



(73rd) International Co-operative Day
UN International Day of Co-operatives



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RECOMMENDATIONS OF THE ICA BOARD
CONCERNING RESOLUTIONS AND AMENDMENTS
Manchester, 18 September 1995

Having carefully examined the various resolutions and amendments submitted to the ICA Congress and General Assembly, and after consultations with the proposers of the amendments, the Board recommends the following:

1. ICA Statement on the Co-operative Identity

The draft Statement should be amended as follows:

a) Definition: "A co-operative is an autonomous association of persons united voluntarily to meet their common economic and social needs and aspirations through a jointly-owned and democratically-controlled enterprise".

(Explanation: The previous reference to "cultural" can be deemed to be included, where it is desired by members, in the reference to social needs and aspirations.)

b) Values: "Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others."

(Explanation: These two additions recognise that co-operative values stem from many equally-valid sources.)

c) Third Principle: "Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of the assets is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership."

(Explanation: The principle of indivisible reserves is widely-accepted by most of the ICA membership.)

d) Seventh Principle: "... Co-operatives work for the sustainable development of their communities through policies approved by their members."

(Explanation: This amendment makes it clear that co-operatives operate in response to the wishes of their members.)

2. Resolution on Participatory Democracy

The amendments as proposed by the Japanese Consumers' Co-operative Union should be accepted.

(Explanation: These modifications are acceptable to KF, the proposer of the original Resolution, and reflect the views of the members of the Joint Project on Participatory Democracy.)

3. Resolutions on Sustainable Development, Peace, Gender Equality in Co-operatives, Strategic Alliances, and Lars Marcus

The Board recommends that these Resolutions be approved.



**ICA International Co-operative Day
UN International Day of Co-operatives**

*The International Co-operative Alliance and the United Nations:
A Partnership for Sustainable Development*

**A Celebration of Shared Goals: the United Nations 50th
and the International Co-operative Alliance's 100th Anniversaries**

The United Nations Fiftieth Anniversary

The United Nations Charter was signed on 26 June 1945 and came into force on 24 October 1945. By direction of the General Assembly the Fiftieth Anniversary of the United Nations will be commemorated throughout the world and throughout 1995.

The purposes of the celebration are to convey and celebrate United Nations achievements; to reflect upon the United Nations past and to consider and strengthen its future; to build public support for the United Nations worldwide; to mobilize public opinion; and to educate and inspire a new generation of United Nations supporters.

Celebration will be undertaken by means of communication with as many persons as possible throughout the world through expanded news coverage of United Nations activities, achievements and issues; television and radio documentaries and public service announcements; and special newspaper and magazine inserts and features. It will also be undertaken by promoting the inclusion within educational curricula material on the United Nations. Special academic conferences and seminars will be held. Comprehensive studies and reports on the past and future of the United Nations will be undertaken, and symposia and conferences held on relevant issues. Finally, numerous forms of celebration will take place, including concerts, art exhibits and the issue of commemorative stamps and coins.

The International Co-operative Alliance's One Hundredth Anniversary

The modern co-operative movement began in 1844 when a small group of persons joined together to establish the first consumer-owned retail co-operative enterprise in Rochdale, an industrial town in the north-west of England. The co-operative movement throughout the world celebrated the 150th anniversary of this event during 1994. The International Co-operative Alliance itself was set up in 1895, and will be celebrating its Centennial Year during 1995. Its Centennial Congress will be held at Manchester, United Kingdom from 20 to 23 September 1995.

Complementarity of membership of the UN and the ICA

The United Nations is an organization whose members are 185 sovereign states, whose total population is more than 99 per cent of that of the world. It is also an organization of peoples: the Preamble to its Charter states that "We the Peoples of the United Nations ... have resolved to combine our efforts to accomplish (certain) aims. Accordingly, our respective Governments, through representatives ... have agreed to the present Charter of the United Nations and do hereby establish an international organization to be known as the United Nations".

The International Co-operative Alliance is an organization whose members are 204 co-operative organizations, which in turn represent the individual women and men who are members - and hence owners - of co-operative business enterprises. These individuals number over 750,000,000 persons. With their immediate family or household members, if estimated at four persons each, the number of persons closely associated with co-operatives is over three billion, more than half of the world's population - and of the population of the Member States represented in the United Nations. To these must be added an estimated 100,000,000 persons who are employed in co-operative enterprises of all types, and their immediate families or households.

Clearly, therefore, membership in the international co-operative movement, of which the International Co-operative Alliance is the global representative organization, coincides to large degree with membership of the United Nations.

Complementarity of goals of the UN and the ICA

The preamble to the United Nations Charter states that:

"We the Peoples of the United Nations determined to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and to promote social progress and better standards of life in larger freedom,

And for these ends:

to practice tolerance and live together in peace with one another as good neighbours, and to unite our strength to maintain international peace and security, and to ensure by the acceptance of principles and the institution of methods, that armed force shall not be used, save in the common interest, to employ international machinery for the promotion of the economic and social advancement of all peoples,

Have resolved to combine our efforts to accomplish these aims"

The international co-operative movement has very similar purposes. Since its creation in 1895 the International Co-operative Alliance has been the final authority for defining co-operatives and for elaborating the principles upon which co-operatives should be based. The Alliance has made two formal declarations on co-operative principles, in the 1930s and in the 1960s. As an expression of how the co-operative movement can adjust to meet new challenges while retaining basic principles, the Alliance will consider at its Centennial Congress a Statement of Co-operative Identity.

The draft of this Statement defines a co-operative as:

"... an autonomous association of persons united voluntarily to meet their common economic and social needs through a jointly-owned and democratically-controlled enterprise."

The Statement also indicates that:

"Co-operatives are based on the values of self-help, mutual responsibility, equality, and equity. They practice honesty, openness and social responsibility in all their activities."

Co-operatives reflect these values by applying a number of principles as general guidelines for their activities. These include the following: "... Within their capacity to admit members, co-operatives are open on a voluntary basis, without political, religious, gender or social discrimination, to all who can contribute to, and benefit from, their activities."

Recognition by the UN of the relevance of the Co-operative Movement to its goals and concerns

The International Labour Organisation, which was established 26 years earlier than the United Nations, from its inception undertook programmes designed to promote and support the international co-operative movement, recognizing their distinct character and the fact that they constituted a significant segment of society. In paragraph 3 of article 12, its Constitution states: "The International Labour Organisation may make suitable arrangements for such consultation as it may think desirable with recognized non-governmental international organizations, including international organizations of employers, workers, agriculturists and co-operators."

The United Nations also recognised the significance of the international co-operative movement at the outset. The first session of the General Assembly accorded Category I consultative status to the International Co-operative Alliance in 1946. Since then it has adopted 12 resolutions acknowledging the relevance of co-operative enterprises to the goals and concerns of the United Nations and calling upon Governments to promote and support the co-operative movement. The Economic and Social Council has adopted 13 resolutions on the same themes, some calling for close collaboration with the International Co-operative Alliance.

In the latest of his series of biennial reports to the General Assembly on co-operatives (document A/49/213 of 1 July 1994) the Secretary-General of the United Nations concluded that:

"Co-operative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hands the tasks of creating productive employment, overcoming poverty and achieving social integration. ... Co-operatives contribute substantially to the common good in market economies, principally by improving the efficiency and quality of the economy, but also by assuring democratization and environmental rationality. They constitute a model for a people-centred and sustainable form of societal organization, based on equity, justice and subsidiarity."

In its latest resolution, 49/155 of 23 December 1994, the General Assembly recognized that "co-operatives in their various forms are becoming an indispensable factor in the economic and social development of all countries...".



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*The International Co-operative Alliance and the United Nations:
A Partnership for Sustainable Development*

The Basis for an Effective Social Partnership

Dimensions of the International Co-operative Movement

A total of 750 million women and men are currently members of co-operative business enterprises associated through national federations and unions which are members of the International Co-operative Alliance (ICA). It is estimated that the total number of co-operators is 800 million persons world-wide, with a further 100 million persons employed by co-operatives. Moreover, because the co-operative enterprise has economic significance not only for members and employees, but also for their immediate families, the total of persons whose livelihoods are to a significant extent made secure by co-operative enterprise approaches three billion people, half of the world's population.

In many countries membership in all co-operatives is equivalent to a high proportion of the adult population. In 1994 if members of the International Co-operative Alliance alone are included, this ratio was between 70 and 79 per cent in Austria, Canada, Cyprus, Finland, Israel and Uruguay. It was 61 per cent in France, between 50 and 59 per cent in Belgium and Norway, and between 40 and 49 per cent in Denmark, India, Japan, Malaysia, Portugal, Sri Lanka and the United States of America.

Economically, the co-operative movement is also significant. For example, in 1993 co-operatives in Sweden had an aggregate annual turnover of 20 billion ECU or 8 per cent of GNP. In other developed market economies co-operative shares of GNP are likely to be higher. In the Basque region of Spain in 1989, co-operatives accounted for 15 per cent of the regional GNP. In many developing countries which are exporting agricultural commodities, the co-operative share of GNP falls within 10 to 20 per cent: in Côte d'Ivoire, for example, it is estimated at 15 per cent.

Co-operative business enterprises operate in almost every area of economic activity and in almost all countries are of major significance in at least some area. For example, in 1993 in the European Union, Austria, Finland and Sweden 14 million agricultural enterprises were member-owners of co-operatives which supplied 55 per cent of their inputs and marketed 60 per cent of outputs. In Japan marketing co-operatives handled 95 per cent of rice and 90 per cent of fisheries output. In India, the Anand co-operative movement of 57,000 dairy co-operatives with its 6 million members was the largest national dairy supplier. Forty-three per cent of agricultural credit in India was provided by savings and credit co-operatives and co-operative banks, and 65 per cent of processed sugar was of co-operative origin. In Brazil one third of doctors are members of the largest health co-operative in Latin America. In 1991 retail co-operatives accounted for over half of retail food sales in Switzerland and 34 per cent in Denmark; in 1992, co-operative banks accounted for 17 per cent of the savings market; in 1993, co-operative insurance enterprises accounted for 20 per cent of the market. At the end of 1992, members of savings and credit co-operatives ("credit unions") made up between 35 and 45 per cent of the adult population in Australia, Canada, Ireland and the United States.

Recognition by the United Nations of the Relevance of Co-ops to the Core Issues of the World Summit

Since 1950 the General Assembly of the United Nations, the highest intergovernmental policy-making mechanism, has adopted 12 resolutions recognizing the relevance of co-operatives to achievement of the goals of the UN, supporting their development, and calling for partnership with the international co-operative movement. Between 1951 and 1992 the Economic and Social Council adopted a further 13 resolutions and took 4 decisions with the same purpose.

The Secretary-General of the UN also transmitted a series of reports to the Assembly and Council monitoring the contribution of co-operatives to the goals of the United Nations. In his latest report, transmitted to the Assembly at its forty-ninth session (document A/49/213 of 1 July 1994) he concluded that: "co-operative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hands the tasks of creating productive employment, overcoming poverty and achieving social integration".

The Assembly acknowledged the timeliness of this conclusion, and in its latest resolution, 49/155 of 23 December 1994, recognized the "important contribution and potential of all forms of co-operatives to the preparations and follow-up of the World Summit" and invited it "in formulating ... strategies and actions, to give due consideration to the role and contribution of co-operatives." The Preparatory Committee for the World Summit responded to this invitation in its final drafts of the Declaration and Programme of Action. In its Declaration, the Summit commits itself "to increase signifi-

cantly and/or utilize more efficiently the resources allocated to social development": It proposes to "utilize and develop fully the potential and contribution of co-operatives for the attainment of social development goals, in particular the eradication of poverty, the generation of full and productive employment and the enhancement of social integration". The Programme of Action includes 5 specific proposals on the role of co-operatives and 4 proposals on their participation in the implementation and follow-up of the Summit.

Complementarity Between the Values and Principles of the Co-operative Movement and those of the World Summit

In addition to specific references to co-operatives in the Declaration and Programme of Action, there are numerous references to values and principles which correspond precisely to those long adopted by the international co-operative movement. It is this - combined with the very broad dimensions of the co-operative movement - which suggests strongly that it must continue as an essential partner of the United Nations and other major actors in the follow-up to the World Summit.

The Declaration emphasizes a "**people-centred sustainable development**": this already exists in the co-operative movement, an entirely people-centred segment of the market economy. It comprises millions of business enterprises - autonomous mutual-help associations of persons united voluntarily to meet common economic and social needs - that are jointly owned and democratically controlled by their members, who make up either their labour-force or their users, clients or customers.

Member-control of business enterprise, a fundamental characteristic of co-operatives, constitutes economic **empowerment** - itself the basis for political and social empowerment. Both Declaration and Programme of Action emphasize empowerment as a means to maximize capacities, resources and opportunities so that all may become genuine partners in sustainable development.

Empowerment achieved through co-operative enterprise is not exploitive of others: this characteristic results from the **values** held in common by all co-operators: **self-help, mutual responsibility, equality, equity, honesty, openness and social responsibility**. The Programme of Action stresses precisely the same set of values, stating that they promote an environment in which human beings are at the centre of concerns for sustainable development. The regular practice of such values by an international movement with a membership of 800 million persons, empowered by a substantial economic base, is a matter of the greatest relevance to the World Summit and its follow-up.

While focusing on member needs, co-operative enterprises also have a sense of **responsibility** to the community in which they operate and strive for their sustainable development. Hence, they are vehicles for achievement of **subsidiarity** and **sustainability** at the community level. This is so because members, living in the community where their co-operative operates, are mindful that its broad impact upon that community must be positive in both the short- and longer-term, and must not negate the advantages they expect to gain individually. Furthermore, because they own their co-operative, and can decide its business policies and monitor its practices, they can ensure that the positive impact they desire is actually achieved. This characteristic, not shared by other types of enterprise with which an individual can be associated as worker, supplier or customer, is highly relevant to the follow-up to the World Summit.

Thus co-operatives are both economic and social in character: they are business enterprises with a deep sense of social and environmental responsibility. They are testimony of the truth of the deep conviction expressed in the Declaration that social and economic development are mutually reinforcing.

A Note on What Co-operatives Are Not

The term "co-operative" has been applied in the past to enterprises imposed by the state upon groups of citizens, and controlled as an integral part of the public sector. Often their impact upon "members" and their communities has been injurious. They were in no way autonomous associations of persons united voluntarily through jointly-owned and democratically-controlled enterprises. Because they had no stake in their success, "members" were not motivated to efficient participation. Such "co-operative" systems had nothing in common with the true purpose and character of the international co-operative movement. In most countries where they existed they have been dismantled and replaced in part by genuine co-operatives. However, they have caused some misunderstanding of the nature and achievements of co-operative enterprise, and their experience should be discounted in considering the relevance of the co-operative movement to the issues before the World Summit.



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*The International Co-operative Alliance and the United Nations:
A Partnership for Sustainable Development*

Co-operatives, the Expansion of Productive Employment and the Reduction of Unemployment

Recognition by the United Nations of the Relevance of the Co-operative Movement

The UN system has reasserted the contribution of co-operatives to the expansion of productive employment and reduction of unemployment. An ILO meeting of Experts on Co-operatives convened in 1993 concluded that co-operatives were an important means to promote and preserve employment and income. The UN Secretary-General also noted in his report to the General Assembly of the United Nations on co-operatives (A/49/213 of 1 July 1994) that "co-operative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hand the tasks of creating productive employment, overcoming poverty and achieving social integration".

Most recently, the Summit Declaration commits itself to utilize and develop fully the potential and contribution of co-operatives for the generation of full and productive employment. As a means to enhance opportunities for the creation and growth of private sector enterprises which would generate additional employment, chapter III of the Programme of Action proposes "promoting and supporting and establishing legal framework to foster the development of co-operative enterprises and encouraging them to mobilize capital, develop innovative lending programmes and promote entrepreneurship".

How Do Co-operatives Expand Productive Employment?

The international co-operative movement directly **provides productive self-employment** for several hundred million worker-owners of production and service provision co-operatives and non-member employees of these and other co-operative enterprises. Co-operative enterprises are also **employers** in their own right. In addition, the co-operative movement is indirectly **maintaining the employment** provided in hundreds of thousands of private enterprises whose viability is partly secured by their being user-owners of supply and marketing co-operatives. It **creates considerable additional employment** through multiplier effects and influence on national policies. These capabilities particularly relevant for disadvantaged section of society, are derived from its special organizational characteristics.

Co-operatives Facilitate the Creation of Formal Private Enterprises

The co-operative model of business enterprise is a conceptually simple but universally applicable organizational solution to a common problem: that faced by an individual wishing to establish an enterprise but unable to do so alone due to a lack of resources, notably capital, or access to markets. The solution is to combine with others in a jointly-owned enterprise. This organizational model, constituted by the co-operative enterprise, has been tested thoroughly, revealing an unrivalled capacity for creating and protecting productive employment.

A co-operative enterprise is a means whereby any group of persons may seek to realize their ambitions. For disadvantaged persons it is especially appropriate, and often the only available effective means for increasing their economic and social well-being. It provides better control of the economic environment; combines resources, however limited, so that these become operationally effective; manages common resources efficiently; ensures that return accrue only to member-owners, remain under their joint control and are used primarily for reinvestment; establishes formal legal status, thereby protecting common assets and facilitating operation in the formal market; and provides access to formal auditing, thereby encouraging confidence among members and customers.

Moreover, members of most new co-operatives do not have to rely entirely on their own efforts. A large co-operative movement exists to support them, offering advice and information; membership in financial, supply and marketing co-operative systems; specialized co-operative development institutions; broad international co-operative technical assistance programmes and support from trade unions, governments and intergovernmental organizations.

Co-operatives Promote High Levels of Motivation and Possess an Inherent Capability for Productivity

Control over business policies and practices by member-owners is a basic principle of the co-operative enterprise. It is assured by special structures and procedures applied in the context of the widely acknowledged co-operative values of

mutual responsibility, equity, honesty and openness. Members, managers and employees are all involved in making decisions and setting policies. Most importantly, member-owners, and often managers and other employees, are motivated as beneficiaries to ensure high levels of productivity.

Co-operative movements maintain motivation and productivity by constant attention to reciprocal education for members, leaders and employees so they can teach - and learn - from each other in carrying out their respective roles. To this end, larger co-operatives and national movements maintain their own specialist research and training institutions supported by international co-operative technical assistance programmes and by governments and intergovernmental organizations.

Co-ops Facilitate the Continuous Mobilization, Concentration and Reinvestment of Capital

A characteristic of all co-operative enterprises is that members must commit their own resources as a share of enterprise capital. Founding members are willing to do so because of their commitment to the venture; members joining later do so for this reason, but also because of their confidence in an already viable enterprise which they control. Surplus earned by the co-operative is retained and largely reinvested. By these means much local capital, often under-used, can be mobilized to support entrepreneurial development and thereby productive employment.

Savings and credit co-operatives and co-operative banks specialize in local capital concentration and investment for entrepreneurial promotion, by other co-operatives. They set up national federations, thereby securing access to capital accumulated within the entire co-operative system. They develop special services which enhance their capacity for promoting entrepreneurial development. They are supported by a network of financial co-operative institutions at the international and regional level providing managerial and technical assistance.

Insurance co-operative enterprises also cover financial risks faced by co-operative enterprises and individual members. International insurance and reinsurance co-operative groups also provide technical and operational assistance.

Co-operatives Provide Access to Affordable and Appropriate Inputs and Marketing Systems

Supply and marketing co-operatives can provide appropriate inputs of commodities and services at affordable prices. Through the introduction of technical and organizational innovations, these co-operatives continuously upgrade their capability of supporting member productivity. Co-operatives of this type successfully cut out middlemen and assure market influence to small producers. They are a major organizational means to secure the existence and employment maintaining capability of their many millions of member enterprises.

Other Significant Contributions of Co-operative Enterprises to Productive Employment

- * The area of the greatest impact of the co-operative enterprise is in the **creation and protection of productive employment in non-co-operative enterprises** whose viability is partly derived from membership in supply and marketing co-operatives.
- * Co-operatives provide **security of employment** for non-member employees. Co-operatives do not readily close or relocate because they are controlled by members residing in the communities which would be affected. They thus protect the livelihoods of many communities especially rural areas and "old-industrial" regions of developed market economies.
- * Co-operatives provide opportunities to **transform underemployment into productive self-employment** through the formation of informal and household micro-enterprises. Particularly relevant to women, this has a very high potential in all sectors in developing market economies and the service sector.
- * The formation of worker co-operatives is one way of providing for the **protection of formal employment** at risk due to public sector retrenchment or private sector restructuring as well as for isolated and unprotected professionals such as those in the medical sector.
- * Employee ownership and co-operative management by means of employee stock ownership and similar programmes are options for the conversion of enterprises which **protect and maintain jobs**.
- * The creations of worker-owned service co-operatives as entrepreneurial structures for the **placement of the unemployed** by publically financed programmes can also contribute to the reduction of unemployment.

Co-operative enterprises have been successful in creating and protecting employment and therefore tackling one of the most pressing problems facing societies worldwide - unemployment.



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*The International Co-operative Alliance and the United Nations:
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Co-operatives and the Eradication of Poverty

Recognition by the United Nations of the Relevance of Co-operatives

In his latest report to the General Assembly of the United Nations on co-operatives (document A/49/213 of 1 July 1994), the Secretary-General concluded that "co-operative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hands the tasks of creating productive employment, overcoming poverty and achieving social integration". He reported that co-operatives "continued to be an important means, often the only one available, whereby the poor, as well as those better off but at perpetual risk of becoming poor, have been able to achieve economic security and an acceptable standard of living and quality of life".

In its Declaration, the Summit commits itself to utilize and develop fully the potential and contribution of co-operatives for the eradication of poverty. Chapter II of its Programme of Action proposes that opportunities for income generation, diversification of activities and increase of productivity in low-income and poor communities should be enhanced by a number of actions. These were identified as strengthening co-operation among various types of institutions, including co-operatives, with the aim of mobilizing local savings, promoting the creation of local financial networks, and increasing the availability of credit and market information to small entrepreneurs, small farmers and other low-income self-employed workers, with particular efforts to ensure availability of such services to women. A second area of action is that of strengthening organizations, including community-based and workers' co-operatives, especially those run by women, in order to increase productivity, marketing and participation in the planning and implementation of rural development. Urban poverty should also be addressed by actions which include the promotion of co-operatives.

Relevance of Co-operative Enterprise to Poverty Eradication

Co-operative enterprises contribute both directly and indirectly to the eradication of poverty among members and employees, and more widely throughout the communities in which they operate. They help those who are poor to escape from poverty by means of joint self-help efforts, and protect those who are at significant risk of becoming poor. They often constitute the only type of formal organization offering such opportunities by means of joint self-help.

Income Derived from Employment

Note 3 identifies the various forms of employment, including self-employment, arising from different types of co-operative enterprise. Each is the basis for earning income either in the form of shares of surplus, wages and salaries or profits depending on the type of co-operative.

Provision to Households of Affordable Goods and Services

Basic living costs can consume such a high proportion of income that little or nothing remains for entrepreneurial development, education, training, and improving health. Co-operatives are able to reduce such costs while simultaneously assuring the adequate provision of appropriate and high quality goods and services. Bulk purchasing, limited expenditures on advertising and concentration on a limited number of product lines assure adequate supplies of basic necessities to those with limited incomes.

Consumer Protection

Co-operative enterprises are particularly effective in protecting consumer interests because their member-owners establish their own goals and practices. For this reason they have been in the forefront in the introduction of consumer-responsive practices such as unit-pricing and truthful advertising. Some national consumer co-operatives have established their own advertising agencies, whose practices must conform to an ethical code. Because of their economic weight, they are able to take direct and effective economic action, including insistence on quality from suppliers, often doubly secured by purchasing only from producer co-operatives.

Effective Management of Household and Enterprise Finance

Financial co-operatives are of special value for the poor, especially for women. They can operate in areas not served by commercial banks, and where public sector credit programmes are insufficient. Savings and credit co-operatives ("credit unions") and co-operative banks often provide the only secure institution for the deposit of savings - however small these may be. They provide an affordable means for concentrating and recirculating local capital by providing credit for entrepreneurial use and for improvements in the household. Moreover, because these co-operatives are owned by their members, costs are kept to the minimum and services and procedures adapted to their particular needs and circumstances. Such co-operatives allow the poor to escape from the control exerted by private money lenders. In both developed and developing market economies, governments support financial co-operative development in poor communities, acknowledging their unique capacity for capital mobilization and appropriate investment.

Effective Protection Against Financial and Other Risks

Co-operative insurance enterprises provide affordable, non-exploitive and appropriate policies to their individual and household members. These policies are adjusted to the special needs of women and other sections of society at special risk. They also protect co-operative and other small-and medium-sized enterprises, which often grow and occupy a predominant market position which allows them to influence the general standards and practices of their sector. Costs are kept at a reasonable level, not only by efficient operation and avoidance of surplus, but also by the high priority given to prevention.

Provision of Acceptable Living Conditions Needed for Human Resource Development

User-owned co-operative enterprises contribute significantly to overcoming conditions which contribute to chronic poverty - i.e. inadequate housing, fuel, energy, water, sanitation, infrastructure and essential services, especially in rural areas and inner cities where high percentages of the poor live. Examples of these types of co-operatives include housing construction and maintenance co-operatives (which often set aside accommodation for lower-income households); electricity, heating, telephone, water and sanitation co-operatives; community development co-operatives; and health-care and social service provision co-operatives (Notes 7 and 8).

The impact of their activities is to free the time and energies of the disadvantaged, so that they are able to engage in education and training, seek and keep jobs, engage in entrepreneurial activity, and undertake community development work.

Provision of Education and Training for Human Resource Development

Provision of education and training for members, leaders and employees is a basic principle of co-operative organization. Where members are poor, this is usually extended to provision of basic education, literacy, numeracy, business methods and technical and vocational training in the areas of activity of the co-operative.

Comprehensive Community and Regional Development for Poverty Eradication

As an extension of their significant contribution to local subsidiarity and sustainability, co-operative groups and movements in many countries promote and support community and sub-regional development programmes, particularly in the economically depressed rural, "old industrial" and inner city communities in which poverty is widespread. In Quebec, for example, the savings and credit co-operative group, 'Mouvement des caisses Desjardins', the largest financial institution in the province and the fifth largest in Canada, joined with employers' associations and local governments to stimulate local entrepreneurs in the economically disadvantaged communities of the Province, partly through 12 regional investment corporations. In the United States, three quarters of rural electricity co-operatives (which supply 25 million persons over 90 per cent of national territory) promote rural community development programmes which have a substantial impact in the poorer areas. Community development co-operatives in the inner cities and depressed rural areas of many developed market economies and throughout developing market economies, provide a means to mobilize local resources and channel external help. In former industrial regions of northern Sweden, local governments and co-operative development institutions have supported the creation of an incipient co-operative economy.

International Solidarity

A principle of co-operative organization, applied throughout the world in many millions of co-operative enterprises, is that in order to best serve the interests of their members and of their communities, co-operatives actively co-operate in every practical way with other co-operatives at all levels. This implies not only that poor persons attempting to establish a co-operative can call upon the support and practical help of existing co-operatives in the neighbourhood including co-operative financing institutions, but also that they are able, through their membership in broad federations of co-operatives, to exert an influence in national policy making that otherwise they would have little opportunity of doing. For example, the European Community of Consumer Co-operatives (EUROCOOP) was given formal responsibility for drafting the directives of the Union on foodstuffs, and by lobbying succeeded in having a consumer protection section included within the Treaty of the European Union.



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The International Co-operative Alliance and the United Nations: A Partnership for Sustainable Development

Co-operatives and Social Integration

Recognition by the United Nations of the Relevance of the Co-operative Movement

In his latest report to the General Assembly of the United Nations on co-operatives (document A/49/213 of 1 July 1994), the Secretary-General concluded that "co-operative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hands the tasks of creating productive employment, overcoming poverty and achieving social integration".

The important contribution and potential of all forms of co-operatives to the preparations and follow-up of the World Summit was recognized in General Assembly resolution 49/155 of 23 December 1994, while the Declaration of the Summit commits itself to utilize and develop fully the potential and contribution of co-operatives for the enhancement of social integration. Specifically, chapter IV of the Programme of Action proposes that Governments should promote equality and social justice by actions which would include encouraging the free formation of co-operatives. Chapter V notes that the contribution of civil society to social development by the development of co-operatives should be encouraged and facilitated.

Co-operatives Provide Disadvantaged People with an Means for Social Integration

The contribution of co-operatives to the creation and protection of productive employment and to the eradication of poverty continues to be a principal means by which many millions of persons integrate more effectively in society. Not only are persons furnished with the material conditions and the economic base necessary for equitable participation, but they are able to gain self-respect and dignity and to move, from a condition labelled negative (in the perception of wider society) to one labelled positive. They become identifiable as contributors to local economies. No longer are they seen as a drain on resources or a cause of social tension. Recognition of their real contribution to prosperity eases tensions and discrimination declines.

This economic empowerment is particularly important for persons suffering, not only from unemployment and poverty, but also from exploitation and discrimination on the basis of socio-cultural characteristics, gender, age or disability. For them, co-operatives are frequently the only form of organization capable of providing an escape from poverty, obtaining a more secure economic status or avoiding falling into poverty.

This is so because co-operative enterprises can be established by any group of persons united voluntarily to meet common economic and social needs through a jointly-owned and democratically-controlled enterprise. They can be set up and operated successfully by otherwise highly disadvantaged persons: indigenous peoples in remote rural areas, poor peasant farmers, internally displaced persons and refugees, recent migrants in inner cities, unemployed persons, women, elderly persons, or persons with physical and mental disabilities. Co-operatives and their members also form a supportive network at the community, national and international level. Even when the majority of co-operative members may no longer be disadvantaged themselves, they will acknowledge that their own current prosperity has been achieved largely because their less advantaged parents or grandparents used the co-operative form of economic organization to escape from poverty and discrimination.

Co-operatives Promote Social Integration

Many disadvantaged persons are able to start on the path of social integration by becoming members of existing co-operative enterprises which already are functionally integrated in the national economy. A fundamental principle of the co-operative movement is that all enterprises are open to all who can contribute to, and benefit from, their activities, without political, religious, gender or social discrimination. Once admitted, even if constituting a small minority, co-operative values and principles recognized by the existing membership are expressed in actions to ensure their integration. This is possible because members determine business goals, and these can include not only economic returns, but long-term community stability based upon social integration.

Thus, numerous worker-owned production and service provision co-operatives make special provision for the extension of membership to the unemployed, the disabled and to immigrants. Many housing co-operatives take special measures to facilitate full and beneficial integration of immigrants and their families, persons with disabilities and older persons. They frequently organize programmes to counter the marginalization of young people and some have even tackled social problems such as domestic violence.

Consumer co-operatives too have expanded their activities to the point of functioning as community integration and welfare organizations. Savings and credit co-operatives frequently ensure that their services are adapted to the needs of youth and the elderly. Insurance co-operatives adapt their services to meet the special needs of women and the aged.

Regional and national co-operative movements support the efforts of these individual enterprises. They devise and promote special affirmative and promotional actions for implementation throughout the movement and they lobby, in collaboration with other representative organizations, on their behalf before governments and intergovernmental organizations. They give particular attention to integrating women on conditions of full equality with men (see Note 6).

Co-operatives Achieve Harmony within Diversity

Co-operative enterprises are based on procedures and structures which promote harmony within diversity. They are democratically operated. Their management requires open discussion, acknowledgement of diverse views, and identification of the common interest. They provide an environment within which the benefits of putting aside mutual hostility can be seen to be real. Indeed, co-operatives are often the only fora within which the disadvantaged can express their views.

Moreover, co-operative enterprises diversify and expand into national business groups and representative and service federations. This brings together persons from quite different societal backgrounds in a single association committed to common economic goals, and to operational principles which emphasize co-operation and harmony. To serve long-term member interests, co-operators find it valuable to work together in a pragmatic manner, even if economic goals may be potentially in conflict - for example in the case of producers and suppliers.

Co-operatives as "Schools for Democracy"

The principles and values by which a co-operative enterprise is organized provide an environment in which many members are, for the first time, able to experience as a reality the notion of the equality of all before the law, even in the case that they are not otherwise fully integrated into their communities.

Co-operatives are democratic and participatory organizations actively controlled by their members who enjoy equal voting rights. By this means, each has a say in the election of boards of directors, who on behalf of the membership to whom they must report, appoint managers and supervise the operation of the enterprise. In participating in the formulation of business policies, members become experienced in identifying achievable options, conciliating differences and accepting compromise. They are able to observe that the qualities of honesty, openness and responsibility in leadership and management are prerequisites for prudent and effective management of common affairs.

Moreover, experience gained within their co-operative spills over to responsibilities assumed in their communities. Indeed, members of co-operatives, including disadvantaged persons, not only have a heightened interest, but an expanded capacity to manage community affairs. This opens up opportunities for their involvement in wider political processes. Furthermore, members who have become aware of the benefits of openness and honesty in elected co-operative officials, are better able to monitor and evaluate the behaviour of elected officials and administrators as citizens.

Co-operatives further prepare their members for meaningful participation in society by applying the co-operative principle of providing reciprocal, ongoing education programmes for members, leaders and employees so they can teach - and learn from - each other in understanding and carrying out their respective roles. Programmes are not limited to management: they give great emphasis to member literacy, numeracy and technical education. This is often a most effective means of improving educational status, particularly for those whose marginalization precludes effective use of public education systems. For them it provides an essential means for their social integration.

Co-operatives Provide Disadvantaged People with a Means to Represent their own Interests

Well developed co-operative organizations represent the interests of all members in society. They often participate in formal procedures whereby governments consult with broad sections of society. Because of its strong economic base, this representation can be significant, offering an effective means for disadvantaged persons to participate in national policy-making.



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Contribution of the Co-operative Movement to the Advancement of Women

Recognition by the United Nations of the Relevance of the Co-operative Movement

In his latest report to the General Assembly on co-operatives (document A/49/213 of 1 July 1994), the Secretary-General pointed out that "women continued to find membership in co-operative enterprises a most effective means to achieve economic empowerment, to engage in entrepreneurial activities and in employment, and, of great importance, to retain the benefits thereof. Not least important was the protection afforded to their assets by their formal association within a co-operative".

In its resolution 49/155, the General Assembly recognized the important contribution and potential of co-operatives to the preparations and follow-up of not only the World Summit, but also the Fourth World Conference on Women. It invited both fora to formulate "respective strategies and actions, to give due consideration to the role and contribution of co-operatives".

In its Declaration, the Summit commits itself to utilizing and developing fully the potential and contribution of co-operatives for attaining social development goals. The Programme of Action proposes strengthening co-operation among co-operatives and other public and private organizations with the aim of mobilizing local savings, promoting the creation of local financial networks, and increasing the availability of credit and market information, with particular efforts to ensure availability of such services to women. It further proposes strengthening organizations of community-based and workers' co-operatives, especially those run by women.

Co-operatives Contribute to Women Achieving Full Equality with Men

The following are observations based on issues identified in the Draft Platform for Action contained in the Annex to resolution 38/10 of the Commission on the Status of Women.

Co-operatives enable women to overcome poverty: Co-operatives of many types help women members and employees to overcome poverty by providing secure employment in acceptable conditions. For example, co-operatives often adopt flexible labour practices which facilitate women's re-entry into the labour force. They also provide access to secure savings, as well as insurance and credit at non-exploitive terms; and they lobby for women's economic rights. Savings and credit co-operatives and co-operative banks have introduced gender-sensitive services. Insurance co-operatives have introduced services better suited to women's needs in difficult situations, such as divorce, widowhood, unemployment, single motherhood and women headed households, as well as their often disadvantaged legal status. Housing, health, child-care, credit and savings and retail co-operatives are particularly sensitive to the needs of poor women.

Co-operatives ensure women's access to quality education and training : The principle of education and training for members is one of the precepts of the international co-operative movement as well as a precondition for the empowerment of women. Co-operatives not only provide management training, but many provide literacy, numeracy and vocational adult education. Special attention is being given to improving the educational status of women members and employees. Management and technical training for women employees is well developed, particularly in insurance, banking and credit and savings co-operatives. Child-care, pre-school and school co-operatives also offer quality education with strong emphasis upon equal opportunity for girls.

Co-operatives also facilitate greater involvement of girls and women in education, by helping to reduce the burden of household work and by making available income which they can control independently of men. This increased income is generally used to cover family needs including the education of girl children.

Co-operatives increase women's full access to appropriate, affordable and quality health care: Many consumer co-operatives, of which women make up a high proportion of members and employees, give attention to health-care issues specific to women. They stress nutritionally appropriate goods and safe household equipment. Co-operative insurance enterprises take considerable interest in measures that allow women to take action to improve their own health. In devel-

oping countries, co-operatives of varying types have applied surplus earnings to create community health services or provide for access to nearby health services. Health co-operatives worldwide offer women access to quality health services at affordable prices.

Co-operatives are concerned with occupational health issues, including those of their women members and employees. Women members of consumer co-operatives have exercised a major influence upon the adjustment of business policies, insisting upon environmentally-friendly products, operations, and consumer education. Supply of utilities, housing and numerous community services by co-operatives has created healthier local environments. By means of co-operative literacy and education programmes women have been given access to information on nutrition, health, family planning, child-care and intra-family relations.

Co-operatives eliminate violence against women: Co-operatives constitute a fora within which peer pressure can be brought to bear on recalcitrant behaviour. By providing productive and secure employment in conditions of dignity and equality, co-operatives play an important part in and empowering women and reducing the financial stress which contributes to violence against women. Co-operative insurance, banking and savings and credit co-operatives provide a secure means whereby women may establish financial autonomy, allowing them alternatives to remaining subject to violence. Child care co-operatives stress parent participation and establish learning environments where respect between parents is a basic value and where attitudes leading to violence are examined and avoided. Housing co-operatives have initiated programmes to tackle domestic violence, health co-operatives cater for the counselling and rehabilitation of women victims, and service and care co-operatives provide them with shelter.

Co-operatives promote women's economic self-reliance: Co-operative enterprises are a significant means whereby groups of women are able to pool their resources in order to protect their assets and enhance opportunities for viable economic activity. It is common that women are member-owners or employees, together with men, in mixed membership co-operative enterprises. Association with co-operatives has provided many women with opportunities that would not otherwise exist, a measure of empowerment, and a degree of economic security.

Co-operatives constitute a form of enterprise which is particularly well adopted to women, who often lack access to productive resources. Unemployed women found economic security by establishing or joining producer or labour co-operatives.

Co-operatives promote the full and equal participation of women in power structures and decision-making: The procedures whereby members exercise control over their co-operative enterprises are democratic. Participation involves gaining experience in decision-making; co-operatives are often termed "schools for democracy". Much attention is given to improving women's full access to positions of power. Co-operatives offer a channel for gaining experience and for upward-mobility in the power structure of the movement itself. Moreover, even in hostile environments progress in co-operatives has been greater than in other enterprises. Experience gained within the co-operative movement has enhanced many women's access to power structures outside it by providing marketable skills and increased confidence. Many women have entered political life through the co-operative movement, which supports, and provide an economically secure base for, women's participation in political life. Co-operative media also provide a substantial amount of information on the experience of women members/employees in all areas of life and keep women informed on political issues.

Co-operatives integrate gender-equality dimensions into policy and programme planning and implementation at all levels and in all areas: Non-discrimination on the basis of gender is part of basic co-operative principles. Efforts have intensified to apply these principles as seen by strategies to increase women's membership and ensure that business activities promote women's equality.

Co-operatives promote and safeguard the full and equal enjoyment by women of all human rights: Co-operative principles include full equality between women and men. Contributions are made to women's legal literacy. Through its communications systems and attention to adult education the movement promotes women's rights. Credit unions, co-operative banks and insurance enterprises make possible women's access to capital and property rights

Co-operatives promote awareness of equality between women and men effectively: Certain news agencies are themselves co-operatives - such as Inter-Press and Associated Press. They ensure that women's issues are given appropriate coverage by network users and that reporting presents a positive image of women's contribution to society. All co-operative movements have their own communications systems, used to increase support for women's issues. These are of particular significance given that members of co-operatives number about 800,000,000 throughout the world, and, with household members, include 3,100,000,000 individuals, over half of the world's population.



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Co-operatives in the Health Sector

Recognition by the United Nations of the Relevance of the Co-operative Movement

In his latest report to the General Assembly of the United Nations on co-operatives (document A/49/213 of 1 July 1994), the Secretary-General concluded that "co-operative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hands the tasks of creating productive employment, overcoming poverty and achieving social integration". The General Assembly (resolution 49/155 of 23 December 1994) also recognized the important contribution and potential of all forms of co-operatives to the preparations and follow-up of the World Summit. This was reflected in the Summit Declaration which commits itself to utilize and develop fully the potential and contribution of co-operatives for the attainment of social development goals.

Co-operatives and the Achievement of Health Goals

In an increasing number of countries women and men are seeking to improve their health by establishing health co-operatives. They do so where there is inadequate provision by public health services and where non-co-operatively organized private practice is not available or too costly.

User-or client-owned health co-operatives are set up by individuals in the same community to help them meet their own health care needs. Member-users determine goals and practices, thereby enabling ordinary citizens to empower themselves with respect to health care. Members and owners each contribute shares of capital and subsequently contribute to operating costs, usually by prepaid premiums, and appoint managers to negotiate contracts with health insurance and health care providers. Often these co-operatives purchase and operate hospitals and other facilities, and hire professional and other staff. Services range from simple preventive care and basic insurance to advanced curative and rehabilitative interventions.

In the United States, a number of such user-controlled health co-operatives operate as "health maintenance organizations". The largest is the Group Health Co-operative of Puget Sound (Seattle), bringing together 478,000 persons in 1993, of whom 1 in 6 are full members and participate in the democratic process. The co-operative provides comprehensive medical care including preventive services for a fixed prepaid fee with minimal payments. It is acknowledged to be an innovator in developing new services for its members and independent reviews have shown the quality of services to be among the best in the country. Special health care needs are also provided for by user-owned health co-operatives. For example, the United Seniors Health Co-operative (Washington, DC, USA) provides the 9,000 elderly persons who are its owner-members means to gain access to high quality, affordable health and long-term care services.

Institutions and organizations, such as trade unions, and co-operative movements, may also set up user-owned health co-operatives. In Singapore, for example, the National Trade Union Congress established a health co-operative in 1992 on behalf of members of 52 trade unions.

Many agricultural supply and marketing, community development, housing and insurance co-operatives have also expanded their activities to the provision of health services to members. The most comprehensive user-owned health co-operative systems are operating in Japan: one established by the Japanese Consumers' Co-operative Union (organized by its Medical Co-operative Committee) and a second set up by the agricultural co-operatives system (organized through the National Welfare Federation of Agricultural Co-operatives). Each developed at a time and in areas where public services were inadequate and private practices beyond the financial reach of most members. While providing curative and rehabilitative services, both emphasize preventive services including comprehensive and life-long approaches to healthy living, of increasingly relevance to the rapidly aging Japanese population. Members receive special training and act in their communities as para-professionals engaged in the diffusion of knowledge relevant to healthy living. Health co-operatives also have taken the lead in resolving problems arising from conflict between medical professionals and patients, and have supported since 1987 the right of patients to participate in decision-making concerning treatment. In March 1992, the consumer-co-operative system had 1.5 million members, employed 1,704 doctors and 18,192 other staff and operated 81 hospitals and 207 clinics with 12,916 beds. The agricultural co-operative system had 3,570 doctors, 17,594 nurses, 4,922 medical technicians, 115 hospitals with 37,841 beds, 42 clinics.

In Sweden, insurance co-operative enterprises expanded into the health care sector in 1992, buying a medium-sized hospital and creating ten new rehabilitation centres. In the early 1990s, the Medikoop Model, a model for consumer-owned co-operative medical care centres, was developed on behalf of the housing and insurance co-operatives. It provided co-operative partners for local government authorities, increasingly interested in contracting out responsibility for services and facilities.

In some developing countries user-owned health co-operatives (often established in fact by small groups of concerned doctors) have developed in close association with other types of co-operatives: for example, with the thrift and savings co-operative movement in Sri Lanka, and with the co-operative rural bank system in Mindanao, Philippines. In addition, there are many examples of co-operatives including health care in the benefits provided to their members, either in the co-operatives' own facilities, or by arrangement with private doctors and hospitals. For example sugar producers' supply, processing and marketing co-operatives in Maharashtra State, India, set up rural hospitals and dispensaries throughout the region of its operation.

Governments too, have developed partnerships with user-owned health co-operatives. In the United States in 1994, there were 900 democratically governed and community-owned Community and Migrant Health Centres established mostly in rural areas and inner cities serving low-income communities. Funding for 500 of these was provided by the United States Public Health Services. In Italy, many local governments support community-based health and social service co-operatives. In Canada, a study undertaken by federal and provincial governments and the national co-operative movement showed that co-operative community health centres were a cost-effective alternative to private practice because they operated at lower costs per patient and offered more preventive and health promotion services and were more accessible to disadvantaged persons.

Provider-owned health co-operatives have also been formed - usually by doctors - in both developed and developing countries. They exist in Benin, Brazil, India, Malaysia and the United Kingdom. The advantages of a co-operative organization of this type are bulk purchasing, shared administrative and technical services, and the bringing together within a single network a variety of specialists which strengthen the range of services jointly offered within a community. The co-operatives can be formed by a small group of doctors practising within the same community or by co-operatives operating jointly-owned facilities such as hospitals and can extend throughout a country.

One of the largest provider-owned co-operatives was founded in Brazil in 1967: the National Confederation of Medical Co-operatives (Unimed do Brasil). By 1994, its member-owners comprised 60,000 independently practising doctors: one third of the national total. Members practised in 70 per cent of local authority areas. Individual users, as well as 30,000 enterprises providing health insurance to their employees, had contracts and could obtain agreed services from any member doctor anywhere in Brazil. The Unimed system has established subsidiary enterprises providing life and business insurance, a complementary system of savings and loans co-operatives, a computerized nation-wide administrative and medical data information system, a system-wide satellite telecommunication system, and a research and development centre.

User-owned co-operatives can also fuse with provider-owned co-operatives when the group of professionals has been particularly interested both in co-operative organization and in the need to meet gaps in health service coverage left by public and private for-profit sectors. In Spain, the Integral Health Care Co-operative System developed in Catalonia by the Espriu Foundation is of this type: in 1992 it had over one million user-members. Similar co-operatives, operating at the community level also exist in Italy. In Malaysia, doctors and Government are exploring means to set up a comprehensive national co-operative health care system, comprising complementary systems of provider-owned and user-owned co-operatives.

Health sector input supply, purchasing, common service provision and marketing co-operatives benefit from group buying, discounts on inputs and reduced operating costs. In the US, the largest health sector purchasing co-operative is the nation-wide system of the Voluntary Hospitals of America.

Trends in the Co-operative Organisation of the Health Sector

Health co-operatives are nationally significant in Japan and in Brazil; they are regionally important in Spain (particularly in Catalonia) and in the United States of America (particularly in the North-West, Mid-West and North-East regions); and they exist in some areas in Benin, Canada, Chile, Colombia, El Salvador, India, Malaysia, Mexico, Panama, Philippines, Sri Lanka, Sweden and the United Kingdom. It is estimated that there are 250 health co-operatives in Asia.

At the global and regional level, a series of meetings have taken place. Given member demand, the International Co-operative Alliance is considering setting up a specialized body on co-operatives in the health sector.



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Farmers' Organizations and Rural Co-operatives

Recognition by the United Nations of the Relevance of Farmers' Organizations and Rural Co-operatives

In his report to the General Assembly at its forty-seventh session on the status and role of co-operatives in the light of new economic and social trends (document A/47/216-E/1992/43 of 28 May 1992), the Secretary-General concluded that "organizations of farmers, including agricultural co-operators, are key institutions in the revitalization of agriculture and the development of rural areas, and hence to economic revival particularly in Africa, Asia and Latin America. Their role, in terms both of faithfully representing farmers' views, and of providing practical services to their members, appears often to have been given less attention by Governments and international agencies than they deserve, and consequently their potential has not been fully utilized. Seeking farmers' views through consultations with farmers' representative organizations, and encouraging and supporting the latter in their efforts to provide services to their members, are prerequisites for sustainable rural development. The current absence of consultation of farmers, including co-operators, by researchers, is a serious constraint upon accumulation of relevant knowledge and successful diffusion of innovation".

The Secretary-General recommended that "because of the importance in many economies of revitalizing agriculture and stimulating comprehensive rural development, the General Assembly may wish to recommend to Member States that they should take all appropriate measures, in collaboration with IFAP (the International Federation of Agricultural Producers) and other relevant international organizations, to promote and strengthen independent representative organizations of agricultural producers, including co-operators; to encourage their full participation in all decision-making forums related to agriculture; to support regional initiatives undertaken by farmers' organizations; and to encourage more effective partnership between farmers and agricultural researchers".

In its Programme of Action, the Summit notes that crucial and essential requirements for its implementation will include partnerships involving major groups as defined in Agenda 21 (farmers, represented by their own organizations, being one) together with governments and NGOs. Support and participation by major groups as defined in Agenda 21 is stated to be essential to the success of the implementation of the Programme of Action.

The contribution of the private sector to social development, and to effective implementation of the Declaration and Programme of Action could be enhanced by enabling and encouraging farmers' representative organizations and co-operatives to participate in the formulation and implementation of sustainable agricultural and rural development policies and programmes, as well as by encouraging and facilitating the development of co-operatives, including those among people living in poverty or belonging to vulnerable groups.

In Chapter II of the Programme of Action, it is proposed that opportunities for income generation, diversification of activities and increased productivity in low-income and poor communities should be enhanced. One means to do this is to strengthen organizations of small farmers and community-based and workers' co-operatives, in order to improve market access and increase productivity, provide inputs and technical advice, promote co-operation in production and marketing operations, and strengthen participation in the planning and implementation of rural development. A second means is to strengthen co-operation among Governments, community organizations, co-operatives, formal and informal banking institutions, private enterprises and international agencies, with the aim of mobilizing local savings, promoting the creation of local financial networks, and increasing the availability of credit and market information to small entrepreneurs, small farmers and other low-income self-employed workers, with particular efforts to ensure the availability of such services to women.

Role of Farmers' Organizations

The role of farmers' representative organizations is to act as guarantor of the interests of small-scale, resource-poor farmers, articulating and transmitting their concerns and viewpoints in a regular manner to governments and participating in the formulation and implementation of sustainable agricultural and rural development policies and programmes. The consensus position of the millions of small-scale farmers worldwide is in fact articulated by means of their local, national and international representative organizations. Their position, stated before the three sessions of the Preparatory Committee for the World Summit, has been reflected in the Declaration and Programme of Action.

The majority of the world's poor are in developing countries, where they still consist mostly of small-scale, resource-poor farmers and other rural entrepreneurs. Provision of productive employment, eradication of poverty and social integration cannot be expected to happen without the development of small-scale agriculture in these countries. This cannot be achieved by top-down programmes: only through full recognition of farmers' representative organizations and regular dialogue and consultation with them, from grassroots to the national level. Within a people-centred approach, emphasis needs to be given to promoting infrastructural and institutional investment in the small-scale resource-poor farming regions. This will enable farmers to have access to education, research and extension, credit and markets, as well as to strengthen their own organizations. Only then will small-scale farmers be able to play a major role in local and national markets as productive members of society.

Role of the International Federation of Agricultural Producers

The International Federation of Agricultural Producers (IFAP) is the international organization of the world's farmers. It is a formidable network of national farmers organizations throughout the world, grouping together men and women of a profession which occupies most of the world's population and most of the world's land. The role of IFAP, established at its founding convention in London in 1946, remains unchanged to this day, namely: "to improve the economic and social status of all who live by and on the land". The functions of the Federation are:

- to act as a forum in which leaders of national farmers' organizations can meet to highlight mutual interests and take co-ordinated action to further such interests, develop an understanding of world problems, and exchange information and ideas.
- to keep members informed about international events and issues of concern to them as farmers organizations.
- to act as the recognized spokesman for the world's farmers, bringing the concerns of agricultural producers to the attention of international meetings of governments, and other bodies.
- to promote the creation and strengthening of independent, representative organizations of agricultural producers throughout the world.

IFAP holds the World Farmers' Congress every two years and runs specialized activities, including IFAP Standing Committees on Developing Countries; on Agricultural Co-operatives and on Women in Agriculture; as well as Regional Committees e.g. for Africa and for the Mediterranean, and Commodity Groups. IFAP also runs a Development Programme which aims at achieving sustainable agriculture for developing countries, through the strengthening of farmers' organizations, and the establishment of representation mechanisms for small-scale farmers through regional and country projects, workshops and consultative seminars.

The Role of Rural Co-operatives

Although rural production co-operatives are significant in many countries, the predominant contribution of co-operative enterprise to the rural economy is that of supply and marketing co-operatives and associated credit and insurance co-operatives. In developed market economies most independent farm enterprises are member-owners of such enterprises. In 1993, such co-operatives in the European Union, Austria, Finland and Sweden had 14 million members. Total shares of farm inputs were 55 per cent and market share totalled 60 per cent. In Japan they handled 95 per cent of rice and 90 per cent of fisheries production. In the United States fourteen were included in the "Fortune 500" list of the largest corporations. In a 1987 report to the US Senate Agricultural Appropriations Subcommittee, the Department of Agriculture stated that "co-operatives remain the single most effective way farmers can improve their economic circumstances. In co-operatives farmers are dealing collectively with their problems and seeking solutions through organizations they create, own, control and operate on their own behalf".

In developing market economies, private sector agricultural supply and marketing co-operatives are of major importance. Some are concerned largely with the internal market - in India, for example, the Anand movement comprises 57,000 dairy co-operatives with 6,000,000 members. Co-operatives also handle most primary commodity exports: in Kenya, they handle 100% of cotton, 87 per cent of pyrethrum and 52 per cent of coffee.

In transitional economies private sector supply and marketing co-operatives are being set up to take over from former parastatal and state systems. Considerable support is being given by means of the co-operative movement's international technical assistance programmes, and by the FAO and ILO.

In many countries agricultural supply and marketing co-operatives have expanded into manufacture of the inputs they supply (for example, in India they supplied 43 per cent of fertilizer in 1993). They are also engaged in processing, wholesaling and retailing of their produce. Savings and credit co-operatives ("credit unions"), co-operative banks and insurance co-operatives; electricity, telephone, heating, water and sanitation co-operatives; health co-operatives; and community development co-operatives play an important role in many rural economies.



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Savings and Credit Co-ops or Credit Unions

Recognition by the United Nations of the Relevance of Savings and Credit Co-operatives

In his report to the General Assembly on the status and role of co-operatives in the light of new economic and social trends (document A/47/216-E/1992/43 of 28 May 1992), the Secretary-General concluded that savings and credit co-operatives "have a strong potential for mobilizing local savings and providing credit to members, particularly important in apparently capital-scarce conditions, thereby encouraging thrift and entrepreneurial activity and hence stimulating local multipliers. They appear to be capable of making a significant contribution to the solution of financial problems facing the countries now engaged in transformation from centrally planned to market-determined societal management. Notwithstanding the very valuable contributions of certain of its agencies to supporting their expansion, it appears that there remains considerable scope for further United Nations support for this category of co-operatives, in close collaboration with WOCCU (World Council of Credit Unions)".

The Secretary-General recommended that "the General Assembly may wish to draw the attention of member States undergoing significant structural adjustment to the benefits, in terms of mobilizing local savings and financing entrepreneurial efforts, of promoting and supporting savings and credit co-operatives, and to recommend that they avail themselves of the help of WOCCU and other relevant international organizations in establishing them and in ensuring their efficiency and stability".

In his latest report to the General Assembly (document A/49/213 of 1 July 1994), the Secretary-General concluded that "co-operative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hands the tasks of creating productive employment, overcoming poverty and achieving social integration".

In resolution 49/155 of 23 December 1994, the General Assembly recognized the important contribution and potential of all forms of co-operatives to the preparations and follow-up of the World Summit for Social Development and invited the World Summit, in formulating strategies and actions, to give due consideration to the role and contribution of co-operatives.

The Summit Declaration commits itself to increase significantly and utilize more efficiently the resources allocated to social development: one means by which this could be done is to "utilize and develop fully the potential and contribution of co-operatives". And the Programme of Action proposes "strengthening co-operation among Governments, community organizations, co-operatives, formal and informal banking institutions, private enterprises and international agencies, with the aim of mobilizing local savings, promoting the creation of local financial networks, and increasing the availability of credit and market information to small entrepreneurs, small farmers and other low-income self-employed workers, with particular efforts to ensure availability of such services to women." The Programme also proposed enhancing opportunities for the creation and growth of private sector enterprises which would generate additional employment by means of actions which included "promoting and supporting and establishing legal frameworks to foster the development of co-operative enterprises and encouraging them to mobilize capital, develop innovative lending programmes and promote entrepreneurship".

The Significance of Savings and Credit Co-operatives or Credit Unions

Credit unions are legally constituted not-for-profit co-operative financial institutions chartered and supervised, for the most part, under national co-operative law and created to meet the basic financial service needs of primarily low and middle income citizens who generally cannot obtain these services through the existing banking system. They provide a means to learn the value of regular savings and wise use of credit. They are a form of economic empowerment, based upon an individual's ability to control and manage the financial institution which provides savings, credit and financial management.

Membership eligibility is usually defined in terms of some common affiliation, such as employment or residence. All members are owners of the enterprise and have equal privileges, opportunities and responsibilities. Typically a credit union only accepts deposits from and grants loans to members. All members are equal owners of the enterprise and each has one vote in the election for committee members and the board of directors. Members of these elected bodies serve in an unpaid voluntary capacity.

During the initial period of their establishment, credit unions can be operated by using relatively unsophisticated administrative practices, so that costs are very small and practically all interest income from loans may either be distributed to the members, reinvested in the credit union within a capitalization programme, or both. When combined with member confidence in their own institution this allows credit unions to mobilize considerable amounts of capital from apparently capital scarce communities.

Subsequently, as credit unions expand in membership and capital more sophisticated operating and lending practices must be introduced. Usually individual credit unions join national federations and thereafter international federations at regional and global levels. While at first acting only as a representational and service organization, some of the regional federations - such as that in Latin America - have taken on operational functions, permitting the transfer of capital between national savings and loan systems.

Access to means of secure savings and credit at non-exploitive terms is of the greatest importance for the poor and those at risk of becoming poor. Credit unions provide credit on reasonable terms, either to render more efficient the household sector (they are often the only financial institution providing housing loans to low-income families), to provide capital for entrepreneurial activities, or to provide resources at times of emergency, whether personal or arising from national disaster or civil strife. They enable the poor to avoid dependency on money lenders and permanent indebtedness. They are of particular importance to women, allowing them to manage their own financial affairs and to obtain credit for their own entrepreneurial ventures.

Dimensions of the Savings and Credit Co-operative System

The proportions of the working age population who are members of credit unions is already considerable in a number of countries. At the end of 1993 members of WOCCU ranged from virtually 100 per cent in Dominica, to between 30 and 49 in five other countries (including 44 in Ireland and 36 in the United States); between 10 and 29 per cent in another 16 countries (including 30% in Quebec and 22% in other parts of Canada; 21% in Australia and 13% in France). Savings and credit co-operatives belonging to the Raiffeisen movement are also of major importance in Austria, Germany and Switzerland.

Savings and credit co-operatives have the most dynamic growth of any type of co-operative. Since 1972, when WOCCU first started gathering credit union statistics, world-wide credit union savings and loans have both grown at annual rates of 15 per cent, while assets have grown by 16 per cent annually. At the end of 1993 members of WOCCU comprised 55,186 credit unions and 93,216,000 members. In USD total savings amounted to 383 billion, loans to 248 billion, reserves to 17 billion and assets to 425 billion.

As of the end of 1993, members of WOCCU existed in 28 African, 11 Asian, 3 Pacific, 13 Caribbean, 16 Central and South American, and 5 North American and European countries which were members of the United Nations, as well as in a number of dependant territories. In addition, largely through a technical assistance programme operated by WOCCU in collaboration with its regional and national federation members, and with support from some governments and intergovernmental organizations, new credit union movements have been set up in Byelorussia, China, the Czech Republic, Latvia, Lithuania, Poland, the Russian Federation and Ukraine. The same technical assistance programme is helping to set up new, and to strengthen existing, national movements in a number of developing countries, including South Africa.

Role of the World Council of Credit Unions (WOCCU)

WOCCU's mission is to assist members to organize, expand, improve and to integrate credit unions and related institutions as effective instruments for the economic and social development of people. It serves as a forum for the exchange of ideas and information, provides services for its members, promotes membership development and growth, represents members' interests and extends co-operative financial services to areas where there is an established need. WOCCU holds consultative status with the UN Economic and Social Council and is a member of the International Co-operative Alliance, and the Committee for the Promotion and Advancement of Co-operatives (COPAC).

WOCCU operates a "Women in Development" programme, believing that increasing the participation of and services to women is not only consistent with co-operative philosophy, but provides additional resources, future leaders and new professionals. Women make up high proportions of membership in some national movements: at the end of 1992 there were 87% in Lesotho, between 50 and 61% in Montserrat, Costa Rica, Seychelles, Philippines, Japan and Sri Lanka, and between 30 and 49% in nine other countries.



ICA International Co-operative Day
UN International Day of Co-operatives

*The International Co-operative Alliance and the United Nations:
A Partnership for Sustainable Development*

Co-operatives and the Consumer

The United Nations has stressed from its inception the need for every human being to be able to satisfy her or his needs for goods and services, both as inputs to an efficient household economy and for final individual consumption. Indeed these have been established as fundamental human rights.

More specifically, and following adoption by the International Co-operative Alliance (ICA) in 1969 of its "International Declaration of Consumer Rights", the General Assembly, by its resolution 31/37 in 1976, recognized the "social and economic benefits accruing from producers', consumers', credit, multipurpose and other kinds of co-operatives to all sections of society".

In the late 1970s, the United Nations also recognised that consumer protection had an important bearing on economic and social development, and in 1985 the General Assembly, by its resolution 39/248, adopted the United Nations Guidelines for Consumer Protection. Among other things, these proposed that governments consider "encouraging the establishment of consumer co-operatives and related trading activities, as well as information about them, especially in rural areas".

In his most recent in a series of biennial reports to the General Assembly on co-operatives (document A/49/213 of 1 July, 1994) the Secretary-General concluded that "Co-operatives contribute substantially to the common good in market economies, principally by improving the efficiency and quality of the market".

Characteristics of consumer-owned co-operatives and dimensions of wholesale and retail co-ops worldwide

Consumer-owned retail co-operatives are an effective organizational means whereby the consumer is able to enter the marketplace on more advantageous terms than would otherwise be the case. They provide goods and services specified by customers themselves at affordable prices. Many are small enterprises, limited to a single outlet, or to a few outlets within a limited geographical area, or to a special group of employees of a large enterprise, or students at a university.

Others, particularly in developed market economies, have combined into business groups which extend throughout national territory and serve high proportions of the population, both members and the general public. Many have established their own wholesale, transportation, financing and advertising subsidiaries, their own common services and, in some cases, their own manufacturing plants. They collaborate directly with producer co-operatives.

In Europe, national organizations have set up international business federations: NAF, in the Nordic countries, and the associated but wider federation INTER-CO-OP (the International Organization for Consumer Co-operative Distributive Trade), an ICA specialized body. These increase member influence in the market by joint purchasing, use of common facilities and services and promotion of trade between members. Here and in North America individual co-operative groups extend their own operations across international frontiers, or enter into business partnerships with counterparts in adjacent countries.

Independent retail and service enterprises have also set up their own purchasing and common service co-operatives. While benefits accrue directly to the non-co-operative owners, consumers benefit through lower prices and the continued existence of local small- and medium-size retailers.

Consumer-owned co-operatives have set up national representative and service organizations. EURO-CO-OP (the European Community of Consumer Co-operatives) represents, defends and promotes their interests within the European Union. The International Co-operative Consumer Organisation (until 1993 the ICA Consumer Committee), a specialized body of ICA, began work in the 1960s as an ICA Consumer Working Party, formulating the International Declaration of Consumer Rights adopted by the ICA Congress in 1969. Having taken this lead, subsequently followed by the United Nations in its Guidelines for Consumer Protection, the Committee promoted full participation by ICA members in observance of the International Consumers' Day on 15 March each year, in collaboration with the International Organization of Consumer Unions (subsequently Consumers International). In 1988 the ICA adopted its own "Guidelines for Co-operative Consumer Policy" which, among other things, recognized them to be the world's largest mass movement of consumers.

ICA, through its regional offices, and other international and national co-operative organizations operate significant technical assistance programmes, designed primarily to promote counterparts in the developing countries and to restructure and modernise the former "parastatal" systems in Central and Eastern Europe.

The dimensions of the consumer-owned co-operative movement are now very large, having grown from the first modern co-operative, itself a consumer co-operative, the Rochdale Society of Equitable Pioneers, established in 1844 by 28 persons. In 1994 14 per cent of the total individual membership of ICA comprised members of consumer co-operatives: about 106,000,000 persons world-wide. Taking average household size at four, this implies a total of 424,000,000 persons. To these may be added a proportion of the 205,000,000 members of multi-purpose co-operatives, and the many million employees.

Dimensions in European developed market economies are considerable. In 1994 members of EUROCO-OP had 21,367,000 individual (or household) members, and a turnover in 1992 of 46,500,000,000 ECU. The Association of Retailer-owned Wholesalers in Foodstuffs (UGAL), the association of national wholesale buying and service co-operatives set up by 175,000 independent retail enterprises had an annual turnover in 1989 of 27,490,000,000 ECU. In some countries consumer-owned retail co-operatives account for large shares of the retail food market: in Switzerland over half, in Denmark between 30 to 35 per cent, in Finland 30 per cent, in Norway 25 per cent.

In most developing countries such co-operatives have not achieved the dimensions they have in many developed countries. In some they were elements of parastatal structures, and are now being privatised. Elsewhere, they are important in localised areas, often as part of the services offered by community development and other multi-functional co-operatives. Although often of very small scale, they provide a valuable service, particularly in poor neighbourhoods. In some countries they have been promoted by trade unions.

In the transitional economies a high proportion of goods and services were formerly distributed to consumers through systems termed "co-operatives". These were not, with some exceptions, owned or controlled by members, but were state agencies distributing almost all essential goods and many services. In some countries they still function as the principal, if not the only, means for distribution. Elsewhere, former "co-operative" systems have been partly privatized, partly transformed into genuine co-operative distribution systems.

The significance of consumer-owned retail and wholesale co-ops for economic and social development

This type of co-operative business enterprise provides affordable, relevant and quality goods and services to members and their families, as well as, in many countries, to the general public in the areas in which it operates. This has been an important means to alleviate, eradicate or avoid poverty among poor households, and those at risk of becoming poor, assuring them of basic necessities they might not otherwise be able to afford. It has been of special significance for poor women, but also more generally for the advancement of women engaged in the household sector. Directly in co-operative enterprises and their subsidiaries and indirectly in the independent enterprises whose viability they protect, they provide substantial employment.

For consumers in general the co-operative movement has promoted beneficial marketing innovations, such as unit pricing and nutritional labelling. They have contributed significantly to consumer awareness and education. In some countries they have set up their own advertising enterprises, governed by ethical guidelines. Elsewhere they have acted to bring about a reduction in consumer indebtedness. More generally, responsive to their members' concerns, and having both the economic weight and organizational structure, they have constituted an energetic lobby in favour of consumer rights at national and international levels. For example, EUROCO-OP, assigned formal responsibility by the European Union, drafted its directives on foodstuffs and lobbied successfully to have a consumer protection section included within the Treaty of the European Union.

By these and other means the consumer co-operative movement has been able to improve the quality of national economies for the benefit of large sections of the population. They have been able to break monopolies and cartels, thereby reducing prices and rationalizing production and distribution. Purchasing co-operatives protect the viability of member enterprises, contributing to market diversity and viable local services.

Consumer-owned co-operatives contribute significantly to environmental protection and sustainable development. Responsive to the environmental concerns of their owner-members, they are able as businesses of introducing their own environmentally sensitive products and operations. They act as market leaders in both independent innovation and response to governmental regulation, lobby for policy change, lead in persuading producers to adopt ecologically sensitive methods. The ICA Consumer Committee has been active in the formulation of ICA's own environmental policy, including the Co-operative Agenda 21. Conversely, they diffuse information to, and help to mobilize the citizens who are their members.

This part of the co-operative movement emphasises consumer health and safety protection. For example, EUROCO-OP laboratories, recognized as centres for consumer information and policy development, collaborate with the European Union, undertaking studies and symposia as a basis for European legislation.



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Co-operatives and the United Nations Conference on Human Settlements (Habitat II)

Purpose of Habitat II

The United Nations Conference on Human Settlements will take place in Istanbul, Turkey between 3 and 14 June 1996. It is the second United Nations conference on this issue - the first was held in Vancouver, Canada, in June 1976. The Secretary-General of the United Nations has already dubbed the Conference "the City Summit".

Called for by the United Nations General Assembly in its resolution 47/180, the Conference is intended to place urbanization at the top of international and national development agendas; promote new policies and strategies for urban management and housing development; help solve urban environmental problems; and highlight needs and opportunities for investment in infrastructure and services. The main themes of the Conference will be "Sustainable Human Settlements in an Urbanizing World" and "Adequate Shelter for All".

Its objectives include raising global and national awareness of the positive role of cities and towns as centres of employment, investment and trade, production and consumption, culture and learning and civic spirit and social harmony, and as market places and service centres for rural populations and rural production. Other objectives are to improve people's living environments through new and more effective investments in shelter and urban development, and to make the world's cities, towns and villages healthy, safe, equitable and sustainable.

The strategy for achieving these objectives consists of stimulating partnerships for more effective resource mobilization and investment; enlisting the participation of all key actors at global, national and local levels; focusing on capacity-building and strengthening local institutions; and documenting best practices and harnessing all available technology, ideas and information to develop new solutions. The private sector, local and national governments, non-governmental and community-based organizations are encouraged to forge new partnerships to formulate and then to carry out new strategies designed to make human settlements sustainable.

In each country committees, in which representatives of the business community and civil society are encouraged to participate with governments at local and regional as well as national levels, are preparing national strategies. Internationally, representatives of the same major components of the market and civil society are encouraged to support their national members. They will present their own "commitments" and global strategies for incorporation in the draft Global Plan of Action to be considered by the Conference.

Given its significance for almost all of the issues addressed by the Conference, and the emphasis given to the full participation of all elements of the market and civil society, the co-operative movement will be expected to play a major role at local, national and international levels, both in the formulation of strategies to be considered by the Conference and in their subsequent implementation.

Recognition by the United Nations of the Relevance of Co-operatives

In its resolution 49/155, adopted on 23 December 1994, the General Assembly recognized that "co-operatives in their various forms are becoming an indispensable factor in the economic and social development of all countries", as well as "the important contribution and potential of all forms of co-operatives to the preparations for and follow-up to" the United Nations Conference on Human Settlements (Habitat II). It invited the Conference, in formulating strategies and actions "to give due consideration to the role and contribution of co-operatives".

Significance of co-operative enterprises and movements for the issues addressed by Habitat II

Co-operative business enterprises are one of the most effective means for the economic empowerment of citizens. They are people-centred and people-controlled organizational vehicles for the participation by ordinary women and men in the market under more advantageous conditions, and with more beneficial results, than would otherwise be available to them. They are democratically controlled by their members. Moreover, co-operative enterprises tend to establish business groupings, increasing thereby the economic empowerment of their members.

Their democratically managed representative organizations at local, regional, national and international levels enable their members to participate in societal management. In these ways co-operatives fulfil closely the requirements identified by Habitat II for more participatory societal management.

Co-operative enterprises are concerned as a matter of principle with the sustainability of the communities in which they operate, because it is there that members and their families live, and expect that their children and grandchildren will also live in acceptable conditions. They are major contributors to economic and social subsidiarity: being specifically intended to concentrate local resources for the benefit of local communities, intentionally avoiding loss to other areas.

Because their goals and operational practices are established and controlled by members who are concerned with the quality of the communities in which they live, co-operative enterprises of all types are particularly concerned with the natural environment, both as producers and consumers. Co-operative movements have taken the lead in many countries in introducing environmentally sensitive products and activities, in influencing business standards, in changing consumption habits, in diffusing information and in lobbying for policy changes.

Co-operative enterprises contribute to the avoidance of poverty among those individuals and communities at risk, and to the alleviation and eventual eradication of poverty among those who already experience it. Production and service provision co-operatives make possible viable entrepreneurial development, and thereby the creation and protection of productive employment, including self-employment, and consequent inflow of income. Savings and credit co-operatives, or credit unions, and co-operative banks make possible affordable financial management, including secure savings and accessible credit, frequently where other institutions are unwilling or unable. Co-operative insurance enterprises assist in reducing risks to individuals and enterprises, a major protection against impoverishment, unlikely to be provided by other institutions.

User-owned or consumer-owned co-operative enterprises make available at affordable cost and in appropriate form a wide range of goods and services. They provide utilities, particularly electricity and water; services such as telephones, health, education, social welfare, child-care and the care of infirm and disabled persons; retail and associated wholesale and distribution services; and housing. Community development and other multi-functional co-operatives constitute a means whereby entire neighbourhoods are able to combine resources to improve local infrastructure and services and establish an environment in which individuals are able to live in a more dignified manner.

All types of co-operative enterprise provide a supportive environment, through employment, through special services, or through common solidarity, whereby disadvantaged individuals and communities are able to integrate with dignity within host communities. This is particularly valuable for migrants, minorities and indigenous persons; the unemployed; young persons; and persons burdened with disabilities and dysfunctional conditions of all types.

Women in particular benefit from their membership of co-operative enterprises, which provide them with employment, financial security, improved legal and social status, protection from violence, health and services, as well as inputs required by women for the efficient operation of the microenterprises which constitute the household sector.

These characteristics contribute significantly to the improved quality of both the economies and the societies existing within human settlements of all types. Although in many countries benefiting the middle-income population, their greatest significance in the effort to establish sustainable human settlements lies in their provision of an organizational vehicle for the improvement of the condition of the poor. Hence, they are a significant organizational means for crisis solution and sustainable development in the inner cities of developed market economies, and in the settlements of developing market economies. In the transitional economies they have the potential to occupy those functions from which state and parastatal agencies have withdrawn, but which are unattractive to large-scale private enterprise and require new forms of organization if small- and medium-scale entrepreneurs and local communities are to enter.

A most important contribution to the sustainable future of human settlements is through the contribution of co-operative enterprises to the viability of rural economies and societies, thereby reducing the involuntary and wasteful exodus of their human resources and their resultant inefficient concentration in the larger urban centres. Of greatest importance is their capability - well established in many developed market economies - for providing supply and marketing institutions owned by rural producers and capable of increasing their market power, as well as providing services, including financial services, owned by and responsive to rural communities themselves.

Moreover, by their contributions to poverty reduction, improved health, better care for children and the advancement of women, co-operatives of all types make a significant impact upon the capability of women and men to alter their reproductive preferences and behaviour in such a way as to reduce fertility, thereby contributing to a more sustainable balance between population, societal resources and the natural environment.

For further information on Habitat II contact the Secretariat at UNCHS(Habitat), P.O. Box 30030, Nairobi, Kenya; Tel: 254-2 623033; Fax: 254-2 623080; Internet: habitat2.unchs@un.org



United Nations

Press Release

Information Service

United Nations Office at Geneva

SG/SM/95/144
27 June 1995

SECRETARY-GENERAL'S MESSAGE FOR INTERNATIONAL DAY OF COOPERATIVES

(The following release is being issued as received from New York)

Following is the text of Secretary-General Boutros Boutros-Ghali's message on the occasion of the International Day of Cooperatives, 1 July:

In this, the fiftieth year of the United Nations, we note with satisfaction that one of the closest and oldest of our collaborators, the International Co-operative Alliance, is celebrating its centennial. Recognizing that cooperatives in their various forms are becoming an indispensable factor in the economic and social development of all countries, the United Nations General Assembly has proclaimed the first Saturday of July, starting from this year, as International Cooperative Day.

As we move into a new century and a new millennium, the partnership between the United Nations and the International Alliance becomes increasingly important. As I reported to the General Assembly last year, cooperative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hands the tasks of creating productive employment, overcoming poverty and achieving social integration. They constitute a model for a people-centred and sustainable form of societal organization, based on equity, justice and solidarity. And they involve in the development process all sections of society including women and youth, the elderly and the handicapped.

By so effectively looking after your own interests and resolving your own problems through energetic and creative self-help you help make our societies a better place for present and future generations.

I am confident that our collaboration will grow stronger in all the many areas of our common concern. It is a pleasure to wish each of the 750 million women and men who are members of the International Co-operative Alliance every success in your cooperative endeavour.

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Nations Unies

Communiqué de presse

Service de l'information

Office des Nations Unies à Genève

SG/SM/95/144
27 juin 1995

LE SECRÉTAIRE GÉNÉRAL ADRESSE UN MESSAGE A L'OCCASION

DE LA JOURNÉE INTERNATIONALE DES COOPÉRATIVES

(Le texte suivant est publié tel qu'il a été reçu de New York)

Le Secrétaire général, M. Boutros Boutros-Ghali, a adressé le message suivant à l'occasion de la Journée internationale des coopératives, le 1er juillet :

En cette année, le cinquantième Anniversaire des Nations Unies, notre satisfaction n'est que grande de noter que l'une des institutions avec laquelle nous entretenons une collaboration des plus anciennes et des plus étroites, l'Alliance coopérative internationale, célèbre son centenaire. Reconnaisant que les coopératives sous leurs différentes formes, deviennent un indispensable levier du développement économique et social de tous les pays, l'Assemblée générale des Nations Unies a proclamé le premier samedi de juillet, commençant cette année, Journée internationale des coopératives.

Au seuil d'un nouveau siècle et d'un nouveau millénaire, le partenariat entre les Nations Unies et l'Alliance internationale se renforce considérablement. Comme je l'indiquais à l'Assemblée générale l'année dernière, les entreprises coopératives fournissent les moyens organisationnels grâce auxquels une partie importante de l'humanité se trouve en mesure de créer de l'emploi productif, lutter contre la pauvreté et réaliser l'intégration sociale. Elles constituent un modèle d'organisation durable d'une société qui fait de l'homme sa préoccupation majeure et qui soit équitable, juste et solidaire. Elles font participer au processus de développement toutes les composantes de la société, notamment les femmes et les jeunes, les personnes âgées et les personnes handicapées.

En prenant soin de vos propres intérêts de façon aussi efficace et en réglant vos propres problèmes par des moyens énergiques et créatifs, vous contribuerez à amender nos sociétés pour les générations présentes et futures.

Je suis convaincu que notre collaboration se renforcera davantage dans tous les domaines de préoccupation commune. J'ai le plaisir de souhaiter à chacun des 750 millions de femmes et d'hommes qui sont membres de l'Alliance coopérative internationale tout le succès dans votre élan de coopération.

* * * *

ICA CENTENNIAL CONGRESS

COURTESY COACH SERVICE

Coach transfers will be provided for those staying at the following out of town hotels:

Britannia Country House Hotel	Northenden
Copthorne Hotel	Salford
Cresta Court Hotel	Altrincham
Forte Crest	Manchester Airport
Forte Post House	Northenden
Hilton Hotel	Manchester Airport
Periquito Hotel	Oldham
Salford University	Oakland Campus
Shrigley Hall Hotel	Bollington

Daily Service

A daily service will operate between the above-named hotels and New Century House (NCH), Manchester between Saturday 16 and Saturday 23 September inclusive. The coaches will depart from the hotels at 0800 each morning and arrive at NCH at approximately 0850, and will depart each evening from NCH at 1700, except on Saturday 23 September when they will depart from NCH at 1300.

Evening Service

A courtesy coach service will provide transport to and from the evening social events as follows:

Tuesday 19 September - Rochdale Civic Reception

Coaches will depart from the hotels named above on Tuesday 19th at 1830 with the exception of those staying at the Periquito Hotel, Oldham where the departure time will be 1900.

Those staying at the Palace, Portland and Victoria & Albert (V&A) Hotels in the city centre are also invited to the Rochdale Civic Reception and coaches will be provided which will depart for Rochdale from these three hotels at 1900.

All coaches will depart from Rochdale at 2100 for the return journey to the hotels.

Wednesday 20 September - Royal Exchange & Opera House Theatre Visits

A coach service for out of town hotels only as shown above will be provided which will depart for Manchester from these hotels at 1830. Departure from the Royal Exchange will be at 2200 and from the Opera House at 2220 for the return journey to the hotels.

Thursday 21 September - Piccadilly Hotel & Granada Studios Dinners

Coaches will depart for Manchester from the out of town hotels at 1830 and will depart from the Piccadilly and Granada Studios at 0015 for the return journey to the hotels.

Friday 22 September - Free Trade Hall - Farewell Concert

Coaches will depart for Manchester from the out of town hotels at 1830 and will depart from the Free Trade Hall at 2200 for the return journey to the hotels.

IMPORTANT

In respect of all of the above coach transfers, the coaches will leave promptly at the times shown. No record will be kept of those wishing to or actually using the service and therefore you are urged to board the coaches no later than the times shown for both the outward and return journeys.



*Hosted by
Co-operative Wholesale Society Ltd,
Co-operative Insurance Society Ltd,
The Co-operative Bank plc,
Co-operative Union Ltd,
Co-operative Retail Services Ltd
and United Norwest Co-operatives Ltd*

GJM/DLW/RMB

September 1995

TO ALL PARTICIPANTS

Dear Friends

ICA CENTENNIAL WELCOME

The British Co-operative Movement is delighted and honoured to welcome the Centennial Congress of the International Co-operative Alliance to Manchester and in particular to welcome you as a participant.

The host organisations have co-operated to provide you with an interesting and varied programme to complement the business agenda, and you are invited to participate in the various evening events and preliminary invitation cards are enclosed. If you wish to accept, you should exchange these cards immediately for admission tickets at the Events Desk situated in the foyer area of New Century House.

We also ask you to accept with our compliments the Congress briefcase and its contents as a memento of the occasion.

Can we ask that you be kind enough to wear your lapel badge at all times as this will assist in identifying you to the Commissionaires and Stewards and allow us to comply with the necessary security arrangements that apply within the Co-operative Complex.

We trust that your stay in Manchester will be both interesting and enjoyable.

Yours sincerely

G J Melmoth
Chairman of the
Organising Committee - ICA

RESOLUTIONS AND AMENDMENTS

In addition to the Resolutions and Amendments which are printed in the Congress Agenda and Reports (Review of International Co-operation, number 3), the following Resolutions and Amendments have been submitted in accordance with the ICA Rules:

A. Proposals to Amend the "Statement on Co-operative Identity"

1. From the International Co-operative Banking Association (ICBA): to amend the Third Principle by adding: "Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible:..."
2. From ICA Europe:
 - a) to amend the Third Principle by adding: "Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of the assets is usually the common/collective property of the co-operative enterprise...."
 - b) to amend the Third Principle by adding the wording as proposed above by the ICBA.
3. From ICA's four member organisations in Germany (Bundesverband deutscher Konsumgenossenschaften, Deutscher Genossenschafts- und Raiffeisenverband, Gesamtverband der Wohnungswirtschaft, and Verband der Konsumgenossenschaften):
 - a) to amend the Definition of a co-operative, by removing the reference to "cultural" needs and aspirations;
 - b) to amend the text on Values by adding the following: "Co-operatives are based on the values of self-help, self-responsibility, self-administration, democracy, equality, equity, and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others."
 - c) to amend the Seventh Principle, as follows: "Co-operatives focus on member needs and wishes. If the members decide so, co-operatives work for the sustainable development of their communities."

B. Proposal to Amend the "Resolution on Co-operative Democracy"

1. From the Japanese Consumers' Co-operative Union:
 - a) to amend the title as follows: "Resolution on Participatory Democracy in the Co-operative Movement (Submitted by the International Joint Project on Participatory Democracy in the Co-operative Movement)"
 - b) to amend the subsequent phrase, as follows: "The Centennial Congress of the ICA, at its meeting in Manchester in September 1995, COMMENDS the initiative of the International Joint Project on Participatory Democracy in the Co-operative Movement involving Canada, Italy, Japan, U.K., and Sweden."

C. Resolution Submitted by ICA Europe on "Gender Equality in Co-operatives":

Gender equality is a global priority of the ICA. A better balance between female and male co-operators and employees would be a re-energizing force and source of competitive advantage to co-operatives and improve their image as democratic, people-oriented enterprises. The ICA European Council proposes that co-operatives commit themselves to active promotion of equality between women and men.

A pre-requisite is that we accept that women and men are different and that we respect their differences. Mixed co-operative governance, reduced gender segregation of employees at all levels, and appreciation of the different priorities of women's and men's values, strengths, and competence all contribute to a positive development as well as to the improved entrepreneurship and efficiency of co-operatives.

To improve such gender balance co-operatives are requested to set an action plan which should include targets, with a clear idea of what should be achieved and by when.

Women and men must have equal participation and job opportunities, the same working conditions and equal pay for equal work, as well as equal training and educational opportunities. Progress in achieving objectives must be monitored regularly to identify successes and shortfalls.

Shared influence and shared responsibilities between women and men are a key to co-operative excellence.

D. Resolution submitted by the National Co-operative Business Association (NCBA), USA, on "Strategic Alliances":

WHEREAS one of the strengths that has contributed to the growth and development of the International Co-operative Alliance over the past one hundred years of its existence has been the dedication of the ICA in building strategic alliances among its members;

WHEREAS, as the ICA enters into the second century of its existence, it is even more important, in a global competitive environment, to focus on the importance of such alliances to the development of trade and business relationships between and among its members;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the General Assembly, at this Centennial Congress, pledges to continue to build strategic alliances for the purpose of assisting our membership to remain competitive and to promote the co-operative principles and ideals which are at the foundation of our success.

E. Resolution submitted by NCBA, USA, on "Lars Marcus":

WHEREAS Lars Marcus, after 11 years of extremely dedicated leadership of the International Co-operative Alliance, is stepping down as President of the ICA;

WHEREAS Lars Marcus has been an outstanding leader in a period of great transition including dramatic political changes in Central and Eastern Europe and the continued growth of ICA in Africa, the Americas, and the Pacific region, along with a resurgence of co-operatives throughout the world;

WHEREAS Lars Marcus has demonstrated his political acumen and led the ICA to a respected position in the world's Community of Nations;

WHEREAS Lars Marcus has kept the ICA in the forefront of the training and development of co-operative leadership through his support of people all over the world;

WHEREAS Lars Marcus has presided over great changes faced by the ICA and has always kept the Alliance true to the principles set down by the co-operative Pioneers 150 years ago;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the General Assembly, at this Centennial Congress, does wish to express its thanks for the leadership and guidance which Lars Marcus has provided during his eleven years as President.

BE IT FURTHER RESOLVED that Lars Marcus may have many happy and healthy years ahead in his well-earned retirement.

- Principle =

- should reflect basic behaviours
- NOT a maximum of standards, but a guideline - an amalgam of several basic convictions

KEY

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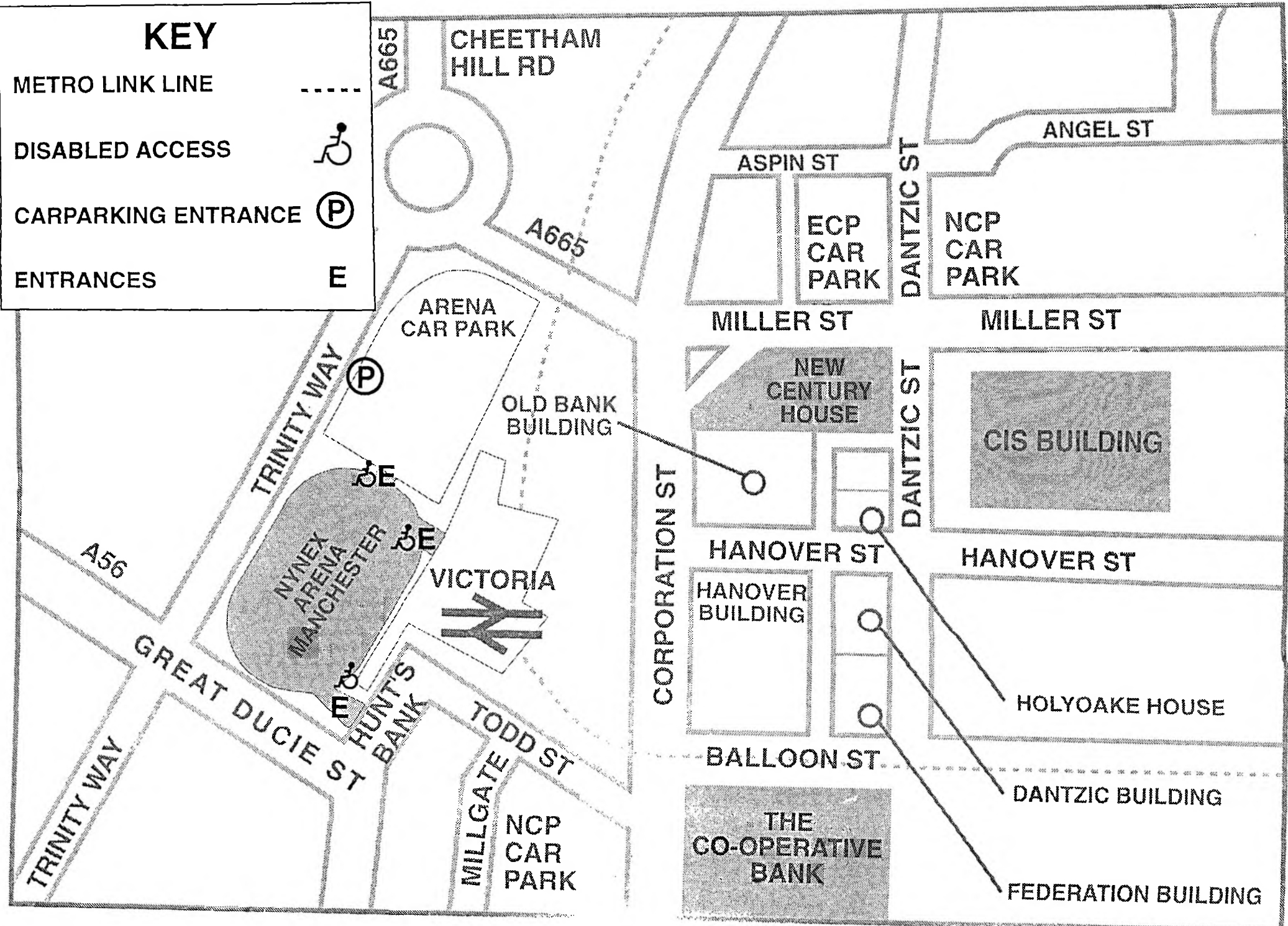
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CARPARKING ENTRANCE



ENTRANCES



ICA CONGRESS SCHEDULE

(Revised 13 September 1995)

NOTE:

All meetings held in the headquarters of the Co-operative Wholesale Society (CWS) will be situated in "New Century House" (the name of the building within the CWS complex)

* Meeting by invitation only

** Check with organization regarding registration requirements

Date	Time	Meeting	Room	Location
Wednesday 13 September	ICA MEETINGS 14:00 - 17:00	TICA Exco *	Ante Room	13th Floor, CWS
Thursday 14 September	ICA MEETINGS 09:00 - 17:00	TICA Workshop	Shillito Room	CWS
Friday 15 September	ICA MEETINGS 09:30 - 13:00 OTHER MEETINGS 14:00 - 17:00 15:30 - 18:30	TICA AGM* and Open Forum Joint Project Committee IAST General Assembly*	Shillito Room Committee Room Shillito Room	CWS 13th Floor, CWS CWS
Saturday 16 September	ICA MEETINGS 09:30 - 16:00 09:45 - 16:30 14:00 - 18:00 14:15 - 15:45 OTHER MEETINGS 10:00 - 15:30 13:30 - 16:00 EVENTS 19:00 - 24:00	Womens' Conference ICMIF Conference ** CICOPA Plenary ICACC ExCo* International Joint Project Symposium Fair Trade Conference Women's Conference Reception	Lancaster Suite New Century Hall Ballroom Grand Theatre Studio Stanford Hall Lady Margaret Hall Lancaster Suite	CWS CWS 5th Floor, CIS Blackpool Co-op College Oxford CWS

<p>Sunday, 17 September</p>	<p>ICA MEETINGS 08:30 - 9:30 09:00 - 13:00 09:00 - 17:00 09:30 - 12:30 09:45 - 11:15 10:00 - 17:00 10:00 - 17:00 10:00 - 17:00 11:15 - 17:30 13:30 - 16:00</p>	<p>ICMIF Breakfast Presentation ** CICOPA Plenary Co-operative Research Forum ** Housing Committee ExCo * ICMIF Conference ** Agriculture Committee ExCo * ICACC Seminar and Open Forum ** Women's Committee ExCo * ICMIF Workshops ** Research Forum Workshop #1 * Views on Principles Research Forum Workshop #2 * Management, Capital Formation, Performance Research Forum Workshop #3 * Democracy, Empowerment, Education Research Forum Workshop #4 * Community, Networking, State ICA Book Launch CICOPA ExCo *</p>	<p>Basement Restaurant Ballroom Shillito Room Boardroom New Century Hall Committee Room Boardroom Ante Room 4th Floor Shillito Room Mitchell Suite Room 1 Mitchell Suite Room 2 Mitchell Suite Room 3 Executive Lounge Large Committee Room Room 116 Boardroom Brodrick Room</p>	<p>CIS 5th Floor, CIS CWS Co-op Union CWS 13th Floor, CWS 13th Floor, CWS 13th Floor, CWS CIS CWS CWS CWS CWS 23th Floor, CIS Co-op Union Co-op Union CWS Manchester Cathedral</p>
	<p>OTHER MEETINGS 10:00 - 12:30 14:00 - 17:00 14:00 - 17:00 EVENTS 15:00 - 16:30</p>	<p>Co-op Network Board * COPAC Members' Meeting * Co-op Network - Annual Meeting/Plenary Cathedral Service</p>		

<p>ICA MEETINGS 09:00 - 10:00 09:00 - 11:00 09:00 - 11:00 09:00 - 11:00 09:00 - 11:00 09:00 - 11:00 09:00 - 12:00 09:00 - 17:30 09:30 - 12:30 09:30 - 12:30 09:30 - 15:30 09:30 - 17:00 09:30 - 17:30 10:00 - 17:00 10:30 - 17:30 13:30 - 16:00 14:00 - 17:00 14:00 - 17:00 17:30 - 19:00</p>	<p>Consumer Committee (ICCO) ExCo* Research Forum Workshop #1* Views on Principles Research Forum Workshop #2* Management, Capital Formation, Performance Research Forum Workshop #3* Democracy, Empowerment, Education Research Forum Workshop #4* Community, Networking, State Fisheries Committee ExCo* Co-operative Health & Social Care Forum** Housing Committee Plenary ICBA Central Executive Meeting* ICMIF Conference** Agriculture Committee Plenary Women's Committee Plenary ICA Board* Consumer Committee (ICCO) Plenary Co-operative Research Forum** Fisheries Committee Plenary ICBA Plenary ROAP Advisory Committee Meeting* ICOM Reception*</p>	<p>Carroll Suite Shillito Room Mitchell Suite Room 1 Mitchell Suite Room 2 Mitchell Suite Room 3 Room 116 Brodrick Room Conference Room 4 Club Lounge New Century Hall Committee Room Boardroom Boardroom Carroll Suite Shillito Room Room 116 Club Lounge Boardroom Pump House Rothwells Pub 24th Floor</p>	<p>Consumer Committee (ICCO) ExCo* Research Forum Workshop #1* Views on Principles Research Forum Workshop #2* Management, Capital Formation, Performance Research Forum Workshop #3* Democracy, Empowerment, Education Research Forum Workshop #4* Community, Networking, State Fisheries Committee ExCo* Co-operative Health & Social Care Forum** Housing Committee Plenary ICBA Central Executive Meeting* ICMIF Conference** Agriculture Committee Plenary Women's Committee Plenary ICA Board* Consumer Committee (ICCO) Plenary Co-operative Research Forum** Fisheries Committee Plenary ICBA Plenary ROAP Advisory Committee Meeting* ICOM Reception* Co-operative Health & Social Care Forum Reception** ICA Board Dinner* Inter-Coop ExCo Reception*</p>	<p>Ramada Hotel CWS CWS CWS CWS Co-op Union CWS 4th Floor, CIS Ramada Hotel CWS 13th Floor, CWS Co-op Bank 13th Floor, CWS Ramada Hotel CWS Co-op Union Ramada Hotel CWS People's History Museum Springbank CIS Ramada Hotel</p>
<p>Monday 18 September</p>				



**ICA International Co-operative Day
UN International Day of Co-operatives**

USA - Co-operatives pave the way for health care

Washington (IPS) - President Bill Clinton may have been blocked in his efforts to re-vamp the U.S. health care system, but many co-operatives are willing to take up the slack and offer low-cost health care to Americans.

Despite the apparent setback to Clinton's vision of nation-wide 'managed health care', Americans increasingly rely on co-operative health maintenance organisations (HMOs) to respond to their health needs.

More than one million U.S. residents belong to HMOs that offer pre-paid, group practice health care, in which a pool of doctors join to lower costs among them.

The HMOs focus on health care to prevent illnesses and on assuring group health care services, trying to steer away from the more expensive U.S. health care insurance firms which often penalise clients for illness or accidents by raising rates.

Leading the way as an example of lower-cost health care is the non-profit Group Health Co-operative of Puget Sound, based in Seattle, Washington.

Group Health, cited as a model of progressive health care, is the seventh largest employer in Washington and serves half a million people, 10 per cent of the state's insured population.

Established in 1947, it is currently the 27th largest U.S. co-operative, having netted 934 million dollars in revenue for 1993.

Darlene Corkrum, the firm's sales and marketing director, credited the popularity of the HMO to the cost-effective collaboration among Group Health's 9,800 employees.

"We've spent a lot of energy on our human resources, recognising that our own employees are one of our best resources," Corkrum said. "Our physicians are staff. We employ our nurses and our other para-professionals and administrative support."

That approach stands counter to much of the U.S. health care system, where doctors generally operate as free agents and have little incentive to keep costs low. At a time when more than 15 per cent of Americans lack any health insurance, that system has all but shut out the nation's poorest groups.

But co-operative health care centres have bucked that trend, partly because the co-operatives' member-owned and member-operated philosophy allows them to respond more effectively to consumer needs. That responsiveness has helped HMOs thrive.

Friday 22 September	ICA MEETINGS 09:30 - 12:30 14:30 - 17:30 OTHER MEETINGS 12:30 - 14:00 EVENTS 19:30 - 22:00	Congress General Assembly Co-op Network Seminar 2** Farewell Concert	New Century Hall New Century Hall Committee Room	CWS CWS 13th Floor, CWS Free Trade Hall
Saturday 23 September	ICA MEETINGS 09:30 - 12:30 14:30 - 17:30	General Assembly Meeting of Chairman of Specialized Bodies*	New Century Hall Boardroom	CWS 13th Floor, CWS
Sunday 24 September	ICA MEETINGS 09:30 - 17:00	Regional Directors' Meeting*	Boardroom	13th Floor, CWS

Other Meetings

Date	Time	Meeting	Location
10-22 September		Young Journalist Workshop	Stanford Hall (Loughborough) to continue in Manchester
17-20 September		Third International Co-operative Youth Seminar	Stanford Hall (Loughborough)

Per Diem Expense Report

By : _____ Month of : _____

Program : _____

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Signature _____

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Per Diem Expense Report

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Trxn Reference	Currency	Amount	Exch Rate	Converted	Amount
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Settlement By: CASH		TOTAL CONVERTED AMNT	GBP		285.61
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IRITA RHODES

The
International Co-operative
Alliance
During War and Peace

1910-1950



Special Centennial Edition



The International Co-operative Alliance

100 Years of International Co-operation

The International Co-operative Alliance is an independent, non-governmental association which unites, represents and serves co-operatives worldwide.

Since it was founded in London 100 years ago, the International Co-operative Alliance has grown from an association of mainly European consumer co-operative apex federations to a business association of international and national apex organisations representing over 100 countries and nearly every sector of the economy.

In the year of its Centennial, the Alliance is the largest non-denominational, non-governmental organisation in the world in terms of membership - over 700 million co-operators at grass-roots level.

The Role of the Alliance

With a staff of less than 80 in offices located in Europe, Asia, Africa and Latin America, the organisation has to set strict priorities on how best to serve its 217 member organisations. ICA's role is to promote the growth and strengthening of the co-operative approach in all its forms and coordinate and support the common interests of its member organisations. Its priorities are the following:

- * To promote and defend the values and principles shared by its members as custodian of the co-operative principles.
- * To stimulate the exchange of ideas and information, and practical collaboration between member organisations.
- * To spread information on the aims, structure and trends of the international co-operative movement.
- * To act as a catalyst for the development of co-operative structures, especially in developing countries.
- * To represent the co-operative movement at the United Nations and other international organisations and, when requested by its members, with national governments. The ICA has Category One Consultative Status with the United Nations Economic and Social Council.

**New publication
to mark the Centenary of ICA
in 1995**

**The International Co-operative Alliance
During War and Peace 1910-1950**

by RITA RHODES

The international co-operative movement celebrates this year the centenary of the International Co-operative Alliance. Born in 1895 in London, for much of its history the ICA has been seen as an international working class organisation. An important feature of ICA has been its longevity which has set it apart, however, from other international working class organisations such as the Socialist International and the International, later, World Federation of Trade Unions. Such longevity has also been unusual in international non-governmental organisations among which the ICA has been further distinguished by its size and early representation in the United Nations.

Based extensively on ICA archive materials, and running to some 100,000 words, this book charts the ICA's course through the two World Wars and the Cold War which posed the greatest threats to it. It suggests two over-arching reasons for the ICA's ability to survive. One was the ICA's organisation, meaning its Constitution plus the functioning of its authorities, namely the Congress, Central and Executive Committees, General Secretary and Secretariat. The Constitution was characterised by ideological consistency: a cohesive membership due to the predominance of consumer co-operative movements, clear measures of accountability and control, and durability. The second main reason was the ICA's ideology, including adherence to Co-operative, or Rochdale Principles, advocacy of a co-operative social ownership, political neutrality, and an active pro-peace policy.

The book also suggests lesser reasons for the ICA's survival including the location of its Secretariat in a country that was not invaded but was also home to its largest voluntary co-operative movement. It also happened to be the one that had the closest historical and geographical affinity with Rochdale.

It concludes by noting that the Alliance's survival later enabled it to play an important part in third world co-operative development.

**PRE-PUBLICATION
ORDER FORM**

**The International Co-operative Alliance
During War and Peace 1910-1950**

by **RITA RHODES**

To order, please complete this form and return to:

ICA Publications, International Co-operative Alliance,
15 route des Morillons, 1218 Grand-Saconnex/Geneva, Switzerland
Fax: (41-22) 798.41.22, E-mail: icageneva@gn.apc.org

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Price CHF 45.00 plus postage which will be added to pro forma invoice.

If you are interested in other ICA publications please call us: (41-22) 929.88.31 or
929.88.88 or send a fax to Gabriella Sozanski at (41-22) 798.41.22.

**Please note that payment for the "International Co-operative Alliance During
War and Peace 1910 - 1950" and other ICA publications can now be made by credit
card (Visa or Euro/Mastercard only) as well as by direct bank transfer to Banque
Centrale Coopérative in Geneva, Account No. 284043.450090-2.**



ica

The International
Co-operative Alliance
& its Development Programme

Mission Statement

The International Co-operative Alliance is an independent, non-governmental association which unites, represents and serves co-operatives worldwide.

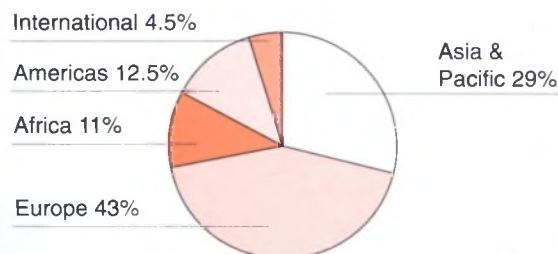
The ICA was founded in London in 1895. Its members are national and international co-operative organisations in all sectors of activity including agriculture, banking, energy, industry, insurance, fisheries, housing, tourism and consumer co-operatives. ICA has more than 230 member organisations from over 100 countries, representing more than 730 million individuals worldwide.

In 1946, the ICA was one of the first non-governmental organisations to be accorded United Nations Consultative Status. Today it is one of the forty-one organisations holding Category 1 Consultative Status with the UN Economic and Social Council (ECOSOC).

ICA's Development Role

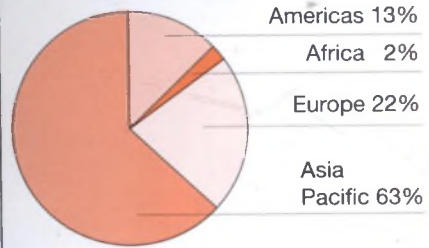
Working from its Head Office and Regional Offices, ICA helps to build strong, viable co-operatives in developing countries by acting as a co-ordinator and catalyst of co-operative development.

ICA Member Organisations by Region

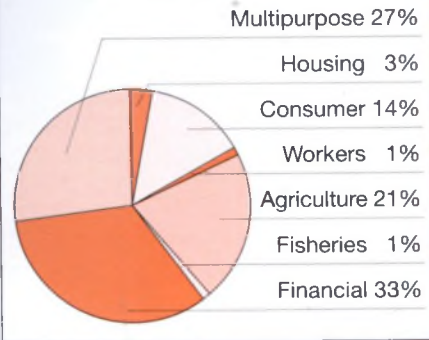


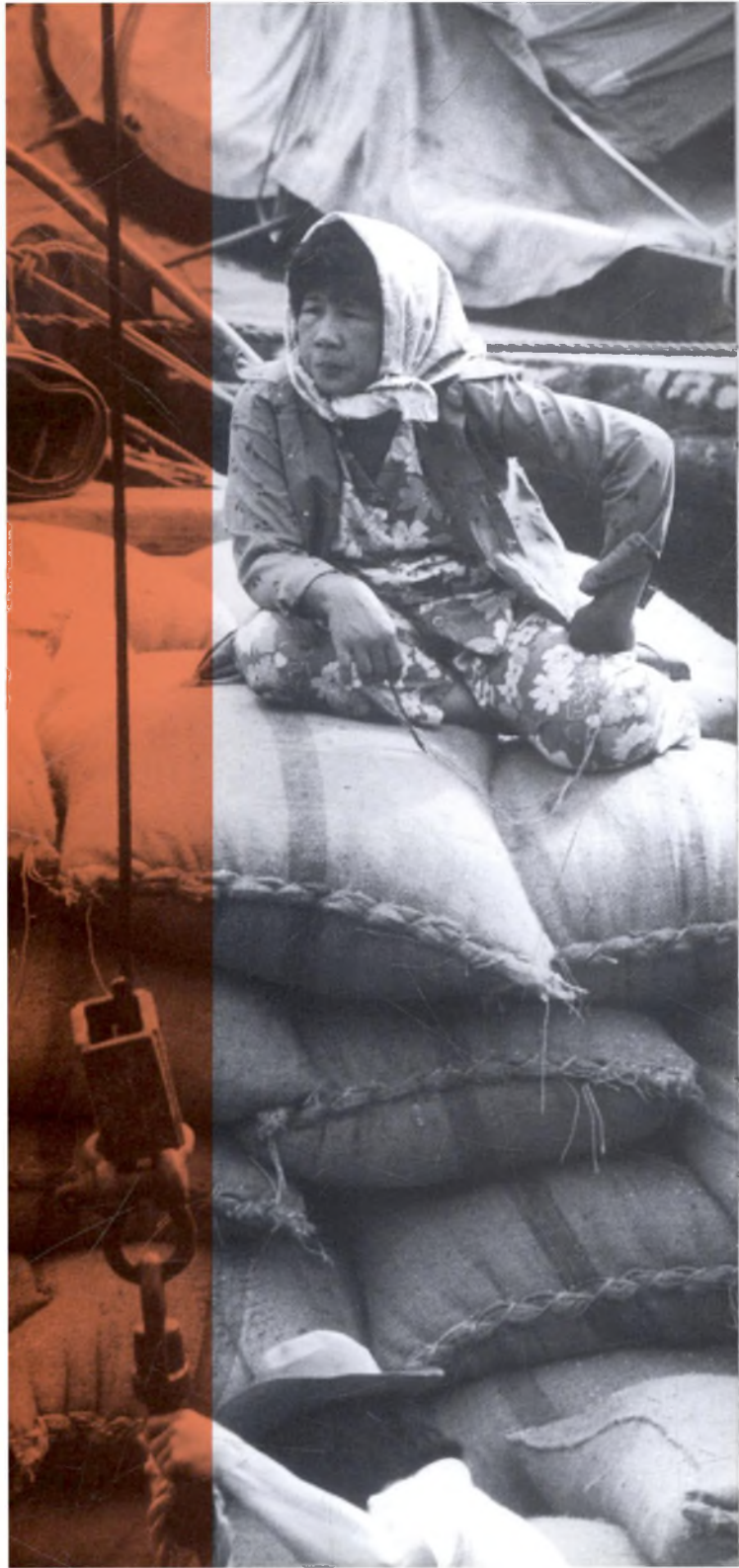
Photos: International Labour Office

ICA Individual Membership by Region



ICA Individual Membership by Sector





Aims of the ICA

The major objective of the ICA is to promote and strengthen autonomous co-operatives throughout the world. Through actions taken at the international, regional and national levels, the ICA also seeks to :

- promote and protect co-operative values and principles;
- facilitate the development of economic and other mutually beneficial relations between its member organisations;
- further the economic and social progress of its members and their communities

In order to achieve its aims, the ICA organises international, regional and sectorial meetings, thus serving as a forum for the exchange of experience and information among its vast membership.

Methods

Information on all facets of co-operative development, resources and statistics are also collected by the ICA and provided to members and other organisations involved with co-operatives.

The ICA has a documentation centre and produces publications on specialised topics, as well as periodicals, including the ICA's official journals, "Review of International Co-operation" and "ICA News".

Through its Headquarters and Regional Offices, the ICA also provides technical assistance for co-operative development in Africa, Asia, Latin America, and Eastern and Central Europe.

Specialised bodies are also created by the ICA to address technical issues in specific economic and social sectors.

The ICA collaborates with the United Nations and its specialised agencies, and non-governmental organisations with similar aims.

ICA Development Programme

As the UN Secretary-General wrote in May 1992:

...co-operatives constitute a significant and successful element of the private sector and thus of national economies...

...co-operatives, by their very existence, contribute to the achievement of broad social progress...

...There is still an insufficient awareness of the very substantial economic and social weight of co-operatives throughout the world, and of the degree of their success in adjusting to varied and often hostile societal environments, thereby contributing to the achievement of the personal objectives of millions of individuals, their families and their communities as well as to national economic and social progress...

Excerpts from United Nations Secretary-General's Report, "Status and Role of Co-operatives in the Light of New Economic and Social Trends", A/47/216-E/1992/43, 28 May 1992.

The ICA Development Programme has close to forty years of experience. It responds to the needs of co-operatives for technical assistance in co-operative development. The role of the ICA is to act as a catalyst and coordinator of co-operative development, with the aim of promoting and strengthening autonomous co-operatives throughout the world. The focus of the ICA programmes, based on the expressed priorities of its members, is:

- institution building, human resource development, women's integration, strategic planning;
- influencing Governments in order to create favourable environments for co-operative development, including organising regional level Ministerial Conferences to sensitise government leaders on the role of co-operatives;

- networking and promoting the exchange of experience and movement-to-movement assistance;
- mobilising financial resources for co-operative development.

ICA's Organisational Structure

Governing Bodies

In October 1992, the ICA membership approved a new decentralised structure for the Alliance which provides for the following governing bodies: the General Assembly, Regional Assemblies, the Board, and the Audit and Control Committee. The General Assembly is the highest authority of the ICA, bringing together representatives from all member organisations every two years to formulate policies on the major issues affecting the organisation and the movement worldwide. The General Assembly also approves the work programme and budget.

The Regional Assemblies take place every second year, alternating with the General Assembly, and are held for the following regions: Africa, the Americas, Asia and the Pacific, and Europe. The function of the Regional Assemblies is to promote co-operation at regional level and provide a forum for the discussion of regional issues. In addition, the Regional Assemblies implement decisions of the General Assembly, establish priorities for the ICA work programme in the regions, and nominate a regional candidate as one of the four ICA Vice-Presidents.

The ICA Board oversees the functioning of the ICA. It proposes the budget, decides on membership issues, takes decisions on issues, and appoints the Director-General.

The Audit and Control Committee monitors the financial situation of the organisation, appoints the Auditor of the ICA and submits reports to the Board and General Assembly.

Specialised Bodies

ICA specialised organisations (for business sectors) and committees (for non-commercial sectors) are established by and report to the ICA General Assembly. These specialised bodies collaborate with the ICA in practical ways and assist in making policy decisions. There are currently ten specialised organisations in the fields of banking, insurance, trade, consumer co-operatives, agriculture, fisheries, housing, worker's co-ops, energy and tourism. Specialised committees exist in the field of communications, research and development, education and training, and women in co-operatives.

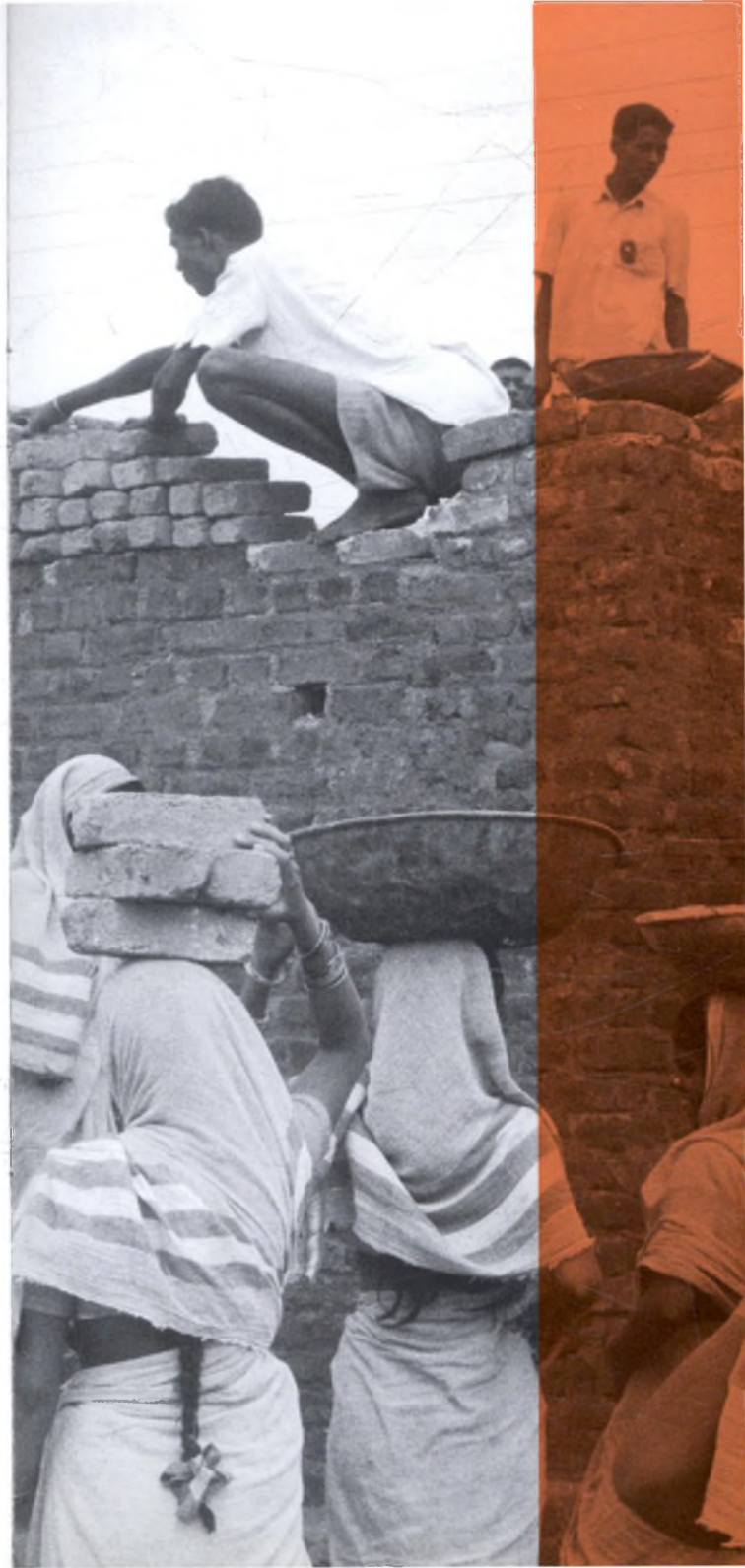
Additional information on the membership and current activities of each of the ICA's specialised bodies can be obtained from the Communications Department at the ICA Head Office.

ICA Offices

The Head Office of the ICA is located in Geneva, Switzerland. The ICA Development Programme is coordinated by the development department in Geneva and implemented through the Regional Offices.

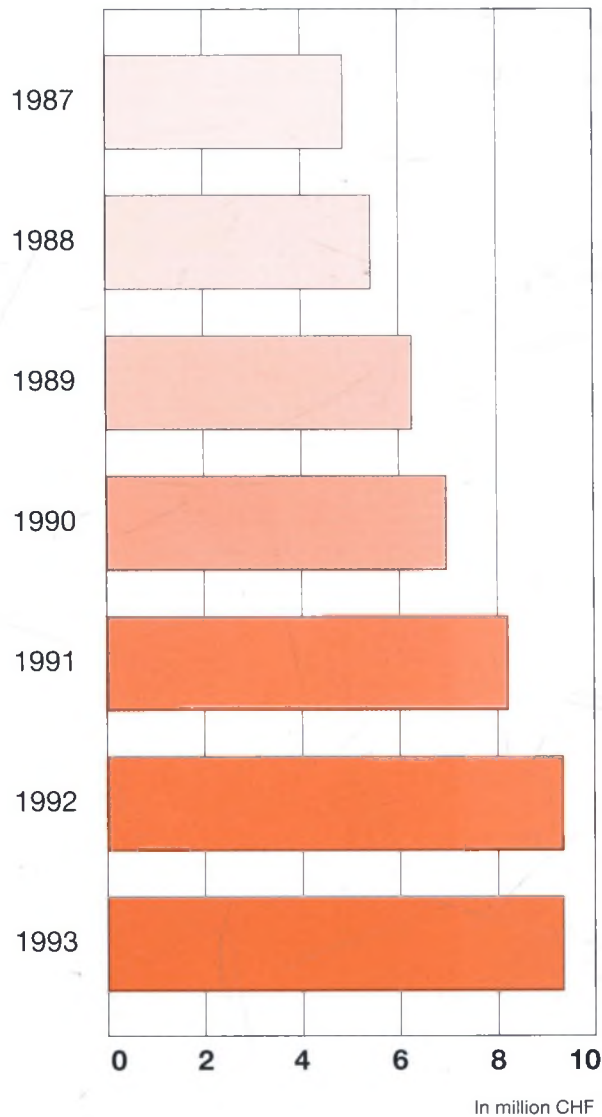
The Head Office monitors the implementation of the various co-operative development initiatives at the regional level and assists the regional offices with planning and budgeting. In addition, it is responsible for establishing and maintaining contacts with development organisations, identifying opportunities for future collaboration and, promoting and implementing ICA policies.

Regional Offices have been established for East, Central and Southern Africa, West Africa, Asia and the Pacific, Latin America and the Caribbean. In addition, Project Offices are opened where there is a specific need. These offices implement ICA development programmes and represent members within the region. The Regional Offices report to the Head Office.

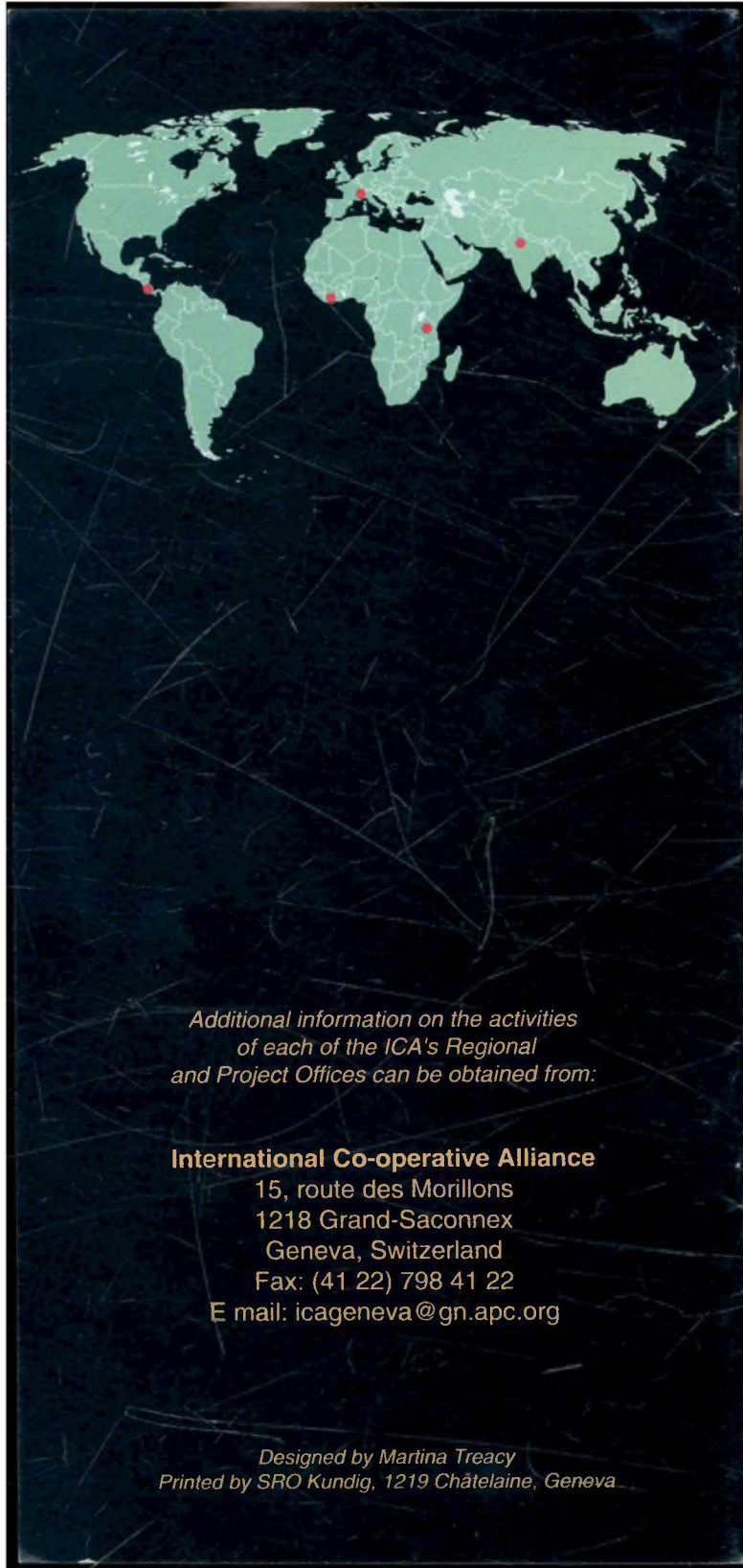


Partners and Budget

In order to implement its activities, the ICA collaborates with approximately 30 international and national development agencies and national government ministries. These partners support the ICA Development Programme through the provision of financial and technical assistance. In 1993, the total budget for the Development Programme reached approximately CHF 9.5 million.







*Additional information on the activities
of each of the ICA's Regional
and Project Offices can be obtained from:*

International Co-operative Alliance

15, route des Morillons
1218 Grand-Saconnex
Geneva, Switzerland
Fax: (41 22) 798 41 22
E mail: icageneva@gn.apc.org

*Designed by Martina Treacy
Printed by SRO Kundig, 1219 Châtelaine, Geneva*



ICA International Co-operative Day, 1 July, 1995



UN International Day of Co-operatives, 1 July, 1995

Photo Captions & Credits:

1. Co-operatives provide women with a means of generating their own income. Here a woman farmer produces spinach for marketing through a local co-operative.

Photo: ILO



2. Trucks from a co-operative federation in Sri Lanka transport produce to a local market.

Photo: ILO



3. Democracy at work in a housing co-operative: One member - one vote.

Photo: Mogens Didrichsen, Brevskolan



4. Potatoes are harvested at Chambi, Bolivia, where the locals have formed their own co-operative.

Photo: ILO



ICA Centennial, 1995

The bulk of the original Unimed subscribers came from the working classes, but the social profile changed following the economic crisis when many middle class families found themselves worse off.

“But there are some aspects more important than the monthly cost,” says Unimed member Maria Conceicao Flores. “It’s very important to me that the doctor dealing with me is directly interested in the success of the treatment and isn’t just an auxiliary.”

The doctors also find working in a co-operative different. “The profits are often used to finance new services for our members,” says Rosas. “The satisfaction of deciding if and how we will do this is worth more than the money. Participation is a very important aspect”.

“When we receive a complaint about the behaviour, ethics or professionalism of a colleague we meet and discuss the issue in a true co-operative light, where professional solidarity is influenced by social responsibility and the co-operative philosophy.”

The confederation brings out a weekly publication, ‘Unimed Executive’, to keep co-operative directors up to date on the organisational aspects and founding principles of co-operation.

“We are not motivated by money but the opportunity to offer doctors the chance for decent, ethical, and technically advanced working conditions,” says Contreiras. “We operate at the same level as the commercial healthcare systems but with something more than they have: an ideal.”



ICA International Co-operative Day
UN International Day of Co-operatives

73rd International Co-operative Day (Saturday, 1 July 1995)

Message from the International Co-operative Alliance

The ICA Centennial and the Next 100 Years of International Co-operation

As the International Co-operative Alliance enters its second century, its membership has reached over 750 million at grassroots level and the basic principles which it promotes have been applied to all aspects of economic and social life on every continent.

The "Co-operative Principles", based on the traditions of a variety of 19th century pioneers, and last revised by the ICA in 1966, are to be submitted for review at the ICA's Centennial Congress and General Assembly, in Manchester in September. The new proposal, as approved by the ICA Board in April, consists of seven principles: *voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; co-operation among co-operatives; and concern for community.*

The new version of the Co-operative Principles is to be contained within a "**Statement on the Co-operative Identity**", which also identifies the basic co-operative values as *self-help, democracy, equality, equity, and solidarity*. Co-operators, it says, believe in the ethical values of *honesty, openness, social responsibility and caring for others.*

While emphasising the self-help aspect of co-operatives, the new principles also stress the wider role which co-operatives play in the community and extend the principle of education to reflect the importance of information in spreading the co-operative message more widely.

The United Nations General Assembly has declared the first Saturday of July, starting in 1995, as **the United Nations International Day of Co-operatives**, coinciding with and reinforcing the ICA's own International Co-operative Day, which was first celebrated in 1927.

The United Nations thus recognises the contribution of co-operatives to economic and social development as an indispensable factor in promoting the fullest possible participation in the development process of all population groups, including women, youth, disabled persons and the elderly.

In his report to the General Assembly, in July 1994, the UN Secretary-General, Boutros Boutros-Ghali, stated that "co-operative enterprises provide the organisational means whereby a significant proportion of humanity is able to take into its own hands the tasks of creating productive employment, overcoming poverty and achieving social integration".

The UN encourages Governments to consider fully the potential of co-operatives for contributing to the solution of economic, social and environmental problems in formulating national development strategies for sustainable development.

In this Centennial Year, the International Co-operative Alliance calls on its members to work with their Governments and with United Nations Information Centres worldwide to celebrate the UN International Day of Co-operatives, and to promote the Principles of Co-operation in their members' magazines and other publications.

The ICA also encourages its members to inform Governments about the work and potential of co-operatives and to develop information programmes which make use of new communications technology, thereby targeting young people who will be the opinion leaders and decision makers in the next 100 years of international co-operation.





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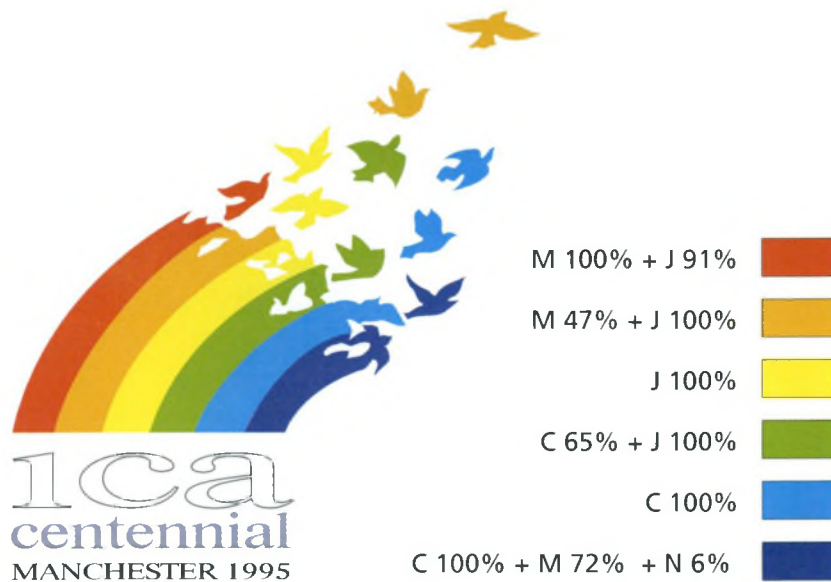
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ICA logo in black and white
Logo ICA et ACI en Noir/Blanc



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- N 15% 
- N 35% 
- N 70% 

ICA Centennial logo in colour
Logo ICA centennial en couleurs



ICA Centennial logo in black and white
Logo ICA centennial en Noir/Blanc





ICA International Co-operative Day
UN International Day of Co-operatives

What is a co-operative?

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Co-operatives are set up according to the following principles:

* **Open and voluntary membership**

Co-operatives are associations of persons and are open to all individuals, without gender, social, racial, political, or religious discrimination.

* **Democratic control**

Co-operatives are democratic organisations controlled by their members. In primary co-operatives members have equal voting rights (one member, one vote).

* **Limited interest on invested capital**

Members contribute equitably to the capital of their co-operative. They usually receive limited compensation, if any.

* **Return of surplus to members**

Members allocate surpluses for developing their co-operative; benefitting members in proportion to their transactions with the co-operative; and supporting other activities.

* **Co-operative education**

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They also inform the general public about the nature and benefits of co-operation.

* **Co-operation among co-operatives**

Co-operatives strive to strengthen the co-operative movement by working together through local, national, regional, and international structures.



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Five Good Reasons for Co-operatives

1. Co-operatives are Community Enterprises

Co-operatives keep economic benefits within a community. Profit is not siphoned off by outside interests, because the co-op's members are its owners, and the co-op exists to fill a need in a community that is not being met by other businesses.

- * Agricultural co-ops satisfy the need for supply, processing and marketing of goods.
- * Consumer co-ops provide the members with the goods and services required of the preferred quality at competitive prices.
- * Workers' productive co-ops are formed to create or maintain employment in a community.
- * Housing co-ops give low-income people the opportunity to own their own homes.
- * Co-operative insurance protects individuals and small businesses from risk.
- * Credit unions serve people of limited incomes not reached by commercial banks, and extend credit to micro-entrepreneurs who otherwise might not be able to secure financing.
- * Tourism co-ops facilitate the opportunity of holiday stay and travel and offer fair prices and good quality service to their members.
- * Electric and telephone co-ops meet rural peoples' needs for power and telecommunications not satisfied by private business.
- * Community development co-ops are formed for the overall development of local communities and are specially concerned with social, economic and cultural development.

2. Co-operatives Promote Democracy

- * Co-operative members own their business. They provide share capital, elect a board of directors, and receive the benefits of ownership through better service and patronage refunds based on use.

- * Co-ops bring people outside the mainstream into a nation's economic and political life.
- * Co-ops teach people how to resolve problems democratically. Many individuals who received their education in democracy from co-operatives have gone on to become political leaders in their nations.
- * In emerging democracies, co-ops help throw off the shackles of a non-market economy. Their members develop the skills of entrepreneurship and learn market values.

3. Co-operatives Build Open Markets

As more and more governments divest state-owned enterprises, there is a danger that these monopolies may be moved intact into private hands. Co-operatives help avoid this pitfall by ensuring wide participation by the users of the former state service. Co-operatives spread economic power and encourage competition. They provide market leverage to small producers victimized by powerful cartels or sole-source companies. They undercut middlemen and money lenders, whose charges are often exorbitant. By ploughing profits back into the business, co-ops can operate on narrower margins. Thus they help drive down unfair prices, and set a competitive range for goods and services.

4. Co-operatives Raise Human Dignity

Co-operative help people escape poverty and achieve dreams, such as owning a home or giving their children an education. Since educated decision-making is essential to a co-op's success, co-ops also teach new skills, from adult literacy to business operations. Co-operatives empower individuals by giving the chance to participate in decisions which have an impact on them. Armed with the ability to effect change, members find solutions to social and economic needs. Co-ops provide an organized way for low-income people to relate to sometimes distant governments and economic power structures.

5. Co-operatives are Systems for Development

Co-operatives draw community businesses into regional and national networks. Local co-ops benefit from larger business volume, operating efficiencies and professional management. The economic pyramid enables farmers to purchase supplies at volume discounts, and receive profits from value-added processing and consumer sales. Credit unions pool their resources, and are able to transfer surplus savings to credit unions in lower income areas. Electric co-operatives join together to buy power at a lower cost. They become an engine for development, spurring the growth of enterprises not possible without reliable energy. Co-operative insurance companies are tied into a worldwide reinsurance network to protect against catastrophic losses. They pool groups of individuals not served by commercial companies to guard against personal and business risks.



ICA International Co-operative Day, 1 July, 1995



UN International Day of Co-operatives, 1 July, 1995



Photo Captions & Credits:

1. Co-operatives provide women with a means of generating their own income. Here a woman farmer produces spinach for marketing through a local co-operative.

Photo: ILO

2. Trucks from a co-operative federation in Sri Lanka transport produce to a local market.

Photo: ILO



3. Democracy at work in a housing co-operative: One member - one vote.

Photo: Mogens Didrichsen, Brerskolan



4. Potatoes are harvested at Chambi, Bolivia, where the locals have formed their own co-operative.

Photo: ILO



ICA Centennial, 1995



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How the Co-op Spans the Globe

Right across Europe, from Portugal to Greece, and from the South of Italy to the north of Scandinavia, retail co-operatives are serving their members with the necessities of life - and the luxuries too - just as they are in other continents.

If you go for a touring holiday in Scandinavia, you could fill up with co-op petrol, stay overnight in a co-op hotel and change your travellers' cheques at a co-op bank.

Stroll around Moscow and you find yourself on Rochdale Street, a tribute to the world's first successful co-op which was established in Lancashire in 1844. Or if you are after some wine to bring home from a trip to France, you could visit the local "cave coopérative" where it is generally possible to taste before you buy.

Co-ops in all these countries, and many more besides, are part of a co-operative family which embraces no fewer than 750 million individual members throughout the world. They can be groups of fishermen in Ghana, wheat farmers in the United States, foresters in Sweden or taxi drivers in China and they all have one thing in common, respect for what are still known everywhere as the Rochdale Principles, the code of practice of the pioneering Lancashire weavers who first developed the co-operative system 150 years ago.

From those humble beginnings of the Rochdale Equitable Pioneers Society and its first little shop in Toad Lane, the idea of running businesses on co-operative lines, owned and controlled by their members, spread rapidly to other parts of Britain and then to Europe and beyond. In those dark and far off days, the co-operative idea often gave working people their first real taste of economic freedom and independence.

Nowadays co-operatives from nearly every economic sector and from over 100 countries in every continent are united under the umbrella of the International Co-operative Alliance, a non-governmental organisation which was founded in 1895 and is now headquartered in Geneva, Switzerland.

Mary Treacy, ICA's Director of Communications, is quick to point to the sheer diversity of co-operative businesses on a world scale. "People often assume that most co-ops are retail stores, but in fact our membership covers a vast range of activities such as agriculture, fishing, insurance, tourism, housing and banking," she says. "In the industrialised countries, one of the fastest growing sectors during these days of high unemployment has been worker-owned co-ops."

The ICA provides co-operatives with an international forum at which they can exchange experiences and explore ways of developing trade and other business links across national frontiers. Another of its principal aims is to promote those co-operative principles first drawn up by the Rochdale Pioneers, and to adapt them when necessary to the world's fast changing commercial and social environment. The six principles are in essence:

- * Open and voluntary membership
- * Democratic control - one person one vote
- * Limited interest on invested capital
- * A fair return of surplus, or profits to members
- * Co-operative education
- * Co-operation between co-operatives

The ICA does much to promote the ideas of co-operation in developing countries. It has established offices in Asia, Africa and Latin America to promote the co-operative way of economic and social progress and it has persuaded many governments in the Third World that a healthy co-operative sector of the economy is crucial for their nation's well-being.

The significance of the ICA as a world body can be measured by the respect in which it is held by the United Nations (with which it is formally linked) and international leaders. Javier Perez de Cuellar, the former Secretary-General of the United Nations, Rajiv Gandhi, the former Prime Minister of India, Prime Minister Miyazawa of Japan and ILO's Deputy Director-General are all leaders who have addressed the ICA in recent years.

Every two years, the Secretary-General of the UN emphasises the role co-ops play in economic and social development in his report to the General Assembly. In July 1994, for example, his report concluded that "co-operatives contribute substantially to the common good in market economies, principally by improving the efficiency and quality of the economy, but also by assuring democratization and environmental rationality. They constitute a model for a people-centred and sustainable form of societal organization, based on equity, justice and subsidiarity".

The Programme of Action for the World Summit also underlines the contribution of co-operatives when it proposes to "utilize and develop more fully the potential and contribution of co-operatives for the attainment of social development goals, in particular the eradication of poverty, the generation of full and productive employment and the enhancement of social integration".

The international Co-operative Movement has many success stories to its credit. According to the National Co-operatives Business Association, in the United States there are 47,000 co-operatives, including some big household names like Sunkist or Land O'Lakes, Nationwide Insurance, Welch or Ocean Spray, which generate more than \$100 in annual economic activity and serve as many as 100 million Americans or 40 percent of the population.

Co-ops control 99 percent of Sweden's dairy production, 95 percent of Japan rice harvest, 75 percent of western Canada's grain and oil seed output and 60 percent of Italy's wine production. Some of the major commercial banks in Europe are co-operatively owned or organised, including such giants as Germany's DG Bank, Holland's Rabobank, France's Cr dit Agricole. Almost 100 percent of Japan's fishermen are organised in co-operatives.

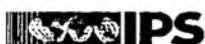
In developing countries too co-operatives are making a major difference in people's lives. In India, for example, they launched "Operation Flood" to provide a milk distribution system for the whole of the country, with the aim of alleviating the problem of malnutrition, especially in towns and cities. Now, thanks to a highly intricate system of collecting and distributing milk from even the most isolated regions, known as the national milk grid, co-operatives ensure that the entire population receives regular supplies.

Another example from India is the Shri Mahila Sewa Sahkari Bank which is a co-operative of self-employed illiterate rural peasant women who earn their living as street vendors and seamstresses. The co-operative provides a place for 25,000 women to build savings and obtain loans to buy the equipment which can change their lives.

Perhaps the most famous movement in the world is the Mondragon co-operatives of the Basque region of Spain, which have built a virtually complete economy in microcosm. In addition to more than 20,000 jobs in almost 100 worker-owned industries, the Mondragon Movement also provides housing, education, consumer goods and financial services.

This year is the 100th birthday of the International Co-operative Movement, commemorating the founding of the ICA in 1895. 1994 was the 150th anniversary of the Rochdale pioneers. If you visit the original home of Co-operation in Toad Lane, Rochdale, where the Pioneers' first store has been turned into a museum, don't be surprised if you bump into a group of Burmese, Kenyans or Japanese who have come to see their co-operative "roots".

The tiny seeds sown in Rochdale in 1844 and blown in the winds of change since that time have survived the turmoil of world wars and revolutions, political and social upheavals, and are growing healthily today in more countries than ever before. It's a remarkable achievement and one worth remembering next time you visit a co-op store - whether it's in Slough, Sierra Leone, Switzerland or Sri Lanka!





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Brazil - Co-operative challenge to commercial healthcare

Rio de Janeiro (IPS) - A co-operative organisation set up in competition to the collective healthcare businesses in Brazil 28 years ago currently has 61,400 doctors signed up, and 8.5 million patients.

Access to adequate medical care is a serious problem for the average Brazilian citizen. The state system is bankrupt - lacking even the most basic medicines - and even getting to see a doctor means endless hours of waiting.

This has led to the aggressive development of commercial medical establishments over the last 30 years - many of them transnationals.

"The development of this type of enterprise led to doctors losing status, becoming pressured - like pieceworkers - to deal with more patients in the same amount of time and using the minimum of clinical tests to make a diagnosis," explains Dr. Fernando Silva Rosas.

The monthly contributions for these private healthcare systems are beyond the budget of most.

"Unimed (the National Confederation of Medical Co-operatives) stemmed from the idea of a group of doctors interested in decent working conditions and, above all, the valuing of health professionals. Making the dream reality was difficult, but the Santos pioneers overcame the obstacles," says Djalma Contreiras, vice-president of the confederation.

The first Unimed co-operative was formed by 17 doctors in the coastal city of Santos in 1967, and Brazil now has 230 individual co-operatives divided into 17 regional federations all operating on the same principles.

Unimed founding idealist and current president Edmundo Castilho says: "I can assure you that nearly 80 percent of the Unimed groups participate directly in the foundation. Once I'd proved that the idea was successful in Santos I spent nearly all my weekends travelling the country and spreading the idea."

At the same time each individual co-operative is totally autonomous to enable the services offered to be tailored to local needs.

"This has created some differences between the various Unimed centres," explains Unimed director in Rio, Flavio Monteiro. "In some cities of the interior it is easier to found our own clinics and hospitals when the majority of local doctors join the co-operative.

"In the big cities competition from the commercial health enterprises and the higher cost of installations makes it much more difficult to own a hospital, so we have to contract services to other institutions, meaning different costs," says Monteiro.

The bulk of the original Unimed subscribers came from the working classes, but the social profile changed following the economic crisis when many middle class families found themselves worse off.

“But there are some aspects more important than the monthly cost,” says Unimed member Maria Conceicao Flores. “It’s very important to me that the doctor dealing with me is directly interested in the success of the treatment and isn’t just an auxiliary.”

The doctors also find working in a co-operative different. “The profits are often used to finance new services for our members,” says Rosas. “The satisfaction of deciding if and how we will do this is worth more than the money. Participation is a very important aspect”.

“When we receive a complaint about the behaviour, ethics or professionalism of a colleague we meet and discuss the issue in a true co-operative light, where professional solidarity is influenced by social responsibility and the co-operative philosophy.”

The confederation brings out a weekly publication, ‘Unimed Executive’, to keep co-operative directors up to date on the organisational aspects and founding principles of co-operation.

“We are not motivated by money but the opportunity to offer doctors the chance for decent, ethical, and technically advanced working conditions,” says Contreiras. “We operate at the same level as the commercial healthcare systems but with something more than they have: an ideal.”



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USA - Co-operatives pave the way for health care

Washington (IPS) - President Bill Clinton may have been blocked in his efforts to re-vamp the U.S. health care system, but many co-operatives are willing to take up the slack and offer low-cost health care to Americans.

Despite the apparent setback to Clinton's vision of nation-wide 'managed health care', Americans increasingly rely on co-operative health maintenance organisations (HMOs) to respond to their health needs.

More than one million U.S. residents belong to HMOs that offer pre-paid, group practice health care, in which a pool of doctors join to lower costs among them.

The HMOs focus on health care to prevent illnesses and on assuring group health care services, trying to steer away from the more expensive U.S. health care insurance firms which often penalise clients for illness or accidents by raising rates.

Leading the way as an example of lower-cost health care is the non-profit Group Health Co-operative of Puget Sound, based in Seattle, Washington.

Group Health, cited as a model of progressive health care, is the seventh largest employer in Washington and serves half a million people, 10 per cent of the state's insured population.

Established in 1947, it is currently the 27th largest U.S. co-operative, having netted 934 million dollars in revenue for 1993.

Darlene Corkrum, the firm's sales and marketing director, credited the popularity of the HMO to the cost-effective collaboration among Group Health's 9,800 employees.

"We've spent a lot of energy on our human resources, recognising that our own employees are one of our best resources," Corkrum said. "Our physicians are staff. We employ our nurses and our other para-professionals and administrative support."

That approach stands counter to much of the U.S. health care system, where doctors generally operate as free agents and have little incentive to keep costs low. At a time when more than 15 per cent of Americans lack any health insurance, that system has all but shut out the nation's poorest groups.

But co-operative health care centres have bucked that trend, partly because the co-operatives' member-owned and member-operated philosophy allows them to respond more effectively to consumer needs. That responsiveness has helped HMOs thrive.

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In Phoenix, Arizona, the Mountain Park Health Centre - which 11 years ago boasted only four staff members - today has a staff of 100 serving some 25,000 patients, many of them inner-city poor people who otherwise would likely lack any health care.

The spectacular growth of HMOs may reflect Americans' response to spiralling health care costs, but it also reveals the growing trust Americans have in co-operative ventures generally.

Leta Mach, communications director for the Washington-based National Cooperative Business Association (NCBA), noted that a recent Gallup poll citing that Americans are "more likely to do business with a co-operative".

She argued that many Americans rely on member-owned companies to provide them with goods at low cost, without ever knowing that those companies are co-operatives.

Currently, Mach said, there are more than 47,000 co-operatives - from housing units and credit unions to retail stores and HMOs - boasting some 100 million members. The top 100 companies alone earn some 87 billion dollars and employ almost 800,000 workers.

Those firms vary in their policies and practices, but all share the six principles of the International Co-operative Alliance (ICA): open and voluntary membership, democratic control, limited interest on shares, the return of profits to members, constant education and co-operation with each other.

Some of the firms are successful enough to be included in the prestigious 'Fortune 500' top U.S. businesses. Land O' Lakes, a Minnesota-based agricultural firm, now owned by its 300,000 farmer members, earned 2.7 billion dollars in profits in 1993.

The firms, although varied, united last year to celebrate the 150th anniversary of Rochdale, the British model for modern co-operatives. "Together we had a big co-operative economic summit to honour the past and, even more, to plan the future," Mach said.

Among those honoured was Benjamin Franklin, one of the best-loved U.S. founders who is also credited with starting the country's first co-operative, the Philadelphia Contributionship for the Insurance of Houses from Loss by Fire, in 1751.

For the future, Mach said, "we see co-operatives going high-tech" and becoming involved more in the expanding telecommunications industry.

As Corkrum asserted, citing the growing importance of low-cost health care for her own HMO's fortunes, "there has never been a better time for a co-operative to expand its market share, and to build on the values of the organisations".



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Philippines - Co-operatives patch up broken promises

Davao City, Philippines (IPS) - The resource-rich southern Philippine island of Mindanao has been known for decades as the 'Land of Promise', but whatever potential it has has yet to be fulfilled — at least for the majority of its people.

Jose Tiongco puts a large chunk of the blame for this situation at the feet of the island's prominent families. He points out that nine families own Mindanao's 32 commercial banks, which last year held 468 billion pesos (18.72 billion dollars) in savings.

But instead of ploughing the money back into the local economy, Tiongco says the families took it to Manila and lent out 84.6 percent to themselves to buy shares in other companies.

Meanwhile, says Tiongco, "They lent out only .7 percent to Mindanao, when we produce 50 percent of the GDP of the whole country. We're being fried in our own fat."

Tiongco is actually a surgeon by profession. But he is more known here as the brains behind the co-operative fever that has swept the southern Philippine province of Davao and is now spreading across the country — as well as being used as a model in Cambodia.

Tiongco says co-operatives are very basic to Asian societies. Indeed, most of Asia has co-operatives built into social systems. For instance, community ownership of land is an ancient tradition.

But it was not until the last two decades that Filipinos rediscovered co-operatives. And in the case of the people of Davao, it became their response to a lesson bitterly learned: they cannot depend on government.

In the Philippines, 80 percent of the 64 million-strong population live below the poverty line. The country has the highest rates of tuberculosis, polio and whooping cough in the entire Western Pacific region.

About 62 out of every 100 Filipinos die without seeing a doctor or nurse. The country produces 4,000 doctors and 28,000 nurses every year — but 68 percent of the doctors and 88 percent of the nurses go overseas, to earn hard currency.

Tiongco muses: "Are we sick because we are so poor, or are we so poor because we are sick?"

He can afford to formulate riddles now that the health co-operative he and his associates set up in the mid-1970s is running smoothly.

For only three pesos (12 cents) a day, a member can get free medical treatment, including hospitalisation, at any of the dozens of hospitals across Mindanao and the main island of Luzon up north, regardless of the actual cost of the treatment. The hospitals employ about a thousand doctors, and some 5,000 health workers.

The co-operative has 50,000 members in Davao City alone. And district administrations that find themselves unable to run government hospitals have been asking it to take them over.

A vital part of the whole operation is a co-operative bank — the largest in the Philippines with 1.5 billion pesos (60 million dollars) in resources in 1993 — which developed in tandem with the health co-operative's first hospital.

It took the co-operative more than a decade to gather speed, and ironically it did so when Mindanao was being racked by political and factional violence. Davao City itself was called Murder City.

Tiongco thinks that while the country's problems reflect a failure of government, politicians can rarely help it because they are trapped in their own circumstances.

The Philippine government's budget for 1994 is 330 billion pesos (13.2 billion dollars). Almost half is spent on foreign debt repayments, leaving about 160 billion pesos. But only 7.4 billion pesos is allocated to health, while the armed forces get 22.6 billion pesos.

Assuming about 40 million Filipinos earn 3,000 pesos a month, that adds up to 120 billion pesos earned and spent each month. Yet Filipinos are too poor to afford health care, says Tiongco.

"In a Third World country, if 95 percent don't have enough money, then there is exploitation," he says. "The real producers of wealth are those who produce it, but here, a farmer doesn't eat his grain, and a carpenter who builds houses for others can't afford to build his own."

Adds Tiongco: "There is something wrong when soft drinks companies are earning more than the entire health budget."

He says there is no inherent contradiction with free market principles and co-operatives, arguing, "The whole point is that capitalist owners and labourers who work are both involved in producing something, and it has to be put into the market."

"We are the market," he says, "so it should be collectively owned, we should be producing something for ourselves."

These days, Tiongco and his cohorts have an increasing clutch of co-operatives involved in diverse activities that range from crop-spraying and aerial seeding for afforestation to groups exclusively for lawyers and accountants.

Next year, Tiongco is threatening to organise a co-operative for prostitutes, where the parent federation would buy up an existing 'girlie bar' and then disinvest in favour of the workers there.

He knows he may have a hard time doing that in this predominantly Roman Catholic country, where church leaders have turned against the health secretary for running a condom campaign.

But Tiongco seems to believe economic empowerment and independence should have no bounds nor should discriminate. He also stresses that the same rules apply: "It is important that members become involved in running the co-operative. Otherwise, it will not work."



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India - Government control stifles co-operatives

New Delhi (IPS) - India's nine-decade-old co-operative movement can show developing countries how to raise living standards and give voice to the poor, say experts.

The unions, with more than 160 million members and covering almost all the about half a million hamlets, have a share capital of more than 1.7 billion dollars and a working capital greater than 23 billion dollars.

But critics say the government must free its stranglehold on co-operatives for them to be instruments of economic empowerment.

"In India one can find the best co-operatives and also the worst in Asia," says G.K. Sharma, regional director of the New Delhi-based Asia-Pacific office of the International Co-operative Alliance (ICA).

"Basically there is too much government control of co-operatives in India. Our grievance at the ICA is that the government reacts where it should not and does not where it should," he told IPS.

India has been dithering over a new co-operative law for the past two years. The draft legislation radically pares state interference in unions and is based on the advice of an expert panel which was set up after a meet of Asia-Pacific co-operative ministers in Australia in 1990.

The Sydney conference was held by the 100-year-old ICA which is based in Switzerland. The meet agreed that co-operatives should be autonomous bodies, free of government control.

"The co-operative movement needs no artificial support, as long as the negative interventions are ended," says the newly-formed Indian Co-operative Initiative Project set up by a top co-operative representative and two former members of the National Planning Commission.

Co-operative action can do wonders as it did for the snake charmers. The poor artisans made a living by catching poisonous reptiles — mainly cobras, vipers and kraits — and selling them to venom extractors in the towns, for less than a dollar each.

They retained a few for performing dance routines on roadside shows to supplement their income.

Their union now sells reptiles directly to a drug company which has trained them in venom extraction. The co-operative will buy machines to dry the liquid poison which sells for about 11 dollars a gram for cobra venom and more than 90 dollars a gram for krait venom.

"Co-operatives in India have been instrumental in empowering large sections of people in acquiring the reins of power," says B.D. Sharma, chief executive of the National Co-operative Union of India (NCUI), the apex body for promoting Indian co-operatives.

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This is true of the powerful sugar unions in the western state of Maharashtra which are political power brokers deciding the fate of state governments. The 225 sugar co-operative factories produced 7.27 million tonnes of sweetener during 1990-91.

Equally impressive are the more than 70,000 dairy co-operatives with 7.8 million cattle farmers as members, mostly in western Gujarat state.

In 1990-91, co-operatives gave more than 1.7 billion dollars in loans to members, including 43 percent of India's farm credit. They accounted for a third of India's fertiliser sales, almost two thirds of sugar production and 16 percent of yarn output.

According to NCUI's Sharma, India's sugar, dairy and spinning co-operatives are in "a commanding position in the economy" and virtually free of government interference.

"But in north and south India, cooperatives are totally in the clutches of the government. In the southern state of Tamil Nadu, co-operative elections have not been held for more than a decade," he says.

Government officials sit on the board of co-operatives, several of which are chaired by ruling party politicians. The corrupt politician-bureaucrat-middleman nexus has undermined a sizeable section of unions in India, says ICA's Sharma.

Co-operatives of village-based traditional artisans like handloom weavers suffer the most. It is common for middlemen to corner yarn sold by the government to the weaver unions and sell it in the black market.

Co-operatives were first encouraged to be set up in India by colonial British rulers early this century as a means of tackling rural poverty and peasant discontent.

Government control continued after independence in 1947, when co-operatives were seen as key players in the transformation of the countryside in mainly rural India, but treated as "state partner institutions".



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Japan - Co-ops lead help mission for quake victims

Tokyo (IPS) - The impressive, multi-storey building of Co-op Kobe, said to be the largest co-operative building in the world, was reduced to rubble in the massive earthquake that struck western Japan in January.

But co-operative members hardly blinked at the sight of their levelled office before many were clawing through the wreckage of other buildings to help victims of the 'quake - which registered 7.2 on the open-ended Richter scale.

More than 5,000 people died in the disaster and at least another 11,000 were injured. More than a month after the tragedy, hundreds of thousands remain homeless in Kobe, the worst affected area.

The Japanese government is still smarting from criticism that it failed to respond quickly to the emergency situation there.

But Masao Ohya, executive director of the Japan Consumers Co-operative Union (JCCU), says the people of Kobe found solace in co-operatives and other non-governmental organisations (NGOs) that rushed to their aid.

"Members of Co-op Kobe were among the first people to start rescue operations and help get food to people when the quake struck," he says.

Ohya also pointed to the success of emergency open-air markets that began selling goods just a day after the earthquake reduced much of the Japanese western port city into rubble.

"Unlike the volunteer groups giving help for free in the area, the market sold goods cheap," he says. "We focus on fostering self-help."

'Self-help' has been the battle cry of sorts of Japanese co-operatives that are not farm-based. Akira Kurimoto of the JCCU's international division says, "we depended on no one for assistance. We are a pure grassroots organisation."

The JCCU opened its first office in 1952. While the co-operative movement in Japan now has 18 million individual members including those who belong to Co-op Kobe (a JCCU affiliate), officials say the JCCU and others like it had to fight hard before it finally began to gain acceptance and respect.

"We fought step by step," says Kurimoto, who adds that they had to fight against 1.6 million local retailers who possessed formidable political clout as staunch supporters of the Liberal Democratic Party (LDP) that ruled post-war Japan until 1993.

With its focus on improving the quality of family life instead of industrial growth, Japan's consumer co-operative movement has often been associated with the country's left-wing political parties.

Indeed, grassroots activism has been the motto of the consumer co-operatives since the first co-op league was established in Japan in 1945.

But it was not until the 1970s, when the local economy was gaining strength and the buying power of the public was growing, that the concept of consumerism began gaining ground in Japan.

For the first time, the middleman was a non-profit organisation that sold goods, purchased directly from the producer, without exorbitant price tags.

“The Japanese government values the producer over the consumer and co-ops preached the opposite message,” says Kei Kurimoto, a co-operative convert.

Nimura represents the most common type of member at the JCCU. The 40-year-old housewife is among the women who form the base of the Japanese consumer co-operative movement.

Divided into ‘han’ groups, the members rely on the joint purchase system offered by the co-operatives. Food ordered the week before is delivered to the group on a specific day.

The groups also organise and run an assortment of activities in their communities. Among the most popular are study and cooking sessions and peace activism.

Advocates of co-operatives say this kind of networking came in handy in the Kobe earthquake aftermath, when it became apparent that help from the government in Tokyo would take some time to arrive.

It did not take long for the medical ‘hans’, for instance, to get organised and help, along with other NGOs, to provide first aid to the people suffering from shock and injuries.

More and more Japanese co-operatives have taken networking to another level, reaching out to their counterparts in other countries.

The JCCU, for example, is among the more than 200 members of the Geneva-based International Co-operative Alliance (ICA). More than 63 percent of the total ICA membership comes from the Asia-Pacific region and the Japanese are among the most active and enthusiastic.

The JCCU itself is taking care of training and dispatching consultants in consumer co-operative development throughout the Asia-Pacific region through the ICA.



**ICA International Co-operative Day
UN International Day of Co-operatives**

Zimbabwe - Rural women demand empowerment

Domboshawa, Zimbabwe (IPS) - Every day, Nemesai Munetsi sits by her little vegetable stall in rural Zimbabwe waiting for potential customers to provide the paltry income that keeps her three children alive.

"Most of the time we women work and then have to give our hard-earned cash to our men," says Munetsi. "They don't work, or if they do, they don't help us in the home. We need our financial independence."

The 34-year-old woman, who lives in rural Domboshawa, about 40 km north of Harare, welcomes a recent move to empower women by the state.

The drive aims to enable more rural women, like Munetsi, to become financially independent through the setting up of their own co-operatives.

"After paying lobola (bride price) men tell us 'you are under me'. Women are seen as property. I support all that the state is doing for women," says Munetsi, who looks older than her 34 years.

Her friend, Colletta Gueya, the wife of a schoolteacher at Mutake School in Domboshawa, adds her voice: "I approve of the government giving women equal rights. But many problems for women are ingrained in our culture which gives men all the power."

One of Zimbabwe's few women ministers, Florence Chitauro, deputy minister of public service, labour and social welfare, is behind the government initiative which will culminate in a national provincial show due to take place in January.

The show, to be held in the capital Harare, will bring together rural women from across the breadth of the country for seminars on all aspects of running co-operatives. Government trainers will be on hand to explain the running and day-to-day management of the small-scale collective businesses.

We want the women to form co-operatives so that most, who are unemployed, can try to generate incomes for their families. Many rural women have home-based skills that can be adapted to provide them earnings," says the deputy minister

Women are urged to bring along examples of their various skills in 65 categories including sewing, handicrafts, pottery, cooking and traditional baking — using basic equipment and ingredients. The best will receive prizes.

"The show will enable women to see their worth through exhibiting their skills and getting them to realise that their traditional roles can provide them with a very good income," says Chitauro.

There are presently around 2,300 co-ops in Zimbabwe after 700 folded this year, according to government statistics.

Although the state want to promote co-ops in Zimbabwe, it now warns that they must learn to survive under their own steam.

The Ministry of National Affairs, Employment Creation and Co-operatives says that instead of funding all co-ops, the government's role will now be confined to facilitating their smooth operations and only providing back-up technical services.

Out of a total population of 10.4 million people in Zimbabwe, more than 75 percent are rural-based, according to the 1992 census.

Munetsi, who was forced to eke out an income after her husband's death five years ago, travels weekly to Harare by bus to buy the vegetables she sells in her home town. "I would like to increase the size of my business if God helps," she says.

Even the younger generation of rural women, who now enjoy the advantage of an education which their mothers and grandmothers were deprived of, also feel the move towards financial freedom is long overdue.

But high unemployment figures further compound the drive to empowerment as women find themselves at the bottom in the race for employment.

"I don't know what I'm going to do now. But at least I have an education," says 19-year-old Rutendo Munetsi. "At one time families thought it a waste to educate women as they would only get married and have children."

She may well find herself among the 300,000 school-leavers churned out by Zimbabwe's educational system of which only 10,000 find jobs.

Enterprising women across this southern African country still have to fall back on their traditional roles, such as sewing, in order to attain some level of financial empowerment.

On the floor of a small workshop in Makumbi mission, about 50 km north of Harare, seven women busily hem piles of skirts laid out next to them for a living.

"We want every women who joins us to learn how to lead a co-operative, so, each year we vote in a new chair and executive board. This is a democratic group. The present chair is one of our youngest members," says founding-member Mercy Bindu.

"We want to help our sisters empower themselves through learning how to set up and run co-operatives like ours. We don't need to stay at home any longer. The government must help women achieve economic independence," adds the 40-year-old mother of seven.

The co-operative was founded 11 years ago by rural women who wanted to do more than just look after a home and family.

"We got a dressmaking teacher from Harare to teach us her skills and then looked where we could use it," says 32-year-old Maria Dzapasi, chair of the small co-operative.

The group sells uniforms to pupils at nearby Makumbi mission. Parents previously had to travel to Harare for them.

The co-operative also offers courses for interested women. "For 200 dollars (25 U.S. dollars) we offer three months training in running a co-op and dress-making so they can go out and start up on their own. We want women to be empowered, there is no age limit," says Dzapasi.

"Years ago we were just looking for ploughing, children and staying at home in the shelters. Now, we can earn 300 dollars (37.50 U.S. dollars) to 400 dollars (50 U.S. dollars) per month and our husbands see we are independent," says a jubilant Bindu.



**ICA International Co-operative Day
UN International Day of Co-operatives**

Tanzania - Supporting the country's business women

Dar es Salaam (IPS) - Women in Tanzania, as in the rest of Africa, are the backbone of rural communities. They work the fields and maintain the home - and get scant reward.

Now a scheme is attempting to help them plough some of the little money they have saved into income-generating projects.

The idea is simple - to support credit schemes among women co-operative members.

Women, who make up more than half of the country's population of 28 million people, find the first hurdle to setting up a business is access to credit.

Getting a loan from a commercial bank is a nightmare of form-filling and intrusive questioning.

"One has to have collateral before he or she gets a loan," explains Laura Maro, a widow and mother of three children benefiting from a programme tailored by the International Co-operative Alliance (ICA).

Maro is among 30,000 women in Tanzania's northern region of Kilimanjaro who are being helped by the ICA to set up savings and credit associations to raise capital for their businesses.

The ICA offers training in book-keeping and savings and credit management for women in co-operative development, the ICA's priority area.

Maro and her 50 colleagues contributed a total of 200,000 shillings (about 400 dollars) two years ago to form the 'Masasa' women's credit association.

"The money we contributed acted as shares. Each member is allowed to borrow not more than half of what she has contributed," she adds.

"I had to repay the loan with an interest rate of only two percent and I am very happy that I have repaid my loan," says Maro, now a tailor in Moshi, a town on the slopes of Kilimanjaro, Africa's highest mountain.

Commercial banks, unlike the savings and credit associations, charge interest rates of up to 30 percent on their loans, far too much for rural-based customers.

"Women can work and improve their lives if they are helped on how to go about setting up the associations," says the ICA's project manager for Eastern, Central and Southern Africa, Labour Minishi.

"Our aim is to give women an orientation so that they can run their work efficiently without problems. We visit them regularly to see their performance," he adds.

The ICA is a non-profit making organisation founded in 1895 with the aim of uniting, representing and serving co-operatives in the world.

**International Co-operative Alliance
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The work of the ICA regional office for East, Central and Southern Africa includes research, planning and they act as consultants in co-operative development in the area.

Other credit associations helped by the ICA in Tanzania are among subsistence coffee and maize growers who use their loans to buy fertiliser, pesticides and to make improvements to their farms.

Coffee is a leading export crop for Tanzania and earns the country some 100 million dollars each year.

Agriculture remains Tanzania's main economic activity, contributing 50 percent of GDP and representing 70 percent of the country's hard currency earnings.

Growing unemployment is a serious headache for the authorities. Job creation in the formal sector has dwindled from 30,000 a year in the 1970s to a current low of 9,000.

On-going donor-backed economic reforms have resulted in 50,000 public service workers being laid off in the past few years as the government attempts to cut its spending.

In addition, the army of unemployed is increasing with 600,000 school drop-outs annually who join the jobless queue.

A labour force survey conducted in 1991 showed that nearly 2.4 million Tanzanians are engaged in the informal sector. This represents about 22 percent of the total employed.

The majority of informal sector workers are based in rural areas engaged in activities such as fishing, quarrying and charcoal making. In the towns they are artisans. Their numbers are almost certainly now far more than the four-year-old labour survey first revealed.

The government has ignored the importance of developing this part of the economy. Tanzania had run a heavily state-regulated system which had virtually guaranteed employment in the public sector until a U-turn in the late 1980s provoked by an economy on the verge of collapse.

The ICA credit scheme is attempting to provide support to small-scale businesses struggling to get a foot-hold in the market.



General Assembly

Distr.
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A/RES/49/155
7 February 1995

Forty-ninth session
Agenda item 95

RESOLUTION ADOPTED BY THE GENERAL ASSEMBLY
[on the report of the Third Committee (A/49/605)]

49/155. The role of cooperatives in the light of
new economic and social trends

The General Assembly,

Recalling its resolution 47/90 of 16 December 1992, in particular paragraph 2 thereof, in which it proclaimed the first Saturday of July 1995 to be International Day of Cooperatives,

Welcoming the report of the Secretary-General on the status and role of cooperatives in the light of new economic and social trends, ^{1/} especially the important recommendations contained in section II of the report aimed at ensuring the best possible means of dealing with the issue of cooperatives, taking into account their broad significance in contributing to the solution of major economic and social problems,

Recognizing that cooperatives in their various forms are becoming an indispensable factor in the economic and social development of all countries, promoting the fullest possible participation in the development process of all population groups, including women, youth, disabled persons and the elderly,

Recognizing also the important contribution and potential of all forms of cooperatives to the preparations for and follow-up to the World Summit for Social Development and the Fourth World Conference on Women: Action for Equality, Development and Peace, to be held in 1995 and the United Nations Conference on Human Settlements (Habitat II) to be held in 1996,

1. Takes note with appreciation of the report of the Secretary-General on the status and role of cooperatives in the light of new economic and social trends;

1/ A/49/213.

2. Invites Governments, relevant international organizations, specialized agencies and national and international cooperative organizations to observe annually the International Day of Cooperatives on the first Saturday of July starting from 1995, as proclaimed by the General Assembly in its resolution 47/90;

3. Encourages Governments to consider fully the potential of cooperatives for contributing to the solution of economic, social and environmental problems in formulating national development strategies;

4. Also encourages Governments to consider reviewing legal and administrative constraints on the activities of cooperatives with a view to eliminating those constraints that are not applied to other businesses and enterprises;

5. Invites government agencies, in collaboration with cooperatives and other relevant organizations, to develop programmes aimed at improving statistics on the contribution of cooperatives to national economies and facilitating dissemination of information on cooperatives;

6. Invites the World Summit for Social Development, the Fourth World Conference on Women: Action for Equality, Development and Peace and the United Nations Conference on Human Settlements (Habitat II), in formulating respective strategies and actions, to give due consideration to the role and contribution of cooperatives;

7. Requests the Secretary-General, within existing resources, to continue to provide support to the programmes and objectives of the international cooperative movement and to submit to the General Assembly at its fifty-first session a report on the implementation of the present resolution.

94th plenary meeting
23 December 1994

ASIA STAFF MEETING

Ottawa, 25 September 1995

Agenda

- o Critical Dates
- o Staff Meeting 1996
- o Youth Conference
- o ~~Board Tour~~ ^{Press Mission} (John)
- o TC Process (Ron)
- o Regional Orientation (Robby)
- o Reflections on earlier workshops, discussions
- o "Prep" to get-together with CIDA friends
- o Other -
 - ACCU
 -
 -



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1995-08-01

Notre référence Our file

TO ALL OUR PARTNERS OF THE INSTITUTIONAL COOPERATION DIVISION, CIDA

In early April, when I wrote to you concerning the impact of the February budget cuts I promised a further letter on other changes taking place in Canadian Partnership Branch and more particularly in ICDS.

As a result of budgetary compressions the Branch has been reorganised into four divisions rather than five. The International NGO Division no longer exists and its programs have been distributed as follows:

- 1) the INGO program to the NGO Division
- 2) the Professional and Membership Associations Program (PAMAP) to the Institutional Cooperation Division (ICD)

The Institutional Cooperation and Development Services (ICDS) Division has been reorganised and renamed the Institutional Cooperation Division (ICD). The Volunteer Sending Program has been transferred to NGO Division and will be located in a new section which also includes INGOs. The only exchange organisation remaining in ICD is Canada World Youth. The PAMAP program, formerly part of the INGO Division, has been integrated into the section responsible for Cooperatives and Unions (and formerly Volunteer-Senders) still headed by Bill Wiseman.

The Youth Initiatives Program (YIP) has been collapsed and youth activities will now be integrated into the programming of all Canadian organisations, as will development education following the termination of the Public Partnership Program (PPP).

The Scholarship and Awards Unit, formerly part of the Educational Institutions Program (EIP) now falls under Nalini Perera, former Director of the Youth Program, who is also now responsible for Environmental NGOs.

With the recentralization of the various regional and thematic funds for NGOs, a new section has been established in NGO Division dealing with the NGO Project Facility which is the successor to these funds.

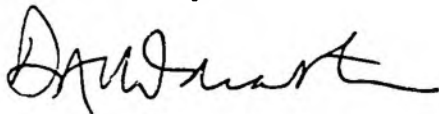
Canada

In Early June there were some senior management changes in the Branch, triggered by the retirement of Terry Glavin, Director General of Industrial Cooperation. Pierre David Director General of Policy, Strategic Planning and Operations (PSPO) replaced Terry. I moved into Pierre's job and Claude Francoeur, Director of the Educational Institutions Program (EIP) replaced me as D.G. of Institutional Cooperation.

So, this letter is both an announcement and farewell. I have enjoyed immensely working with the many people from the institutional and NGO community who were the partners of ICDS (as it was). The last four years have been ones of considerable challenge and change, and only with the assistance of you and your colleagues have we been able to deal with the many difficult issues which faced us.

I wish each of you personally and your organisation the best in your work in international development. You can be proud of what you do.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Don McMaster', written in a cursive style.

Don McMaster
Director General
Policy, Strategic Planification and Operations Division
Canadian Partnership Branch

*The International Co-operative Alliance is an
independent, non-governmental association
which unites, represents and serves
co-operatives worldwide.*

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