge on the assets of all the members for repayment of debts of the society jointly and severally.

As the societies did not have enough share capital this principle was accepted and experimented with for many years in respect of agricultural credit societies. The societies in the urban areas usually adopted limited liability which restricted the extent of a member's responsibility for repayment of the debts of the society. Most of the non-agricultural societies also accepted the principle of limited liability.

The experience of the past has shown that the principle of unlimited liability has not helped the societies in securing prompt repayments of loans. It has also not served the purpose as being a deterrent to members unwilling to repay their loans in time. The present trend is to accept limited liability to the extent of the share holding of each member or a multiple thereof.

Points for discussion :

1. What factors were responsible for the introduction of unlimited liability principle in the early stages of cooperative development?
2. Do you consider ~~that~~ in the present stage of the development of cooperative societies it is more advantageous to adopt the principle of limited liability. Please discuss in the light of the experience in your society:

8. WHY SOME CREDIT SOCIETIES FAIL?

Experience in most countries of the South East Asian Region (with the exception of Japan) shows that cooperative credit societies have not progressed to the extent to which it was expected of them by the persons who started the credit movement. There are a number of reasons for this partial failure, but the most important among them are as follows :

- a. Hasty organisation : Most of the societies in this area are organised by persons other than members. The organising activity is undertaken to fulfill targets or to fulfill ambitions of a few persons. Hence, majority of the members who join the society do not realise the importance of cooperative activity beyond the obvious process of money-lending. This does not create any interest among members and the society becomes a centre of giving away and collecting money. It does not develop any organic strength of its own. The societies should be formed only when their need is felt by the members.
- b. Another important reason is the absence of able leadership within the society. The leadership is usually assumed by the persons who are leaders in social and religious fields or is taken over by the vested interests. This does not permit the participation of potential leaders in the working of the society.
- c. The third factor is the inability of the society to secure the loyalty of its members. The society to be successful must have the support of its members in all activities. The members must also fulfill their obligations to the societies by prompt repayments.

All these factors suggest that there is no effective participation by members in the working of the society.

Points for discussion :

1. What do you consider as the most important reasons for the failure of some credit cooperative societies?
2. What measures would you suggest to remedy these drawbacks.

9. MEMBERS' PARTICIPATION

We have seen that the root cause of most of the factors responsible for the failures in cooperative credit is the lack of effective participation by members in the working of the society. Such participation can be made possible when the members themselves realise the importance of cooperative activity and the need of their close association with such activity.

With a view to enable the members to realise importance of their role in the society, it is necessary to educate them in the various aspects of cooperative activity. It is not enough to educate the members only in respect of the economic aspects of the working of the society. The education of members should include all the aspects of the working of the society including the socio-economic implications of such activity.

Cooperative society is a democratic organisation and unless the members, who have collectively formed such an organisation, participate in its activity the full advantages of a democratic body will not accrue to such an organisation. It is therefore necessary to educate the members in democratic procedures and in the importance of their role vis-a-vis the cooperative society.

Points for discussion :

1. Why is member participation in a cooperative society important for the success of cooperative activity?
2. What measures would you suggest to bring about active participation by members?
3. Discuss the educational needs of the members in the light of the experience in your society.

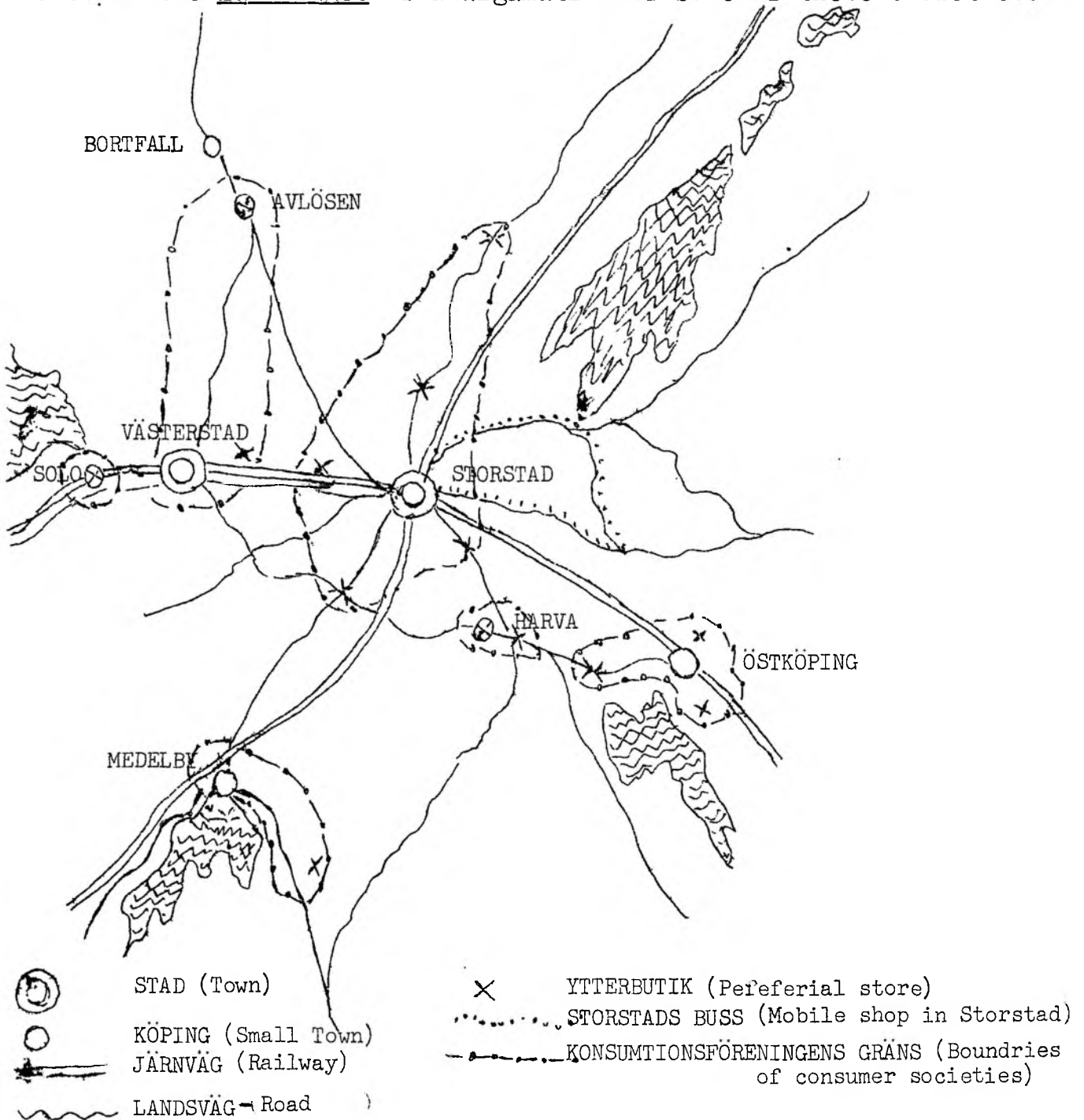
ICA Education Centre,  
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January, 1963.

TRANSLATION OF A CHAPTER IN A  
STUDY CIRCLE BOOK PREPARED BY  
THE SWEDISH CO-OPERATIVE UNION

INTRODUCTION

we have been examining the Vifolka District which has six societies. After discussing the size of these societies, their activities, problems, personnel, managing committees, etc., we have come to the conclusion that it might be interesting to discuss the advantages of amalgamation of some of these societies.



### BIG OR SMALL SOCIETY?

The problems existing in the six societies of Vifolka district have to be solved, and it is the task of the Committee of this discussion group to discover how best this can be done. It is not difficult to enumerate problems - the difficulty is to see them clearly enough, and to be able to solve them.

The problems which exist are of 2 kinds:-

- (a) those which can be solved by the societies themselves; and
- (b) those which can be solved in collaboration with others.

These problems can be solved in several ways. Below we will make a short resumé of the existing problems. You have perhaps found additional problems. If so, you are welcome to suggest solutions to them too.

#### Western Town (referred to as Västerstad):

Västerstad has 3 shops which must be incorporated into one, modern store, which should be located in the centre of the city. However, for this project capital is necessary.

#### Middle Village (referred to as Medelby):

Medelby had a similar problem which it managed to solve. Therefore, Västerstad should also be able to solve this problem.

Question 1: How shall Västerstad get the necessary capital? By borrowing? (the shop buildings are already mortgaged). Is it advisable that the society takes a special investment loan from its members? How many members are there in the society? are there any other solutions? Can Västerstad ask for help from the Cooperative Wholesale Society? Discuss **and** answer the questions. Make a note of your decisions. Did you get a solution within the society itself, or a solution which requires collaboration with others?

#### East Town (referred to as Ostköping):

The biggest problem here is Shop No.7 which is too close to the Harva Society, but we have to get the best possible retail service we can, so it is not sure whether we can scrap Shop No.7.

Let us now have a look at Harva. How are its stores? we know that Harva has difficulties with its shop which is in the direction of Ostköping town because it is very close to shop No.7. Here we have two shops which are situated along the main road, but which are not profitable because they are too close together. Now we will try to find out if there are any other shops in the district which are unprofitable.

2.

Question 2: Big Town (referred to as Storstad):

Has Storstad any store which is not profitable? If there are a number of such stores, can they be incorporated into one, big, modern store? Does Storstad have to consider what the neighbouring societies will think if it decides to take this step?

At present there are 3 non-food shops in Storstad. Now, the Managing Committee of the Storstad Consumer Cooperative Society, as well as the Managing Committees of the other 5 Consumer Cooperative Societies in the Vifolka District ("We People" District) feel that there should be one big Department store which could absorb these 3 non-food shops. In other words, the Department Store will sell the commodities now being sold by these 3 shops, which could then be dissolved. This plan is possible as the capital formation in Storstad Consumer Society is rather good, but, on the other hand, Storstad also has ~~some~~ food shops which need to be modernized.

Question 3:(a): Should the Storstad Department Store be built only for the use of Storstad inhabitants? (In this case, Storstad Society capital would be sufficient).

(b): Or, should the Department Store be large enough for the needs of the whole Vifolka District? Give reasons for and against.

Question 4: If your answer to question 3(a) is "yes", how will the other 5 societies in Vifolka manage their sales of non-food goods? Can they manage with only food shops, and let their members buy their other requirements from private traders?

Question 5: Was your solution of the Storstad Department Store problem a solution within the society itself, or one which requires collaboration with other societies?

"Along" (referred to as Solo):

The problem in Solo is that its store needs to be rebuilt, but this will empty Solo's capital resources. Hence the Society is hesitant about the investment, but the members of Solo Society are optimistic "because our Manager manages anything"!

Question 6: Can the problems of Solo be solved within the society, or does their solution require collaboration with other societies?

Now we have examined all the societies in the Vifolka District. Have we forgotten Medelby? No, not at all. Medelby does not seem to be a part of our problems. Medelby is discussing an increase of the patronage dividend to 5%. Some societies are really working under good conditions!

contd...p.4.



In the committee reports some problems regarding organization and execution of certain functions in the societies have been mentioned. In some societies capital formation has not been sufficient. In others sales were low, or planning ineffective. In all the societies, however, member education has been badly handled, mainly due to the fact that sufficient time was not devoted to this task, nor were the right personnel available.

If certain functions are neglected in a society, the result is often seen at once because of the immediate economic loss, but if member education is neglected, the disadvantages arising from this neglect are not apparent immediately, and therefore member education may be neglected over a fairly long period before the fact is discovered. Member Education is very important. For instance, Medelby would not have been able to carry out the changes in its internal organization without proper member information. It was this information which enabled the members to effect the required changes.

Question 7: which problems can each of the Vifolka District Societies solve by their own resources, and which of these problems have to be solved in collaboration with other societies? which functions would be better managed if the societies collaborated?

There are several ways in which the societies in the Vifolka District can collaborate. For instance, they could transfer some of their functions to the Cooperative wholesale Society, or the other 5 societies could hand over some of their functions to the Storstad Society. Alternately, they could, through fusion, create a District Society.

How have these societies managed up till now to solve problems where collaboration was required? If their capital problems were too heavy, they asked for help from the wholesale Society, but this was not really a solution. It was merely a transfer of problems from the local to the central organization. Help from the Wholesale Society should only be asked for when it is absolutely necessary, i.e., when no other solution is possible, and when such help is given, it should be for as limited a time as possible. The most essential thing is that every society should try and manage on its own, and be independent to as large an extent as possible.

The Stronger a Society is, the more independent it will be of the Central Organization.

The Central Organization cannot exercise any decision on questions regarding amalgamation of societies. It is for members of societies themselves to decide, and before they do so, they must make sure that cooperative activities will be better managed if the societies are joined together into one single big society.

The question of whether a unification of societies in the Vifolka District should take place or not is dependent upon how well the **big society** will function. One of the most important arguments in favour of amalgamation is that the society will be big enough to afford specialized personnel for different functions. One individual cannot manage everything as he is neither trained nor interested in everything. A small or middle sized society cannot afford to employ specialists for various functions, and this has also been shown in the discussions about our six societies in Vifolka. let us make a table of the administrative personnel in our six societies:-

	<u>Cost per month in Rs.</u>
<u>Storstad</u>	
General Manager	
Shop Specialist	
Office Manager	
Cashier	
Stock Controller	
Stenotypist	7.500
<u>Medelby</u>	
General Manager	
Cashier	
Stock Controller	
Office Assistant	4.500
<u>Västerstad</u>	
General Manager	
Cashier	2.900
<u>Ostköping</u>	
General Manager	
Cashier	2.700
<u>Harva</u>	
General Manager	1.400
<u>Solo</u>	
General Manager	<u>1.300</u>
=16 employees, administrative personnel	
sum total:	20.300

what will the District Society be like?

We have now described the personnel situation, but how many persons would we need if amalgamation was effected, and how big would the society be as regards number of shops, turnover and membership? Let us make another table:

The New Society:

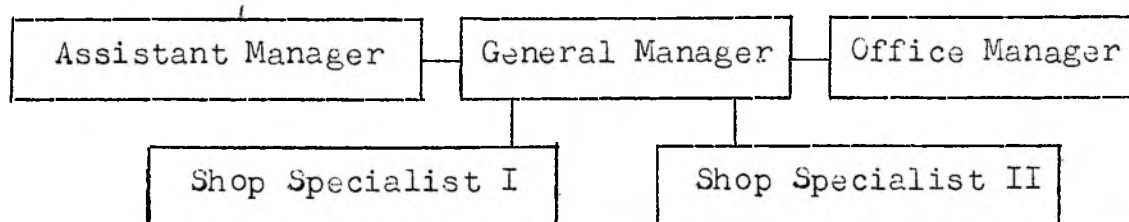
<u>Shops</u>	<u>No. of Shops</u>	<u>Turnover</u>	<u>Members</u>
Storstad	22	13.6 mill.	4.100
Västerstad	6	2.2 "	800
Medelby	7	4.0 "	1.300
Ostköping	7	1.9 "	750
Harva	2	0.6 "	200
Solo	1	0.32 "	115
<hr/>			
Vifolka District Society =	<u>45</u>	<u>22.62 mill.</u>	<u>7.265</u>

As you see, the new society would belong more to the middle sized societies in Sweden.

Question 8: By the way, how big is your own society, as regards number of shops, turnover and members?

The administrative organization after change-over to a district society at Vifolka.

## a) Organization plan



contd...p.7.

## b) Administration:

## Management Tasks

General Manager:	Planning Coordination Finance Building activities & administration of society's buildings. Contacts with public	1
Assistant Manager:	Personnel questions personnel training member education contacts with press	1
Shop Specialist I:	Control of one-half of the society's shops. Budget & profit analysis in his area. Advertising & planning of sales	1
Shop Specialist II:	Control of other half of the society's shops. Budget and profit analysis in his area. Purchase & control of shop inventories in the whole society	1
Office Manager:	Organization of office work Accounting	1

## Office employees:

Cashier	1	
Stock controllers	2	
salaries	1	
invoicing	1	
typists	<u>2</u>	<u>7</u>

Sum total of administrative personnel 12

## c) Cost of administrative employees after merger

Cost per month	17.700 kr.
Reduction of cost per month	2.600 kr.

Now we will have a thorough look at the foregoing table. The reduction in cost is naturally valuable, but not the most important thing right now. Instead let us consider which functions will be better managed in the amalgamated society than in the old societies. The district society in Vifolka would not be a very big one, but it would certainly be large enough to have specialized personnel for the different tasks. The only function which is not included as a separate task in the table is investment and capital formation. It would not be possible to have any employee in the society responsible for this task alone.

Question 9: why and how is capital formation affected if amalgamation takes place?

If the societies in a district realize that their many problems can be better solved, and their functions more efficiently carried out after amalgamation, they should not believe that amalgamation should take place immediately. One society after the other will have to ask to be amalgamated with the society which is in the centre of the district. Sometimes the amalgamation will not be made directly with the central society. Instead, a couple of the small, periferal societies might join together first, and later be amalgamated with the central society. Thus, there is no general procedure which must be followed. The amalgamation process is really rather slow. Practical, geographical and economic considerations must be taken into account.

Question 10: How is it in your own district? which societies have been amalgamated there?

What was said at the annual General Meetings at Vifolka?

At Vifolka the proposal for amalgamation was dealt with at the Annual General Meetings. The result was that Harva and Östköping asked to be taken into the Storstad society. They thought this step was necessary to solve their problems quickly.

Question 11: which problems were, according to you, responsible for Harva and Östköping asking to be taken into the storstad Society? Västerstad also made a similar request at the General Meeting, but there no decision was taken. Some people questioned whether Västerstad's problems could not be better solved with the assistance of the Wholesale Society.

Question 12: Do you think Västerstad could solve its problems better by amalgamation with storstad society, or with the assistance of the Wholesale Society?

Solo Consumers' Society also discussed amalgamation plans at its General Meeting. The meeting said "no", stating that the Solo Society could not be better managed by anybody than it is at present under its current Manager. A Shop Manager, they maintained, would never work night and day like the present Manager does. The members of Solo Society really feel responsible for their own little society. If amalgamation took place, member feeling would disappear and cooperative activities would dwindle as a result. The General Meeting said that all help should be given to the present Society Manager, because as long as he was in office, the members of Solo would not want to discuss any proposals for amalgamation.

question 13: Here the whole question regarding collaboration has been limited to personnel. Don't you think this will be a great psychological burden for the Society Manager?

In Medelby the General Meeting said "no", stating that Medelby was the best managed society in the Vifolka District, with 4% patronage dividend, etc.

question 14: we ask the representative of Medelby the following:-

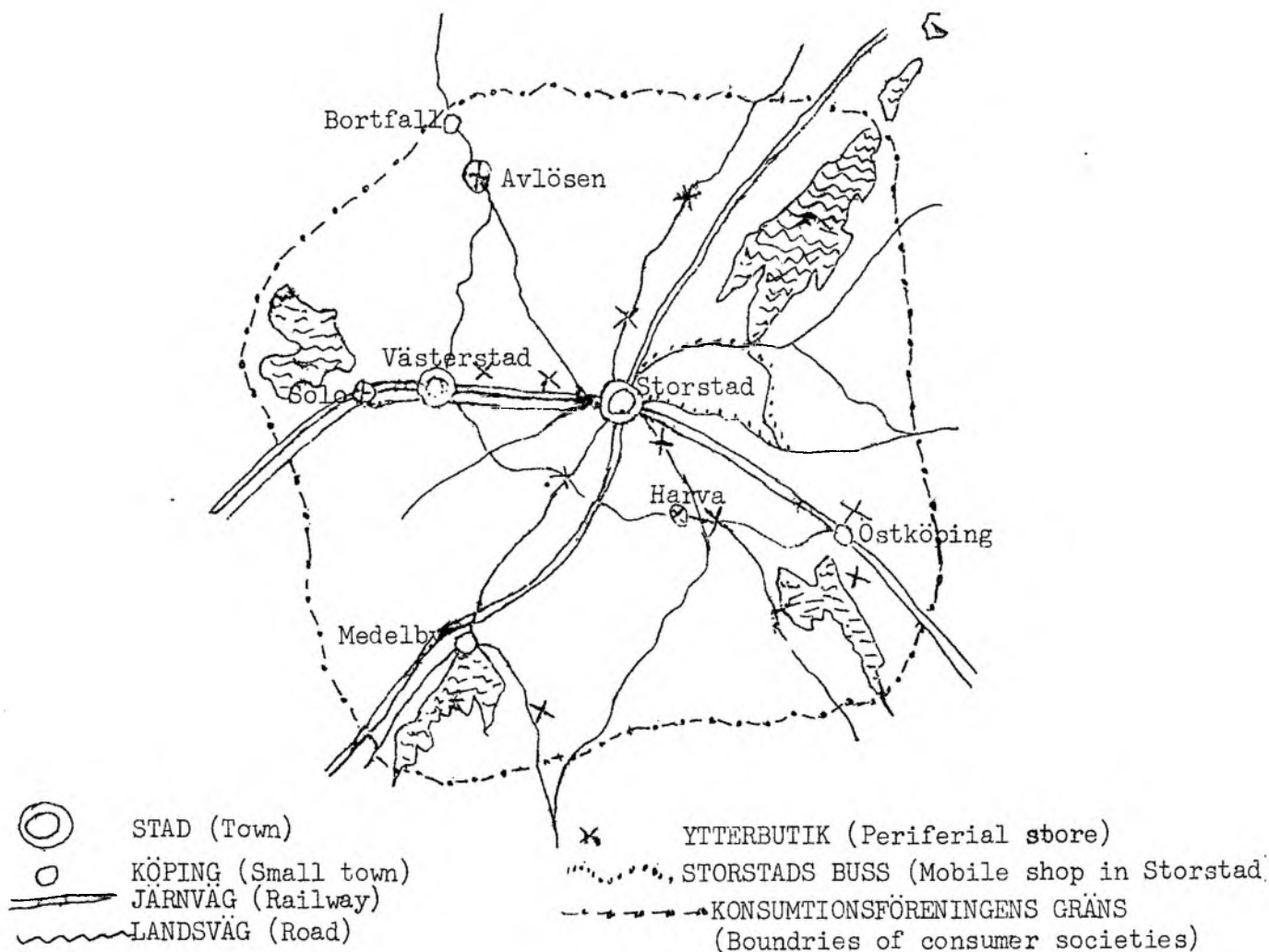
Irrespective of the decision of your General Meeting, what is your personal opinion about amalgamation between Medelby and Storstad societies?

Will the Small Societies be a Burden for the Central Society?

Naturally, there are reasons both for and against amalgamation, but we must be clear that amalgamation between societies is not caused only because of economic problems. It would be rather strange if only the poor societies should collaborate, while the rich ones continued independently. In the long run this is not possible.

Question 15: Suppose we have, for instance, a central society (certainly with many problems of its own), and that we attach to this central society 4 or 5 societies which cannot manage economically on their own, what would be the result?

Amalgamation should not be a sign that the society is bankrupt. It is only a sign that the members are convinced that it is to their advantage to collaborate, in order to increase cooperative activity. A refusal to merge simply means that the members are not convinced about the advantages of collaboration. No pressure should be exerted by the central society to force smaller societies to amalgamate. Both societies must realize the advantages of amalgamation.



What is meant by "Amalgamation"?

1) Amalgamation means that two societies will agree that one of them is to be taken over by the other, so that the members will now all belong only to one society, i.e., the one which takes over. The other society will no longer exist.

2) That all the assets and liabilities will be taken over by the amalgamating society. The society which is being taken over does not sell its assets and liabilities, and the amalgamating society does not buy these assets and liabilities.

Within cooperative societies individual members have the right to decide whether amalgamation should take place or not. It may happen that an individual member will not agree to this amalgamation even if the majority do. This member will then naturally be allowed to leave the society, and when he leaves he gets back his share of capital.

Question 17: Also, after amalgamation, the personnel must find employment, but the conditions of employment will probably be changed after amalgamation. Why?

Cooperation must be seen as part of the society:

Amalgamation should be a slow process, so that the members are well aware of what is taking place. Amalgamation is a members' problem, and therefore members must be quite clear about what it entails, so that they can make the right decisions.

The question of amalgamation among Consumer Societies, and the changes which will occur as a result in the structure of the societies as a whole, are clearly interrelated. We must be able to visualise clearly the whole background of the consumer societies. Therefore, this course cannot be purely Cooperative, but must also include social questions of various kinds.

Question 18: Why is it not possible to look at Cooperation as an isolated activity?

Now we must examine our democracy. Haven't there been any negative points of view in the discussions regarding amalgamation? What opportunities will members have to perform democratic functions in the big societies? On this point many persons have warned that the result might be decreased democratic control from the members' side. Democracy must be properly discussed and this is as interesting a subject as the business activities of the societies. Democracy and business activities are two sides of the same picture, namely, our cooperative activities. Therefore, we would recommend that you also go through our course "We Discuss our Democracy", which exactly takes up the problems of democracy in the big societies of the future.

Never before has member education been more important, and never before have the elected representatives had a more important role to play than they will have in the big societies which will be the result of the amalgamations. It will be difficult to get an overall view of the cooperative activities, and Planning Committees will probably consist of full-time employees. Then the elected representatives will be our guarantee that the Movement follows the main lines of Cooperation. The Planning Committee consisting of full-time employees and appointed by elected representatives as a rule carries out the Cooperative aims in a proper way. In the future we will have to prove that we can combine efficient business and efficient democracy in the people's movements.



Main questions for Chapter 5:

1. Which problems can be solved within each of the societies, and which problems must be solved in collaboration with other societies at Vifolka?
2. Which functions would be carried out more efficiently after an amalgamation between the societies at Vifolka?
3. Advantages and disadvantages of amalgamation in the Vifolka district.

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