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43RD INTERNATIONAL COOPERATIVE SEMINAR

"TECHNICAL ASSISTANCE - NEED AND RESPONSE" Dresden, German Democratic Republic, 7-14 September 1975

- I. An introductory note on International Cooperative Alliance
- II. Technical Assistance to Cooperatives The Evolution in Priorities as seen by the United Nations, by H. Morsink, United Nations Office at Geneva
- III. Contribution made by the Cooperative Movement to the objectives of the Second United Nations Development Decade - Report of the Secretary-General (58th Session)
- IV. A Case Study The ILO Cooperative Enterprise Development Centre - Ivory Coast, by Mr. H. Watzlawick, COOP Branch, ILO
- V. Information Vol. <u>ll/Special</u> Edition "Women and girls enjoy esteem", by Herta Lembke
- VI. The Work of the ICA Regional Office for East and Central Africa, by D. J. Nyanjom, Regional Director, ICA Moshi
- VII. A Case Study ICA/NCUI Cooperative Education Field Project, Indore District, India, by Mr. J.M. Rana, Director(Education), ICA Regional Office for South-East Asia, New Delhi
- VIII. A Case Study Technical Aid Programme for the Cooperatives in Developing Countries Executed by the Union of Consumer Cooperatives of the German Democratic Republic at Its International Cooperative College, Dr. Rolf Otto, Principal of the International Cooperative College.
 - IX. The Sodperative Development Decade A Report, by Graham Alder, Cooperative Development Officer, ICA
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 - XI. Conclusions and Recommendations Discussion Group (A), (B) & (C) & Resolution
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AN INTRODUCTORY NOTE

The International Co-operative Alliance was established in 1895 as an association of national co-operative apex organisations. Its objects are:-

- To be the universal representatives of co-operative organisations of all types which, in practice, observe co-operative principles.
- To propogate co-operative principles and methods throughout the world.
- To promote co-operation in all countries.
- To safeguard the interests of the co-operative movement in all its forms.
- To maintain good relations between its affiliated organisations.
- To promote friendly and economic relations between the co-operative organisations of all types, nationally and internationally.
- To work for the establishment of lasting peace and security.
- To assist in the promotion of the economic and social progress of the workers of all countries.

Today the membership of the Alliance consists of 160 organisations in 63 countries. These member-organisations comprise 657,815 societies with a total individual membership of 321.5 million. The largest proportion of membership is in consumer societies (39%), followed by thrift and credit societies (30%) and agriculture (19%). Other main groups include housing, workers' productive and fishery cooperatives.

The Secretariat of the ICA numbers 75 persons, of whom 31 are at the Head Office in London, 28 at the Regional Office in New Delhi, India, and 16 at the Regional Office in Moshi, Tanzania. The main financial resources of the ICA are provided by subscriptions from member organisations.

The Congress is the highest authority of the ICA. It meets every four years and the next will be held in Paris in 1976. The basic function of Congress is discussion of subjects connected with the future policy of the ICA. The Central Committee, composed of representatives nominated by member-organisations and elected by Congress, meets annually and is charged with interpreting policy and guiding the Executive in carrying out the programme of the ICA. The Executive, consisting of sixteen members elected by the Central Committee, meets twice a year. Its main task is to control the affairs of the ICA between meetings of the Central Committee.

The Regional Office and Education Centre for South-East Asia in New Delhi, India, was set up in 1960 and the Regional Office for East and Central Africa in Moshi, Tanzania, was established in 1968. These two offices carry forward the main impetus of ICA's work in the Third World. They act as coordinating centres, promote the exchange of information, publish information, undertake extensive educational and training activities and engage in research and the promotion of trade. They also advise member organisations in the formulation of specific projects and suggest sources of support. Since 1969 the ICA, in partnership with the Swedish Co-operative Centre, has financed the Latin American Technical Institute for Co-operative Integration (LATICI) which assists the promotion of co-operatives in some parts of Latin America.

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Over the years a number of auxiliary committees and working parties have been set up within the ICA. These auxiliary committees deal with co-operative activities in the field of banking, insurance, industry, agriculture, fisheries, housing, trading and distribution, consumer policy and co-operative activities with regard to women. The working parties of technicians cover librarians, journalists, educationists and research officers.

The regular publications of the ICA are: The Cooperative News Service (English only), The Agricultural Cooperative Bulletin (English with a French Resume) and the Consumers' Affairs Bulletin (English and French) all published monthly. The Review of International Cooperation in English, French, German and Spanish is issued bi-monthly To encourage collaboration in the field of technical assistance, the ICA publishes an annual Calendar of Technical Assistance for Cooperatives. The Calendar lists seminars on co-operatives, training courses, and technical assistance projects in countries throughout the world from a variety of organisations and agencies engaged in the promotion of co-operatives in developing countries. Lists of these and other publications are available both from the ICA head office in London and the Regional Offices.

Close relations are maintained between the ICA and the United Nations and its Agencies. The ICA was admitted to Consultative Status with ECOSOC in 1946, and since that time has fostered mutually constructive relations with various UN Agencies, especially the International Labour Office (ILO), the Food and Agriculture Organization (FAO), the United Nations Industrial and Development Organization (UNIDO), the United Nations Education, Scientific and Cultural Organization (UNESCO) and the United Nations Children's Fund (UNICEF).

The ICA participates in the Joint Committee for the Promotion of Aid to Cooperatives (COPAC) on which the UN, the ILO and the FAO are represented together with four non-governmental organisations. The ICA is also represented through its Banking Committee on the International Liaison Committee on Cooperative Thrift and Credit, which was set up to promote the development of thrift and credit cooperatives throughout the world and the coordination of their activities at the international level.

Further details of current activities are listed in the Report on Activities of the ICA, which is published annually in English, French and Spanish.

43RD INTERNATIONAL CO-OPERATIVE SEMINAR

DRESDEN, GERMAN DEMOCRATIC REPUBLIC September 1975

TECHNICAL ASSISTANCE TO CO-OPERATIVES THE EVOLUTION IN PRIORITIES AS SEEN BY THE UNITED NATIONS

H. Morsink United Nations Office at Geneva

The United Nations is charged by its Charter to promote (1) higher standards of living, full employment and conditions of economic and social progress; (2) solutions to international economic, social, health and related problems, (3) international cultural and educational co-operation; and (4) universal respect for and observance of human rights and fundamental freedoms.

Responsibility for discharging these functions is vested in the General Assembly and, under its authority, in the Economic and Social Council. At present the Council is composed of 54 members, from member states in Africa, Asia, Latin America and North America. Members serve for three years. You know perhaps that the German Democratic Republic is serving on the Council at present.

In this hour I would like to review with you, United Nations thinking on the role of co-operatives in economic and social

development, by analysing in particular resolutions adopted by the Economic and Social Council - this on the assumption that the views of the Economic and Social Council will be reflected sooner or later in the technical assistance provided to co-operatives in developing countries by a wide variety of external sources. This because the Economic and Social Council in its resolutions makes recommendations: 1) to the General Assembly, and thus to all the member states of the UN; 2) specifically to certain groups of member states, for example to donor countries; 3) to the specialized agencies, including for instance IIO, FAO, UNESCO and UNIDO. The Economic and Social Council also enters into special agreements with these specialized agencies on matters related to the co-ordination of international policy and action. Finally, the Council has established arrangements for consultations with non-governmental organizations, such as the International Co-operative Alliance.

In all these different ways, the Economic and Social Council has an impact on virtually the complete range of external sources of technical assistance to co-operatives.

External sources of technical assistance include at least four major categories:

(1) International governmental organizations A major financial source for technical assistance to co-operative development has been the <u>UNDP</u>, the United Nations Development Programme, which channels its financial resources via ILO, FAO, UNESCO and UNIDO into specific co-operative projects all around the world, upon the request of national governments in the countries concerned. From January 1972 through January 1973 for example the UNDP Governing Council reviewed requests from twenty countries for UNDP assistance for co-operative development, to a total value of nearly six million US dollars.

The IIO has been for many years a pioneer in technical assistance to co-operatives in developing countries. It has many co-operative experts in the field, supporting a large number of specific co-operative projects, and it has published monographs and studies on various aspects of co-operative development.

Similarly, FAO has a co-operative section, sends experts into the field, supports specific projects and undertakes co- operative studies.

Several important elements of UNESCO's work programme have a bearing on co-operative activity. For example, functional education for co-operative development.

UNIDO has expressed an active interest in the role of cooperatives in the industrialization of developing countries.

The WFP, the World Food Programme, has also played a considerable role in the promotion of the co-operative movement by assigning to existing systems of co-operatives responsibility for the distribution or management of World Food Programme commodities, or by establishing new co-operative enterprises for these specific purposes.

(2) International non-governmental organizations providing technical assistance to the co-operative movement include the International Co-operative Alliance with its 160 member organizations in 62 countries covering more than 320 million individual members, the International Federation of Agricultural Producers, the International Federation of Plantation, Agricultural and Allied Workers, and the World Council of Credit Unions.

(3) National governmental organizations providing bilateral aid include, first of all, governmental technical assistance programmes, for example of Canada, Sweden, the United Kingdom and the United States of America;

(4) National non-governmental organizations include national co-operative centres such as the Swedish Co-operative Centre,

as well as several training centres in advanced countries set up for the training of staff from co-operatives in developing countries. This week we will have the privilege of visiting the International Co-operative College here in Dresden.

(5) Recent joint efforts by these various types of organizations are proving very promising. A number of positive examples are given in the green cover booklet sent to you by the International Co-operative Alliance.

This brief description of sources of external technical assistance for co-operatives in developing countries is certainly incomplete. A more systematic listing could certainly produce the names of some 50 major international and national organizations providing technical assistance to cooperative projects all around the world, and this without counting important seminars and conferences sponsored by those organizations, such as the present seminar.

My purpose has been only to indicate roughly the scope or magnitude of the world-wide effort in technical assistance to co-operatives today. Mr. Hewlett of COPAC and Mr. Alder of ICA, both present here, are more qualified than I am to give you further details.

Let us return now to the views of the Economic and Social Council of the United Nations. At several points in the history of the United Nations system, the Economic and Social Council has recognized the importance of co-operatives and has called for international action in support of co-operative development. As far back as 1951 the Economic and Social Council, in its resolution 370 (XIII) recommended that governments promote co-operative organizations. The vital point for us to analyse here today, however, is not so much that the Economic and Social Council made such recommendations at various points in its history, but why the Council wished to promote co-operatives. Only by this analysis will

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we be able to arrive at a conclusion concerning the priorities for technical assistance to co-operatives, as seen by the United Nations.

When the Economic and Social Council adopted the 1951 resolution it did so in the context of a debate on land reform. Thus the Council recommended that governments promote cooperative organizations:

- for the cultivation, marketing and processing of agricultural products and for the purchase of farm supplies and equipment;
- for the establishment of industries in rural areas;
- for the establishment of workshops for the manufacture, maintenance, repair and servicing of the most essential machinery and for the storage of spare parts.

It is important to note that at that time the Council considered the role of co-operatives clearly in the context of land reform areas, and focused its attention and expectations exclusively on technical and economic aspects of agricultural and rural development.

Three years later, in 1954, the Economic and Social Council considered, in resolution 512 CII (XVII), that there was an increasing scope for co-operatives in "economic development in general". This was already a significant broadening of the field. The Council also noted that co-operatives have a "social purpose". The context of the debate and of the resolution was still the question of how co-operatives could contribute to agricultural development and rural progress.

It is only 14 years later, in 1968, that another important resolution on co-operatives is passed within the United Nations at the initiative of the Polish delegation. This time by the General Assembly itself. Further resolutions by the Economic and Social Council soon follow in 1969, 1970 and 1972. However, the world of 1968 was no longer the world of 1954. People all around the world had witnessed tremendous progress in technology. In 1957, the first man-made satellite, Sputnik One, was launched by Soviet scientists, followed in 1958 by the first United States earth satellite to go into orbit. Governments all over the world had witnessed tremendous changes in the political climate of the world. In 1954, Dien Bien Phu fell to the Vietminh army. In 1955, the first Afro-Asian conference was held in Bandung. In 1956, Egypt nationalized the Suez Canal. In 1959, Fidel Castro assumed power in Cuba. In 1962, the Algerian war came to an end. In 1967, the historic meeting between President Johnson and Premier Kosygin took place.

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During these years government thinking on economic and social issues had evolved significantly. By 1968 it had become recognized that the first "Development Decade" of the 1960s had not brought the expected results for the poor of the world and that the focus on increased Gross National Product was too narrow a target for national development. Within the United Nations policy-making bodies more and stronger voices were heard calling for more "social" development.

It is therefore quite significant that the General Assembly resolution of 1968 is entitled "the role of the co-operative movement in economic <u>and social</u> development" (Resolution 2459 (XXIII)). The role the General Assembly has in mind for co-operatives is no longer a contribution only to agricultural and rural development, is no longer to only technical and economic aspects, nor even any more to broad economic development as reflected in increased GNP, but to "social development" on a par with economic development.

The 1969 resolution of the Economic and Social Council, again taken at the initiative of the Polish delegation, goes one step further and mentions the importance of co-operatives not only for the promotion of "social development" but for

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"social <u>progress</u>", which sounds politically less neutral, and mentions particularly the importance of the mobilization of human resources.

By 1970, the United Nations policy-making bodies were fully absorbed in the preparation of the International Development Strategy for the 1970s. This was a comprehensive and integrated programme of national and international action to achieve a series of inter-related economic and social objectives. It is against this background that the Economic and Social Council adopted that year resolution 1491 (XLVIII). On the role of the co-operative movement in economic and social development the most striking aspect for our analysis is the further evolution in thinking as reflected in this resolution: The importance of the co-operative movement is affirmed

- as a <u>means</u> of producing the basis for <u>popular partici</u>pation in the development effort;
- as a means for the <u>equitable sharing</u> of the benefits of development;
- as an important <u>element</u> of the <u>strategy</u> for the Second United Nations Development Decade.

Broadening the basis for popular participation and bringing about equitable sharing in the benefits of development are aims that fitted in completely with the growing concern of United Nations policy-making bodies with the principles of equity, justice and equality between nations and within nations. Since then, this growing concern has been expressed in further detail in several major United Nations documents, for example in the first overall review and appraisal by the United Nations Secretary-General of issues and policies in international development strategy, published in 1973, in the Declaration on the establishment of a New International Economic Order, and in the Programme of Action on the establishment of a New International Economic Order, both adopted

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by the General Assembly on 1 May 1974, and in the Charter of Economic Rights and Duties of States adopted by the General Assembly on 15 January this year, as an instrument towards the establishment of a new system of international economic relations based on equity.

At this very moment the 7th Special Session of the General Assembly is again addressing itself to these issues.

One of the most glaring proofs of the lack of justice, equity and equality in the world today is the lot of the hundreds and millions of persons living in abject poverty. The assumption underlying in particular the 1970 ECOSOC resolution is that the co-operative movement could prove itself to be an effective instrument in a massive attack on poverty and an effective means for reducing the proportion of people living in conditions of misery everywhere. In fact, at that time in United Nations circles the belief gradually developed that the principal function of co-operatives lies in organizing and helping the poor. It seems to me that this belief is shared to some extent by those in the International Co-operative Alliance, responsible for the publication of the first ICA pamphlet on the Co-operative Development Decade, 1971-1980. In this booklet it is stated that co-operatives are "designed" to combat poverty, ignorance, and lack of equal opportunity for the working classes and to make men, rather than capital, the basis for distribution of economic power and resources.

In concluding this analysis it can be said that in recent years the main interest of the United Nations policy-making bodies has focused more and more on the need to combat poverty and to introduce social reforms to this end. Secondly, that the resolutions adopted by the Economic and Social Council have tended more and more to view co-operatives as an instrument to this overall objective. Five years or more have passed since the 1968 General Assembly resolution and the 1969 and 1970 ECOSOC resolutions. The United Nations Secretary-General submitted during that period four reports to the Economic and Social Council, all dealing with the role of co-operatives in the world. Each of these reports is based on draft reports prepared jointly by the International Co-operative Alliance, the International Federation of Agricultural Producers, the International Federation of Agricultural and Allied Workers, and the World Council of Credit Unions, together with two major outside supporters of the international co-operative movement: the International Labour Organisation and the Food and Agriculture Organization of the United Nations.

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The first report of 30 pages, entitled "The role of the cooperative movement in the achievement of the goals and objectives of the Second United Nations Development Decade", E/4807, submitted to the Council early in 1970, dealt with the contribution of co-operatives to key areas of development. It also covered some of the problems with the internal structure of co-operatives and the nature of international assistance necessary to promote co-operatives in the developing world.

The second report of 18 pages, submitted in 1972 (E/5093 and Corr. 1) discussed some of the major <u>problems</u> facing cooperatives in developing countries, and the important elements that should be considered in strategies for co-operative development. The report emphasized the importance of inter-agency cooperation, which should be extended to multilateral, bilateral and voluntary agencies.

The third progress report (E/5246) of 11 pages, submitted to the Economic and Social Council at its session in April 1973 entitled "Promotion of the co-operative movement during the Second United Nations Development Decade", discussed in a very preliminary manner progress made during the Second United Nations Development Decade.

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The fourth report of 21 pages, came before the Council early this year at a time when the development strategy of the United Nations is oriented towards a more direct attack on poverty and, in particular, on underemployment, unemployment and the maldistribution of income. It presented the contribution made by the co-operative movement to the objectives of the Second United Nations Development Decade.

In spite of all this information supplied to the Council there are, in my opinion, signs that the Council is re-assessing its attitude to the co-operative movement. In 1972, the Council still adopted a resolution "re-affirming" the need for a concerted programme of co-operative action at the country level, and inviting governments in developing countries to adopt various measures in support of co-operatives. Yet it is significant that the Council qualified its appeal to donor countries to assist developing countries to promote and expand co-operatives. In fact, the Council appealed for assistance in all domains where co-operatives "present the most appropriate form" for helping to achieve the objectives set up for the Second United Nations Development Decade. The clear implication to me is that the Council finds that there are also domains where co-operatives do not represent the most appropriate form for helping the world achieve the objectives set for the Second Development Decade.

In 1973, the Economic and Social Council did not adopt a resolution in response to the report by the Secretary-General but only formulated a "decision" taking note of the report and transmitting it to the Committee of Review and Appraisal. However, the debate in which the Representatives of Denmark, Finland, Hungary, India and the United States took the floor, was quite revealing.

The U.S. representative asked for a discussion in the 1975 report to the Council of the "acceptability, feasibility and relevance" of co-operatives to the developing countries. Moreover, the U.S. representative asked that the next report discuss the contribution of co-operatives "to the situation of subsistence farming populations". Furthermore that the next report should discuss whether co-operatives should be established on a world-wide basis or "on a selective basis", and for which activities. In plain English, this sounds to me very close to a call for a complete re-assessment of the Council's attitude and expectations as regards the role of co-operatives in Development Decade-2.

Other representatives asked that the co-operative movement should present <u>more</u> than the idea presented so far of the so-called co-operative development groups. Representatives asked that the 1975 report should come up with "other suitable mechanisms" _as alternatives.

At the ECOSOC session held earlier this year in New York none of the 54 governments represented on the Council spoke on the subject. The Council did simply adopt a decision "to take note" of the report of the Secretary-General presenting the contribution made by the co-operative movement to the objectives of the Second Development Decade.

Suggestions by the United Nations Secretary-General

There is a growing feeling within the United Nations Secretariat that it will be difficult to re-capture the unreserved goodwill and complete support of the Economic and Social Council, as expressed in the 1970 resolution, if the cooperative movement is going to do simply <u>more</u> of what has been done already for years now. The need is clearly to set <u>new</u> priorities within the co-operative movement, to formulate <u>new</u> approaches and strategies to reach the poor, and to arouse a <u>new</u> political commitment by the co-operative movement itself to help solve the problem of the poor. It is the conviction of the United Nations Secretary-General that this is first of all a challenge to the co-operative movement itself.

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Insofar as the United Nations Secretary-General can offer suggestions to others, he feels that time is pressing, and that therefore an effort should be made simultaneously at the level of thinking and of action in the field.

1. The Secretary-General therefore suggests the convening of a small expert meeting, as soon as possible, to assess the problems connected with the participation of the poor in the co-operative movement, to review experience gained in particular countries on particular issues, and to recommend appropriate strategies and programmes.

2. As regards immediate action by co-operatives to improve the conditions of the poor and to enlist their active involvement in their own development, the United Nations Secretary-General suggests that special importance should be given to small co-operative projects at the local level, i.e. to projects that should answer the urgent and desperate needs of the poor. These projects should be formulated in such a way as to enable people, without property or money, to take an active part in their own development

A first effort to formulate some practical ideas about how to organize such an international drive towards the establishment of small co-operative projects at the local level has been made by COPAC in 1974, in response to an offer from the UN Capital Development Fund to help provide necessary funds for implementing local projects which would provide credit to the poor.

I do hope that you at this seminar will devote some of your precious time to studying further the various practical aspects of small co-operative projects, as a possible means of combating poverty, and of providing a glimmer of hope to the hundreds and millions of persons living in poverty, and suffering in misery today.

Thank you.



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Fifty-eighth session

CONTRIBUTION MADE BY THE CO-OPERATIVE MOVEMENT TO THE OBJECTIVES OF THE SECOND UNITED NATIONS DEVELOPMENT DECADE

Report of the Secretary-General

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INTRODUCTION

1. The United Nations, through its Economic and Social Council, has long recognized the importance of co-operatives. As 'far back as 1951, it recommended <u>inter alia</u>, in its resolution 370 (XIII) on land reform, that Governments take appropriate measures to promote co-operative organizations for servicing agriculture. In connexion with the Second United Nations Development Decade, the Council at its fifty-second session adopted resolution 1668 (LII) on the promotion of the co-operative movement during the Decade and requested the Secretary-General to report to the Council in 1975, as part of his over-all appraisal of progress, on the contribution made by the co-operative movement to the objectives of the Second United Nations Development Decade.

2. The present report is submitted in response to that request. It has been prepared by the United Nations Secretariat in close collaboration with the Committee for the Promotion of Aid to Co-operatives (COPAC), whose members are: International Labour Organisation (ILO), United Nations Secretariat, Food and Agriculture Organization of the United Nations (FAC), International Co-operative Alliance (ICA), International Federation of Agricultural Producers (IFAP), International Federation of Plantation, Agricultural and Allied Workers (IFPAAW) and World Council of Credit Unions (WOCCU).

It is the fourth in a series of reports of the Secretary-General to the 3. Economic and Social Council. The first report, entitled "The role of the co-operative movement in the achievement of the goals and objectives of the Second United Nations Development Decade" (E/4807), dealt with the contribution of co-operatives to key areas of development. It also covered some of the problems with the internal structure of co-operatives and the nature of international assistance necessary to promote co-operatives in the developing world. The second report (E/5093 and Corr.1) discussed some of the major problems facing co-operatives in developing countries, and the important elements that should be considered in strategies for co-operative development. The report emphasized the importance of interagency co-operation, which should be extended to multilateral, bilateral and voluntary agencies, and suggested that, among other things, the membership of COPAC should be extended. The last progress report (E/5246) submitted to the Economic and Social Council at its fifty-fourth session, entitled "Promotion of the co-operative movement during the Second United Nations Development Decade", discussed in a very preliminary manner progress made during the Second United Nations Development Decade, particularly with regard to increasing and co-ordinating international assistance, the importance of interagency co-operation and the development of a mechanism at the international level to encourage such co-operation. To this end, it was again proposed that the membership of COPAC should be broadened.

4. The present report is submitted at a time when the development strategy of the United Nations is oriented towards a more direct attack on poverty and, in particular, on underemployment, unemployment and the maldistribution of income. Institutional changes are identified as essential conditions for the implementation of such a strategy. Co-operatives, small-holders' associations

and various types of communes, oriented towards initiative and self-reliance, are singled out among the most suitable institutions which, by bringing about popular participation, local leadership and the decentralization of authority, could promote the potential and productivity of the poor and secure for them an equitable share in the fruits of development. Within this context also, equal emphasis is laid on the contribution of co-operatives to economic production activity, to the redistribution of income and generally to the participation of people in the process of development.

I. TRENDS IN CO-OPERATIVE DEVELOPMENT

5. During the first years of the Second United Nations Development Decade it was generally agreed that the active participation of the masses, including the poor in the planning and implementation of their own development, was necessary and could only be accomplished through the establishment of suitable institutions, including co-operatives. At the same time it was recognized that a deeper involvement of members in their institutions was important to the viability and efficiency of those institutions.

6. There was a growing awareness of the fact that political will and administrative capability were necessary pre-conditions for enabling the very poor to generate their own progress through co-operative action.

7. National and external support to co-operative movements and to governmental services in charge of co-operative development in the form of grants, credits, extension services, payment of co-operative staff salaries, and the development of infrastructures such as feeder roads, marketing facilities and transport has been steadily increasing. However, it was observed that many of the more educated and better-off elements of the community often capitalize on this support in order to obtain subsidized credit, fiscal exemptions and other advantages, by grouping themselves into co-operatives. A counteracting trend which is now emerging in some countries is for the less privileged members of the co-operative movement to seek closer links with other organizations such as trade unions and <u>campesino</u> movements. In order to arrive at a more equitable use of outside support for co-operatives, there is a tendency to match this support by increasing internal savings, with a view to strengthening the self-reliance of the co-operative movement.

8. The role of women in co-operatives is attracting more and more attention both inside and outside the co-operative movement. As a result, there is a tendency to explore the possibility of adapting existing co-operative rules and regulations as necessary to help women reach their fullest potential in co-operative development.

9. Concerning the role of youth in co-operative development, three tendencies ' can be noted: an increased interest among young people for active participation ; in co-operative programmes, a greater awareness inside the co-operative movement of the contribution young people can make and a widening provision of co-operative education in primary, secondary and higher educational institutions.

10. In co-operative education and training, new methods adapted to local requirements are increasingly being introduced, using advanced teaching techniques, particularly visual aids and radio programmes. The need to mobilize the vast number of non-literate people has provided a particular stimulus to the exploration, design and application of these new methods. A better diffusion of information has been observed, reaching more effectively than before wider audiences, particularly political and other decision-makers.

11. In both urban and rural areas, the diversification of co-operatives from single-purpose towards multipurpose functions can be observed. Moreover, there is an emerging tendency in rural areas towards multisectoral co-operatives, that is, a tendency for agricultural co-operatives to branch out into other sectors such as consumer, craft, small-scale industrial processing, housing, transport and social services. In order to strengthen their economic, social and political position, co-operatives over the past two years have tended, more than before, towards merging secondary organizations into larger unions and federations. Several Governments have attempted to move away from dispersed and fragmented initiatives in support of the co-operative movement towards an integrated approach to encourage the co-operative use of financial, human, legislative and administrative resources.

12. In the past few years there have been a growing number of experiments in co-ordinating technical co-operation and action-oriented and basic research, both at the national and the international level. Some of these experiments have proved successful.

II. RECENT ACTION WITHIN THE CO-OPERATIVE MOVEMENT

13. Since the beginning of the Second United Nations Development Decade, the co-operative movement at the local, national and international levels has shown noticeable development in policy orientation, organizational structure, funding, the co-ordination of research, dissemination of information, orientation of co-operative education and training and promotion of co-operative trade. In all these areas, national and international apex organizations of the co-operative movement itself have given stimulus, guidance and support to the efforts undertaken by grass-roots co-operatives.

14. There has been some evidence of increased stress on planning for the integrated development of co-operative movements. Notable examples have been: the unified plan for co-operative development formulated independently by the Lebanese co-operative movement, the Co-operative Research and Planning Team which is preparing a co-operative plan for Zambia, the simultaneous over-all planning for co-operative development in all sectors in the economy in the Co-operative Republic of Guyana and in Peru, and the 1971-1975 Development Plan of the Kenya Federation of Co-operatives.

15. Progress has been made in expanding and improving co-operative structures at the local, national and international levels. The amalgamation of primary societies allows the establishment of viable units large enough to ensure an economic volume of business capable of employing competent staff and improving marketing. At the regional and national levels, a number of secondary and apex federations or unions have been created for the purpose of providing essential services to primary societies. The broadening of the activities of primary co-operatives from single-purpose to multipurpose has enabled them to provide better services to their members. At the international level several new functional bodies have been set up to promote specific aspects of co-operative development in the developing countries. These include the Advisory Group for International Training of Co-operators from Developing Countries (AGITCOOP), the International Business Advisory Service for Co-operatives, an ICA Women's Committee and an ICA Consumer Committee.

16. One of the major developments during the early 1970s was an acceleration in the formation and expansion of thrift and credit societies at the local level. This effort was particularly stimulated, in-both urban and rural areas, by the work of the newly established World Council of Credit Unions (WOCCU). Moreover, a large number of co-operative banks have been established in these areas during the period. National credit institutions (including development corporations) as well as some regional development banks, in particular in Latin America, have directed more of their funds through co-operative channels. The setting up of an Asian Co-operative Development Bank is under active consideration by the international co-operative movement. Co-operatives in developing countries have received increased financial assistance from co-operatives in industrialized countries and from various fund-raising organizations, church groups and trade . unions. A study entitled International Financing of Co-operative Enterprise in Developing Countries, prepared by ICA in collaboration with the ILO, the FAO and COPAC, published in 1974 by the ILO, recommended the establishment of an international mechanism for the financing of co-operative enterprises, preferably through the transformation of the International Co-operative Bank.

17. Increasingly in recent years co-operative organizations have collaborated with universities and development institutions on research studies relating to co-operative development in developing countries. Major fields being investigated include co-operative legislation, education, trade and marketing, finance, international collaboration, and collaboration with trade unions, industrial and consumer co-operatives, and co-operative relations with Governments.

18. A number of international seminars have been held recently dealing with the problem of the co-ordination of co-operative research. The ICA and the ILO, in collaboration with the Polish and Hungarian co-operative movements, are engaged in the preparation of a centralized register of current research on co-operatives in developing countries, which will include a directory of institutions engaged in co-operative research, a bibliography of research studies on co-operatives in developing countries during the period 1968 to 1972 inclusive, and semi-annual bulletins of abstracts of current research in this field.

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19. Significant progress has been made in the last three years in efforts to increase the coverage and effectiveness of co-operative information and publicity. In developing countries the number of co-operative newspapers, periodicals and reviews has increased significantly. In industrialized countries, the co-operative press is paying increasing attention to co-operative problems in developing countries. Related to this is the ICA initiative to disseminate a series of syndicated articles covering various aspects of the activities of co-operative press is reaching more and more readers in these countries. A significant step towards the involvement of ICA member organizations in hinformational activities has been the recent establishment of an ICA working party on a co-operative press.

20. Co-operative training facilities in developing countries are proliferating with support from the Governments concerned and with assistance from abroad. New co-operative colleges have been established. At the same time, an increasing number of members of co-operatives are being brought from developing countries to more advanced countries in order to combine instruction with actual observation of co-operative enterprises at work. The facilities for such training are provided by numerous co-operative training centres and colleges and by the ICA regional offices for south-east Asia, eastern and central Africa, and South America. In many cases, the financing is made possible by government technical co-operation ministries in the host countries, or by non-governmental organizations.

21. Educational programmes for women members of co-operatives have recently been launched in the countries attached to the ICA Regional Office for East and Central Africa. With help from Sweden and Norway, seminars were held for selected women who were connected in some capacity, either as members or workers, with co-operative societies. Similar seminars were held in West Africa. The programme ranged over all aspects of co-operative activity, including consumers, agricultural, handicrafts and thrift and credit co-operatives, as well as co-operative education and the role of women in linking co-operatives with the family and the community.

22. In recent years, the preparation of specialized co-operative educational materials, including manuals, course curricula and audio-visual aids, increased to such an extent that in 1973 the ICA found it advisable to set up a special unit to collect available information on such materials in order to avoid duplication, to reduce proliferation and to arrive at some degree of standardization.

23. The problems connected with the promotion of co-operative and inter-co-operative trade have recently been attracting a good deal of attention at a number of seminars and conferences.

24. A promising beginning in co-operative exchanges has been made by some Asian countries, for example between Japan and India and Japan and the Republic of Korea. A study on International Co-operative Trade has been prepared by the ICA, and an International Co-operative Trade Organization for South-East Asia has been registered in Singapore.

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III. MEASURES TAKEN BY THE GOVERNMENTS OF DEVELOPING COUNTRIES

25. The increasing importance some Governments in developing countries attach to the promotion of co-operatives is reflected in various ways, including <u>inter alia</u> high-level policy statements, the inclusion of a co-operative component in national development plans, the adoption or preparation of legislation, the creation, adaptation or strengthening of administrative structures, and the promotion of co-operative education and training.

26. Important statements in support of co-operatives have been made by the Governments of Bangladesh, Bolivia, Botswana, Ghana, Guyana and the United Republic of Tanzania. In some countries the role of co-operatives has been re-emphasized in the national development plans currently being implemented; this is the case, for example, in Dahomey, the Niger, the Sudan, Togo and the United Republic of Tanzania. Nigeria and some other countries, now in the process of preparing new development plans, placed increased emphasis on the contribution of co-operatives to development in guidelines for the preparation of national development plans.

27. Concerning co-operative legislation, between 1971 and 1973, 25 developing countries 1/(1) in the Caribbean, 4 in Africa, 4 in Asia, 6 in the Middle East, 10 in Latin America) adopted new laws on co-operatives. In Afghanistan, Bahrain and the People's Democratic Republic of Yemen, this was the first legislation to be introduced in this field. During the same period, draft co-operative legislation was drawn up in 5 other countries (2 in the Middle East, 1 in Asia, 1 in the South Pacific, 1 in the Caribbean).

28. Government action in the field of co-operative legislation was considerable in the Middle East and in Latin America. In many countries of Africa, co-operatives are still governed by enactments inspired by (if not modelled on) the legislation of the former colonial Powers. It is significant that studies on co-operative legislation by African authors are only now becoming available, while no detailed analysis has been made of the need to adapt classic co-operative structures to the African socio-economic and cultural context. On the whole, since the majority of new texts passed all over the world consist of laws dealing with the national co-operative movement, they expedite the unification of national movements within countries.

29. As national movements are unified and acquire greater economic importance, the conception of the role of the body responsible for them changes, while at the same time the representatives of co-operative organizations become involved in decision-making at the national level.

30. A major effort has been made by several Governments to create, adapt or strengthen administrative structures in support of co-operatives. Since 1970, new ministries have been established for this purpose in Guyana, Iran and Lebanon, for example, and co-operative development councils of a general or specialized nature have been set up in several countries such as Malawi, the Philippines and Sri Lanka.

1/ Not including those that have issued regulations under earlier laws.

On the other hand, in certain countries Governments have taken measures allowing existing administrative structures a greater degree cf independence and autonomy; the National Co-operative Development Institute (INFOCOOP) in Costa Rica is a particularly good example. Created in 1973, it has replaced the Co-operative Department of the National Bank. In Argentina, the National Institute for Co-operative Action (INAC) and its Advisory Council, established in 1971, provides a similar example.

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31. Both shortages of resources and a need to make co-operative education more relevant have resulted in a less formalized approach to training, geared more towards the functions normally performed by the co-operatives than towards co-operative theory. Decreasing emphasis is placed on the study of Western co-operative practices and greater importance attached to the appropriateness of group activity and organization to local situations. Training is now more frequently carried out by series of short local sessions, group correspondence courses, and guided discussions which may utilize the radio, as in the United Republic of Tanzania. New training centres have been established recently in Botswana, Cameroon, the Ivory Coast, Papua New Guinea, Peru and Sri Lanka. Where residential courses are necessary, however, more efficient use is made of existing buildings and expertise instead of establishing new training colleges as was done in the past. In the United Republic of Tanzania, for example, the training centre does hold residential courses, but its main function is to co-ordinate locally based staff, provide training materials and supervise group correspondence courses. The use of audio-visual aids has become widespread.

32. Several Governments have taken measures to initiate or reorganize the teaching of co-operation in schools. Argentina, Colombia and Costa Rica have passed special laws to this effect.

33. Some Governments recognized that co-operatives provide an excellent framework for teaching functional literacy. This is the case, for instance, in Ethiopia, where literacy materials are based on co-operative activities and where literacy classes are given in real-life situations.

IV. EXTERNAL ASSISTANCE TO CO-OPERATIVES IN DEVELOPING COUNTRIES

34. Most technical co-operation agencies have increasingly recognized the importance of people's organizations as essential mechanisms of development, and as a result have increased their contribution to co-operatives in developing countries From the multilateral point of view, the number of technical co-operation projects specifically intended to support co-operatives has steadily increased since the beginning of the Second United Nations Development Decade. Moreover, a growing number of integrated development projects have included a co-operative component. As a result, a greater number of international co-operative experts from both developed and developing countries have been sent to the field.

35. The United Nations system has made its greatest contribution in two main directions. First, FAO, the ILO and the United Nations have been active in supporting co-operative education and training programmes throughout the developing



world and in providing assistance in the development of simplified and relevant communications materials and techniques. The importance of such materials in adult education has been emphasized by UNESCO. Secondly, members of the United Nations family of organizations have promoted a co-ordinated and integrated approach towards co-operative development by establishing co-operative development centres in Botswana, Cameroon, the Ivory Coast, Papua New Guinea and Peru. The ILO has been prominent in this respect. Of 121 UNDP country programmes approved during 1972-1974, 46 included assistance to the co-operative movement, with a total expenditure of approximately \$9.8 million.

36. The International Bank for Reconstruction and Development (IBRD) has taken an interest in the potential of co-operatives as a means of benefiting the rural poor. The United Nations Capital Development Fund is exploring, in consultation with apex organizations of the co-operative movement, the possibility of directing funds to the very poor, particularly in the least developed countries, through group lending.

37. The World Food Programme (WFP) contribution to the co-operative movement has been mostly indirect through programmes in which co-operatives have been a major component. However, WFP also has contributed to the rapid expansion of service co-operatives in central and southern Tunisia.

38. Governmental bilateral programmes have increased their support for co-operatives. The Nordic Group of agencies (Denmark, Finland, Norway and Sweden) have traditionally been generous. United States Public Law 93-199 of 1973 provides that not less than \$20 million should be made available for co-operative development during 1974 and 1975. This is in addition to ongoing programmes. Most of the European countries, of both the East and of the West, as well as Canada, China, India, Israel and Japan, have also made important contributions. For example, one of the contributions made by Poland in 1972 was hosting a Women's Co-operators' Conference in which developing countries were also represented.

39. Amongst non-governmental agencies, voluntary agencies continue to play a unique role in supporting a great number of small projects which usually originate at the village level and are therefore beyond the reach of multilateral or bilateral aid. It has recently been recognized, however, that such "mini projects" should be consistent with the over-all priorities established in the national plans. To this effect, during the past few years, voluntary agencies have been providing more and more complementary assistance to large multilateral projects such as those in Botswana, Dahomey, and the Ivory Coast. The total value of the contribution made by voluntary agencies is difficult to assess, but it is undoubtedly considerable. As an illustration, one agency alone, the Oxford Committee for Famine Relief (OXFAM), made an average of \$700,000 a year available for co-operative development.

40. National co-operative movements in developed countries have augmented their assistance to sister organizations in developing countries with the provision of experts. For instance, the Co-operative Research and Planning Team in Zambia has been assisted by the Swedish Co-operative Centre in preparing a co-operative development plan, and the co-operative movement of Switzerland is playing an active

role in consumer co-operatives in some developing countries. The movement in the Federal Republic of Germany has been active in assistance to agriculture as have the United States co-operatives, which have also offered considerable support to co-operative electrification, credit, and the production of fertilizers.

41. The co-ordination of external assistance has been improved through better planning and more careful co-ordination of requests for assistance by some Governments of developing countries.

42.1 At the national level, following the recommendation contained in Economic and Social Council resolution 1668 (LII), on an initiative by the Committee for the Promotion of Aid to Co-operatives, a few countries have established co-operative development groups in order to improve the co-ordination of efforts, including external assistance. In all cases, however, it appeared that what was actually needed was not only the co-ordination of ongoing programmes, but also a considerable expansion of external assistance. A request for such assistance has been submitted by one Government to COPAC. Organizations members of COPAC have not been able to respond promptly to these requests, both because of a lack of adequate resources and because of the need to comply with the specific procedures provided for in their statutes. In this connexion, the experience so far in establishing the co-operative development groups and the role of COPAC in their promotion should be reassessed and the possibility of mobilizing additional resources investigated.

43. At the international level, interagency collaboration among multilateral and non-governmental organizations has been facilitated by the establishment of COPAC. Collaboration has been achieved through frequent consultations and the systematic exchange of information among member organizations. The establishment of COPAC, however, was also intended to bring about an over-all expansion of assistance to co-operatives through its member organizations and the mobilization of resources in addition to those already available. Local institutions such as co-operative development groups and local farmers' groups were considered as the major vehicles of this expansion. Although limited technical assistance was arranged through COPAC - in addition to the ongoing programmes of member agencies - has been made possible by generous contributions from non-members such as the National Association of Canadian Credit Unions (NACCU) and the Agricultural Co-operatives Development International (ACDI), it has been only minimal compared with the needs of developing countries. Thus, an urgent problem facing COPAC is how to implement effectively its functions, which involve not only the exchange of information, but also the expansion of technical and financial assistance to co-operatives in developing countries as envisaged in its terms of reference. This is of particular importance as Co-operative Development Groups are organized and demand such assistance.

44. In September 1974, representatives of some 30 development agencies met in a symposium organized by FAO in collaboration with COPAC, and held at Gödöllo, Hungary, to discuss ways and means of improving the co-ordination of their activities in support of co-operatives. The result of these discussions was not available at the time this report was being prepared.

V. CONTRIBUTION OF CO-OPERATIVES TO THE OBJECTIVES OF THE SECOND UNITED NATIONS DEVELOPMENT DECADE

A. Contribution of co-operatives to agriculture

45. Agricultural co-operatives cover one or more of the basic activities involved in the agricultural process, such as production, input supply, credit and marketing. They are also used as channels for extension services.

46. In the field of production, the difficulties of moving directly to collective agricultural production co-operatives from a system of family farms have now been recognized, and this kind of co-operative is receiving less emphasis. Nevertheless, it may be noted that in the United Republic of Tanzania, for example, 17 Ujamaa villages requested their registration as co-operatives at the end of 1971, and that the exploitation of 50 very large agricultural estates nationalized in November 1973 is now in the hands of the Tanzanian Co-operative Unions. Similar trends may be observed in Nigeria, West Malaysia and Peru.

47. One of the major contributions of agricultural co-operatives to the improvement of agriculture in developing countries has been their role in the supply of credit and inputs, such as fertilizers, improved seeds, pest control chemicals, agricultural tools and machinery. In the Syrian Arab Republic, the number of registered agricultural service co-operatives jumped in 1970 from 1,058 to 1,631 and in India, a \$124 million project to build two fertilizer factories will be completed in 1975 and these will supply 40,000 co-operatives with 800,000 tons of fertilizers. Co-operatives have been found a valuable tool in implementing self-help irrigation schemes, as in Thailand, where planned co-operatives are expected to irrigate more than an additional 500,000 hectares in the period 1972-1976.

48. Credit facilities through co-operatives have steadily increased. For example, there are 25,000 credit co-operatives, 125 secondary level co-operative banks and three co-operative national banks in Bangladesh. In Cyprus, all the credit required by farmers is supplied by the co-operative movement. In 1973, 326 Ghanaian credit unions provided their members with loans amounting to 3.5 million Cedis. In India there are now 162,000 credit co-operatives having 32 million members and distributing 86 per cent of the loans in the agricultural sector.

49. Marketing and the processing of agricultural products have also been increasingly carried out by co-operatives. The following figures reflect the importance of co-operative marketing in some countries.

Percentage of indicated commodities

Niger	1972/1973	paddy, 100; cotton, 95; ground-nuts, 47.3
United Republic of Tanzania	1973	coffee, 100; cotton, 90; tobacco, 60
Uganda	1973	coffee, 100; cotton, 100

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50. The potential provided by co-operatives as a medium for extension is now receiving greater emphasis. Working through groups allows economy in the use of extension workers' time and, more important, the exploitation of group education methods and mutual support for the introduction of new techniques. One unfortunate feature of the past has been the tendency of agricultural departments to set up their own extension groups, and to ignore existing co-operatives. With the acceptance of a far more integrated approach to development, this trend is being reversed. It can be noted, for example, that co-operatives are also being examined as a possible mechanism for introducing better systems of cattle grazing to nomads.

B. Contribution of co-operatives to industry

51. The co-operative production of consumer goods shows hardly any significant change in the rather slow growth of such activities in the first half of the Second United Nations Development Decade. While consumer co-operatives in industrialized countries have, generally, engaged at a very early stage in the industrial production of basic necessities for their members, comparable efforts in developing countries are few and far between and the situation is unlikely to change drastically in the near future.

52. It should be pointed out, however, that the development of agricultural marketing co-operatives and the measures and programmes launched in recent years to improve distribution channels in rural areas, or of developing larger and more efficient co-operative wholesale and retail units, have led to stronger consumer demand for domestic products, and consequently have provided a better basis for the development of manufacturing activities by consumer co-operatives. A good example of this can be seen in India, where the Kaira District Co-operative Union of Milk Producers is today among the 30 biggest industries in the country. It has established a milk-powder factory, which now accounts for 50 per cent of the milk-powder production in India and is the only factory to produce baby foods from buffalo milk. It serves 215,000 families distributed over 2,500 square miles.

53. In the field of handicrafts, co-operatives have made steady progress in many countries; their production comprises not only the traditional handicrafts designed largely for specific markets (tourist trade and the export of artistic products) but also to a growing extent consumer products for local markets, such as pottery, furniture and textile goods. In those areas where artisan co-operatives were already well established (such as in north Africa, south Asia and Latin America), it would be incorrect to ascribe their progress to measures taken during the first half of the Second United Nations Development Decade; rather, it should be considered as part of a long-term process not directly linked to such measures. However, in other regions (such as Africa south of the Sahara), recent efforts by international and bilateral aid agencies in the promotion of new forms of co-operative activities, particularly in rural areas, have led to promising beginnings for co-operative handicraft production and co-operative industries.

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54. An international Centre for the Promotion of Industrial Co-operatives has been established at Warsaw, Poland, with the support of ICA. The Centre is mainly concerned with stimulating the growth of industrial co-operatives in developing countries, and collaborates closely with the Polish Co-operative Movement and with various international organizations such as UNIDO and the ILO.

55. Although co-operative schemes to aid the handicapped have not yet produced substantive results, initiatives have been taken to set up and/or strengthen production co-operatives for the handicapped. Considerable efforts in this direction have been made, for example in Colombia and Guatemala in the production of co-operative training material in braille and in Rwanda for the production of electrical equipment and the assembly of bicycles. In several other countries, similar efforts are under way, improving not only the living conditions of the handicapped, but also offering them the opportunity to resume normal life and at the same time contribute to national economic and social development.

56. The first years of the Second United Nations Development Decade have witnessed an examination by industrial co-operative enterprises of ways of making their structures more democratic through new participation systems and methods to improve the conditions of both member and non-member workers. Frequent causes of conflict between co-operative employers and workers, whether members or not, have been low wages, long working hours, a lack of opportunity for training and promotion and poor welfare facilities. In several countries, there have recently been strikes and the loss of trained staff has been a continuing hazard. Proposed measures to deal with these problems, some of which have already been implemented, include the admission of workers to full membership by stages, the harmonization of co-operative and labour legislation and the establishment of co-operative tribunals.

C. Social impact

57. The social impact of co-operatives can be analysed from two different points of view: the impact of the co-operatives as a type of enterprise on its own members, and the impact of co-operatives as a social institution upon the rest of the community in which they operate. The social effects could be identified as tangible results of co-operative enterprises such as improved housing, increased employment, higher levels of income and productivity and equity in the distribution of co-operative benefits. They might also be intangible results such as changes in the attitudes and behaviour of co-operative members towards one another and towards people outside the co-operatives, as related to, for example, authority, equality, power and self-determination. Most information available on the social impact of the co-operative movement deals with the tangible effects of co-operatives primarily on their own members.

58. Co-operatives have contributed to the improvement of the living standards of their members in the supply of consumer goods, housing, insurance, electricity and the provision of services such as medical care and population and family welfare planning.

59. Although consumer co-operatives are perhaps the weakest sector of the co-operative movements in developing countries, they are now beginning to be established in growing numbers, particularly in Asia and Latin America. In those cases where they have been able to break through the barriers to market entry imposed by entrenched private profit traders, they have had a significant effect on improving quality and consumer choice and stabilizing or combating problems of adulteration and false weights and measures. The increase in the number and membership of these co-operatives in recent years, particularly in India, Bangladesh Iran and the Middle East, is illustrative of their growing importance.

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60. Co-operatives are also active both in the building and in the provision of finance for low-cost housing. In several countries, the International Co-operative Housing Development Association (ICHDA) has been the driving force. In 1970, the United Nations signed a memorandum of understanding with ICHDA aimed at increasing as quickly as possible the erection of low-cost housing in developing countries. Bangladesh, Iran, Panama and the United Republic of Tanzania are only a few of the countries involved in this programme.

61. Co-operatives have been active in providing electricity to run mills and water pumps in rural areas. This type of co-operative is particularly common in India and the Arabian Peninsula.

62. There has been a rapid increase in recent years in the number of insurance co-operatives in Latin America and in Asia and many of these account for a significant share of their respective markets. In addition there are plans for establishing insurance co-operatives in a number of African countries where an infrastructure of co-operatives has existed for some time. A sub-committee of the ICA International Co-operative Insurance Federation has been given the responsibility of assisting insurance co-operatives in developing countries. The World Council of Credit Unions recently announced the expansion of its insurance programme to its affiliate members in Africa, by providing coverage on a national basis in the areas of fidelity, loan and life-savings insurance to more than half a million members of the Africa Co-operative Savings and Credit Association (ACOSCA).

63. In the field of health services co-operatives, some progress has been made. The National Trades Union Congress (NTUC), at Singapore, in 1971 established the Co-operative Dental Care Society Ltd. (DENTICARE), which in that year opened its first dental clinic. In the Niger, the Union Nigérienne de Crédit et de la Coopération (UNCC) supervises a "bare-foot doctor" service.

64. Following the meeting organized late in 1972 at Mombasa, Kenya, by the International Federation for Birth Control, several co-operatives have taken up the problems of population and family welfare planning. With their village-level structure, co-operatives are in a particularly good position to take action in this field. ICA has organized seminars for women co-operative members in which these problems have been discussed. Recently some regional technical co-operation projects financed by the United Nations Fund for Population Activities were undertaken in the field of co-operative education and population.

65. Concerning the social effects of co-operatives on unemployment and underemployment in rural and urban areas, the direct effect, on the whole, may not

be very important or may even be negligible in the over-all unemployment situation. It is the indirect effect on the community which merits specific mention in the present context and which has shown in several cases promising results with regard to programmes carried out during the first years of the Second United Nations Development Decade. A case in point is that of the agricultural marketing co-operatives in the Ivory Coast, where the coffee and cocoa marketing co-operatives had, in their 1972/1973 campaign, a collective income (additional to the individual incomes of their members) of some 400 million francs CFA, a major part of which was used for economic and social investments in the villages. The increased income of farmers and above all the collective income of the co-operatives led to annually recurring investments at the village level, which in turn have provided employment opportunities for unemployed or underemployed rural manpower. The effect of such investments is also felt in nearby urban centres, where small entrepreneurs (carpenters, construction firms, mechanics and other service enterprises) benefit from increased business opportunities and can employ a larger number of people.

66. Another effect on the employment situation in developing countries is the result of the training activities carried out by co-operative training institutions and development centres. These centres (for example, in Botswana, Cameroon, the Ivory Coast, Papua New Guinea and Peru) play an important role in removing employment barriers caused by a structural imbalance on the labour market. The intensive training of the middle and higher-level staff of co-operative institutions in the above-mentioned centres facilitates, to a considerable extent, the expansion of the activities of co-operatives. Since the training provided by these new facilities is strictly job-oriented and concerns mainly the crucial middle-level qualifications required for relatively small enterprises, it has not led to problems characterized as training of "the prospective unemployed" and as "overtraining in relation to the skills required".

67. More equitable distribution and better use of income are implicit in the co-operative formula because co-operatives redistribute to their members the benefits derived from their economic activities, obtain higher prices for their production and lower costs for their inputs and consumer goods, provide cheaper services for their members and are capable of eliminating excessive profits by middlemen.

68. These benefits are examples of some of the ways in which co-operatives have directly or indirectly contributed to the social objectives of the Second United Nations Development Decade, primarily in the lives of members of co-operatives. In institutional and structural reforms, also envisaged in the objectives of the Decade, the social influence of co-operatives is at best controversial. For example, one of the basic conclusions of the research studies conducted by the United Nations Research Institute for Social Development (UNRISD) at Geneva, indicated that, "in social settings characterized by considerable inequalities of wealth, power and status (conditions which were widely found), rural co-operatives studied tend to maintain or increase these inequalities". 1/ Credit has been one of the

^{1/} United Nations Research Institute for Social Development, <u>Research Notes</u>, No. 4, Geneva, June 1974, p. 39.

services offered by co-operatives in all areas studied. However, the poorest members of the communities generally got the least from co-operative credit, because they were not co-operative members, or lacked collateral, or had failed to repay previous loans. Marginal farmers, landless workers and artisans were usually not members of the co-operatives and hence ineligible for loans. In several countries, national Governments have almost exclusively taken over the task of organizing new co-operatives, and participation has not always been voluntary. A particular problem has arisen in some areas in connexion with the role of women. While women are often the chief agricultural producers and distributers within the subsistence sector and in many areas, the mainstay of cash crop production, many co-operatives are neither specifically concerned with "subsistence" crops nor specifically open to women's membership. It has been found that under these conditions the introduction of co-operatives does not benefit the women.

69. The above conclusions reached by UNRISD on the social impact of the co-operative movement on structural reforms have been supported by some authorities and organizations and disputed by others such as ICA, IFAP, the ILO and FAO. The grounds for dispute range from differences with regard to the methodology of the research to whether the purpose of the co-operative movement is in fact structural change. Although this controversy is far from being resolved, its emergence during the first part of the Second United Nations Development Decade further points out the fact that institutional reforms in favour of participation and involvement of the poor in development is one of the pressing social problems of the Decade, and the co-operative movement should be able to assume a positive role in this context.

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VI. PROBLEMS, CONCLUSIONS AND RECOMMENDATIONS

70. The present report on the contribution made by the co-operative movement to the objectives of the Second United Nations Development Decade reviews in some detail progress made by co-operatives in increasing the production of goods and services, in making the necessities of life available at lower cost to an increasing number of people, in bringing about a higher level of living for members of co-operatives all over the world and in some cases in promoting, directly and indirectly, a more equitable distribution of income at local or area levels. It also shows the sustained and often intensified efforts of Governments, and of governmental, non-governmental and voluntary national and international organizations, to strengthen the co-operative movement as one among several instruments to translate the objectives of the Second United Nations Development Decade into practice.

71. The problems facing the co-operative movement during the Second United Nations Development Decade are twofold: one relates to the management of co-operative enterprises and their support as their number increases and their activities diversify, and the other relates to the concept, theory and practice of co-operation and its function as a social institution which could effectively respond to the needs of the poor and help to remove the structural barriers that preclude their active participation in the development process.

72. The problems relating to the management of co-operative enterprises and their support have already been discussed in the report presented to the Council in 1972 (E/5093 and Corr.1). In that report the problem areas were identified in terms of over-all planning, member participation, technical and financial support, including the need for trained manpower, increased financial resources, managerial assistance and external aid. At the time this report was being prepared, although considerable progress had been made towards the solution of many of these problems, they still constituted the perennial issues for which solutions should be pursued for the further promotion of the co-operative movement during the Second United Nations Development Decade.

73. The problems connected with the concept and theories underlying the co-operative movement and its function as an effective instrument to combat poverty and introduce social reforms have gained prominence, particularly during the first half of the Second United Nations Development Decade, when the elimination of poverty and structural reform have been recognized as the major objective and means of development, respectively. Efforts in resolving these problems have been inconclusive so far. They have raised more questions than they have answered. These questions revolve around the following three central issues:

(a) Are the social or economic objectives of co-operatives and their mode of operation structurally responsive to the problems of poverty and social reforms in developing countries?

(b) Does effective support by the Government of the co-operative movement and its incorporation in national development plans affect the basic co-operative principles of self-determination, democratic decision-making and voluntary membership?

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(c) Is it possible to conceive of co-operatives as an enclave of structural reforms, independent of the rest of the society? Are there any conditions under which co-operatives can assume the role of vanguards for structural reform?

74. Although there are no conclusive answers to these questions yet, their mere existence implies that the promotion of co-operatives as vehicles of structural change, particularly for the benefit of the poor, may not be simply an extension of the current policies and programmes, or more of what is being done already. In many cases, it may require qualitative changes in development priorities and strategies, in the political commitment to the solution of the problems of the poor and in the administrative capability of Governments to make these qualitative changes a reality.

75. Of immediate importance to all concerned is a major conclusion which can be drawn from this review: much experience and knowledge have been gained in recent years concerning co-operative development, and various attempts have been made by different countries to solve their problems accordingly. However, almost no country can be found which has solved successfully all issues related to the co-operative movement. This means that now an international exchange of experience gained in particular countries on particular issues is the single most effective means of promoting progress in the co-operative movement and of promoting human progress through the development of co-operatives.

76. It is in this perspective that certain issues and areas are identified for priority attention and action in the following recommendations.

A. Recommendations for consideration by Governments

77. Governments should define and specify policies encouraging co-operatives to play an ever increasing role in improving the conditions of the less privileged, at the same time allowing these co-operatives to become progressively self-reliant.

78. These pplicies should be reflected and a larger place given, where appropriate, to co-operative movements in the preparation, implementation and monitoring of national development plans and the development of co-operative programmes and methods adapted to both local and national needs and goals. Governments should also ensure that national co-operative movements shall be involved in the UNDP country programming procedures as envisaged in the continuing UNDP inquiry on field level relations with non-governmental organizations.

79. In order for these policies to be effective, adequate financial resources will have to be allocated for the implementation of co-operative programmes and co-operative laws. Rules and regulations will have to be conceived which, among other things, would encourage more effective participation of members including the poor. Equal rights must be provided to women, allowing them access to all levels of decision-making in co-operative activities. Young people should be associated with co-operative activities in a legally recognized status and administrative structures should be created or strengthened to encourage the integration of policies and the co-ordination of activities relating to the co-operative movement.

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80. Governments should take a number of practical measures to ensure the maximum effectiveness of co-operative programmes. These measures might include the ideas listed below.

(a) Support for a co-ordinated and integrated approach to co-operative development at the national or submational levels through, for example, co-operative development centres, co-operative development groups, regular consultations between government authorities and the leaders of the co-operative movement, and the encouragement of direct contacts between co-operatives and trade unions and other organizations of labourers and small farmers;

(b) Support for co-operative education and training, particularly through a further expansion of co-operative education at the grassroots level, using in particular primary schools as a channel, and adaptation of co-operative education and training to local needs and possibilities, in particular, as regards the prevailing degree of literacy;

(c) Support to the mobilization of local savings through: launching of nation-wide information and publicity programmes, creating or strengthening the necessary structures for collection and distribution of savings, supplying adequate guarantees to ensure the savings collected and adopting fiscal and other financial measures stimulating savings, such as higher interest rates, tax reductions or exemptions;

(d) Improvement of training and career prospects of government personnel in programmes supporting development of co-operatives;

(e) Inclusion of co-operatives among the enterprises providing goods and services for the public sector, through government subcontracting.

B. Recommendations concerning external sources of assistance

81. Multilateral and bilateral agencies and non-governmental organizations (particularly those representing the co-operative movement in developed countries) should continue and strengthen their assistance to the Governments and co-operative movements of developing countries in the implementation of the recommendations mentioned above.

82. External agencies should give priority attention to nationally integrated efforts towards co-operative development such as the co-operative development centres and groups mentioned above.

83. In order to improve the conditions of the less privileged and enlist their active involvement in their own development, external sources of assistance should give special importance to small co-operative projects at the village level. These projects should answer the villagers' urgent and recognized needs and be formulated in such a way as to enable the people to take an active part. To this effect, a working group could be established by interested agencies through COPAC to study further the various aspects of small co-operative projects in the

framework of the over-all development process and to study the need for and feasibility of strengthening existing international funds such as the ICA Development Fund and the FAO Freedom from Hunger Campaign/Action for Development Programme.

⁸⁴. External agencies should give increasing attention to the financing of co-operative enterprises in the industrial and service sectors, on the basis of feasibility studies, by participating in the share capital and providing technical and commercial assistance. Participation in the share capital should be reimbursable according to a pre-determined schedule, in cash or in kind, under certain guarantees. Special consideration might be given to rural industries and co-operative enterprises providing goods and services to the public sector.

85. In order to provide broader financing and more guarantees to co-operatives in developing countries, the co-operative movements of developed countries should intensify their efforts to establish an international mechanism for this purpose, by following the pattern set by the World Council of Credit Unions and/or by following the recommendations concerning the international financing of co-operative enterprises formulated by the ICA in its study entitled International Financing of Co-operative Enterprise in Developing Countries, prepared in collaboration with the ILO, FAO and COPAC, and published by the ILO in 1974. With a view to expanding inter-co-operative trade, external sources of assistance should contribute to the creation and strengthening of the mechanisms and infrastructures required.

86. Considering that education and training are cornerstones of co-operative development in developing countries, external agencies, in particular co-operative movements in developed countries, should increase their efforts to:

(a) Spread co-operative information and mobilizing public opinion, both at home and in developing countries;

(b) Expand their fellowship programmes;

(c) Increase their technical and financial assistance to developing countries in support of, among other things, initiatives towards new teaching methods, which should couple functional literacy with co-operative training, and in support of locating and recruiting experts, including the establishment of an international roster of available experts.

87. Considering that there is scope not only for improved co-ordination of efforts but also for the mobilization of additional resources for promotion of the co-operative movement, external sources of assistance should take measures to this effect: '

(a) At the national level, by providing all necessary assistance to the creation and strengthening of co-operative development groups or similar co-ordinating mechanisms;

(b) At the international level, by strengthening the co-ordinating activity already undertaken by COPAC through:

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- (i) A wider utilization of this Committee as an international forum for the exchange of information, by all parties concerned, including other members of the United Nations family, bilateral aid agencies, large co-operative movements of developed countries and apex organizations of large voluntary agencies;
- (ii) Increased provision of funds for the intensification of the activities currently undertaken by this Committee, and for the full implementation of its terms of reference or any new functions with which it may be entrusted.

88. In order to promote the international exchange of experience, expertise and information relevant to the development of co-operatives in developing countries and to find means for ensuring the participation and involvement of the poor in the co-operative movement, external sources of assistance should support:

(a) The convening of a small expert meeting, as soon as possible, to assess the problems connected with the participation of the poor in the co-operative movement, and the role of Government in alleviating these problems in developing countries, to review the experience gained in particular countries on particular issues, and to recommend appropriate strategies and programmes

(b) Research on broader themes of vital importance for the development of co-operatives in developing countries, such as inter-co-operative trade, financing, labour utilization schemes, and industrialization through co-operatives;

(c) The preparation of inventories of current research on co-operatives.

<u>43rd International Co-operative Seminar</u> 36 Dresden, September, 1975.

A CASE STUDY

THE ILO CO-OPERATIVE ENTERPRISE DEVELOPMENT CENTRE - IVORY COAST

by Mr. H. Watzlawick, COOP Branch, ILO

1. Introduction

A new type of technical assistance project in the co-operative field was launched by the ILO during the last years of the 1960ies, with the establishment of the first "Co-operative Enterprise Development Centres". They were designed as multi-purpose service institutions for the promotion and development of co-operatives, with functions similar to those of the advisory and training departments of national co-operative organisations in countries with a well-established co-operative movement.

They had to provide direct assistance to co-operatives in the form of "on-thespot" consultancy services, and a wide range of staff training and membership education programmes. Furthermore, they had to carry out applied research, e.g. to prepare new co-operative ventures. Their staff would comprise, during a period of external assistance (normally not less than 5 years) a team of international specialists in addition to national counterpart personnel. The Centres were set up as public institutions, closely linked to the administrative Government Service in charge of supervising cooperatives, but with a certain measure of legal and financial autonomy.

The Centres were mainly designed for countries with "young" co-operative movements, or with pre-co-operative institutions, where Government programmes provided a promising basis for rapid development of co-operatives. Centres of this type were set up with ILO help in Cameroon, Ivory Coast, Botswana, Swaziland, Tunisia and Madagascar. Other Centres with a strong emphasis on management consultancy services or on training were set up in Sri Lanka (Co-operative Management Services Centre) and in Papua and New Guinea (built around a new Co-operative College). A different type of Centre was established in Peru, where Government programmes aim at a gradual transformation of all business enterprises into popular institutions with a co-operative framework. ILO is presently engaged in discussions with several other Governments interested in establishing similar institutions.

The reasons leading to the establishment of these Centres could be briefly summarised as follows:

- Through a massive technical assistance input the Centres are able to exploit fully a situation with considerable development potentia for co-operatives, and to make thus a rapid impact; this was ofte not possible with the traditional type of technical assistance comprising, for instance, the services of one or two experts or a few fellowships,
- The Centres emphasize the business character of co-operatives and their need for efficient management. This orientation requires a more dynamic approach than that usually found in administrative Government Departmentsin charge of supervising co-operatives,
- The Centres can act as autonomous "technical" wings of Government Co-operative Departments, and concentrate on the economic and technical needs of co-operatives, while the Government Co-operative Departments would continue to carry out the statutory legal tasks of registration, inspection, arbitration, etc.,
- The training programmes of the Centres concentrate on the needs of leaders and staff of the Co-operative movement (too often neglected in favour or training of Government staff),
- The training programmes of the Centres are closely linked to consultancy services,
- The Centres support decentralised programmes of Membership Education (which is too often treated as a step-chilu of co-operative develop ment programmes, in spite of lip-service paid to its importance),
- The Centres provide facilities for applied research, eg. feasibility studies, to prepare the ground for new co-operative ventures, to encourage new Government programmes, etc.

By engaging the responsibility of the government concerned for the funding and operation of these new institutions a reasonable continuity of Government aid for the promotion of co-operatives in these countries can be expected. Institutional arrangements for associating the cooperative institutions themselves, according to their state of development, with the management and planning of the programmes of the Centres are not excluded. However, the long-term Government responsibility for certain types of aid to co-operatives, such as training and membership education, should not be affected by a stronger involvement of the co-operative movement.

The Centres are also a policy instrument for Government programmes concerning all types of co-operatives. In this capacity they play a strong role to bring about and to strengthen a unity of approach towards the promotion of co-operatives, which is seen by the ILO as a major element of any co-operative development policy. Indeed, the existence of a national multi-purpose service institution as focal point for promoting co-operatives is one of the best means to give recognition to co-operatives as an economic sector in their own right, regardless of their type of activity. Unity of approach reinforces the impact of any Government aid to co-operatives, and encourages the growth of a unified co-operative movement.

The origin, working methods, achievements and perspectives of one Centre is described below in the case of the Co-operative Enterprise Development Centre in the Ivory Coast. It should be stressed, however, that this description is not limited to aspects of ILO involvement, but considers the operations of the Centre as a whole, including the work of the national staff which forms a team with the international experts assigned to the Centre.

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2. Origin and purpose of the CENAPEC

In 1964, the Government of the Ivory Coast undertook a wide-reaching reorganisation of the co-operative movement which led to the dissolution of the central administrative structures the country had inherited from the former colonial administration. A completely new start was then envisaged with particular emphasis on popular participation in local institutions built upon a better understanding of co-operative working methods. The Government Service in charge of co-operatives ("Sous-Direction des Coopératives") was restructured and a new co-operative legislation adopted in 1966, providing for the creation of "groupements à vocation coopérative " (GVC) which could after some years of successful operation be transformed into co-operatives.

The new policy of promotion of co-operatives called for a considerable education and training input and the Government requested IIO's help in setting up a <u>"Centre National de Promotion des Entreprises</u> <u>Coopératives - CENAPEC"</u> to deal with all the technical, economic and educational aspects of co-operative development.

With the financial help of UNDP the operations of the ILO project started in May 1969. Its purpose was :

- to provide direct assistance to co-operatives (through consultancy services at the grass roots level);
- to carry out co-operative training and membership education programmes ;
- to carry out applied research.

The Government made available to the CENAPEC a residential training and office complex in the small town Bingerville (near Abidjan) and constructed regional offices in several "pilot zones". Arrangements were also made for the assignment of a growing number of national staff.

UNDP assistance to the CENAPEC covered expert services, equipment and provision for study abroad. The first "phase" of the UNDP project (1969-1972) was followed by a second project phase (1972-1975) and, in July 1975, by a third project phase. All three phases have to be seen as a continuous process of assistance.

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3. Structure of the CENAPEC

The CENAPEC has been set up as an autonomous institution, under the supervision of the Ministry of Agriculture. It has an Advisory Board ('Comité Consultatif de Coordination') grouping representatives of various Ministries and Government Services particular ly interested in questions relating to co-operative development. The local representative of the United Nations Development Programme is also a member of the Board.

In its first years of operation the CENAPEC had 3 technical Divisions for :

a) Promotion and Development ('division de promotion et de

développement des coopératives')

- b) Training and Education ('division d'éducation et de formation')
- c) <u>Studies and Research</u> ('division d'études et recherches appliquées').

The rapid growth of the volume of work of all Divisions, the increased number of national staff and the specialisation in new fields, led to several organisational changes, and to-day the structure of the CENAPEC comprises <u>4 technical Divisions</u>, at headquarters in Bingerville, for :

- a) <u>Promotion of Co-operatives</u>, with sections for various branches, of co-operative activity.
- b) Training
- c) Studies and mesearch
- d) <u>Operational Education</u> ('division des méthodes et d'éducation opérationnelle') for membership education, with a printing workshop and photolaboratory.

These Divisions work through 8 "zonal" offices covering all administrative departments of the country.

The present staff strength of the CENAPEC is the following :

- 6 international experts furnished by the ILO as well as shortterm consultants.
- 6 'associate experts' working under the guidance of the senior experts.
- 58 national staff members of professional rank, including a director and a deputy director, and some 90 administrative and clerical staff members.

The Government contribution towards the financing of the CENAPEC was originally equivalent to the UNLF contribution, viz. some 1.5 million US & for the period 1969-74. In the new project phase which has started in July 1975 and is due to continue until summer 1977, the UNDP contribution is, however, less than one seventh of the Government budget for the CENAPEC (UNDP : \$ 447,000,- / Government contribution approximately 3,4 million \$).

At present, discussions are held at ministerial level to prepare the transformation of the CENAPEC into an independent body registered as a State Company ('Société d'Etat'), with far-reaching technical and financial autonomy. This would be a very positive development, especially as regards the possibility to attract and maintain highly qualified staff with better employment conditions. Greater flexibility would also be obtained for carrying out the work programme of the CENAPEC.

4. Start of Operations of the CENAPEC

During most of 1969, work was carried out to equip the facilities in Bingerville for residential training programmes. Offices were added for international and national staff, vehicles purchased for transportation of trainees and for field work and arrangements made for construction of regional offices at Korhogo and Bouaké. Crders were placed for purchase of training and printing equipment of the Centre.

A survey carried out in autumn 1969 identified a limited number of viable pre-cooperative groups which had "survived" the disappearance of the "pre-1964" movement, and which were ready to engage in co-operative (coffee and cocoa) marketing activities with the help of the CENAPEC. 95 groups were thus appisted during a first "marketing campaign period" (winter 1969/70). At the same time the first batches of leaders and managers of these groups were trained in specially designed two weeks courses in Bingerville. In one pilot zone (Dimbokro) an experimental membership education programme was launched simultaneously, based on audio-visual methods.

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The promotion of pre-cooperative groups in the field of coffee and cocoa marketing offered the best chance of a rapid impact on the populations concerned, and proved also to be an economically the efforts of the CENAPEC were, therefore, viable undertaking; concentrated for a long time on this particular sector of co-operative activity which is still the most important in the country. Rapid and spectacular results were also needed to overcome apathy or open distru among the general public, and to convince the Government policy makers of the utility of co-operative action for improving the economic and social conditions of lower-income populations, particularly in rural It was, however, understood that the work of CENAPEC would areas. gradually expand to all other sectors of co-operation and the diversification of the CENAPEC programme reflects to a certain extent growing interest in various forms of co-operative activity. Geographically, within a few years, the activities of the CENAPEC expended their 'coverage' from the original 3 pilot zones to all administrative departments of the country.

In the following the activities of the CENAPEC are described briefly by sector.

5. Promotion of Co-operatives

In the field of <u>coffee and cocoa marketing</u>, the Division assiste quickly growing number of GVCs mainly by :

- . organising the collection function within the GVC,
- . establishing an appropriate book-keeping system and providing on-the-spot guidance to the manager or accountant of the GVC,
- arranging purchase contracts with large export firms which ass the GVC of a just remuneration for its work (collection, pregrading, packing, transport arrangements, etc.),
- . providing continuous assistance to the GVC during its operatic

The results in this field were very encouraging as the following statistical summary will show :



Year	N. of GVCs	tonna <u>e</u> of	turnover (FCAF)	"Premium" income
1969/70	93	<u>produce</u> 6,600,-	6£0,200,000,-	33,olo,ooo,-
1970/71	355	18,700,-	1,902,000,000,-	122,528,000,-
1971/72	954	53,700,-	5,400,720,000,-	317,360,000,-
1972/73	1586	68,900,-	7,130,700,000,-	416,520,000,-
1973/74	1472	63,300,-	7,650,000,000,-	379,620,000,-

Since 1974, promotion activities in this field have become the full responsibility of the national staff of the CENAPEC, while the International staff took up new fields of work.

An important factor of the successful performance of the GVCs was no doubt that most of them decided not to distribute their surplu: in form of dividend, but to use it instead for economic and social investments at the village level. Considerable sums were thus used for such purposes as :

- . weighing, packing and storage facilities; lorries; processing equipment, pesticide sprayers, etc.
- . school buildings, dispensaries, wells, roads, water basins, sport grounds, etc.
- "personal" credits for cases of illness, death; advances for school fees, etc.

The psychological impact of such investments proved to be very strong and accounts for the rapid growth of the number of GVCs in certain regions.

A new type of promotion activity of the CENAFEC has come about as result of close collaboration with certain large State companies responsible for developing specific economic sectors. Such collaborati is, usually, based upon special conventions which call for the services of the CENAPEC for programmes of co-operative development sponsored by the State companies. The conventions normally provide that the State companies make a financial contribution to the CENAPEC budget to finance the additional work involved. In the field of <u>rice-production</u>, the SODERIZ has asked the CENAPEC to assist in the creation of several hundreds of GVCs in a production area of 10,000 hectars. The SODERIZ will provide the necessary agricultural extension services, while the CENAPEC has to "educate" the prospective membership, to train the leaders and managers of the groups, and to equip them with an organisation able to handle supply, marketing and service functions.

The SODERIZ/CENAPEC programme has started in summer 1975.

A similar arrangements has just been worked out between the CIDT (a State company concerned with the promotion of <u>textile fibre</u> <u>production</u>) which will lead to the grouping, in a period of 10 years, of several thousands of cotton producers in agricultural service co-operatives using the extension facilities and farm inputs provided by the CIDT.

Another State company, the SATMACI, is concerned with the <u>expansion and regeneration of cocca production</u>. This involves the creation of production blocks with individual lots, with a total surface of 13,000, hectars. The CENAPEC has been made responsible for the "human" organisation involved, viz. the creation of the co-operative groups, the required training and education programmes and the provision of management advisory services.

Other promotional activities of the CENAPEC concern the <u>fruit and</u> <u>vegetable growers</u>, particularly in the field of banana marketing. Collaboration with the State company AGRIPAC has led to a continuous supply of the Abidjan area in co-operatively marketed fruits and vegetables (3.500 tons in 1974).

In the field of <u>non-farm activities</u> the CENAPEC is assisting a small number of artisanal co-operatives. Help is also provided to a regional programme of <u>self-assisted housing construction</u> (in the Bandama -valley area) and discussions have started with trade unions on workers housing co-operatives. Fresently, the possibility of starting <u>consumer co-operative shops</u> are studied by the CENAPEC. It has to be added here that a number of rural GVCs are already providing basic necessities to their members. The CENAPEC is at present also investigating the possible creation of "productive co-operatives" of craftsmen.

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6. Training programmes

a) for leaders and staff of co-operatives

Emphasis was given from the yery beginning to the co-operativ training of the leaders and staff of the GVCs. Courses of two weeks duration were designed for these two categories. Selection of participants takes place with the help of the promotion staff of the CENAPEC working in its regional offices. CENAPEC owned cars bring the participants to Bingerville and back again to their region. Since the opening of the training wing of the CENAPEC some 2960 traine have thus participated in the two weeks courses, (Committee-members/ 'administrateurs' : 1474 - book-keeper-secretaries/'caissierscomptables' : 1488 participants). Follow-up training sessions of 1 to 3 day's are organised in the "field" for groups of GVCs, by the staff of the Promotion Division.

Other training programmes for staff of co-operatives have been developed with the help of a specialised State company for Agricultura Extension (SATMACI) for members of co-operatives willing to carry out repair work on pesticide sprayers, a very important function in many villages. 87 GVCs have sent trainees ("réparateurs d'atomiseurs") to these two weeks courses, and have bought repair kits for each of the

Specially adapted training material has been developed and product for these courses. It has to be noted that the majority of the commit members are not literate and need, therefore, visual training aids made measure for their needs. The book-keeping material, on the other hand is of a very simple nature and corresponds to the present level of management knowhow required in the GVCs.

To increase the training capacity of the CENAPEC, some attempts have been made to decentralise training programmes, and several two-we courses have been held at the regional level. At present, however, the facilities of the training wing of CHMAPEC headquarters are being expanded to meet the growing demand.

b) for Government staff

When the dENAFEC was established neither the restructured Government Service in charge of co-operatives nor the CENAFEC itself, had sufficient staff to carry out the planned programme of promotion of co-operatives. It was, therefore, decided to launch an intensive course of two years duration for covernment officials to train the required number of Government support staff, and particularly the future perconnel of the CENAFEC. The course was designed in such a way that it could be recognised officially by the authorities as higher technical training, equivalent for instance to the two years training in Agricultural schools. Participants were selected by public competition, and received state fellowships. Successful passing of the course led to a recognised diploma and confirmation as Government employee.

The first two years' course started with 16 trainees in October 197(It was followed each year by a new course. Until June 1975 some 50 Government officials were thus trained, most of which are meanwhile working in the CENAPEC and in its regional offices. The two years' course comprises one year of theoretical training at CENAPEC headquarters and one year of practical training (supervised field work with work assignments). The training is carried out in close collaboration with other institutions which make available part-time lecturers. Some trainees who completed the two years course went on (bilateral) fellowships abroad, thus a group of five which participated in a one year study programme of the University of Sherbrooke in Canada.

On an ad-hoc basis, officials of other Government services receive also training at the CENAPEC, mostly in short courses specially designed for them. In the near future, such courses will be arranged for the extension staff of the State companies with which the CENAPEC has concluded conventions (SODERIZ, CIDT, etc.).

7. <u>Membership Education</u>

In this field the CENAPEC has performed pioneering work studied and imitated meanwhile by institutions in other countries as distant as Peru or Papua and New Guinea.

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The system developed by the CENAPEC is designed to cover as many as possible of the approximately 50.000 members of GVCs, through a technically simple and widely decentralised education programme which the co-operative groups are able to handle themselves.

The education method is based on the use of specially designed illustrated booklets ('lettres-lecons') describing various areas of co-operative interest in pictures directly related to the personal situation of the members of the GVCs. The text accompanying the booklets is taped in vernacular, on a mini-cassette recorder. For each GVC, "animateurs" are designed either among the staff of regional offices of the CENAPEC or among the membership to guide the education "sessions" at the village level. Sets of booklets (say 30 to 60) on a particular theme, plus the cassette-recorder are then made available to a GVC for a period of three days. The members of the GVC themselves are responsible for the maintenance of the material for the replacement of the batteries of the recorder and for bringing the booklets and the recorder to the next village. The "animateur" Euides the discussions during 'education sessions' by encouraging the members to analyse point by point the situations described in the booklets.

Test programmes have been launched to delegate the responsibility for the education work at the village level to the GVCs themselves. For this purpose, areas have been selected in which the "animateurs" for a group of some 15 GVCs are first called together for a training session, during which a "circuit" for the use of the education material is worked out. Some 8 weeks later, when the material returns to the regional office of the CENAPEC, an evaluation session is held with the "animateurs" to discuss experiences. This system operates at present on an experimental basis, for close to 200 GVCs. Each of them has designed two "animateurs" (representing different age groups), at least one of which has to be literate.

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The production of the required education material by the CENAPEC is a key factor for this programme. The Operational Education Division has its own design staff which produces material adapted to the needs of different categories of co-operative membership. The material is tested in a real situation, revised and then produced by the CENAPEC-owned "integrated printing workshop" which produces also course material for the formal training programmes. The existence of this printing workshop, which has been built up over the years with the help of the UNDP/IIO project, is of utmost importance for the successful performance of the CENAPEC. It is considered to be one of the best installations of this type in the country, and is often asked to print material also for other Government Services. The design staff of the Division has been trained locally, the printing staff received trainin, abroad.

The Operational Education Division has also produced several film, for film shows in the villages, as well as Television films for a wider public. Other activities include the organisation of itineran; exhibitions on the activities of the co-operative movement and of the CENAPEC, or of "Co-operative days" in administrative headquarters of various districts, mainly designed to bring together the leaders. of co-operative groups in these areas as well as representatives of the administrative services, political organisations, State companies, etc.

The strong involvement of the CENAPEC in agricultural development programmes sponsored by State companies, which imply the creation of a leves number of new types of co-operatives, will put a heavy pressure on the Operational Education Division to produce in time education material "tailormade" to the needs of these new groups. This will be one of the main objectives of the Division in the new project phase.

A detailed list of the "lettres-leçons" of the CENAPEC will be found in the Annex.

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8. Studies and Research

The smallest Division of the CENAPEC carries out work in two fields:

- participation in the two-years training courses (the Division is responsible for the accountancy and financial management component of the course),
- feasibility studies. Since its establishment in 1969, the Division has prepared a number of reports and studies concerning such fields as :
 - . Book-keeping system for small GVCs,
 - . Accountancy course manual (for long-term course),
 - . Book-keeping course for staff of GVCs,
 - . Establishment of Co-operative Unions for marketing of coffee and cocoa,
 - . Management of Consumer Co-operatives,
 - . Management planning and cost accounting,
 - . various fessibility studies for individual co-operatives and many others.

9. Collaboration with Other Sources of Aid

The UNDP/ILO project has been conceived as a catalyst to encourage the active participation of other aid-giving agencies in the co-operative development programme of the Ivory Coast. The CENAPEC has thus become a focal point for contributions from other sources of aid, which play an important role in the overall work programme of the Contre.

The most important contribution has been rendered in the framework of volunteer programmes, in which so far three countries (Netherlands, Fed. Republic of Germany, USA) have actively participated. Since four years, groups of some 20 to 30 volunteers have worked continuously with the CENAPEC, under the guidance of the project staff. It is with the aid of such volunteers that the membership education programme of the CENAPEC who able to reach a significant number of people; the volunteers are alvery helpful in providing direct management ascistance to the local GVCs Some volunteers with specialised knowledge (eg. in accountancy) have been stationed in key positions, eg. the newly created Union of Banana-growers' co-operatives. Others are stationed in small rural towns in easy reach of GVCs in the area. The CENAPEC has also encouraged a programme of Canadian aid to a regional co-operative development scheme in the South-East of the country. Further contributions of similar type are presently sought for from other countries and from non-governmental aid agencies.

Collaboration with other UN agencies has taken the form of the assignment of one FAO expert as member of the project team. One former member of the CENAPEC expert team has now been assigned as co-operative adviser to a regional UN project for self-assisted housing construction. Ad-hoc collaboration with other projects or agencies active in the Ivory Coast is also actively sought and has led to plans for collaboration with programmes of UNICEF, UN, World Bank, Church Organisations, etc.

10. Some general Observations

.The following factors should be considered in an analysis of the work and achievements of the CENAPEC:

- The Centre was created at a time when there was no viable co-operative movement existing in the country and had thus the opportunity to start "from scratch".
- The Centre was conceived as a "motor" of co-operative development, with a very flexible and pragmatic work programme.
- During several years, the Centre operated in an atmosphere characterised by apathy, lack of interest or distrust among the general public and among loaders and staff of many Government institutions. It had to prove to all concerned that co-operative groups could be viable enterprises bringing penefits to small producers and other lower-income people which did not benefit from the rapid economic growth of the country
- From the very beginning, the Centre emphasized the initiative and the responsibility of the local leaders and members of co-operative groups. While assistance was readily provided by the CENAPEC, interventions in the management of the co-operative groups were always kept to a minimum. E.i. strengthened considerably the self-confidence of the membership and of the local leaders.

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- At the present stage, one cannot really talk of a "co-operative movement" in the traditional sense of the term. The co-operative groups are still all registered as GVCs, which are conceived as a pre-co-operative stage. Essential characteristics of co-operative action are, however, already strongly implanted. Only a few secondary organisations ("unions") have been created so far.
- An important aspect of the work of the GVCs has been that in their majority they do not distribute any surplus among the members, but use their "group income" for economic and social investments of benefit to the local community as a whole. The CENAPEC has not been responsible for this attitude, but is actively encouraging i~ Furthermore, it is moteworthy that a majority of GVCs do not pay anything to their office bearers who work on a voluntary basis.
- During its first 6 years of operations (1969-74) the CENAPEC worked mainly in the field of co-operative coffee and cocoa marketing. Since 1975, however, the focus has shifted to the promotion of multi-purpose co-operatives (marketing, supplies, services) of producers which receive aid from various State companies. For the future of the co-operative movement, this new type of co-operative action will be more important than the numerically impressive co-operative marketing sector of coffee and cocoa growers, as the latter is subject to fluctuations brought about by World market developments, or by modifications of the marketing channels within the country. The new multipurpose co-operatives, on the other hand, will provide a stable and long-term activity and income for their members on a sound economic basis.
- The international specialists attached to the CENAPEC do not only train the national staff of the Centre and guide them during their work, but hand over technical work to the national staff as soon as a certain routine has been established. Until the end of 1974, for instance, international specialists were stationed in all regional offices of the CENAPEC. Since the beginning of 1975, however, the regional offices are staffed by national staff members only.

16.

The technical assistance to GVCs in the coffee and cocoa sector is now handled entirely by the national staff. Likewise, the training programmes for leaders and employees of GVCs are the responsibility of former "counterparts". The internationalspecialists are concentrating on new fields of work, in which local staff has not yet been able to acquire sufficient expertise.

HWTZ/COOP/June 1975.

ANNEX

List of membership education material ("lettres-leçons") produced by the CENAPEC :

No. 0 - Le cercle d'étude No. 1 - Agriculture mécanisée - agriculture attelée No. 2 - L'entretien d'une plantation de cacaoyers No. 3 - Le crédit et la confiance No. 4 - L'épargne No. 5 - Le groupage des produits No. 6 - Les petites coopératives et le camion No. 7 - Contrôle de qualité, pesage et paiement des produits par les coopérateurs No. 8 - Réflexions sur trois idées coopératives No. 9 - Quelques réflexions sur l'achat d'un tracteur No.10 - Quelques réflexions sur le coût d'un tracteur No.11 - Les obligations de coopérateur No.12 - Comment gagner de l'argent No.13 - Quest ce que l'argent ? No.14 - Initiation au groupage coopératif No.15 - Comment bien utiliser la prime ? No.16 - Le bon dirigeant coopératif No.17 - "L'entente" au service des coopératives No.18 - Pourquoi une union coopérative ? No.19 - La production groupée fait la force No.20 - Comment tailler le caféier No.21 - Comment planter un jeune caféier ou un jeune cacaoyer.

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Information

Verband der Konsumgenossenschaften der Deutschen Demokratischen Republik ИНФОРМАЦИЯ

INFORMACIÓN

Volume 11/Special Edition

Inhalt: Women and girls enjoy great esteem Codepwanne: Contents: Sommaire: Contenido: Women and girls enjoy great esteem by Herta Lembke Chairman of the Auditing Commission of the Union of Consumer Co-operative Societies of the German Democratic Republic Member of the Women's Committee attached to the International Co-operative Alliance

The United Nations Organization decided to proclaim 1975 as International Women's Year. This fact and the important aims set out are proof of the organization's high appreciation of women throughout the world. The equality of men and women is to be fostered. Women are to be more involved in economic, social and cultural processes on a national, regional and international scale. It is necessary to recognize the growing contribution made by women to the development of friendly relations and cooperation between states as well as to the consolidation of world peace.

These tasks and aims meet with world-wide response, in the first line, because they touch basic questions concerning the life of women, children and the family. Needless to stress that as a result the struggle for the implementation of women's rights and for the preservation of peace will receive strong impulses. Much has been obtained so far in this respect, but there are also many problems still awaiting solution.

In general, it depends on the character of the social system existing in a given country to what extent women are able to realize their legitimate claims. It has become clear for everybody to see after the Great October Socialist

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Revolution that a genuine emancipation of women can only come along with the liberation of man from expleitation and oppression. Respected and encouraged by society as a whole, women in the socialist countries are provided every possibility to unfold their abilities and realize their aims. Owing to this example, women in some other countries have also been able to win more rights. But millions of women continue to be discriminated against, oppressed and ignorant. Often they have to struggle for their existence and that of their children under conditions unworthy of man.

The year 1975 will see big joint campaigns, not only within the women's movement, but by all progressive social and political organizations. In the spirit of socialist internationalism the German Democratic Republic will also in International Women's Year stand in solidarity at the side of all those fighting against exploitation and oppression, against racism, fascist tyranny and neo-colonialist slavery.

It goes without saying that in International Women's Year the GDR will not just be concerned with international aspects. There is good reason for us to profit from the occasion and become fully aware of the importance which one of the greatest achievements of our revolutionary development has: Equality of rights between man and woman has been translated into reality in the GDR. Women do successful and exemplary work in all spheres of social life. Under the leadership of the Socialist Unity Party of Germany (SED) conditions in this country are continuously being improved, making it possible for women to bring their involvement in the organization of an advanced socialist society ever more into line with the tasks they have got to fulfil as mothers. In this respect we are taking systematic strides forward for the benefit of everybody thanks to the decisions of the Eighth SED Congress, and particularly through the implementation of its social policy programme.

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Some facts and figures taken from the life of women in the German Democratic Republic should illustrate this statement:

About 84 per cent of all women and girls aged between 15 and 60 years are gainfully employed, learning or studying. The participation of women in social production represents the essential step towards realizing their equality, which, however, must be supplemented with the right to equal opportunities in education and further qualification.

The more women know, the more they unfold their talent and ability, the more consistently will they come out against everything that is unusual or backward and the more passionately will they take sides for peace and the happiness of all people. Their selfconfidence grows together with their level of education and knowledge. Government department and social organizations are making great efforts to help women improve their education. The new socialist Constitution of the GDR in its version of October 1974 lends special stress to this task.

Article 20 of the chapter dealing with the citizens' basic rights and duties reads:

"Men and women have equal rights and have the same legal status in all spheres of social, state and personal life. The promotion of women, particularly with regard to vocational qualification, is a task of society and the state."

AB the question of education and vocational qualification involves far more problems for women than for men ways and means must be found to make household work easier for women and help them educate their children. This also includes guaranteeing women clear vocational prospects.

This is the reason why a specific system of education and further qualification for women has been created, which comprises both vocational and political qualification and extends from the skilled worker's certificate through

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technical school and college education to special postgraduate study courses for working mothers. It is due to these measures that for the time being 41 per cent of all gainfully employed women in the GDR have completed vocational training. Some 97 per cent of all female school-leavers take up an apprenticeship.

The share of women and girls at technical schools has now reached 51 per cent. Among the university and college students more than 37 per cent are women and girls. More favourable conditions have been created owing to this systematic education and further training scheme for appointing a larger number of women for responsible functions in state and society. Over 30 per cent of all deputies on all levels - the People's Chamber (GDR parliament), the county and district assemblies as well as community assemblies - are women. More than one-third of all judges are women and so is every fifth mayor, and every fourth headmaster at GDR schools. It should, however, not be concealed from the reader that the appointment of women to responsible functions and their independent education and further qualification still involve some difficulties.

It is urgently necessary to grant women the conditions enabling them to make full use of their rights - conditions as are available to men. That means that women must to a far-reaching extent be freed from the burdens they have had to bear from time immemorial in household and the family.

A number of measure's have been and are being taken for this purpose by our government in a joint effort with social forces:

At present, about 55 per cent of all working people and school children have a warm midday meal in factory canteens or at school refectories and this percentage will increase further. Trade will be further rationalized and the capacity and quality of services raised to a higher level. It should not be forgotten in this connection that there is a relatively great percentage of husbands, particularly young ones, - 5 -

helping in the household and bringing up the children.

Every fourth child up to three years of age is at present cared for in a crèche. Approximately 70 per cent of all pre-school children (between three and six years) attend kindergarten and 53 per cent of the school children in forms 1 to 4 attend an after-school centre when lessons are over. We are rightly proud of this result. Nevertheless, plans are that by the end of 1975 almost all three to six-year-old children of gainfully employed mothers will be able to go to kindergarten. The same aim is to be reached for children up to three years by 1980.

Owing to the social welfare measures introduced by our state, 200,000 mothers working full-time with three or more children under 16 years, or women working in the several-shift system and having two children are granted the 40-hour week without any decrease in wages. This applies to almost every tenth woman working full-time. For 400,000 working mothers annual holidays were prolonged by three to nine days.

Nor do women not gainfully employed temporarily for family or other reasons need lag behind in the development of their personality. Many housewives take part in evening classes. Moreover, the Women's Democratic Federation of our republic organizes interesting lectures and discussions on various subjects in which many housewives take part. They are involved in guiding and managing our state by fulfilling honorary functions in arbitration committees in their residential areas or as lay judges in courts. They are active as deputies or serving as members of various committees of local popular representative bodies or in advisory councils of nationally-owned or co-operative trade. Over fifty per cent of all members of the parent-teacher councils at schools are likewise women.

This development characterizes the nature of socialism. The afore-mentioned examples show that the equality of women

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in the GDR is not just laid down in the Constitution but that it is an inseparable part of everyday life.

What about women's equality in the consumer co-operative societies of the GDR? Irrespective of the results scored so far, the consumer co-operative organization does not forget that there are problems still awaiting solution. It considers one of its essential tasks to be to involve women in planning and managing co-operative enterprises and unions on a qualitatively higher level than in the past.

The enclosed statistical survey shows what an important place women are already now occupying in our consumer co-operative organization. Such a development of women would have been impossible without the generous promotion measures undertaken by the government and also by the consumer co-- operative societies.

In the future, particular importance will be devoted to the problem of education and further training. Much has been done in this sphere. In 1967, for instance, special classes for women were established at universities and technical schools. Women are offered the opportunity to undergo scientific training in a combined full-time and extra-mural study course with consideration being given to their special social position as mothers. When attending fulltime study courses women are granted wage equalization payments in addition to their grant to the amount of up to 90 per cent of their former average net earnings. After only a few years of time there existed almost 700 such special classes.

As far as the consumer co-operative societies of the GDR are concerned they have available, in addition to the above-mentioned educational establishments, their own schools where women attending further training courses may even bring their pre-school children with them. Such a school is, for instance, located in Kühlungsborn, a health

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resort on the Baltic coast, where, among other things, four-week boarding school courses are held. From the early days of its existence the GDR consumer co-operative organization has attached the greatest importance to education and further training. Owing to the fact that several years ago basic subjects were introduced the number of traditional vocations has been cut back from 650 to 250. Several trades which were rather narrow concerning the training were united into a comprehensive vocational specification. As a result it was possible to tailor training courses to a widely ramified sphere of employment and to arrange it more rationally at the same time.

This approach is particularly beneficial for younger people starting their apprenticeship in the consumer cooperative system every year. It is worthy of mention that about 15,000 apprentices - roughly 7 per cent of the entire staff - are trained at present, the bulk of them being girls in the field of consumer co-operative trade. In the consumer co-operative industry the proportion is 70 or so per cent.

The number of women-students also shows an upward trend in other educational facilities of the co-operative organization. At the Technical School for Domestic Trade in Blankenburg (Harz Mountains), for instance, it has more than doubled since 1960.¹)

Thanks to this systematic education of women 70 per cent of the female staff employed in consumer co-operative societies have completed vocational training and about 75 per cent of all shop managers are women.

Over the last few years greater efforts had to be made

Along with the Technical School for Domestic Trade in Blankenburg the Union of Consumer Co-operative Societies runs seven other schools for the continued training of its intermediate-level staff.

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so as to enable women and girls in all spheres of the national economy to share responsibility. The Union of Consumer Co-operative Societies of the GDR likewise have the task of systematically involving women and girls in planning and managing co-operative enterprises and unions.

Therefore, a women's group under the executive board of the Union of Consumer Co-operative Societies of the GDR was founded in 1973 as an advisory and control body. It has a say in the preparation of complex and long-term managerial decisions that influence the life and work of women. Great attention is thereby devoted to the further technical and political qualification of our female staff. At the same time the women's group considers the gradual and systematic improvement of working and living conditions to be particularly important as they greatly influence the full enforcement of women's and girls' co-determination. The level of working and living conditions are not unessential for women's and girls' attitude towards work, the enterprise in which they are employed and to the socialist state.

The formation of this women's group is in line with a recommendation issued by the last ICA Congress in Warsaw to all national unions that more attention should be devoted to the situation of women in their organizations.

Plans are to raise the proportion of women in the total number of skilled workers to 87 per cent, of shop managers to 76 per cent and technical school and college graduates to 50 per cent by the end of 1975. It will be possible through this rapid increase in scientific cadres to fill 18 per cent of all executive and 44 per cent of all senior management posts with women.

But in the continued qualification of women a variety of factors must not be left out of consideration. The aforementioned figures concerning the more comprehensive involvement of women in consumer co-operative decisionmaking are higher now than ever before. In the process

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of implementing the respective measures the special concerns of women undergoing training or further education will be given more attention. The same holds true of the assignment of jobs to women.

In the first line, it will be considered how the additional burdens arising for women through family and household can be further reduced so as to make further training easier for them. Moreover, efforts will be made to arrange the development and qualification of women working in consumer co-operatives more systematically and effectively.

Sometimes these endeavours of the consumer co-operative societies are still made difficult by the lack of respective civic establishments. In the first line this applies to the care of children at mothers' places of work or during their further education courses. For this reason, some 8,000 places in crèches and kindergartens were created in the past five years, in part through the co-operative organization's own efforts and funds and in part by way of its financial participation. Plans are to double the number of crèche and kindergarten places in the next few years.

It is also worth mentioning that the Union of Consumer Co-operative Societies of the GDR maintains close cooperation relations with the Women's Democratic Federation. The consumer co-operative organization, for instance, helps the Women's Democratic Federation set up consultation centres and fosters continuous joint work. These centres aim at making the life and work of women easier by way of lectures, demonstrations, practical explanations, suggestions and advice in diverse fields.

When in October 1975 representatives of women from all continents gather together in Berlin for the world congress of women, a high point of International Women's Year, the strides forward made by us will also help to deepen the knowledge that socialist and communist society is the best social order for women and mothers, for their happy and secure future.

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Appendix

Statistical survey

A total of 179,000 women are employed in consumer cooperative trade and industry, that is 73 per cent of all our staff.

In retail trade the proportion of women is 82 per cent, in industry on county level 54 per cent and in the sphere of the centrally-managed industry the percentage is 62.

More than 2,600 women hold functions in the executive boards of consumer co-operative societies, the county unions and the VdK. Another 2,300 women are managers of production enterprises and trade branch groups, heads of department and highly qualified specialists.

Approximately 75 per cent of our shops are managed by women.

Many honorary functions are exercised by women.

Women account for far over 80 per cent of all members of shop committees, our organization's most important body of membership co-determination.

In the co-operative councils of consumer societies, the county unions and the VdK which are responsible for significant decisions concerning the development of the consumer co-operative system the percentage of women is 55 per cent.

In the auditing commissions of consumer co-operative societies, county unions and the VdK which have important tasks and competences notably in the field of control activities 55 per cent of all members are women.

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ICA Regional Office for East and Central Africa, P. O. Box 940, <u>MOSHI</u>, Tanzania.

THE WORK OF THE ICA REGIONAL OFFICE FOR EAST AND CENTRAL AFRICA

Paper prepared by D. J. Nyanjom, Regional Director, ICA, Moshi for:

43rd ICA International Co-operative Seminar 7th - 14th September, 1975, Dresden, German Democratic Republic.

INTRODUCTION

The co-operative movement was already firmly established in the three East African countries of Kenya, Tanzania and Uganda before the achievement of independence in the early 1960ies , upon which national co-operative federations were formed, and later affiliated to the ICA. This block of countries constitutes an exceptional example of co-operative development in Africa, and co-operative organisation of key sectors of the national economy has been recognized as official policy.

In each country of the region, the movement is built upon the universal model, with individual jusers! forming primary societies, the primaries forming secondary organisations and these in their turn forming the membership of national co-operative federations. Specialized tertiary organisations are also in existence to handle specific aspects of co-operative development. The governments are promoting and supervising co-operative development through quite extensive departments.

As the general background of the countries provides many similarities, it was felt that much could be gained from an institutionalised collaboration in the co-operative field. A natural development was therefore the proposal that a Regional Office under the auspices and support of the ICA be set up, based as far as is possible on the South East Asian model. The proposal was accepted and a nucleus office set up in October 1960. It was assumed from the beginning that neighbouring Zambia would be included in the area of operation, though the Zambia Co-operative Federation did not become a member of ICA until 1970. For more detailed background information on co-operative development in each of the four member countries, please refer to the pamphlet prepared by the Regional Office on the occasion of the 53rd International Co-operative Day.

II ROLE (objectives)

The role assumed by the Regional Office can be summarized as follows:

- To facilitate exchange of experience among policy makers, including discussion of mutual problems through various forums and publications;
- to assist with high level manpower training;
- to provide specialized services on a consultancy basis including research.

IL CHOICE OF LOCATION

The Regional Office is located in Moshi, Tanzania, chosen, i.a. because:

- (a) It is centrally situated in the region.
- (b) A too close 'identification with any one member country, through locating the Regional Office in a capital city, was avoided.

Moshi is also recognised as the birthplace of African co-operatives, and has, as such, acquired a strong co-operative tradition, with several well developed co-operative organisations and institutions. The Kilimanjarc Native Co-operative Union, the oldest Eas: African Co-operative Union, was established in 1930.

VI MEMBERSHIP

The present member organisations of ICA, which are served by the Regional Office are:

- (a) The Kenya National Federation of Co-operatives Ltd., (KNFC)
- (b) The Co-operative Union of Tanganyika Ltd., (CUT)
- (c) The Uganda Co-operative Alliance Ltd., (UCA)
- (d) The Zambia Co-operative Federation Ltd, (ZCF)

V ORGANISATION

The member organisations participate in the policymaking and general direction of the work of the Regional Office through:

- (a) <u>The Regional Council</u>, consisting of the Chairman and Chief Executive (Secretary General) of each member organisation. The Regional Council has hitherto normally met twice a year.
- (b) <u>The General Meeting</u>, which is convened every third year. The first one was held in 1969, the second in 1972 and the third one is due in 1975. Delegates to the General Meeting - who according to the Statutes of the Office should be between 30 and 36, are chosen from among Committee Members of the respective apex member organisations.

VI STAFF

The table below shows the staff position at the end of each years

	Designation	160	169	170	171	172	173	174	175
	Regional Director		×	×	×		×	×	×
	Administrative Secretary			×	x	x	x	x	×
	Training Officer I		×	×	х	×	×	×	x
	Training Officer II			×	x	×	×	×	x
	Research Officer I						x	×	x
+	Research Officer 11								x
	Consumer Co-operative Consultant							×	x
	Savings and Credit Consultant 1							×	×
	Savings and Credit Consultant II							•••	x
+	Education and Training Consultant								×
+	Insurance Consultant								x
t	Education Techniques and								
	Documentation Officer								×
	Personal Secretary	×	×	×	×	×	×	×	×
	Book-Keeper / Typist							×	×
	Typist I		×	×	X	×	×	×	X
	Typist II				×	×	×	×	×
	Driver	×	×	×	X	×	×	×	×
	Me use nger							×	×
	Total No. of Staff	3	5	7	0	8	9	13	18

+ Officers currently being recruited, to be in post by last quarter of the year 1975.

VII FINANCING

(For details see Appendix II)

The Regional Office has been operating on two seperate budgets:

- (a) <u>Administrative Budget</u>, covering the salaries of permanently employed personnel and basic administrative costs, as well as the cost of activities not connected with the Education Programme and the various consultancy corvicas.
- (b) <u>Education and Project Budgets</u>, covering the cost of the Education Programme (i.e. the seminars, conferences and committee meetings), and the various special projects operating under the Regional Office.

The Administrative Budget is financed by an annual allocation from ICA funds, to which is added an "administrative contribution" drawn from the Education and Project Budgets.

Personnel assistance; outside the Administrative Budget, has been received as follows:

Regional Director	1960–1970 Swedish Co-operative Centre			
Administrative Secretary	1970-1974	Swedish Co-operative Centre		
Training Officers I & II	1970-1974	Swedish Co-operative Centre		
Research Officer I	1973-1975	Government of the Netherlands		
Research Officer II	1975	Government of the Netherlands		
Consumer Co-operatives Consultant	1974-1975	Consumer Co-operative Movement of Finland		
Savings and Credit Consultant I	1974-1975	Government of Finland		
Savings and Credit Consultant II		Government of Finland		
Education and Training Consultant		Swedish Co-operative Centre		
Insurance Consultant .	1975	Insurance Development Eureau of ICA.		
Educational Techniques and				
Documentation Officer	1975	(?) USA and Canadian Co-operative Movement		

A grant for special seminar activities was obtained from the Government of Finland in 1972, with limited personnel assistance and contribution to the Administrative Budget. Other forms of assistance has 'also been received from the Swedish Co-operative Centre, of which the major one is the donation of four staff houses at a value of about ± 300,000.-

The four member organisations have contributed an annual amount of \$\$7,000.- each since 1971. These contributions have, however, not been incoporated in the annual budgets, but have been reserved in a special fund, from which only a few travelling grants have been drawn. 69

From the foregoing, including the figures shown in Appendix II, it will be seen how the various projects currently operated by the Regional Office are sponsored by donor sources from different industrialized countries. In some cases the finances are channelled by governments through member organisations of ICA, while in others the governments deal directly with the ICA. It is noteworthy to state that the initiative to sponsor projects usually comes from the co-operative movements of member countries, and that any government contributions are usually complementary to the efforts of the various movements.

Since the movements of the region will not be in a position to contribute substantially to the operating costs of the Office for the foresecable future, it would appear that continued assistance will be required for maintaining both the present on-going projects, as well as future expansion of the activities of the Regional Office.

VIII ACTNITIES

In the endeavours to fulfil its role as outlined under 11 above, the Regional Office conducts the following activities:

5.1. <u>Regional Council Meetings and Commissioners Conferences</u> These have provided an opportunity for co-operative leaders at the highest level, government as well as movement, for meeting and keeping in touch with each other, and with co-operative development in the Region. They have also helped in shaping the policy of the Regional Office. Fifteen Regional Council Meetings and five Commissioners' Conferences have been held in the period under review (up to June 1975).

> Also, there is a close co-ordination between the Commissioners! Annual Conference and the Regional Council, through a recent arrangement whereby the two bodies are supposed to hold a joint meeting once a year. In this way, both the movement and government sides of the co-operative promotional machinery are given an opportunity to hold discussions on important mutual matters, on which regional uniformity and agreement are deemed to be of advantage.

- 3.2. <u>Standing Committees (formerly known as Working Parties)</u> Small groups of three to four specialists from each country, have been set up to meet one or two times a year for discussion on matters of mutual interest in special fields. The following Standing Committees have been operative:
 - (a) <u>Co-operative Education</u>: The Co-operative Colleges, the the national apex organisations and the Commissioners are represented on this Committee which, apart from discussing matters relevant to education, training and publicity in general, also formulates the education plan of the Regional Office. Twelve meetings were held between 1969 and 1975, plus two meetings of sub-committees.
 - (b) <u>Credit and Finance</u>: Representation covers the national apex organisations, the Commissioners and the national associations of the urban savings and credit co-operatives. Originally intended to discuss the development of savings

and credit schemes and co-operative financing in general, the Committee has mainly been dealing with problems relating to the urban savings and credit co-operatives sector. Seven meetings were held during the period under review.

(c) <u>Accounts, Audits and Ctatintics</u> The Committee, which was composed of specialists in the fields indicated by its name, met twice only, in 1969 and in 1970 respectively. The Commissioners! Conference of 1972 felt it had outlived its usefulness, and recommended that it be disbanded.

The present policy is one of restrictiveness with regard to the formation of new Standing Committees. However, various ad hoc meetings to deal with specific subjects are proposed. Such meetings are convened for specialists in particular areas of responsibility (e.g. for the few specialists on correspondence education, the full time statisticians, etc.) and for policymakers on special topics, such as the workshop for Principals of Co-operative Colleges and their deputies, recently held in Nairobi from January 5th to 10th, 1975.

- 6.3. <u>Seminars and Conferences</u>
- 0.3.1. The bulk of the work of the Regional Office has taken the form of organisation of training courses, seminars and conferences. These are usually organised at the regional level, although support from the Regional Office in the organisation of national level seminars has also been frequent. From the very outset, the policy in the region has been to ensure that the educational programme of the ICA Regional Office is in accordance with; and supplementary to the on-going individual national educational programmes.

So far, several important and interesting topics have been handled in the series of more than 60 seminars held. Principal subjects deals with being

Training Courses for:

- Co-operative Union Managers,
- Savings and Credit personnel;
- College Teachers.

Seminars/Conferences for leaders on;

- Co-operative Education
- Increased Women Participation in the running of Co-operatives.
- Savings and Credit
- Consumer Co-operatives
- Co-operative Research and Planning
- New trends in the development of Co-operatives such as multi-purpose functions etc.

For the present, there are many topics to occupy the annual seminar programme, and the main limitation is financial resources and Regional Office manpower scarcity. Possible

areas of concentration of tailormade seminar and conference activities in the immediate future are:

- Intensive teacher training courses for lecturers of national colleges.
- Regional training courses for managers of co-operative unions.
- National training courses for personnel engaged in the development of savings and credit schemes.
- Research and Planning Conference.
- Regional Seminar on Development of Handicraft Industries as an Income Generating Activity for Women Co-operators.
- Regional Seminar on the Efficient Use of Transport in Co-operatives.
- Regional Seminar on Co-operative Distribution of Agricultural Inputs and other Farm Supplies.
- Regional Seminar on the Development of Housing Co-operatives.
- Regional Seminar on Fisherman's Co-operatives,
- Seminar on the Role of Co-operatives in Developing Optimum Agricultural Units Among Under-priviledged Peasantry.
- Plus several Ad Hoc Consultations of experts in various fields.

8.3.2. Participants

These are usually drawn from among the leaders and personnel of both the movements and governments, according to the type and theme of the activity. The average number of participants ranges between twenty and twenty-five; all nominated by various bodies already discussed above. On the whole, it has been possible to draw in participants of more or less: the same level, mainly due to the similarity in the stage of development of most of the movements in the Region.

For lecturers, resource persons etc., the Office has depended mainly on local experts, although assistance has been obtained from outside the Region for some of the more high lovel conference type activities.

8.3.3. Seminar/Conference Procedures

It is usual for seminars/conferences to end up with recommendations in the form of resolutions, drawing the attention of co-operative leaders and governments to the highlights of participants deliberations for possible immediate implemention and/or follow-up action. Many of these seminar resolutions have been later usefully pursued by the Office through its various forums discussed above, although there is room for improvements in this area presumably through a

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more direct and systematic approach with the policymakers. It is hoped to review the whole position in the near future, with a view to establishing to what extent exactly the various seminar/conference resolutions passed over the years have been implemented and, if not, suggest improvements.

0.4.

Consultancy services attachment of specialized officers

A recent development in the Regional Office has been the attachment of specialised officers, financed by various sponsors as separate 'projects', but with full integration into the Office.

A Research Officer has been in post since July 1973, and two other specialists, one on Savings and Credit and the other on Consumer Co-operatives, joined the Office in 1974. A Teacher Trainer Specialist is expected in September, 1975, while an insurance Specialist and Documentation Officer will hopefully arrive later in the year. A Counterpart to the Credit and Savings Officer was recruited in January, 1975, while the recruitment of a local Research Officer, who will eventually take over from the existing head of the ICA Research Unit, is under process.

IX THE FUTURE ROLE, FUNCTIONS AND ACTIVITIES OF THE ICA REGIONAL OFFICE

In an effort to ensure that the available scarce resources are utilized in the best possible manner towards supplementing the development of co-operative movements in the Region, the ICA Regional Office last year distributed questionnaires to member countries seeking their guidance on the activities to be undertaken for the coming years.

Each country's national apex, the government Co-operative Department and the national Co-operative College colloborated in producing a country memorandum on the basis of the questionnaire. The memoranda were discussed at the last Regional Council Meeting on 31st October, 1974, and the following is a summary of the views expressed by the Regional Council members as to the future role and functions of the ICA Regional Office:

- That the ICA Regional Office should concentrate the relevant resources in manpower and finance on high level regional seminars and high level training courses, even if this may mean a reduction of the number of activities compared to the programmes of the recent years.
- That the Regional Office should combine the seminar programme with short concentrated ad hoc meetings of specialists.
- That Standing Committees were of value, and ought to be formed whenever there is a full agreement on the need thereof. However, since they could only be formalized when the financing of their meetings was secured, the need in the meantime might be met by ad hoc meetings.

7.

- That the establishment of the Regional Office as a Co-operative Documentation and Information Centre was a matter of high priority, and the Regional Council threfore recommended that the ICA immediately initiate negotiations with possible donors, with the aim of securing funds for the Information Centre at the Regional Office.

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Finally, although no specific recommendation was recorded in respect of the various Consultancy Services, the useful role of these projects has been commended throughout the Region, and they now form a vital aspect of the work of the Office, as already indicated under 0.4.

It is perhaps necessary to explain too, that the ICA Regional Office has emerged and developed amidst \Box_{T} bilateral technical assistance projects currently being operated within the Region such as the Nordic Co-operative Assistance Projects to Kenya and Tanzania, and more recently, the SIDA project to Zambia.

Yet, one factor which is probably peculiar to the ICA Regional Office's approach, is the fact that it is a form of technical assistance which is in a sense "owned" and operated by the recipients. Through the various Standing Committees and the Regional Council, the movements (and governments) of the Region are enabled to participate very directly in the policy making for the activities of the Office. A strong feeling of "belong ing" and of "ownership" of the Office by the Region has thus developed - a fact which gives this type of technical assistance a more permanent status, capable of being developed later into a "self-help" service, totally owned and operated by the movements of the Region. Ellateral technical assistance projects on the other hand, are supposed to be self-liquidating.

Although the total impact of the work of the ICA Regional Office so far may be difficult to assess precisely, there are clear indications that its contribution is meaningful. A review carried out in 1074 by the Regional Council, of the work of the Office since its inception in 1960, and of its future role and functions, has confirmed the wide appreciation for the services by both governments and movements of the Region.

Finally, as has been explained above, the work of the Office is only made possible at this stage mainly through the generosity of the various donor sources - both governmental as well as co-operative movement of the industrialized countries. It is the belief of the writer that if the above quoted agencies could channel more technical assistance funds through the world body centrally, then the work of the two exsiting Regional Offices could be intensified and and expanded, and new ones opened up in other needy areas of the developing countries- especially during the current Co-operative Development Decade. .

The following seminars/conferences were held 1969-1975.

("R" indicates regional, "N" indicates national.)

	No.	Theme or Participation	Venue	
1969	1	Regional Committee Members	Moshi	R
	2	Co-operative Teachers	Nairobi	R
	3	11 11	Kampala	R
	4	1† 11	Moshi	R
1970	5	Education Conference (Zambia)	Lusaka	N
	6	Co-op. Training Officers (Zambia)	Luanshy a	N
	7	Co-op, Education Secretaries(Tanzania)	Moshi	Ν
	8	Co–op. Teachers (Pre–seminar for seminar in Sweden)	Nairobi	R
	9	Problems of Marketing (Tanzania)	Moshi	Ν
	10	Regional Committee Members	Nairobi	R
	H	Co-op. Education Secretaries (Uganda)	Kampala	Ν
	12	Management (Kenya)	Nairobi	N
	13	Consumer Co-operatives (Uganda Departmental Officers)	Moshi	N
	14	Women Seminar (Kenya)	Limuru	N
	15	Problems of Marketing (Uganda)	Kampala	N
	16	Wome n Seminar (Keny a)	Kikuyu	N
	17	Women Seminar (Uganda)	Tororo	Ν
	18	Women Seminar (Uganda)	Tororo	N
	19	Co-operative Educationists (Uganda)	Kampala	N
	20	Women Seminar (Tanzania)	DISalaam	N
	21	28 18 18	Mbeya	Ν
	22	Co-op. Education Secretaries (Tanzania)	Moshi	Ν
1971	23	Marketing and Management (Kenya)	Nairobi	N
	24	Co-op. Education Secretaries (Kenya)	Nairobi	Ν
	25	Savings and Credit Co-operatives(Zambia)	Lusaka	N
	26	Education Campaign (Zambia)	Various places	N
	27	Co-op. Education Secretaries (Zambia)	Luanshya	N
	28	Co-op. Educ. Secretaries (Pre-seminar for seminar in Sweden)	Nairobi	R.
	29	Efficiency in Co-operatives (Research)	Nairobi	ิล
1972	30	Insurance and Risk Management	Nairobi	R
	31	Production and Use of Education Aids	Kampala	R
	32	Regional Committee Members	DISalaam	R
	33	Agricultural Credit (Pre-seminar for seminar in Finland)	Nairobi	R
	34	Co-operative Teachers	Moshi	R

African	Foot sh
	15 = St. £ 1

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SURVEY OF ICA REGIONAL OFFICE FINANCES 1960 - 1975

EXPENDITURE	0061	6961	1970	1971	1972	1973	197 <i>t</i> ş	1975	Total
Administrative Budget	23,000	23,000 105,700 149,000 208,000 170,300 207,000 270,000 575,000	149,300	200,000	170,300	207,000	370,000	575, 000	1,074,000
Education Sudget		122,700	122,700 233,500	75,000	23 0, 400	75,000 230,400 469,700 400,000 510,000	400,000	510,000	2,100,400
Rural Credit & Danking							205,000 375,000	375,000	680,000
Research Cfflcer Project							52,000	52,000 40,000	- • • • • • • •
Consumer Project							40,000	40,000	ac, ace
Special Contribution (Nordic Countries)							15,000	45,000	co, 300
TOTAL	200,22	25,000 220,400 477,900 201,000 450,700 736,700 1102,000 1505,000	\$ 77, 900	201,000	450 ,7 00	736,700	H02,000	1505, 000	4,972,755

17,002 35,000	Secretarial Assistance Office Equipment (general grant)	 b. Secretarial Assistance d. Office Equipment (generation) 	40,000	Material	Centre) ducational les, includi	GRANTS (Swedish Co-operative Centre) a. Production of Educational Material c. Four Staff houses, including
4,972,700	1102,000 1505,000	23,000 220,400 477,900 201,000 456,700 736,700 1102,000 1505,000	477, 900 201, 000	220,400	23,000	TOTAL
7,000	ge 5 last para.)	7,000 (see explanation page 3 last para.)	000'2			Member Crganisations
92,000	15,000 45,000	32,000				Special Contribution (Nordic)
- •000 06	40,000 40,000					KK/OTK Consumer - Finland
92,000	52,000 40,000					Govt. of Netherlands
- 200° (6D	505,000 375,000	10,000				Govt. of Finland
2,970,200	577,000 325,000	326,400 564,700	162,700 273,400 134,000	162,700		SCC/SID/.
101, 100	000 e C 3	30,000 35,000	2~,100 35,000	16,400		ICA Development Fund
057,400	155,000 250,000	91,700 105,000	70,400 105,000	49,300	23,000	ICA Central Eudget

-

1972 (c	ont.)	75	2.
•	35	Co-op. Education Secretaries(Tanzania)	. Noshi
	36	Senior Departmental Officers	Lusaka
	37	Co-op. Education Secretaries (Zambia)	Lusaka
	30	Co-operative Education Leaders (In 1972 six national level seminars were also arranged on Agricultural Credit in collaboration with the Finnish official agency for technical assistance.)	Nairobi
1973	39.a.	Management (Kenya)	Nairobi
	b.	" (Zambia)	Lusaka
	с.	" (Uganda)	Kampala
•	d.	" (Tanzania)	DISalaam
	40	Co-op, Education Secretaries (Tanzania)	Aiwanza
	41	ıı ıı ıı (Kenya)	Nairobi
	42	Regional Committee Members	DISalaam
	43	Managers of District/Regional Co-operative Unions	Nairobi
	44	Co-operative Teachers	Moshi
	45	Conference on the Education Secretary System	Moshi
	46	Co-op. Education Secretaries (Uganda)	Kampala
	47	Co-operative Educationists (Pre-seminar for seminar in Sweden)	Nairobi
	46	Urban (type) Savings & Credit Co-op.	Nairobi
	49. a.	Women Seminar (Uganda)	Kampala
	b.	11 11 (Tanzania)	Moshi
	C.	n n (Zambia)	Lusaka
	d.	II II (Kenya)	Nairobi
	50	Consumer Co-operatives	iloshi
1974	51	Regional Women Seminar	Kampala
	52	Information & Publicity Seminar	Nairobi
	53	Research and Planning Conference	Arusha
	54	Management Training Seminar	Nairobi
	55	Teacher Training Seminar	Nairobi
1975	56	Adhoc Consultations (College Principals)	Nairobi
	57	Multi-purpose Co-operative Seminar	DISalaam
	58	Consumer Co-operative Seminar	Moshi
	59	Senior Management Seminar	Moshi
	60	Agricultural Credit Seminar (Kenya and Uganda)	Nairobi
	61	Agricultural Credit Seminar (Tanzania)	Moshi

ica-ncui cooperative education field project dore district, india

- a report



From Pageo 77-124



INTERNATIONAL CO-OPERATIVE ALLIANCE

REGIONAL OFFICE AND EDUCATION CENTRE FOR S -E ASIA

ICA-NCUI COOPERATIVE EDUCATION FIELD PROJECT

-A Report

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Lessons	of the Project	•••	40

August 1975 (4000)

INTERNATIONAL COOPERATIVE ALLIANCE Regional Office & Education Centre for South-East Asia 43, Friends Colony, New Delhi-110014

NATIONAL COOPERATIVE UNION OF INDIA Surya Mukhi Building, Sri Aurobindo Marg, New Delhi-110017.

Project Office :

ICA-NCUI Cooperative Education Field Project 19, Race Course Road, INDORE- 452003, M.P.

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President of India Commends the Project

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"I would like to stress in this context the crucial role of cooperative education. I am glad to know that the ICA which has adopted Education as one of its important activities has been providing expertise and sharing its experience in organising a pilot project on cooperative education for a selected group of primary societies in Indore District of Madhya Pradesh in collaboration with the NCUI and the Madhya Pradesh State Cooperative Union. This project which was started in February 1971 has now completed four years. The results have been so satisfactory that the societies themselves have now started coming forward to provide additional funds for continuing the programme. The project has shown mainly that cooperative institutions at the primary and district level have to be actively involved in the educational work and that an integrated approach should be adopted to education whereby emphasis is placed on meeting the entire requirements of the families for the agricultural operation and for their other occupations to the maximum possible extent through the society and in having a farm guidance service as an integral part of the service provided by the cooperative societies. This is a concrete example of how the experience and the resources of international cooperative movement have helped in guiding the cooperative movements in the developing countries. I have no doubt that the ICA will continue to assist the countries in this region in organising similar cooperative efforts."*

[•]Excerpt from the speech delivered by Shri Fakhruddin Ali Ahmed, President of India, at the 80th Anniversary Celebrations of the ICA held in New Delhi on 20th September 1975.

ICA-NCUI COOPERATIVE EDUCATION FIELD PROJECT, INDORE DISTRICT, INDIA

-A REPORT

by

J.M. RANA & V.N. PANDYA

Introduction

The Field Project was started by the International Cooperative Alliance (ICA) Regional Office and Education Centre for South-East Asia in collaboration with the National Cooperative Union of India (NCUI) with a view to carrying out intensive cooperative education for selected agricultural cooperatives and secondary organisations at the district level. It was hoped that such a project would provide experiences which may be of value to the Indian Cooperative Movement, and that experiences of practical work at the ground level would enable the education personnel of the International Cooperative Alliance (ICA) Regional Office & Education Centre to render better advice to other cooperative movements in the Region of South-East Asia. The Project was started in February 1971 initially for a period of three years and was subsequently extended for another two years. The Project is located in Indore District of Madhya Pradesh State which is neither an advanced nor a backward State in respect of cooperative development in India.

J.M. Rann, Director (Education), ICA Regional Office & Education Centre for South-East Asia is the Project Director. V.N. Pandya was the Project Officer of the ICA/NCUI Cooperative Education Field Project, Indore District, India, from February 1971 to June 1975.

The overall objective of the Project is to contribute to the development of rural cooperative societieand (through that) to the social and economic ims provement of their members. The detailed objectives of the Project are as follows:

- (i) to carry out education programmes for the employees, board members, and ordinary members (including active members, housewives and youth) of selected primary societies as part of the current and projected development programmes;
- (ii) to carry out educational activities for supervisory and extension personnel of secondary cooperative organisations such as the cooperative bank and marketing societies, and employees of cooperative department such as inspectors and supervisors, who come in direct contact with the primary societies;
- (iii) to experiment with and demonstrate successful approaches and techniques in cooperative education which can then be duplicated elsewhere.
- (iv) to produce educational material, manuals and audio-visual aids for use in the education project, and
- (v) to involve cooperative institutions increasingly in the formulation and implementation of the project.

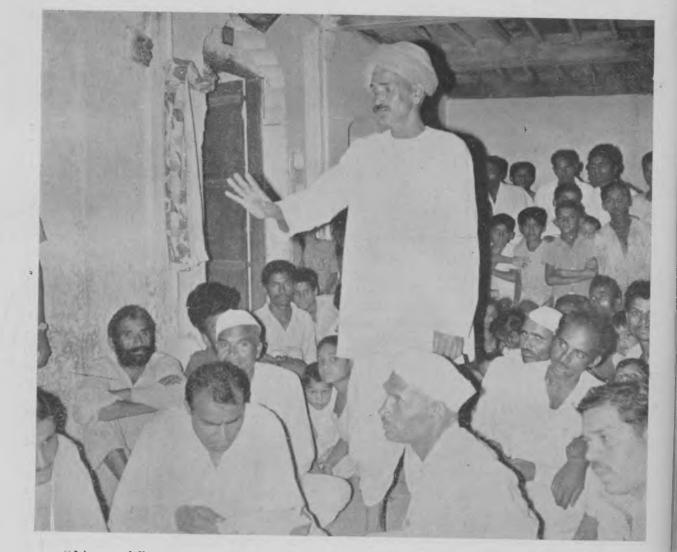
Generally the project has operated with two educational instructors viz. the project officer and the cooperative educational instructor. In August 1974 the Farm Guidance Instructor was appointed. The Project Officer and the cooperative educational instructor have been made available by the NCUI and the Madhya Pradesh State Cooperative Union respectively. The research officer was appointed on a temporary basis to carry out the study of educational needs in the project societies.

The Project Officer has reverted to the NCUI from July 1975.

2 Background about Indore District

2.1 Indore District is one of the 43 districts in Madhya Pradesh State which is located in the central part of India (Madhya Pradesh itself means central region). Indore District is one of the smallest districts in the State. It has 665 villages with a population of 6.7 million. The average rainfall in the District is 946 mm. a year. Agriculture in the district is dependent on the rains, the irrigated area being only 6.88 per cent of the total cultivated area. The main source of irrigation in the district is wells and tubewells. Generally two crops Kharif (autumn) and Rabi (winter) are taken. The principal crops grown are wheat, jowar, gram, pulses and maize. A small acreage is under cash crop such as cotton, groundnut, sugarcane and vegetables. The methods of cultivation are traditional. Indore city is an important commercial and industrial city in the State of Madhya Pradesh.

2.2 There are 127 primary agricultural service cooperative societies. A service cooperative is organised for one village or a group of villages covering a



"I have a different view, please listen." — A member in a members' meeting in a Project society

Panchayat area.* The district has four cooperative marketing societies, one for each tehsil (a tehsil is an administrative sub-division of a district). There are over 30 dairy cooperatives in the district and three cooperative cold storage societies.

2.3 At the secondary level the following institutions serve the agricultural cooperatives: (i) the Indore District Cooperative Union, (ii) the Indore District Cooperative Central Bank, and (iii) the Indore District Cooperative Land Development Bank. The functions of the District Cooperative Union are to arrange periodic conferences of the cooperatives in the district and to carry out cooperative education and publicity work. The principal function of the District Cooperative Bank is to provide short and medium-term credit for agriculture to farmers through service cooperatives. It also provides finances to marketing societies, cold stores and to the farmers for purchase of milch cattle through dairy cooperatives. The district cooperative bank is the most important institution in the district in terms of its services and contacts with the service cooperatives and farmers. The District Cooperative Land Development Bank provides longterm finance to farmers for agricultural development purposes such as digging of wells and tubewells. In addition there is the Malwa Milk Producers' Cooperative Union which operates in two districts. The main function of this union is to purchase milk from farmers through the dairy cooperatives and sell it to the government pasteurisation plant.

3 Selection of Societies and other preliminary work

3.1 The Project Officer spent two months in February and March 1971 for studying the local situation through visits to the cooperatives in the district and discussions with representatives of cooperative institutions at the primary and secondary level and officers of the government departments engaged in rural development work. On the basis of the studies of the Project Officer four service cooperatives and one cold storage society were selected in April 1971. Later on in October 1971 five more agricultural cooperatives were included in the Project area after the project held a training course for secretaries of the service cooperatives. Table I gives details of the project societies and the Map of Indore District shows their location.

3.2 In view of the important role played by the district cooperative bank it was decided to select societies from different branches of the bank. The 10 societies selected were from four branches of the bank. The selection of the societies was also made on a somewhat representative basis so as to include agriculturally better off area (Rao and Indore branch of the bank), agriculturally backward area (Manpur branch) and an intermediate area (Kshipra branch). The societies selected also included areas which are



Interview for the study of educational needs

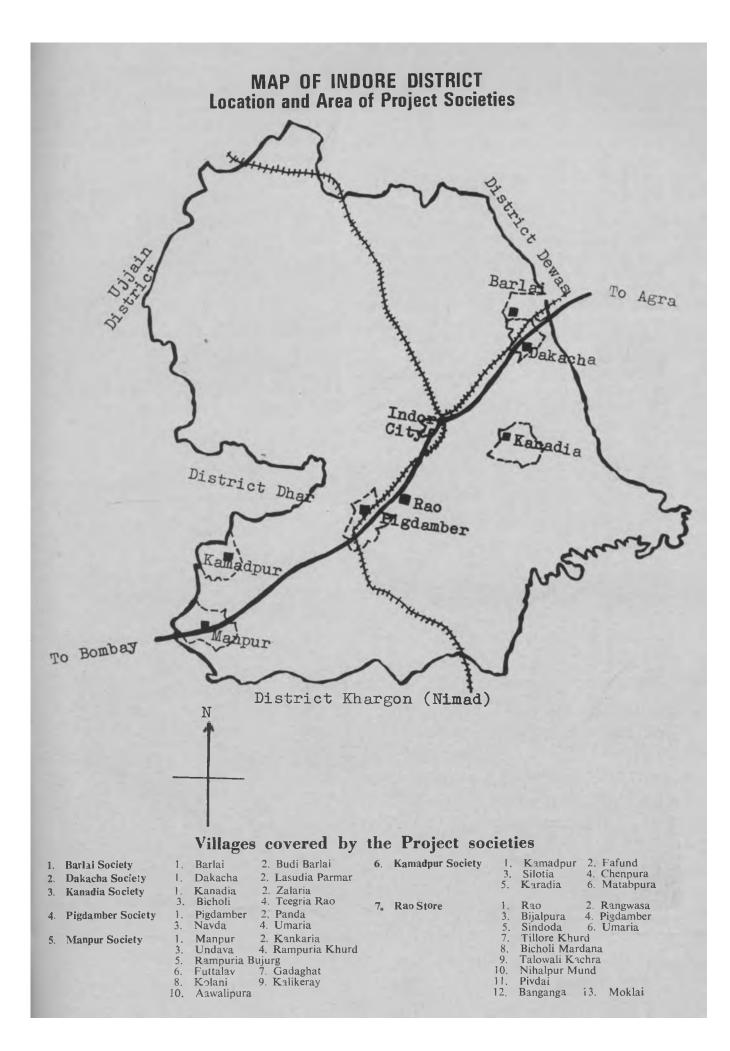




The Project OfficeMembers participation in society affairs is picking up*Panchayat is a local self-governing institution for a village or a group of villages.

			r	Fable I				
G	ENERAL IN	FORMAT			ROJECT	SOCIE	TIES	-1971
Name of Society	Bank branch	Dis- tance from Indore (in kms)	No. of villages cover- ed	Total farm house- holds	No. of mem- bers	No. of emplo- yees		
Barlai	Kshipra	26	2	399	145	2	4754	Wheat, Jowar, Gram Maize, Sugarcane Groundnut, Linseed Vegetables.
Dakacha	Kshipra	19	2	365	115	2	4663	Wheat, Jowar, Gram Maize, Cotton Groundnut, Sugar cane.
Kamadpur	Manpur	49	6	453	139	1	5262	Wheat, Gram, Sugar cane, Potato, Veget ables.
Manpur	Manpur	43	11	899	212	1	9520	Wheat, Gram, Ground nut, Cotton, Potato Sugarcane, Maize Pulses
Pigdamber	Rao	13	4	381	146	1	3715	Potato, Wheat, Gram Sugarcane, Garlic Vegetables.
Kanadia	Indore	9	3	476	178	1	7171	Wheat, Gram, Maize Soyabean, Sugar- cane.
Khajrana*	Indore	5	4	476	132	1	3755	Wheat, Sugarcane Potato, Garlic, Vege tables, Jowar.
Bisnavda*	Indore	12	8	736	168	1	13605	Wheat, Potato, Sugar cane, Garlic, Vegeta- bles.
Rangwasa* large-sized ociety)	Rao	13	5	545	283	3	4919	Wheat, Sugarcane Potato, Garlic, Vege- tables.
Cold Store, Rao	Rao	10	13	3013	167	6	23208	Potato, Garlic, Sugar- cane, Wheat, Vege- tables.
`OTAL			58	7743	1685		80572	

*Concentrated effort in the above three societies was not continued due to lack of sufficient response from these three societies.



in proximity of Indore City as well as those quite away from the city. Two societies in the project had tribal persons also as members.

3.3 The societies were located on either side of the Bombay-Agra national highway. However, some villages covered by the societies were not approachable in the monsoon except on foot. The societies were generally of small size. Except two societies, the membership of a society was below 200. Usually a society had one secretary-cum-manager (hereafter called the secretary) and one part-time peon. When the project started its activities, the activity of almost all the service societies was advancing loans to farmers and recovering them. The Rao Cooperative Cold Store was storing potatoes of the farmers by charging them a fee and was selling fertilizers to the members.

3.4 Literacy level varied from society to society. But the percentage of literacy in the entire area covered by the project was around 20. Literacy level was much lower among women compared to men.

3.5 A meeting of the representatives of different co-

operative and other organisations and government departments was held in April 1971 under the Chairmanship of Mr. R.G. Tiwari, the then President of the Madhya Pradesh State Cooperative Union and now President of the NCUI. At this meeting the approach



Discussions during field work on study of educational needs



proposed to be adopted in the project was explained and the advice of the cooperators of the district was sought. Mr. Tiwari welcomed the location of the project in Madhya Pradesh and requested the cooperators of the district to give their full support to it.

4. Local Advisory Group

4.1 A Local Advisory Group (LAG) consisting of the representatives of the following was constituted under the Chairmanship of Mr. J.M. Rana, Director (Education) of the ICA Regional Office & Education Centre to advise on the implementation of the cooperative education programme of the project. The Chairman of the Indore District Cooperative Union was appointed as the Vice-Chairman:

- (i) Indore District Cooperative Union, Indore.
- (ii) Indore Premier Cooperative Bank, Indore (District cooperative bank)
- (iii) Indore District Land Development Bank, Indore
- (iv) Devi Shri Ahilya Cooperative Marketing Society, Indore
- (v) Sanwer Cooperative Marketing Society, Sanwer
- (vi) Cooperative Training College, Indore
- (vii) Malwa Milk Producers' Cooperative Union, Indore
- (viii) Agriculture College, Indore
 - (ix) Madhya Pradesh State Cooperative Union, Jabalpur/Bhopal
 - (x) Cooperative Department, Government of Madhya Pradesh
 - (xi) Agriculture Department, Government of Madhya Pradesh
- (xii) National Cooperative Union of India, New Delhi.

4.2 So far six meetings of the LAG have been held. Besides giving advice to the project, the LAG has served as a unifying force among the various secondary cooperative organisations in the district. The cooperative workers have started thinking about various cooperative development projects e.g. cooperative sugar factory, animal feedstuff cooperative factory, acquisition of tube well drilling machinery, establishment of a cooperative education and development centre. In a Report written in January 1974, we had stated, "some of these ideas may appear today as dreams. But the very fact that the cooperative leaders of the district have started to have these 'dreams' is exceedingly significant". The Malwa



Local Advisory Group meeting in progress \$



Cooperative Sugar Factory Ltd., with headquarters in Barlai (a project village) and the Indore District Cooperative Cattlefeed Production and Marketing Society Ltd., have since been registered.

5 Main Features

On the basis of the educational work carried out, the main features of the Project can be summarised as follows:

- 5.1 The educational approach in the project is *developmental* and is geared to solving the problems of cooperative societies in the project area and ensuring their development.
- 5.2 The project provides education to members, committee members and employees of primary cooperative societies as well as employees of district cooperative institutions and cooperative department who are responsible for the supervision of primary societies. The approach

in the project is society-based and not general.

- 5.3 The project provides education to the above groups on a *continuing* basis.
- 5.4 An attempt is made to foster *better communication* among members, committee members and employees of cooperative societies by insisting that managers of societies attend committee members' courses and both managers and committee members attend members camps.
- 5.5 An *integrated* approach to education is followed whereby proper study of societies is made by the project staff on the basis of which educational activities are planned. The societies are given help in follow-up work.
- 5.6 Both the primary societies and district institutions are actively *involved* in educational work.
- 5.7 Continued attempts are made to maintain *coordination* with various governmental and other developmental agencies such as the government agricultural department, agricultural college, veterinary college and National Seeds Corporation.

6. Study of Educational Needs

It was provided in the project outline that a preproject survey about the socio-economic background of the area, existing economic position of the societies, study of knowledge of various categories of persons and their training needs and potentiality of cooperative development would be carried out. However, on the basis of our preliminary studies it was found that generally speaking, there was little interest on the part of the members and committee members of primary cooperative societies in cooperative education. In view of this, it would have been exceedingly difficult to attract them for education later on if they were put through the drab process of interviews etc. and a prolonged period needed for research study on account of the very limited staff with the project. Hence it was decided to start education work straightaway on the basis of the basic information gathered by the Project Officer from the different societies. A careful study of the educational needs in five societies and collection of other relevant data was taken up in April 1972. The results of the study



Mr Bapu Singh Mandloi, the then Chairman of the Indore Premier (District) Cooperative Bank speaking at the Cooperative Workers' meeting during the Co-operative Week

were used in planning and conducting subsequent education programmes.

7. Education Work for Secondary Societies

7.1 The education work carried out has been mainly focussed on the primary cooperative societies but in addition substantial work is also done for secondary cooperative organisations. The effectiveness of primary societies depends to a great extent on the support extended to them by the secondary organisations and the availability of this support in turn is dependent on the attitudes and the decisions of the leaders and personnel in secondary institutions. It is from this point of view that education programmes for secondary institutions in the district have been given considerable importance by the project.

7.2 Some of the important education programmes organised for secondary level organisations are district cooperative leaders' seminar, study visits for cooperative leaders in a cooperatively advanced neighbouring state, and a course for supervisory staff of the district cooperative bank. Two study groups have been constituted, one on cooperative credit and another on cooperative marketing. These study groups whose membership is mainly composed of leaders of secondary cooperative organisations discuss the current problems, procedural hindrances and needs of development of cooperatives in these two fields. etc. and suggest action to solve problems and promote development.

8 Education Work for Primary Cooperatives

8.1 The project began by organising members' courses—called members' camps—of six days' duration, followed by managing committee members' five-day courses. These two were then followed by a secretaries course of ten days duration.

8.2 After about six months work it was found that the response of the members was better in societies where committee members' courses were organised. In view of this the project generally adopted the practice of first holding the managing committee members' course before organising the members' camp. There have been experiences of another type also. In some cases the managing committee members were found reluctant that educational work of more than general nature should be carried to the members. In one cooperative society the resistence of the committee members and the secretary could be overcome only through a members' camp. In

this society even the manager of the district cooperative bank had to assist and to remain physically present in a members' camp held by the project staff.

8.3 After the secretaries course was held it was found that the assistance of the secretaries who are paid executives in the societies was of considerable help in organising both the managing committee courses and the members' camps. Thus the experience of the project generally indicates that educational programmes for primary rural cooperatives of small size could be started by holding managing committee members courses to be followed by members camps. Secretaries/managers courses could be held at suitable opportunities. When these functionaries are being trained they should be motivated to support educational programmes, as they can play a very important role in this regard.

8.4 It should be stated that off and on the project has met with resistence from the committee members and secretaries as they felt that their positions would be or were threatened from questioning members. It may also be mentioned that educational work has not necessarily resulted in an increase in harmony within the society; often it has led to an increase in tensions within the organisation. These tensions are generated in those societies where members find that the office bearers or committee members engage in activities which are in their own self-interest but detrimental to the general interest of the membership. The tensions also arise when members begin to demand increase or improvement in the services of the society or criticise its working. Greater solidarity and cohesion was found to be developing among those members who could perceive what was in the general interest of the society.

9 Local Teacher Approach

9.1 Members' camps were generally held in the village which was the headquarters of the society. In such camps members of other villages covered by the society did not come; hardly one or two members attended the camps. In view of this an attempt was made to hold members camps in different villages covered by a society. It was soon found that another method must be devised if members in the various villages covered by a society had to be approached more often than through holding camps by the project staff. Accordingly a *local teacher approach* for member education was developed.

9.2 The local teacher approach means that either a secretary of a cooperative society or a teacher of a

school or some qualified functionary is commissioned to carry out member education work. This approach was adopted in 1973 in six sccieties. In four societies the secretaries, in one society a supervisor of the district cooperative bank and in one society a primary school teacher were assigned responsibility of member education work. The selection of the local teacher was done by the managing committee of the society in consultation with the project, both of which share the remuneration to be given to a teacher by way of an incentive. (Each teacher is paid a remuneration of Rs. 10/- for holding a members' meeting). A teacher is expected to organise one members meeting lasting for two or three hours in each village in each month. The normal attendance in these meetings is around 10. These teachers had been given training for carrying out the educational work in the secretaries courses. The project provides them with literature to carry out their teaching in the societies. They also come for meetings to the project office once a month along with the chairmen of their respective societies. These monthly meetings enable the project staff to review the work carried out by the teachers, to solve the problems

which the teachers bring with them and to plan their work for the subsequent month.

9.3 The member education through local teachers is steadily continued in three societies. In other three societies the work has suffered due to the transfer of the secretaries to other societies.

9.4 An important experience of the local teacher approach could be cited. The school teacher in one society who was quite well-qualified, however, could not continue with member education work since his work did not receive the support of the secretary of the society. While the local teacher approach is found to be particularly suitable in carrying out continuous member education work, in reaching members in different villages and in linking education with the activities of the societies, the experience of the project suggests that this work can be carried out by only those secretaries who have the necessary aptitude and interest in education and development of the society. A managing committee which is both vigilent and interested in serving the members can also ensure that the programme once started would not be disrupted.



Mr Bhilaji, Chairman of the Manpur Society presenting the annual report to the general meeting of members

9.5 The other groups for which educational work was organised by the project are women and young farmers.

10 Farm Guidance Service

10.1 Another method tried out is the farm guidance service for members in Rao Cooperative Cold Store and Pigdambar Cooperative Service Society. This service was started in Rao in December 1972. 10.2 The objectives of the farm guidance service

are the following :---

- (i) Soil testing and recommendation on the use of fertilizers,
- (ii) Providing advice on the use of insecticides, pesticides and other agricultural inputs so that the farmer-members can utilise these inputs effectively and economically,
- (iii) Setting up of demonstration plots,
- (iv) Introducing the idea of farm management among the farmers which includes : preparation of production plan, income and expenditure plan and funds plan,
- (v) Providing farmer-members with necessary market information,
- (vi) Conducting courses for family education, and
- (vii) Organising the commidity groups such as for potatoes, wheat, maize and vegetables.

10.3 The society employed an agricultural graduate whose salary was shared by the project and the society. The farm guidance worker was available for consultations at the office of the society on prescribed days and hours; he visited various villages covered by the society and was available for consultations; and he visited the farms of the members and offered on-the-spot advice. The farm guidance worker also assisted the members of a neighbouring society viz., Pigdambar Cooperative Service Society. Later on in May 1974 the Pigdamgar Society employed an agricultural graduate, part of whose salary was met by the project.

10.4 The farm guidance worker worked with cooperative cold store for a period of 10 months from December 1972 to November 1973. During this period he provided farm guidance to 706 persons which included both members and non-members. The advice given by him related to soil testing, improved agricultural practices for potatoes, garlic, peas, groundnut and wheat, pest control measures for various crops, use of improved agricultural implements such as sprayers, dusters and maintenance of farm records. The farm guidance worker got 175 soil samples tested



A Malwa farmer ruminating: what is this cooperative education all about! What we want is water and fertilisers.



Mr S.C. Maheshwari, Farm Guidance Worker, Cooperative Cold Store, Rao, explaining the importance of soil testing to the members of Barlai Society

through the agriculture college and agriculture department and he recommended the necessary fertilizer inputs on the basis of these tests. He obtained 5 kg of foundation seeds of an improved high-yielding variety of wheat seeds called "Malawraj" from the Wheat Breeding Centre of the Indian Agricultural Research Institute located at Indore and arranged for its multiplication through selected farmers. As a result of this farmers in the area got the benefit of this improved variety of seeds. These efforts of seed multiplication were later extended to other project villages. In view of the increased demand for agricultural inputs in the wake of farm guidance service, the society opened a shop in Rao village for the sale of fertilizers, insecticides and pesticides. Recognising the importance of the initiative taken by the society the Agricultural Department of the Government of Madhya Pradesh gave it a subsidy of Rs. 6,000 for pest control work. The farm guidance worker maintained effective liaison with Agriculture College, National Seeds Corporation, Madhya Pradesh, Agro-Industrial Corporation and the Department of Agriculture in order to keep himself up-to-date about the services provided by these bodies and to ensure that these services reached the farmer.

10.5 The table II below shows the substantial increase which took place in the business of the Rao Cooperative Cold Store as a result of the farm guidance service.

TABLE II

AGRICULTURAL INPUTS SOLD BY THE RAO COOPERATIVE COLD STORE

Agricultural inputs sold	December 1972	October 1973
Potato seeds	87,280 Kg.	212,080 Kg.
Garlic seed	25,000 Kg.	55,000 Kg.
Wheat seed	1,300 Kg.	4,900 Kg.
Fertilizers	Rs. 400,000	Rs. 600,000
Pesticides	Rs. 50,000	Rs. 60,000

10.6 The farm guidance worker worked in the Pigdambar Society for six months from May to October 1974. During this period he provided service to 135 farmers. For the first time the society started advancing loans for purchase of fertilizers for the autumn crops. The society also started selling fertilizers and seeds on its own. The farm guidance worker also made a survey of 44 cattle owners and advised them on improved cattle breeding, cattle management and feeding practices. He left the society for taking up a better job elsewhere and in his place a new worker was appointed in May 1975.



Insecticides spraying in progress

As the District Cooperative Bank was considering the appointment of farm guidance workers the society waited for the above period before employing another person.

10.7 Considering the value of continuing this experiment and providing support to the farm guidance workers working at the society level, the project appointed a farm guidance instructor in May 1974. The farm guidance instructor provides this service to

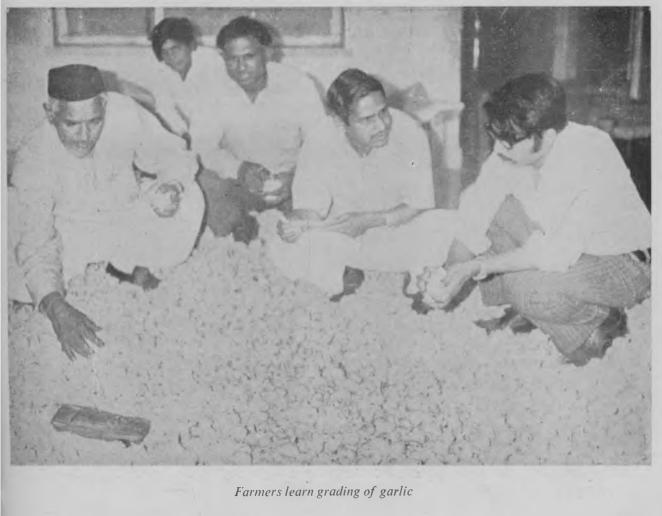


Samples for soil testing being delivered at the Project Office

the project societies which do not have their own farm guidance workers. He is also expected to prepare suitable literature and visual aids for supporting the farm guidance work. The farm guidance instructor conducted a six-day dairy development course. Eight charts have been prepared showing various improved agricultural practices. Four farm guidance bulletins have been brought out giving information on agricultural practices for the autumn and winter crops, marketing of garlic and schemes of various government departments such as for digging of tubewells, construction of gobar gas plants (gas produced out of cowdung) and storage of farm produce.

10.8 The farm guidance service attracted favourable attention of the Vice-Chancellor of the Agricultural University, Jabalpur, Madhya Pradesh State and the President of the M.P. State Cooperative Union. The State Union introduced the subject in the programmes of the refresher courses organised by the Union in 1973 and requested the Farm Guidance Worker of the Rao Society to give talks at some of these courses. The State Union also decided that agricultural graduates will henceforth be given preference in the appointments to posts of Cooperative Instructors.

10.9 The farm guidance service has been found very useful by the farmers and has been appreciated by them. However, the experiment of farm guidance service has met with some problems. An important problem is the relationship between the secretary of the society and the farm guidance worker. In view of the direct and steady contacts of the farm guidance worker with the farmers his influence with the farmers increases. This is regarded as a threat by the secretary to his position. In the case of service cooperative society, Pigdambar, the farm guidance worker was also better qualified than the secretary. In view of this the farm guidance worker has to be offered a higher salary which was almost double than that of the secretary. However, administratively the farm guidance worker was responsible to the secretary. This complex situation inevitably created conflicts and the farm guidance worker resigned after



six months to take up a better job elsewhere. In the Rao Cooperative Store also the farm guidance worker resigned after a period of about 10 months as he could not adjust himself with the management of the society. This promising society ran into factional quarrels and had suffered substantial business loss on account of the collapse of one of its newly constructed cold store unit. In spite of the members' wishes the management could not so far restart the farm guidance service.

10.10 Another problem is that of giving adequate salary and proper service conditions to agricultural graduates which would be commensurate with those in other organisations. The third problem experienced is that the secretaries of the societies ask the farm guidance workers to take up tasks which are really theirs and not of the farm guidance workers. These problems can be solved only if a district cooperative organisation such as the district cooperative bank or the union employ these workers as the service socities are not in a financial position to bear these expenses. However, even if the district cooperative



A double crop for the Project—Mr Rattan Singh Goel, a young farmer (centre) who did Malawraj wheat seed multiplication and who later emerged as a leader in his society



Cooperative Cold Store, Rao—the first to start farm guidance activities

organisation employs these workers the successful conduct of farm guidance service would require that a worker is stationed at the society headquarters and is placed under the control of the management of that society. The farm guidance workers in the service cooperative societies in the district would have to be made responsible to the presidents of the respective societies.

11 Study Visits

11.1 Study visits of members, committee members, housewives and managers of societies to the district cooperative organisations and other developmental agencies are arranged as and when camps and courses are organised for these groups. Farmers and women were pleasantly surprised to be well received in a district cooperative bank or a marketing society and to be told that the big bank really belonged to them and was meant to support their primary



Young farmers' course participants visit the demonstration farm of the Government Agriculture Department

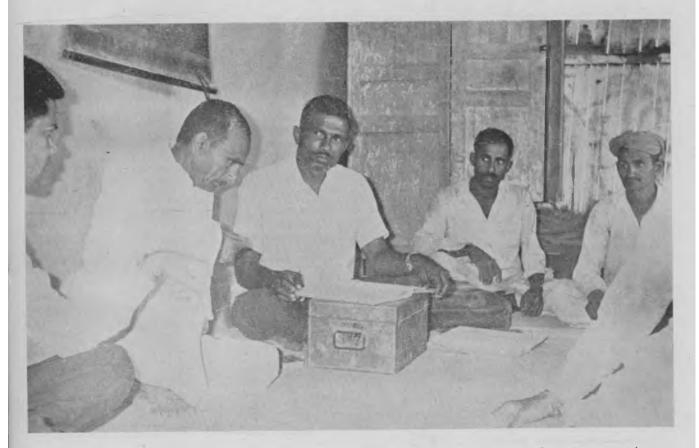
societies. The *idea of a cooperative movement was then really visualised by them.* Study visits were also arranged to Surat, Kaira and Mehsana districts in the neighbouring state of Gujarat, which is cooperatively an advanced state, for committee members, young farmers and cooperative workers at the district level. The above groups have learnt a great deal from these visits about farm management practices as well as about the working of some progressive cooperative organisations. The study visits have been found a very effective educational medium. They expose the participants to a new situation and open up their minds and the participants begin to think in a new and different way.

11.2 There is a general tendency to assume that the study visits programmes are frivolous and are merely intended to satisfy the interest of travel of the participants. The experience of the project has indicated that a carefully planned study visit as an integral part of a course or a camp can yield very valuable results.

12 Management Guidance

12.1 During the first two years, the project staff used

to attend general body meetings of the societies. They were using the meetings for imparting education on matters relevant to the general meeting. A practice was started to assist the societies in preparing their annual reports which explain in detail the activities carried out by the societies, the statement of accounts, problems faced and their possible solutions and indicate some lines on which work during the next year would be carried out. Previously the general body meetings were not systematically organised and the secretary of the society used to run over quickly the statement of accounts. The project brought about a change in this situation. The meetings were held after giving the members proper notice and the physical arrangements for the meeting were also improved. A copy of the annual report along with the statement of accounts of the year that had passed was given to each and every member. The managing committees of the societies were also assisted in formulating budgets for the subsequent years which would then be presented to the general body meetings for their approval. In addition the project staff informed the members at the meeting about the problems and potentiality of development



"Let us think before we accept the Cooperative Instructor's advice"—Managing Committee meeting of the Kamadpur Society in progress.

of their societies, importance of cooperative education and the activities of the project for the societies. As a result of this the general body meetings were better attended; they took a number of decisions which gradually led to the expansion of the business of the societies and to the making of provisions in the annual budgets for education and farm gu'dance services.

12.2 Table III gives the amounts provided by these societies in their budgets for cooperative education activities :

TABLE III

BUDGETORY PROVISION FOR COOPERATIVE EDUCATION IN THE PROJECT COOPERATIVES

Name of the Society	1972- 73	1973- 74	1974- 75	1975- 76
	Rs.	Rs.	Rs.	Rs.
1. Agrl. Service Coop. Society				
in Barlai	100	100	4500	-
2. Dakacha		350	1000	
3. Kamadpur	350	400	400	
4. Manpur	400	£00	500	
5. Pigdamber	_	400	4500	1500
6. Kanadia	_	500	1000	
7. Cold Store, Rao	-	5000		5000

Note: The annual meetings for the year 1975-76 have been held so far only in two Societies.

12.3 In addition the general body meetings in four societies decided to contribute Rs. 2 to 5 per member to cooperative education funds of the societies. These contributions are over and above the statutory contributions which the societies are expected to make to the state and district cooperative unions. These contributions are generally made by the members at the time of the annual meetings out of the interest on share capital which accrue to them. The Kamadpur society and the Pigdambar society had collected members' contributions to the tune of Rs. 330 and Rs. 727 respectively during 1973-74. These results indicate that the members and the societies are willing to make financial contributions for cooperative education purposes if they can be properly motivated.



The Chairman welcomes Mr J.M. Rana at the annual general meeting of the Dakacha Society.

12.4 The project officer attends the meetings of the managing committees of the project societies which are held on a monthly basis in order to give advice to the managing committees. The matters on which advice has been rendered include: manner in which these meetings are to be convened and conducted; admission of new members; preparation of normal credit statements; effecting timely recoveries; starting of new activities such as sale of fertilizers, improved seeds, and insecticides; construction of storage space-cum-office premises; utilization of storage facilities already constructed; loaning to members for digging wells and tube-wells; development of dairy activities; preparation of budgets; planning of general body meetings; preparation of annual reports; coordination with developmental agencies in the district; acquainting the managing committees with the



Members of a dairy cooperative society holding a discussion at night.

programmes of the District Cooperative Bank, marketing societies and other developmental agencies; maintenance of records particularly minutes of the meetings and members' pass books; follow-up of the decisions of the previous managing committee meetings and of the general body meeting; and preparation of informative and educational charts for exhibition in the societies' offices.

12.5 As a result of the combined effort of education and management guidance, a number of changes took place in the societies. When the project started its activities in 1971, excepting two societies, the rest did not have their offices in the villages. The secretary of the society used to sit in the branch of the District Cooperative Bank. All the records of the society were also kept at the Bank's branch. One of the first things the project staff did was to convince the managing committee of each society about the need of physically locating the office in the village and putting up a proper sign board so that all the members can know where the society is situated and which place they should go to for securing the servi-



The Project Officer emphasises the lessons of study visits in Gujarat.

ces given by the society. This itself was not an easy task, since the secretaries regarded themselves as employees of the District Cooperative Bank and the managing committees of the societies believed this.



Participation by members including women in society affairs is on the increase.



Newly constructed warehouse-cum-office of the Dakacha Society. Seen below is the rented office which will soon be vacated.



Gradually the societies also started business activities in fields other than credit. They took up sale of fertilizers, improved seeds and insecticides. Three societies got storages (godowns) constructed with loans and grants made available by the State Government and their own savings. As stated earlier, two societies employed agricultural graduates and started farm guidance service with immense benefits to the farmers. A couple of societies also sold improved sowing implements and pest control equipment to the members; they also acquired some implements and hired them to the members.

12.6 Table IV indicates the business statistics of the societies for different years.

12.7 There are several factors which affect membership and business position of cooperative societies. Cooperative Education is one of them. A comparison of the performance of the project societies vis-a-vis similarly situated non-project societies was made in an Interim Evaluation which is given at Annexe 2. Some salient features of the Interim Evaluation have been given on pages 23-25. The results of the Interim Evaluation on the whole show an encouraging position of the project societies vis-a-vis non-project societies. Although in some cases the progress in some of the indices presented above has been interrupted due to other factors, on the whole the imporovement in the increase in membership, attendence in general meetings and increase in business has continued.

The tables No. V to VIII give information on various educational programmes conducted by the Project from July 1971 to June 1975.

12.8 The following materials were prepared in Hindi to provide guidance to the secretaries and the managing committee members in the performance of their tasks :

- 1. Handbook for secretaries of service cooperative societies (printed)
- 2. Handbook for managing committees of service cooperative societies (manuscript prepared)
- 3. Bylaws of service cooperative societies with explanatory notes (printed)
- 4. A leaflet outlining and explaining the functions and responsibilities of the managing committee members (mimeographed)
- 5. A pamphlet entitled "Planning of a General Body Meeting" (mimeographed)
- 6. Functions of the Chairman of a Service Cooperative Society (mimeographed)

12.9 The above would show some of the results obtained in terms of business activities of the societies. These results are not startling. But they are significant inasmuch as they show that the societies have awakened to the possibilities of development.

12.10 It should be added that provision of management guidance service can be effectively performed only if the education personnel study the working of the societies and possibilities of development. The education personnel also need to help the societies build effective relations with the secondary societies and developmental agencies of the government and other bodies.

13 Coordination with Secondary Cooperatives and Development Agencies

13.1 The project has developed very good liaison with the secondary cooperative organisations such as the District Cooperative Bank, the

1	1970-71 Pre-Project Year	1971-72 Ye	1972-73 ears of Proj	1973-74 ect Operati	1974-75 on
. Barlai Society					
Membership	120	143	151	177	18.
Attendance in general meeting	28	42	44	70	NA
Total turnover	100,431	141,019	245,811	329,992	326,41
Deposits from members	9,143	14,869	23,057	29,177	36,20
Percentage of overdues	26.81	12.09	09.64	36.50	34.7
Audit classification	В	А	В	NA	NA
. Kanadia Society					
Membership	176	183	188	205	21
Attendance in general meeting	17	18	21	114	4
Total turnover	225,282	328,186	290,792	295,762	345,99
Deposits from members	9,555	21,336	34,212	44,554	56,60
Percentage of overdues	12.53	15.56	14.00	41.08	18.4
Audit classification	С	С	В	В	NA
. Kamadpur Society					
Membership	134	139	135	152	14
Attendance in general meeting	55	90	113	115	N
Total turnover	151,133	78,817	126,876	170,727	308,30
Deposits from members	11,240	15,962	18,466	25,622	30,2
Percentage of overdues	34.12	37.85	32.20	38.79	21.
Audit classification	С	C	С	В	NA
4. Manpur Society		-			
Membership	195	227	241	239	N
Attendance in general meeting	58	85	110	28	N
Total turnover	169,768	209,369	129,301	154,006	N
Deposits from members	11,875	16,325	18,075	20,475	N
Percentage of overdues	48	51	72	68	N
Audit classification	С	C	С	NA	N

Pre-Pro	1970-71 bject Year	1971-72 Yea	1972-73 ars of Proje	1973-74 et Operatio	1974-75 on
5. Dakacha Society					
Membership	104	115	131	198	211
Attendance in general meeting	32	34	38	59	115
Total turnover	78,267	111,871	155,145	288,238	639,577
Deposits from members	4,701	7,371	10,571	13,590	15,878
Percentage of overdues	64.12	40.40	23.11	28.95	25.18
Audit classification	В	А	А	А	NA
5. Pigdamber Society					
Membership	146	152	156	170	17:
Attendance in general meeting	22	29	80	95	NA
Total turnover	96,386	204,241	407,240	432,738	416,85
Deposits from members	1,347	1,347	4,367	8,418	14,41
Percentage of overdues	63.14	36.24	10.64	17.00	18.6
Audit classification	C	С	А	А	NA
7. Rao Cooperative Cold Store					
Membership	. 167	172	300	401	39
Attendence in General Meeting	92	146	253	320	32
Goods sold	335,843	591,076	700,505	962,725	473,17
Total volume of goods stored (bags)*	* 13,000	13,000	13,000	26,892	38,79
Pledge loans given to members	65,600	115,084	260,000	98,600	200,00
Overdues as percentage of demands†	nil.	nil.	nil.	nil.	nil
Audit classification	A	А	А	NA	NA

NA-Not available.

†-The society does not advance loan. It gives loans against pledge of produce.

*-One bag has 80 Kg. of produce.

and the societies in solving their problems. When these problems were taken to the above developmental agencies as follow-up of educational activities it was discovered that vast possibilities existed in bringing information about the development schemes and the assistance available thereunder to the notice



Newly constructed office-cum-warehouse of another society



Mr S.S. Puri, Chief Executive of the National Cooperative Union of India visits the Project Office

marketing societies, the Land Development Cooperative Bank, the Malwa Milk Producers Cooperative Union and the developmental agencies' such as Department of Agriculture, Agriculture College, College of Veterinary Science and Animal Husbandry, Intensive Cattle Development Project, National Seeds Corporation, Indore Branch, and the Central Warehousing Corporation, Indore Branch. Coordination was also maintained with the Indore Branch offices of the Indian Farmers Fertilizer Cooperative Limited (IFFCO) and the National Agricultural Cooperative Marketing Federation (NAFED). This coordination was found essential in the first instance in order to help the members of the societies of the farmers and the cooperative societies. These agencies themselves welcomed the opportunity to provide information and services to the farmers and the societies. The experience of the project thus suggests that there is considerable information gap at the moment at the village level and that if this gap is bridged, the farmers and the societies can become partners in development as envisaged in the Five-Year Plan of the government.

13.2 Some examples of the results of such coordination are cited below : In Barlai village, twelve tube-wells were got drilled by the farmers, thus bringing about 300 acres of land under irrigation. Loans for these tube-wells were obtained by them from the Indore District Cooperative Land Development Bank and the drilling work was carried out by the Water Development Society-a non-profit body established by an aid organisation from the Netherlands. This activity was initiated in 1971-72- in the first year of the project itself. The project staff had to take active interest in bringing the farmers in contact with the two agencies and had to pursue even individual farmers' cases. Then farmers of the neighbouring villages covered by the Dakacha Society got over 30 tube-wells drilled. In the latter case, the main function performed by the project staff was one of providing information only. The farmers whose lands were brought under irrigation later on changed the crop pattern on the advice of the project and also obtained improved seeds from the National Seeds Corporation, Indore Branch, from the Agricultural College, and the farm operated by the Kasturba Gram Trust. Fertilizers were purchased from the marketing society. A new dairy cooperative society was formed in the Barlai village and a stagnant dairy cooperative was revived in the Kanadia village with the assistance of the Malwa Milk Producers' Cooperative Union. These two societies were providing per day 150 and 400 litres of milk respectively to the milk union. According to the information

supplied by these societies, the gain to the farmers varied from Re. 0.25 to Rs. 1.50 per litre per day (on the basis of fat content) because of selling milk through the scciety instead of selling it to the private traders. The farmers in four villages covered by the Pigdamber society were given information on the importance and scientific storage of their produce by the personnel of the Central Warehousing Corporation. The farmers obtained market information on prices etc. from the Indore Branch of NAFED and shortterm loans (on pledging the produce) from the Indore District Cooperative Bank for storing their produce in the storage space of their society in Pigdamber in anticipation of better prices. In 1973-74, twelve farmers from one village stored 92 bags in the storage space of the Pigdamber society. According to the information supplied by the society, the net gain to a farmer in 1973-74, on account of storing the goods ranged from Rs. 15 to Rs. 70 per bag of 100 kg. in



Village folk enjoy a cooperative film.



Audience at another film show.

respect of gram and wheat. In 1974-75, farmers from four villages stored 590 bags in view of the price advantage gained by the farmers in 1973-74.

14. Educational Material

14.1 The Project has produced the following educational material for different educational activities. Almost all the material has been produced in the Hindi language.

14.2 Books and Booklets

- 1. Handbook for Secretary/Manager of Agricultural Service Cooperative Scciety (Printed).
- 2. Handbook for Managing Committees of service Cooperatives (manuscript prepared).
- 3. Lecture material for dairy development course (Printed).
- 4. Bye-laws for Agricultural Service Cooperative Scciety (Printed).
- 5. General Body Meeting of a Cooperative Society.
- 14.3 Pamphlets and Leaflets
 - 1. Planning of a general body meeting.
 - 2. Difference between a cooperative society and a private or joint stock company.
 - 3. Balanced cattle feed.
 - 4. Marketing of agricultural produce-role of a cooperative society.
 - 5. Cooperative Principles.
 - 6. A member of an agricultural cooperative society.
 - 7. How to develop loyalty of a member for his society.
 - 8. Functions and Responsibilities of the Managing Committee of a Service Cooperative Society.
- 9. Functions of the Chairman of a service cooperative society.
- 10. Cooperative Education Field Project—brief report in English (printed).
- 11. Facilities available at the Central Warehousing Corporation, Indore Branch.
- 12. Grading and Storage of agricultural produce.
- 13. Why and how of soil testing.
- 14. Land preparation before sowing of different crops.
- 15. Need and importance of maintaining accounts in agriculture.

- 16. Need and arrangements for improved cattle breeding and balanced cattle feeding.
- 17. How to increase potato production—new varieties of potatoes.
- 18. Why and how of farm guidance through cooperatives—Hindi & English. The English version was printed in the "Cooperator", fortnightly of the NCUI and the "Cooperative News Digest", monthly of the Reserve Bank of India.
- 19. Use of fertilisers in different crops—proportion and method of application.
- 20. Different schemes of Madhya Pradesh Agro-Industries Corporation.
- 21. Financial aid to dairy cooperatives.
- 22. Intensive Cattle Development Programme in Indore District—its role in cooperative dairy development.
- 23. Working of the Malwa Cooperative Milk Union.
- 24. Scope and problems for development of agricultural cooperatives in Indore district—Paper for a seminar.
- 25. Need and scope for developing agro-processing units on a cooperative basis.
- 26. Need, scope, problems and possible ways of developing cooperative marketing societies—paper for a Seminar.
- 27. Review of marketing cooperatives in Indore district.
- 28. Selective approach in developing marketing cooperative societies. Paper for a Seminar.
- 29. Seminar Report on Cooperative Marketing.
- 30. Extension method in cooperation—Role of Cooperative Extension Officers : Paper for Cooperative Officers.
- 14.4 Charts
- 1. Charts-cum-Exhibition Panels on objectives of a cooperative society.
- 2. Flip charts on Farm Guidance, Project activities and activities of Cooperative Cold Store, Rao.
- 3. Chart for a Member entitled "Please Remember" and other charts for societies.
- 4. Chart on Cooperative Principle.
- 5. Chart on Relationship of a Member with his cooperative.
- 6. Chart on Relationship between the Service cooperative and the District Cooperative Bank.
- 14.5 In addition the Project brings out a periodical

entitled "Cooperative Education and Development" and a Bulletin on Farm Guidance.

14.6 The Project also obtained from time to time material produced by the Agriculture Department, Agriculture College, IFFCO and other developmental agencies for carrying on its educational programmes, especially for the Farm Guidance Service.

15 Interim Evaluation

15.1 It was decided to carry out an interim evalution of the Project in order to decide whether the Project should be continued after three years. The interim evaluation was jointly conducted by Dr. Dharm Vir, Joint Director (Education), ICA RO& EC and Mr. K.C. Jain, Joint Director (ME) National Cooperative Union of India, in September-October 1973, after about one and a half years of work of the Project. The evaluation was undertaken to assess quickly the impact of the education programme on the working of the societies especially in respect of the following :

- 1. Position regarding audit classification;
- 2. Attendance at the General Body & Managing Committee Meetings;
- 3. Position regarding overdues, and
- 4. Change in the business of societies.

15.2 The following are the conclusions and suggestions of Dr. Vir and Mr. Jain on the basis of the interim evaluation :

(i) On the basis of the comparative study of the Project and non-project societies some trends have been noted in the operations of the societies. Noncontinuity of these trends can be attributed to the drought conditions which prevailed in the district of Indore during the last two years. Besides the drought conditions there generally exist many factors which temporarily do affect the working of the cooperative societies.

(ii) In the case of Project Service societies an improvement has been noted in respect of audit classification, share capital, managing committee and general body meetings, short-term loans advanced to members, recoveries of short-term loans, overdues (short-term) repayments to banks of short-term loans, deposits, profits, etc. As far as the business relating to medium-term loans is concerned, the increase in advances to members is better in project societies, but the position of repayments and overdues is better in the case of non-project societies.

(iii) The non-project societies did not fare badly as far as their business operations are concerned except

in short-term loaning and marketing. In many respects their performance had in any way not been inferior to that of the project societies. However, these societies did not show any improvement in the case of audit, profits, marketing, storage, number of and attendance at meetings.

(iv) As far as cooperative cold stores are concerned the Project cold store had done really well in respect of its profits, services and assistance provided to its members and members of the adjoining cooperative societies. It has introduced the Farm Guidance Service which obviously is due to the result of the Project activities and this has been very much appreciated by the members.

(v) In the case of large-sized societies, a mixed trend has been noted in the working of the project society. It was explained that there were special circumstances



Women have begun to join educational programmes



Mr P.E. Weeraman, ICA Regional Director for South-East Asia and Mr. V.N. Pandya, Project Officer, walking on a muddy road to reach village Barlai for a members' meeting.

obtaining in the case of this society and for that reason the project had to slacken its education activities in this society. The non-project L.S.S. has shown better trend of progress during the period under review.

(vi) Generally it has been observed that in the Project societies a climate and base has been created for improving the working of the societies and members seem to be very keen about the educational activities. It is evident from the fact that most of the societies have made financial provision for cooperative education.

(vii) Many of the Project cooperative service societies have already acquired land for the construction of offices/godowns. The Village Service Cooperative Society, Manpur, has already constructed a godown and the societies at Barlai, Dakacha and Kamadpur are going to start the construction of their respective godowns shortly. In the Village Service Cooperative Society, Barlai, more than 15 tube-wells have been installed primarily on the persuation of the project staff. Case studies prepared in respect of individual Project societies support this view.

(viii) It is our considered opinion that the activities of the Project should be continued and the work being done at present should be strengthened. This is the only Project in India which can serve as laboratory for experimenting with new educational techniques and approaches.

(ix) In order to increase the coverage under this Project as well as to encourage the members to take more interest in the educational activities, the Project may devolve more responsibility for educational activity on the local leadership.

16 Some Limitations

16.1 The Secretaries of the Project societies had been trained in a Secretaries' Course and they are also being given guidance by the Project staff. The Local Advisory Group had suggested and the Bank had agreed that the Secretaries of the Project societies would not be transferred without the concurrence of the Project Officer. However, seven Secretaries out of ten have been transferred. Naturally new Secretaries had to be given fresh training and orientation.

16.2 The manager of the district cooperative bank was changed three times since the start of the Project. Under the Cooperative Societies Act, the President of the district cooperative bank also had to leave his post as he had completed six years in this position. Similar changes took place in the management of the district cooperative union also.

16.3 The policies of the District Cooperative Bank and the Marketing Societies have considerable effect on the growth or otherwise of the cooperative societies. It was the task of the project to see that the necessary changes in the policies and activities of the District Cooperative Bank and the Marketing Societies were brought about in order that the societies and through them the farmers received better services. However, progress in this respect has been slow. Attempts were made by the Project Officer for achieving this objective through district leaders' seminars, and other educational activities. But this educational effort needs to be supplemented by providing management guidance to these organisations as well for bringing about the needed changes.

16.4 The policies of the Government have great bearing on cooperative development. At one stage, the Government of Madhya Pradesh was about to



A member of society busy making jaggery (raw sugar)



Tube-well drilling in progress in Barlai Village. Only 6.88% of farm land is under irrigation in the District

enact legislation whereby powers of the General Assemblies of all the cooperative banks including the Indore District Cooperative Bank and the Indore District Land Development Bank were to be vested in nominated persons or bodies. The Local Advisory Group which considered this question at that time was definitely of the opinion that under such a set-up it was meaningless to continue the Project. However, on account of the agitations and representations made by the cooperators of the State including those of Indore District, the bill was not enacted. Similarly, in the field of dairying it is felt that there is a shift in favour of a Government Corporation for dairy development in Madhya Pradesh State rather than promoting an integrated dairy cooperative set-up which would manage milk procurement, pasteurisation, processing, provision of inputs and extension activities to farmers. Under such circumstances the efforts of the Project to persuade farmers to sell their milk through the dairy cooperatives and the work done in reviving a stagnant cooperative and organising a new one get nullified and the farmers' enthusiasm created in favour of cooperatives is impaired.

16.5 Factionalism and vested interests come to surface off and on. The task of a cooperative educator is very complex and uphill in such a situation.

16.6 There seems to be a tradition for farmers to obtain loans for crops other than the ones they grow in order to obtain higher scales of finance. Similarly there are fictitious repayments. The damaging effects of these practices were highlighted in members and committee members' educational programmes. However, this is a problem whose solution depends not only on education and understanding but also on the enforcement of discipline by the managing committee of the society as well as by the authorities of the district cooperative bank. Unless decisions are taken and implemented by these bodies, education will appear idealistic or will aggravate already existing cynicism in the farmers.

16.7 The Project was for an initial period of three years. At the end of two years, cooperative leaders of the district, especially District Cooperative Union and the District Cooperative Bank requested the ICA and the NCUI to extend the Project for a period of five years during which period they would raise gradually sufficient funds to take over the Project. However, the ICA was able to extend the Project first for one year and then for another year. The Project has suffered on account of uncertainty about its continuation.

17 Some Results

17.1 Specific results achieved have been mentioned while describing the activities of the Project. However, the following important results may be mentioned:

17.2 The Project has brought about an awakening amongst the members and the committee membersof primary societies. In this connection, Mr. B.S. Mandloi, the then Chairman of the Indore Premier Cooperative Bank had the following to say at the meeting of the Local Advisory Group held on 18th June 1973 :

"The Project has done remarkably good work. The most important achievement of the Project was that it had stirred the minds of the committee



The Project has attracted international attention— Mr Malte Johnson of the Swedish Cooperative Centre at a Project village



The Project Officer briefing teachers of the National Cooperative Colleges of Malaysia and Bangladesh

members of cooperative organisations and especially of cooperative leaders at the district level. Considerable awakening was brought about in the committee members and members as to what constituted genuine cooperative institutions. If activities on these lines could be carried out, the entire cooperative movement of Indore district ean become both genuinely cooperative as well as dynamic, and it can make great contribution to improving members' social and economic conditions."

17.3 The service cooperative societies have diversified their activities beyond credit.

17.4 The inter-dependence between the primary societies and the secondary societies is realised by both the Project societies and the secondary organisations. The latter have begun to believe that their central aim ought to be the service of the farmers through the service cooperative societies. However, a great deal needs to be done to translate this realisation into actual accomplishment.

17.5 The primary societies have realised the value of cooperative education, and all the societies are making provisions for cooperative education activities in their annual budgets.

17.6 Seeing the importance of the farm guidance service, the Kaira District Cooperative Union in Gujarat State has established a Cooperative Education and Development Centre which has started farm guidance service for five societies in the district. Cooperative Officers of the Tamil Nadu State Cooperative Union, who visited the Project have also formulated a cooperative education programme for their State on the lines of the Indore Project.

17.7 The Project has also trained for three months a Cooperative Educator from the Bangladesh National Cooperative Union which proposes to start a project on similar lines in Bangladesh. Orientation has been provided by the Project Officer to cooperators from Indonesia, Iran, Malaysia and Thailand.

18 Views on the Project

18.1 The Project has attracted international attention.

18.2 An official of the International Development Association, an affiliate of the World Bank, after visiting the Project wrote to the Project Officer as follows:

"You would probably have learned by now from newspaper accounts that the International Development Association recently approved a credit

for \$16.4 million for the M.P. Dairy Development Project. A significant part of the credit is for intensive cooperative training and livestock extension where the experience gained from the ICA-NCUI Cooperative Education Field Project would be very relevant. M.P. Dairy Development Corporation, which is being established to implement the Project would, I hope, have ready access to this experience."

18.3 The Vice-President of CUNA Mutual Insurance Society of the USA, who visited the Project referred to it in his report to his President as follows :

"We were very much impressed with the work being carried out in this project, which is by the way also supported by the Swedish Cooperative Movement. The Director of the Project, Mr. V.N. Pandya, is a very capable and dedicated person. The project approaches the problems of the farmers in a very practical way and improvements are evident in the whole area. The success of the project has attracted visitors from other states who have been trained at the project for starting similar activities in other parts of India". 18.4 The Conference of the Presidents and Secretaries of the State Cooperative Unions held by the National Cooperative Union of India in New Delhi on 1st and 2nd February 1974 considered the experience of the Project and recommended as follows :

"The ICA/NCUI Cooperative Education Field Project which is being implemented in Indore District of Madhya Pradesh since 1971 on experimental basis has adopted some new approaches. The State Unions can profitably draw upon the experiences of the ICA/NCUI Education Project and should consider adopting the new approaches viz. (i) involvement of business federations in the planning and implementation of the education programme, (ii) intensive and needbased approach, (iii) use of the secretaries of the societies as part-time teachers for carrying out the educational work in the societies.

The State/District Cooperative Unions should take steps for the introduction of farm guidance service and with the help of the financial support from the beneficiary societies, arrange to appoint farm advisers for a group of 8-10 societies."

18.5 A paper on the Project was presented by J.M. Rana at the Regional Seminar on Member Educa-



Dr S.K. Saxena, Director of the International Cooperative Alliance, at a meeting with cooperative leaders of the district

tion and Member Communication with special reference to Japan held by the ICA Regional Office & Education Centre in collaboration with the Central Union of Agricultural Cooperatives in Tokyo, Japan in 1974. In this connection, the Seminar recommended as follows:

"The Seminar noted with appreciation the salient features of and the main results achieved by ICA/NCUI Cooperative Education Field Project n in Indore district of Madhya Pradesh State in India, since April 1971, and felt that the project would provide very useful guidelines to the movements in the region for the purpose of better developing their member education and member communication programmes. It noted that the project was experimenting with the application of farm guidance technique which is a vital feature of education programmes of the multipurpose cooperatives in Japan..... The seminar further recommended that the ICA RO & EC should provide technical assistance to the movements desiring to establish similar field projects and that it should make an attempt to establish at least two or three such projects in other movements in the region".



Dairying is a women's business



World Bank officials discussing Project contribution in the field of tube-well drilling



Mr J.M. Rana explaining project activities to the members of the ICA Assessment Team

19 Future of the Project

19.1 The Local Advisory Group and the cooperative leaders of Indore district are of the opinion that the Project has done excellent work and hence they want to carry on this work on a permanent basis. In view of this, the Local Advisory Group recommended to the ICA RO & EC and the NCUI that the duration of the Project be extended for another five years, and that the cooperative education work be extended to the entire district so that they could raise necessary funds for taking over the Project in a period of five years.

19.2 The Local Advisory Group had constituted an ad hoc Committee for suggesting practical steps by which the proposal made by the members of the Local Advisory Group for establishing a Cooperative Education and Development Centre (CEDC) could be carried out. The ad hoc Committee suggested the aims, activities and the estimated funds needed for establishing the Centre. The ad hoc Committee later converted itself into an Action Committee for taking necessary steps for the establishment of the CEDC. It is estimated that the recurring expenditure needed for the CEDC would be in the neighbourhood of Rs. 110,000 which may go up with the expansion of the Centre.

19.3 As regards the structure of the Cooperative Development and Education Centre, two alternatives have been put forward to the Action Committee : (i) registering the CEDC as a separate society, or (ii) establishing an Education Sub-committee by the Indore District Cooperative Union to operate the CEDC.

19.4 The question of further continuation of the Project was put up by the members of the LAG to the representatives of the ICA and the NCUI at the meeting of the LAG held on 3 August 1973. At this meeting the ICA and the NCUI indicated that they would carry out a quick evaluation of the Project work in a period of one month, and thereafter take a decision. On the basis of this evaluation, the NCUI agreed that the Project be extended by the ICA. The ICA Council for South-East Asia, however, agreed to extend the Project only for a period of two years.

19.5 The current year is the last year of the Project. During this year the local organisations and the NCUI have to decide about the organisational setup and other related matters relating to continuation of the Project. The local organisations are not in a position to fully support the Project in a year or two. In view of this it may be necessary for the State Cooperative Union and the NCUI to provide assistance on a tapering basis so that the local organisations can raise the needed funds within a period of five years.

TABLE V

EDUCATIONAL ACTIVITIES DURING JULY 1971–JUNE 1972

Sr. No.	Activity	No.	Dura- tion days	No. of parti- cipants
1. M	embers			
1.1	Members' Camps*	10	3–5	432
1.2	Members' Meetings			
	(a) By the Project Staff	6 41	1	1,132
	(b) By the Coopera- tive Teachers	79	1	813
1.3	General Body Meetings		1	275
	Women' Meetings	5	1	143
2. Co	mmittee Members			
2.1	Managing Committee Members' and Pros-			
	pective Committee Members' Courses	2	4-6	106
2.2	Managing Committee Members' Meetings	7	1	56
3. Co	urses for Secretaries			
3.1	Secretaries' Courses	1	10	21
3.2	Cooperative Teachers'			
	Courses	4	1-2	25
l. Stu	dy Tours	2	6	41
by	acational Meetings for/ Central Societies and er activities**	20	1	828
5. Auc	lio-visual Programmes			
6.1	Film shows	12	1	1,800
6.2	Slides shows	20	1	600
			TAL :	6,272

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TABLE VI

Sr. No.	Activity	No.	Duration days/hours	No. of participants
1. For	Members			
1.1	Members' Camps*	5	4 days each	244
1.2	Members' Meetings			
	(a) By Project staff	19	l day each	422
	(b) By Cooperative Teachers	346	l day each	4,407
	(c) By Farm Adviser	74	1 day each	575
1.3	Annual General Meetings	10	1 day each	1,137
1.4	Women's Meetings	1	l day each	40
2. For	Committee Members			
2.1	Courses for Managing Committee Members	3	4 days each	42
2.2	Managing Committee Members' Meetings	13	l day each	100
3. Cou	urses for Employees			
3.1	Courses for Secretaries	1	10 days each	187
3.2	Courses for Supervisory staff	1	2 days each	29
3.3	Cooperative Teachers' Courses	8	I day each	3
4. Stu	dy Tours	9	1 of 11 days 8 of 1 day each	21:
	acational Activities for/by ntral Societies**	43	l day each	1,424
6. Au	lio-visual Programmes			
6.1	Film Shows	10	2 hours each	1,549
6.2	Film Slide Shows	5	1 hour each	41.
			Total :	10,652

EDUCATIONAL ACTIVITIES DURING JULY 1972—JUNE 1973

* Includes prospective members

** This represents attendance and guidance given by the Project Staff at meetings organised by Central Societies in and outside Indore District.

EDUCATIONAL ACTIV	TABLE VII DUCATIONAL ACTIVITIES DURING JULY 1973—JUNE 1974			TABLE VIII EDUCATIONAL ACTIVITIES DURING JULY 1974—JUNE 1975			
Sr. No. Activity	No.	Dura- tion/ days	Parti- cipants	Sr. No.	Activities	No.	Total parti- cipants
1. Members' Education				1. M	anagment Training & Guidance		
1.1 Members' Camps	2	4-6	52	a.	Managing Committee Course	5	5:
1.2 Members' Meetings	4	4-0	14	b.	Dairy Development Course	1	35
(a) By Project Staff(b) By Cooperative	22	1	354	c.	(Through) participation in M.C. Meetings	19	229
Teachers 1.3 Women's Meetings	168 14	1–4 1–5	1,544 225	d.	(Through) participation in General Body Meetings	10	782
2. Farm Guidance by Farm	105		781	2. Me	ember Education		
Advisors 3. Training of Managing	125	_	/01	a.	Members' meetings held by local teachers	111	1150
Committee (M.C.) Mem- bers and others 3.1 M.C. Members'				b.	Members' meetings by pro- ject staff	27	564
Course	1	4	22	c.	Women's camps	1	42
3.2 Local Cooperative Teachers	9	1	39	d.	Women's meetings	3	32
3.3 Training of Farm Advisor	1	6	2	a.	Visits to village by the Farm		
4. Management Guidance					Guidance Workers of the society	45	255
4.1 General Body Meeting 4.2 M.C. Members'	s 8	1	738	b.	Visits of project farm gui- dance instructor to farmers	42	348
Meetings	12	1	170	4. Te	chnical Assistance		
5. Educational Activities for/by Central Societies	61	1–7	3,857	a.	To cooperative organisa- tions in the district	41	966
6. Study Tours/Visits	4	1–7	. 59	b.	To organisations outside the district	26	567
7. Audio-Visual Programme				5 14	scellaneous		
Film Show Slide Show	3	1	32	J. 1411	Film Shows	5	2350
	1	TOTAL :	7,875		TOTAL	336	7375

PROJECT OUTLINE

Although all Cooperators in developing countries agree on the great importance of cooperative education, some quarters feel that cooperative education activities do not adequately help in improving the efficiency of the cooperative societies and do not effectively contribute to accelerating the process of cooperative development. Sometimes it is also suggested that cooperative education work does not receive the necessary support from the business federations, and the involvement of the primary societies is limited. Often, a dichotomy is made between member education and education of employees of cooperative societies at the primary level. It is also felt that while a great deal of attention is given in the developing countries to training of senior and intermediate personnel, not sufficient attention is given to work at the grass-roots level. An opinion of this nature was stressed at some International Conferences on Cooperative Education organised by the ICA. In view of this, it is proposed to start a modest project on cooperative education for a selected group of primary societies in a rural area in one of the States in India.

The project will be developed by the ICA in collaboration with the National Cooperative Union of India, and the State Cooperative Union of the State in which the project is located. The main responsibility for operating the project will be that of the ICA Regional Office & Education Centre.

Objectives

The over-all objective of the project would be to contribute to the development of cooperative societies and (through that) to the social and economic improvement of members. The principal objectives of the project will be as follows :

1. to carry out education programmes for the employees, board members, and ordinary members (including active members, housewives and youth) of selected primary societies as part of the current and projected development programmes,

- 2. to carry out educational activities for supervisory and extension personnel of secondary cooperative organisations, such as cooperative banks, and marketing societies, and employees of cooperative departments such as Inspectors and Supervisors, who come in direct contact with the primary societies,
- 3. to experiment with and demonstrate successful approaches and techniques in cooperative education which could then be duplicated elsewhere,
- 4. to produce educational material, manuals and audio-visual aids for use in the education project, and
- 5. to involve cooperative institutions increasingly in the formulation and implementation of the project. Part of the resources may be provided locally.

Selection of the Area

A few cooperatives will be selected in a rural area near about an Intermediate Training Centre working under the Committee for Cooperative Training.

The area selected should be such where there is a reasonable chance of success, that is to say, the area should not be too backward.

Operation of the Project

The project should be operated in a phased manner. To begin with 5 or 6 societies may be selected and after some experience is gained, the

area could be expanded to about 30-40 societies.

The project will be operated for a period of about three years. Its continuance will be reviewed after the end of this period.

A pre-project survey should be carried out as explained later on.

Necessary collaboration of the local cooperative institutions and leaders should be secured.

The project should start with leaders, that is, Board of Directors and employees of cooperative societies with main emphasis on cooperative management training. The project could be expanded later on to cover other categories of people.

Each training activity should be based on a proper estimation of the training needs of the participants and current problems of cooperatives, and future development projects in the area. The approach to educational work in the project will be a developmental approach, with emphasis on agricultural cooperatives.

Personnel and other requirements

A Project Officer may be appointed by the ICA who would be in charge of the project. Other detailed requirements will be worked out later.

An attempt will be made to see that the local resources available in the area should be utilised to the full. Services of local education Instructors, teachers of local training centres and cooperators from secondary cooperative institutions should be utilised in the Project.

The various specialists of the Education Centre should also contribute to the teaching work and preparation of the material required. Specialists and technicians in the Centre should keep some time free for the purpose of undertaking assignments allotted to them.

The Assistants in the Education Centre should be involved in the project.

Assistance of competent persons outside the office will also be enlisted for the production of the teaching material.

Evaluation

A continuous attempt should be made to assess the results achieved and to document them.

For this purpose, a pre-project survey about the social and economic background of the area, existing economic position of the societies, state of knowledge of the various categories of personnel and their training needs and potentiality of cooperative development should be carried out.

An assessment report on each specific educational activity should be prepared.

After an interval of two to three years, an evaluation report should be prepared.

Advisory Group for the Project

An Advisory Group at the local level may be constituted comprising the Registrar of Cooperative Societies and his representatives, representatives of the State and District Cooperative Unions, and representatives of societies, the District Cooperative Bank, the Marketing Societies and other developmental and educational agencies. Representatives of women and youth may be associated with the Advisory Group.

Conclusion

An important thing to be kept in view all along is that we should be able to demonstrate that cooperative education work can improve the efficiency of the cooperatives so as to enable them to produce visible economic and social results. The project should be utilised as a demonstration centre for training centres operating at the local levels both in India and abroad. The project will also serve as a training ground for the ICA Fellows.

INTERIM EVALUATION OF THE PROJECT

by

DHARM VIR & K.C. JAIN*

I. Introduction

The interim evaluation was jointly conducted by the officers from ICA RO & EC and NCUI in September-October 1973, with the assistance of the Project staff, Indore Premier Cooperative Bank and the rural cooperatives in the district, selected for the study. The evaluation was undertaken to assess quickly the impact of the education programme in the working of the societies especially in respect of :

- 1. Position regarding audit classification,
- 2. Attendance at the General Body & Managing Committee Meetings,
- 3. Position regarding overdues, and
- 4. Change in the business of societies

The Project started its activities in Indore district of Madhya Pradesh in the year 1971 and took up five village service cooperative societies (VSS), one large-sized cooperative society (LSS) and one cooperative cold store. For the purpose of comparative assessment of the working of the cooperative societies, all the aforesaid seven project cooperative societies, and five non-project societies i.e. three service cooperative societies, one large-sized cooperative society and one cooperative cold store were selected for detailed study.

II. Names of the Societies Selected for Study

Service Cooperative Societies

Project Societies

- 1. VSS, Barlai
- 2. VSS, Dakacha

- 3. VSS, Kamadpur
- 4. VSS, Manpur
- 5. VSS Pigdamber

Non-Project Societies

- 1. VSS, Manglia
- 2. VSS, Rao
- 3. VSS, Sherpur

Large-Sized Cooperative Societies

Project Society

1. LSS, Rangwasa

Non-Project Society

1. LSS, Hasalpur

Cooperative Cold Stores

Project Society

1. Cooperative Cold Store Society, Rao

Non-Project Society

1. Cooperative Cold Store, Gaulipalasia

Project Societies—7 Non-Project Societies—5

III. Limitations and Scope

It was decided to have a quick evaluation of the impact of the project after two years of its activities. The evaluation suffered from the following limitations :

1. Time for the interim evaluation was too short and rather inconvenient for field work.

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- 2. Audit reports for the year 1972-73 and other relevant information were not available.
- 3. Non-project societies matching to Project societies could not be located, so only three surrounding societies were studied as against five Project societies. An exact comparison between the Project and non-project societies is therefore not possible. Only trends of progress can be ascertained. It is difficult to establish cause-effect relationship between educational efforts and business results whether in a comparative study or through case study done in this limited assessment. In an educational assessment, the criteria of evaluation should have casual relationship between the objectives of the activities and their effect.

IV Main Findings

Service Cooperative Societies

(A) Among Project societies, the *audit classification* of two societies improved from 'B' to 'A' and of the remaining three remained at 'C'. In the non-project societies the classification of one improved from 'B' to 'A', one declined from 'B' to 'C' and the third remained 'C'.

(B) The *membership* of the Project societies improved* by 12.5 per cent from 1970-71 to 1972-73 while the membership of non-project societies increased by 19.2 per cent.

(C) The *Share Capital* of Project societies increased by 28.5 per cent and of the non-project societies by 26.2 per cent.

(D) Meetings

- (i) Managing Committee Meetings : In Project societies the number of meetings increased by 31.5 per cent and average attendance dropped marginally from 6.1 to 5.7. In non-project societies, the number of meetings declined by 13.3 per cent and attendance from 6.9 to 5.6.
- (ii) General Body Meetings : During 1970-71, four Project service cooperatives held the general body meetings with an average attendance of 27.9% (attendance as percentage of total membership). During 1972-73, the number of General Body Meetings increased with attendance to 40%. During 1970-71 in non-

project societies, three held the Annual General Meetings with an average attendance of 39%. During 1972-73 only one society held the general body meeting with 18% of members attending.

(E) Loans advanced to Members

- (i) Short-term : In Project societies the loaning to members increased by 123.8% while in non-project by 60.8 per cent.
- (ii) Medium-term : Medium-term loaning increased by 224% in Project societies but increased by only 100% in non-project societies.

(F) Recoveries from Members

- (i) Short-term : The recoveries in Project societies improved from 33.2 per cent to 37.9 per cent. In non-project societies the recoveries declined from 50.8 per cent to 42.8%.
- (ii) Medium-term : In Project societies the recoveries dropped from 18.0 per cent to 12.2% while in non-project societies they declined marginally from 6.8 to 6.4 per cent.

(G) Overdues Against Demand

- (i) Short-term : In Project societies the overdues declined from 60.3 per cent to 28.6 per cent. In non-project societies the percentage of overdues also declined from 32.9 to 26.9 per cent.
- (ii) Medium-term Loans : In project societies the overdues increased from 50.9% to 64.7%. In non-project societies, the overdues increased from 66.6% to 72.9 per cent.

(H) Repayment (Dealings with Bank)

- (i) Short-term : In Project societies the percentage of repayments to outstand ng imp:oved from 36.8% to 43.5%. In non-Project societies the repayments dropped from 50.0% to 47.3 per cent.
- (ii) Medium-term : In Project societies the repayments dropped from 11.3% to 4.3% while in non-project societies there was negligible increase from 3.4 to 3.7%.

(I) Overdues Against Demand (Dealings with Bank)

(i) Short-term : Out of five Project societies

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^{*}The year 1970-71 has been taken as base year. The increase and/or decrease shown is for the year 1972-73 as compared with the position in the base year, unless specifically mentioned otherwise.

only three had overdues in 51.8% in 1970-71 but the percentage declined to 24.8% in 1972-73. In the non-project societies only one society had overdues—19.7% and in 1972-73 two societies had overdue but there was no change in the percentages of overdues.

(ii) *Medium-term* : In Project societies the overdues increased from 4.7% (2) to 83.6% (3). In non-project societies, the overdues declined from 88.1 (1) to 79.2% (2).

(J) Deposits

In Project societies the deposits increased by 90.2% while the deposits of non-project societies increased by 158.6%.

(K) Supply and Marketing Business

In Project societies, four out of five supplied fertilizers worth Rs. 171,630 and other inputs worth Rs. 18,993 only during the entire period under review. Among non-project societies only one supplied fertilizers worth Rs. 97,472 and other inputs amounting to Rs. 173,710. The total value of agricultural produce marketed by five Project societies during three years was Rs. 172,840. Only one non-project society undertook marketing business worth Rs. 15,377 during this period.

(L) Profits

In the base year, three Project societies were making profits and they continued to make profits. One which was running in loss went out of red, one losing society continued to be in the red on an increasing scale. Out of three non-project societies two were working in profit but their profits declined subsequently. One society which was in loss continued to incur larger loses.

Large-Sized Agricultural Cooperative Societies

(A) The membership of large-sized Project society declined by 9.6% while that of non-project large-sized society increased by 4.51%.

(B) The share capital of Project society increased by 14.3% while that of the non-project society by 13.2%.

(C) Meetings

(i) Managing Committee Meetings : In Project society the number of meetings remained stationary but the average attendance dropped from 8 to 6. In non-project society the number of meetings also remained stationary but average attendance increased marginally from 5.3 to 5.9.

(ii) General Meetings : In Project society the attendance in general meeting increased from 16.5% of the total membership of the society to 43.3%. In non-project society the attendance dropped from 52.6% to 49.6%.

(D) Advance to Members

- (i) Short-term : In Project society the advances declined by 42.6% and in non-project they increased by 33%.
- (ii) Medium-term : In Project society the advances dropped by 25.5% while in non-project they increased by 142.4%.

(E) Recoveries

- (i) Short-term : In Project society the recoveries dropped from 57.2% to 50.5% while in nonproject society recoveries improved from 41.7% to 45.8%.
- (ii) *Medium-term* : In Project society the recoveries dropped from 19.1% to 12.9% while in non-project society recoveries improved from 14.0 to 33.1%.

(F) Overdues

- (i) Short-term : In Project society the overdues increased from 23.3% to 42.6% and in non-project society they declined from 30.8% to 23.2%.
- (ii) Medium-term : In Project society the overdues increased from 21.3 to 46.3% but in non-project society they decreased from 54.5 to 31.4%.

(G) Repayments (Dealings with Bank)

- (i) Short-term : In Project society the repayments dropped marginally from 57.3% to 56.1% and in non-project society it increased from 30.0 to 45.4 per cent.
- (ii) Medium-term : In Project society the repayments declined from 30.8 to 7.4 and in the non-project society it improved from 13.67 to 28.1 per cent.

(H) Overdues Against Demand

- (i) Short-term : In Project society there were no overdues in 1970-71 but they increased to 28% in 1972-73. In non-project society the overdues decreased from 37.4 to 18%.
- (ii) Medium-term : In Project society against nil overdues (1970-71) the overdues were 73.1% in 1972-73. In non-project society the overdues declined from 26.2 to 20.4%.

(I) Audit Classification

Both these societies continued to maintain the audit classification from 1969-70 to 1971-72.

(J) Deposits

In Project society, the deposits declined by 27.4% and in non-project they increased by 118.2%.

(K) Supply and Marketing Business

The Project society supplied fertilizers and inputs worth Rs. 734,459 (1970-71 to 1972-73)—no marketing business. The non-project society supplied fertilizers and other inputs worth Rs. 273,652 value of produce marketed Rs. 43,170.

(L) Profits

The profits of the Project society decreased slightly while the non-project society which was running in loss in base year made a profit of Rs. 6,351 within two years.

Cooperative Cold Stores

(A) The Project cold store has 'been maintaining classification 'A' while the non-project one has been receiving 'C' classification.

(B) The membership of Project cold store improved by 82.2% and non-project by 89.7%.

(C) The share capital of the Project cold store increased by 65.6% while that of the non-project by 80.3 per cent.

(D) Meetings

 (i) Managing Committee Meetings : In Project cold store the number of meetings increased from 12 to 22 and average attendance from 4 to 4.6 per meeting. In non-project store the number of meetings declined from 8 to 5 but attendance increased from 5.5 to 7.

(ii) Annual General Meeting : In Project cold store the number of meetings increased from 1 to 2 and the average attendance per meeting declined from 55 to 42.5% of total membership. In non-project store there was no change in number of meetings. Attendance was 41.2 per cent in 1970-71 and 66.8% in 1972-73.

(E) Advances Recoveries

In Project cold store, advances to members increased by 224% with 100% recovery in both years. The non-project cold store advanced Rs. 377,000 in 1972-73 (first time)—recoveries 24.9%.

(F) Dealings with the Bank

The borrowings of Project store increased by 251.6% with 100% repayment. The non-project store borrowed Rs. 3,777,000 for the first time and by 30th June 1973 repaid Rs. 94,000, representing a recovery of 24.9 per cent.

(G) Supply of Inputs

In Project cold store, supply of fertilizers increased by 99.5% and other inputs by 134.9%. The non-project society has not undertaken this business.

(H) Marketing

In Project cold store, the value of sales increased by 25% and the non-project store did not undertake this business.

(I) The Project cold store held a deposit of Rs. 326 in 1970-71 which increased to Rs. 21,172 in 1972-73. The non-project store received deposit of Rs. 83,500 for the first time in 1972-73.

(J) The profits of Project cold store increased by 8.4% and the non-project store which had loss of Rs. 13,218 in 1970-71 made profit of Rs. 4,948 in 1971-72. Profit for the year 1972-73 has not been worked out so far.

(V) General Conclusions and Suggestions

1. On the basis of the comparative study of the Project and non-project societies some trends have been noted in the operations of the societies. Non-continuity of these trends can be attributed to

the drought conditions which prevailed in the dis- circumstances obtaining in the case of this society trict of Indore during the last two years. Besides the drought conditions there generally exist many factors which temporarily do affect the working of the cooperative societies.

2. In the case of Project Service societies an improvement has been noted in respect of audit classifications, share capital, managing committee and general body meetings, short-term loans advanced to members, recoveries of short-term loans, overdues (short-term), repayments to banks of short-term loans, deposits, profits, etc. As far as the business relating to medium-term loans is concerned, the increase, in advances to members is better in project societies, but the position of repayments and overdues is better in the case of non-project societies.

3. The non-project societies did not fare badly as far as their business operations are concerned except in short-term loaning and marketing. In many respects their performance had in any way not been inferior to that of the project societies. However, these societies did not show any improvement in the case of audit, profits, marketing, storage, number of and attendance at meetings.

4. As far as cooperative cold stores are concerned the Project cold store had done really well in respect of its profits, service and assistance provided to its members and members of the adjoining cooperative societies. It has introduced the farm guidance service which obviously is due to the result of the Project activities and this has been very much appreciated by the members.

5. In the case of large-sized societies, a mixed trend has been noted in the working of the project society. It was explained that there were special and for that reason the project had to slacken its education activities in this society. The non-project L.S.S. has shown better trend of progress during the period under review.

6. Generally it has been observed that in the Project societies a climate and base has been created for improving the working of the societies and members seem to be very keen about the educational activities. It is evident from the fact that most of the societies have made financial provision for cooperative education.

7. Many of the Project cooperative service societies have already acquired land for the construction of offices/godowns. The Village Service Cooperative Society, Manpur has already constructed a godown and the societies at Barlai, Dakacha and Kamadpur are going to start the construction of their respective godowns shortly. In the Village Service Cooperative Society, Barlai, more than 15 tube-wells have been installed primarily on the persuation of the project staff. Case studies prepared in respect of individual Project societies support this view.

8. It is our considered opinion that the activities of the Project should be continued and the work being done at present should be strengthened. This is the only Project in India which can serve as laboratory for experimenting with new educational techniques and approaches.

9. In order to increase the coverage under this Project as well as to encourage the members to take more interest in the educational activities, the Project may devolve more responsibility for educational activity on the local leadership.

ANNEXE 3

LESSONS OF THE PROJECT RELEVANT TO THE MOVEMENTS IN THE REGION

The ICA-NCUI Field Project in Cooperative Education was started in Indore District in February 1971 as a demonstration-cum-experimental project so that the lessons learnt from the project could be made available to the movements in the region and also that cooperative education workers from other countries in the region could be afforded practical training opportunities in the project. The main lessons of the project are given below.

1. It is essential that the objectives of cooperative education programmes should be clearly and precisely defined. The aim of local cooperative education should be the improvement of management and development of primary cooperative societies with a view that the members' social and economic conditions would be improved.

2. The local education programmes should be need-based and should be geared to development. In order that this approach can be effectively implemented, research should be carried out to determine the educational and developmental needs in the area selected for education work. The questionnaries used in Indore Project would be made available to the member-movements on request.

3.1 The primary cooperative societies should be actively involved in the planning and implementation of cooperative education programmes. The planning of the educational programmes should be done in such a way that they become an integral part of the business activities of the primary societies.

3.2 In small societies the managers should be given the responsibility to carry out member education and information for members, and necessary monetary incentives should be offered to them by the societies and the district organisations. In order that the managers are able to carry on education work effectively, they should be given necessary training to work as study leaders.

3.3 The primary societies should be advised by the district organisations to set aside specific funds as part of their normal budgets and a certain proportion of the net-profits should also be allocated for cooperative education fund. In addition, members should be directly involved by asking them to contribute annually modest sums per member for education purposes.

3.4 The primary societies should also employ either individually or on a group basis farm guidance workers.

It is only when the primary societies are involved in cooperative education work both in respect of planning and financing that the education work would become meaningful and relevant to their needs.

4.1 The district cooperative organisations especially the district cooperative union and the district cooperative bank or other business federations at the district level have a crucial role to play in local cooperative education. It is essential that these organisations have a developmental outlook rather than confining themselves to the narrow tasks of their normal business. Only when these organisations realise the importance of the role they must play in cooperative development in their respective areas, cooperative education work can be revitalised and the primary societies can be energised as stated above. This is a task for the national level cooperative organisations. In the Indore Project this task has been largely performed by the ICA Regional Office and Education Centre.

4.2 Among the district cooperative organisations it is found that in India relatively speaking the functioning agency at the district level is the district

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cooperative bank. The collaboration of the district cooperative bank in India is vital for carrying on cooperative education work effectively. It is therefore necessary to identify a functioning cooperative business organisation(s) at the district or regional level which must be actively involved in cooperative education work. Unless this is realised and unless the bureaucratic beliefs in separate jurisdictions of various district organisations are removed, it is felt on the basis of the experience in the project that cooperative education cannot make much headway.

5. If the district organisations become imbued with developmental outlook and their proper role in cooperative development, they would then be willing to make necessary financial allocations and appoint personnel to support local cooperative education work in their districts. It is only the business organisations which can make substantial financial contributions. The cooperative unions therefore should ensure that the greatest possible coordination is maintained with these business federations and the educational programmes that they develop are geared to the developmental policies and business needs of the district level business organisations. Mere ideological education is not adequate, although it is very important.

6.1 With regard to the personnel to be trained, it is felt that the managers and employees of primary societies, committee members and members should be given education. However, their interests and educational needs vary and education programmes for each of these categories should be carefully designed taking into account their special requirements. Normally as a first step, it is advisable to organise training courses for managers who would then become active agents of district education personnel in organising educational programmes for committee members and members. However, where the managers are apathetic or have developed a vested interest, their resistance can be broken by directly going to the managing committees and organising educational programmes for them. In cases where both the above categories are resistant to educational programmes, a patient and persistent approach would be necessary. But once an entry is made by educational personnel in such societies, greater attention should be given to the members who can alone bring about the necessary changes in attitudes of committee members and even bring changes in the composition of the committee members. Such societies however present the most difficult problems and pose very challenging tasks for educational personnel. Vested interests in committee members may even adopt very threatening attitudes and the educational personnel in such cases would need the fullest backing and support from the district level organisations and the lawenforcing authorities such as the Cooperative Department.

6.2 It is also essential that educational programmes for women and rural youth should be developed, thereby in course of time leading to an educational approach for the entire family as such. However, when resources are limited, priorities must be set as to the categories of personnel to be given maximum attention in the context of the local situation of primary societies which may vary from society to society.

7. In regard to educational techniques the following lessons seem to be important :

7.1 The member education activities should be carried out in the village itself and preferably at times (e.g. evenings) when members are free.

7.2 Larger gatherings of members are possible once in two or three months and especially if some prominent persons from outside are invited as guest speakers or if film shows are arranged.

7.3 In regard to intensive education of members, it appears that educational personnel should feel satisfied if they are able to get a small group of 10 or 15 steady members for frequent weekly or fortnightly meetings.

7.4 As stated earlier, the managers of the societies would carry on education work under the guidance of educational personnel of the district organisations; the latter should prepare lesson plans or teaching material which can serve as aids to the managers in their member education work. Such material should be prepared 8 to 10 months in advance and managers should be given necessary orientation about its use. Periodic meetings of the various managers in groups of 10 or 15 (once a month) should be held to review the work carried out by them and to offer them guidance from time to time. The education personnel of the district located at the district level should also visit the members' meetings being organised by the managers so that effective support and guidance is provided to the latter.

7.5 The education personnel working at the district level should also organise members' meetings at society headquarters or suitable places so that they remain in touch with the local problems and continue to get the necessary feed-back to enable them to provide proper guidance to the society managers. 7.6 It is found from the experience in the Indore Project that study visits of members to district level organisations are of great value in broadening the outlook of the members and in bringing in them an awareness that they are part of a stronger and a wider cooperative movement and that they are not functioning in isolation. They would also be able to directly communicate their problems to the officials of the district organisations. Such study visits should be organised as part of educational programmes.

7.7 Charts, posters, film-slides and films have been found very useful in educational work for members.

7.8 It is found that the two primary interests of members are (i) the services they receive from cooperatives, and (ii) agricultural production and marketing. Thus, cooperative management and farm management should be given a high place in cooperative education programmes for members.

8.1 In regard to committee members the educational work should be more intensive and they must be given a thorough grounding in the byelaws of their cooperative societies. They should also be given some training in accounts, scrutiny of records of society, procedures for conducting meetings, need for and techniques of solving members' problems and directing their attention to development of their societies and members' economies.

8.2 Committee members training cannot be completed in just one course. Frequent courses for them in their society headquarters should be held and the course programme should be directly related to the problems and needs of members, problems and developmental needs of their societies and their role in improving the above. In addition to courses management guidance should be given to the management committees. The education personnel working at the district level should attend the meetings of the committees and give them guidance on the spot. The same procedure should be followed with regard to the annual general meetings of members. It may be added that such management guidance has been an integral part of the project activities in Indore and has led to practical results. Mere organisation of education meetings or courses would not lead to practical action on the part of committee members and members unless it is backed by such management guidance.

8.3 Study visits as part of the committee members courses have yielded very valuable educational results. There seems to be a general prejudice that study visits necessarily mean sight-seeing. This view is erroneous. Study visits to other areas when used

as part of training courses where better developments have taken place have provided in the project a source of inspiration and has stimulated action on the part of members and committee members. The participating persons have themselves contributed to part of the costs of study visits.

9. The training of managers of primary societies and other employees is a must. Frequent short courses should be organised for them. It is also important that the training activity should be utilized in assessing the potentialities of the managers for assuming higher responsibilities and necessary incentives by way of promotion etc. should be given if the trained managers show promise.

10. An important educational technique adopted in the project was the introduction of farm guidance activities. In view of the need to increase production, the farm guidance work by the primary societies/district cooperative organisations is very vital and is most appreciated by the members. The work of the agriculture department would also become more effective when the societies and district organisations themselves employ farm guidance workers for carrying out farm guidance activities.

10.1 To sum up, the position regarding educational techniques, the Project has been able to identify the following three most important educational techniques:

- (a) Education work to be carried out by the managers of the primary societies, if they are small, or by a special education worker employed by the society, if the society is large.
- (b) Farm Guidance activities by the cooperative societies themselves.
- (c) Management training and management guidance especially to committee members and the managers of societies.

11.1 The experience of three years of work in the Project shows that there is tremendous member apathy, personality rivalries, groupism and vested interests in rural cooperative societies. If visible change is to be brought about in the working of primary societies, intensive educational work is necessary and a large number of education workers need to be employed at the district level and the managers of primary societies have to be given the responsibility for carrying out local education work. It is also advisable that the organisations wishing to start such intensive work should first begin with pilot projects in selected areas. It may be pointed out that the scale of resources to be deployed in the pilot projects should be large. However, when the pilot projects are extended to other areas the resources made available to the other areas should not be so small as would produce ineffective results.

11.2 The national level cooperative organisations namely the unions and business federations should provide more direct and intensive support to such pilot projects.

11.3 It must be stated that local education work is a slow and tedious process and calls for considerable amount of patience and sympathetic handling of not only organisations at the local level but also of the educational personnel who are involved in the most challenging and complex tasks. "If we had occasion to start our movement afresh, and if we were given the choice between two possibilities—that of starting without capital but with enlightened membership and staff, or, on the contrary, that of starting with a large amount of capital and ill-informed members—our experience would incline us to choose the first course"

> **H. Elldin** —a noted Swedish Cooperator

Participation in general body meeting is very important for any cooperative society. This is the achievement of the Project. Many members are now aware of their rights and duties and participate actively in the general assemblies.



INTERNATIONAL COOPERATIVE ALLIANCE

is one of the oldest of non-governmental international organisations. It is a world-wide confederation of cooperative organisations of all types. Founded by the International Cooperative Congress held in London in 1895, it now has affiliates in 64 countries, serving over 300 million members at the primary level. It is the only international organisation entirely and exclusively dedicated to the promotion of cooperation in all parts of the world.

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

The main tasks of the Regional Office and Education Centre for South-East Asia are to develop the general activities of the Alliance in the Region, to act as a link between the ICA and its affiliated national movements, to represent the Alliance in its consultative relations with the regional establishments of the United Nations and other international organisations, to promote economic relations amongst member-movements, including trading across national boundaries, to organise and conduct technical assistance, to conduct courses, seminars and conferences, surveys and research, to bring out publications on cooperative and allied subjects and to support and supplement the educational activities of national cooperative movements. The Regional Office and Education Centre now operates on behalf of 14 countries, i.e. Australia, Bangladesh, India, Indonesia, Iran, Japan, Republic of Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka and Thailand.

COOPERATIVE PRINCIPLES

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

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

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

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

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

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

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

6. All cooperative organisations, in order to best serve the interests of their members and communities shall actively cooperate in every practical way with other cooperatives at local, national and international levels. "The Third World's main problem is not too many people, but too little self-examination, too little critical scrutiny of its food production strategies and too little self-help."

> -The Far Eastern Economic Review, 22nd November, 1974.

"The Project has done remarkably good work. The most important achievement of the Project was that it had stirred the minds of the committee members of cooperative organisations and especially of cooperative leaders at the district level. Considerable awakening was brought about in the committee members and members as to what constituted genuine cooperative institutions. If activities on these lines could be carried out, the entire cooperative movement of Indore district can become both genuinely cooperative as well as dynamic, and it can make great contribution to improving members' social and economic conditions."

> -Mr. B.S. Mandloi former Chairman, Indore Premier Cooperative Bank

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Case Study

Technical Aid Programme for the Co-operatives in Developing Countries Executed by the Union of Consumer Co-operatives of the German Democratic Republic at Its International Co-operative College

The members and employees of the consumer co-operatives of the German Democratic Republic have always followed the principle of co-operative solidarity in their international work. For them the practice of international solidarity and cooperation especially with the movements in the developing countries are a matter of course. This attitude reflects the policy of their state - for, as the Constitution of the German Democratic Republic says:

"The German Democratic Republic supports the aspirations of the peoples for freedom and independence, and fosters relations of cooperation with all states on the basis of equality and mutual respect."

Convinced that the co-operatives in the developing countries can together with the other progressive forces substantially contribute to the overcoming of economic backwardness and the consolidation of national independence, the consumer co-operatives of the German Democratic Republic are since many years giving ideological, material and financial assistance to the movements in Asia, Africa and Latin America.

In doing so, the Union of Consumer Co-operatives of the German Democratic Republic concentrated on the most urgent needs of the co-operatives in these countries and established various

by Dr. Rolf Otto, Principal of the International Co-operative College of the Union of Consumer Co-operatives of the German Democratic Republic

forms of cooperation with the latter. But the <u>training of spe-</u> <u>cialists and their development training</u> soon became the main form of assistance offered.

The purpose of the study at hand is to examine the manner and extent in which the Union of Consumer Co-operatives of the German Democratic Republic is executing its comprehensive programme of educational aid by means of its International Co-operative College called into life to this end.

The Executive Board of the Union of Consumer Co-operatives of the German Democratic Republic <u>decided on the training</u> of cooperative officials from developing countries in Asia, Africa and Latin America 15 years ago, <u>in 1960</u>. In the following year, in 1961, the first training course was opened at the Co-operative College of Home Trade at Blankenburg.

Due to growing experience and by drawing on that gained by similar institutions in other socialist countries as, for instance, the Moscow Co-operative Institute of the Centrosoyus of the USSR or the Central Co-operative College of Czechoslovakia's Central Co-operative Council, and through collaboration with international training centres run by other institutions in the German Democratic Republic, education and training acquired a high quality standard.

An appraisal of the experience gathered in the training of cooperative officials from developing countries at the Blankenburg Co-operative College led to the conclusion that it would be more favourable for the successful accomplishment of the foreseen task under the conditions given in the German Democratic Republic to have separate facilities, designed for the training of co-operators from abroad alone. For this reason, <u>the International Co-operative College</u> was established in 1967 at Dresden.

The objective of the International Co-operative College was formulated by the Union of Consumer Co-operatives of the German Democratic Republic as follows: to equip the trainees from developing countries with knowledge applicable to practice and oriented towards the future. Their training in a socialist country provides an opportunity to widen their experience and draw conclusions from co-operative practice in the German Democratic Republic and other socialist countries for their own responsible work. The training courses are, besides, useful for the exchange of experiences among the students from different developing countries.

Proceeding from this general aim, the Executive Board of the Union of Consumer Co-operatives of the German Democratic Republic is setting up five-year programmes that cover the training courses and all educational activities foreseen in this period, so that the International Co-operative College has the benefit of <u>long-term</u> programmes for guidance and indispensable for effective work.

The Union of Consumer Co-operatives of the German Democratic Republic is financing the activity of the International Co-operative College to the full extent. All expenses for the maintenance and furnishing of the buildings, the students' board and stay, the payment of the tutors and the remaining staff are borne by the Union of Consumer Co-operatives of the German Democratic Republic. To this day, more than 15 million marks have been spent on the training of co-operative officials from developing countries.

The fulfilment of the said tasks necessitated the creation of a <u>permanent staff of tutors acting in unison</u> and capable to perform their educational work at a high level, assisted in this by the remaining staff and the guest lecturers.

The criteria for the recruitment of the teaching faculty were their <u>academic qualification</u> and possession of <u>practical experi-</u> <u>ence</u> either in the field of co-operative trade or co-operative farming. In addition to this, the command of at least one foreign language was required, since either English or French serve as instruction media.

With the assistance of the Union of Consumer Co-operatives of the German Democratic Republic the building of a teaching staff - 4 -

in accordance with the above requirements was achieved. In the past ten years, the tutors of the International Co-operative College had the opportunity to <u>deepen their knowledge of the</u> <u>economies of the developing countries</u>, by laying stress on the study of their co-operatives.

The tutors completed their studies in pedagogics and broadened their educational skill and experience without being cut off from co-operative practice. Care was taken that through conferences, committee work, assignments and field work the <u>contact</u> with co-operative practice was being maintained, and their keeping abreast with the latest developments guaranteed.

Until now, the International Co-operative College carried out 20 training courses with altogether 640 participants - among them 30 women - from more than 40 different countries in Africa, Asia and Latin America. As to the selection of candidates for training, the Union of Consumer Co-operatives in the German Democratic Republic in conjunction with the co-operative departments or national co-operative unions in these countries focused on medium-level management personnel with several years of co-operative practice. By and by the share of university and college graduates among the students increased and has now reached over 50 per cent. As against the first years, when training courses lasted ten month mostly, the tendency to shorten the length of training has led to an average of five month duration. For the time being, priority is given to the latter. This change complies with the wishes of the delegating organisations who prefer effective, concentrated training in order to shorten absence from work.

In performing its educational work, the International Co-operative College has in view that the students like the tutors and remaining staff are all <u>co-operators</u> with the same endeavour: to jointly accomplish an important task in the interest of their <u>co-operative organisations</u>. The desired result can only be achieved through genuine co-operative efforts and spirit. That is why great demands are made on the students' zeal and will to study hard, and on outstanding discipline, which in their turn, demand the imparting of modern technical knowledge closely related to practice and efficient teaching methods.

In the years to come, <u>five-months courses</u> under the head of <u>Management of Trading Co-operatives</u> will remain the dominant form of training. Trading co-operatives include consumer cooperatives, certain wholesale societies, marketing societies and other engaged in buying and selling. This implies a concentration on certain important types of co-operatives, and management in particular.

These courses comprise three subjects, viz:-Co-operation, Management, and Business Economics, dealing with:

- 1) principal questions of the national economy of the German Democratic Republic and the developing countries; the tasks arising in building up a socialist economy; the role assumed by strong, well organised co-operatives and their essential contribution to this end, demonstrated by the example of the co-operatives in the German Democratic Republic and in the developing countries. This introduction serves the understanding of the social conditions, under which co-operative management becomes effective.
- 2) Basic considerations and necessity of management; its socioeconomic character; the position of a manager in a co-operative society or establishment; requirements of leadership and personnel policy; personality and character. This is followed by an illustration of the organisation structure, the functions and working methods of the cooperative bodies, the involvement of members and employees in the management of their societies. The formation and tasks of co-operative unions are examined, and the relations between the societies and with their unions.
- 3) Planning, organisation, and accounting of the reproduction process, with special reference to the manager's responsibility for all economic processes, his tasks in planning the co-operative's activity, and demands made on material and financial accounting for the purpose of management.

During the courses the <u>co-operatives in the developing countries</u> are also examined and discussed, mainly in the form of an exchange of views and experience. The tutors' insight stems from <u>re-</u> <u>search work they have carried out in this field</u>, in addition to which they are drawing on investigations carried out jointly by the co-operative research institutes of several socialist countries, and <u>on international publications</u>. Besides, most of the tutors possess first-hand <u>knowledge through their work as experts</u>, from seminars and refresher courses for ex-students, and study visits in a number of developing countries. An invaluable asset in these discussions is the <u>rich experience the students possess</u> of the movements in their countries from their work as leading co-operative officials.

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In the following it is tried in brief to show how the content of instruction is conceived in a given field. The principal question to be studied are the co-operatives and their social interrelations; the prospects existing for their future development are examined as well as their limits. Thus, the political, economic and social aspects of the consumer co-operatives and the agricultural producer co-operatives in the German Democratic Republic - which are its most important types of co-operatives are studied closely in each period of socialist construction. The success they achieved and difficulties faced in their initial stage and during their transformation into socialist cooperatives are treated in detail.

It stands to reason that the students' sojourn in the German Democratic Republic and their studies at the International Cooperative College give rise to conclusions on the co-operatives in their home countries. Therefore they are duly notified that they must use their own judgment in making deductions for their own work, and that the existing differences as to the prevailing social conditions, the development level of production relations and productive forces must be taken into consideration. In other words, they must be <u>realistic in contemplating the</u> <u>practicability</u> of what they have heard and seen here. -7-

The methods of instruction are manifold and vary according to the nature of the subject matter. They include lectures, private study, seminars, seminar discussions, case studies, workshop and assignments, colloquia, and individual or group consultations.

Special emphasis is laid on relating theory to practice by <u>nu-</u> <u>merous visits of co-operatives and their establishments in or-</u> der to supplement and underpin the topics treated in the classroom. So, about one fifth of the time foreseen for instruction is spent on study visits. But also many excursion trips are arranged to acquaint the students with the country and its largest cities as, for instance, Berlin, Leipzig and Karl-Marx-Stadt.

The use of diverse audio-visual aids adds to the vividness of instruction. English, French and Arabic are the languages used as <u>instruction media</u>. Lectures are, whenever necessary, translated into the above languages by help of modern <u>multichannel-</u> <u>interpreting equipment</u>. The <u>study materials</u> the students are given for reading <u>in their language</u> are, apart from selected relevant books and booklets, mostly prepared by the tutors themselves on their respective subjects. The aim borne in mind in choosing appropriate teaching methods is to <u>stimulate indepen-</u> <u>dent study and assimilation of knowledge in order to increase</u> the stock of applicable knowledge gained here.

The students' performance is assessed regularly by the tutors in the course of training. Besides, on each subject either oral examinations are held or examination papers written, which are marked according to the grading applied in the educational system of the German Democratic Republic. When the students have passed all examinations, they receive a Diploma that contains the particulars about the nature of the training and the results secured therein.

But the criterion by which the actual result of the training received must be measured, is the benefit of the latter to the students' work in their home countries. In general one can say that the delegating co-operative organisations' opinion of the trainees performance after their return to work is positive. On occasion of the seminars held for ex-students - in 1973 in India and in 1975 in the Arabic Republic of Egypt, the positive appraisal of the performance of the graduates from the International Co-operative College has been confirmed.

In the further perfection of its educational work, the International Co-operative College is not left alone, as often implied in the foregoing; it could always rely on the experience of the co-operative and public educational institutions in the German Democratic Republic.

From the beginning, the International Co-operative College has, in developing its specific character, collaborated closely with universities and colleges in the German Democratic Republic providing training for citizens from developing countries. Also, in compliance with a decision taken by the Presidents of the cooperative organisations of the socialist countries, the International Co-operative College maintains close cooperation with similar institutions in the Soviet Union, Czechoslovakia and Poland to this purpose. In this connection, the seminars held in 1968 at Moscow and in 1974 at Dresden on matters concerning the training of leading co-operative officials from developing countries, were important events.

Since the admission of the Union of Consumer Co-operatives of the German Democratic Republic to the International Co-operative Alliance, the favourable effect of the <u>exchange of experience</u> within the <u>International Co-operative Alliance</u> has begun to bear on the activity of the International Co-operative College, among which the ICA Congress at Warsaw and the work of the newly formed <u>Advisory Group for International Training of Co-oper-</u> <u>ators</u> are particularly noteworthy. The impending International Co-operative Seminar will no doubt largely contribute to the further development of the work at the International Co-operative College.

Any suggestions to this end will be highly appreciated, for it is envisaged between 1976/80 to conduct ten five-months courses for 550 leading co-operative officials from developing countries. - 9 -

Side by side with these, the refresher seminars will be continued in a number of developing countries. It is also intended to include supplementary studies of pedagogics and psychology for co-operative educationists among the trainees.

It is the sincere wish and endeavour of the Union of Consumer Co-operatives of the German Democratic Republic to contribute to the Co-operative Development Decade to the best of its ability by providing adequate training at its International Cooperative College.



1. Scope

This paper is intended to serve two purposes. Firstly, to review the development of ICA policies and activities to date in support of the Co-operative Development Decade (CDD) and secondly to identify several problems which have an important bearing on the future work of the ICA in this field. In this context it will be appreciated that it is not intended to be a comprehensive description of ICA work, or the valuable work of member organisations and other agencies.

2. The Co-operative Development Decade

2.1 The CDD was launched in January 1971 to complement the UN Second Development Decade (DD2). It was intended to add impetus to activities planned to support cooperative development and to stimulate new activities and initiatives by a wide range of organisations, both national and international. The role of the ICA was defined as ".... to act as a nerve centre for this Decade operation of marshalling, co-ordinating and channelling resources to co-operative development in the less advanced countries. It will provide leadership; it will disseminate publicity and information; it will help identify needs, the kind of help required to meet those needs and the potential sources of such support; it will advise on the designing of appropriate administrative machinery for matching needs with resources; and it will collaborate with all other agents of co-operative development".

2.2 Since 1971 there have been several discussions in the ICA Congress and Central Committees which have been concerned to formulate and develop ICA policy. In addition, both the Executive Committee and the Co-operative Development Committee have been able to discuss more detailed questions. This process is a result of a continual dialogue, through the medium of seminars, conferences etc., with ICA member organisations and with other organisations concerned with co-operative development. The work programme is of course constrained by the limited resources available to the ICA, a vital factor in shaping our activities. Certain problems can be raised here. Several of our members do not possess the specific skills necessary to (a) identify key problems restricting the growth of the movement, (b) drawing up lists of priorities as a basis for action, particularly those where external assistance might be requested and (c) formulate projects.

2.3 The specific needs which have emerged are fairly clear and, on the whole, apply to almost every type and sector of cooperative activity. Firstly, there is no doubt that cooperative education is seen as being a, if not the, <u>crucial factor leading to</u> accelerated development. This includes education for the ordinary membership, the voluntary office bearers and the management and permanent staff. The ICA response to this demand is briefly outlined below (in 2.6). Secondly, as the ICA is at the centre of international cooperative affairs, it was requested to continue and develop its work in the field of exchange of information and experience and to undertake relevant research, which would investigate in detail the problems facing cooperatives and indicate relevant solutions. (See 3.4). It was also understood that external assistance is only part of the story, cooperatives also need to increase their trading potential and, at the international level, the ICA is increasing its activities in this area.

2.4 The authorities of the Alliance have decided that to enable the ICA to work effectively the framework developed at the regional level should be supported and extended. At present these are principally represented by the Regional Office for South-East Asia, located in New Delhi, and the Regional Office for East and Central Africa, located in Moshi, Tanzania. This policy is based on several factors.



Member movements feel that their needs in education and training can be valuably assisted by regional programmes designed, in the main, for high level participants who face similar problems as they are working in broadly similar geographical areas. Each office has an extensive programme of educational and training activities and a case study on the Moshi office is to be presented to this seminar.

In addition, the Regional Offices provide a forum for discussion between co-operative leaders and government officials concerned with cooperative development. They also are able to provide administrative and technical support for consultants working for specific periods in advising member organisations - a growing area of activity. Finally they are able to assist member organisations to identify needs and prepare project proposals which are then channelled to ICA Headquarters which in turn submits them to suitable donor agencies.

It is hoped that it may be possible to develop ICA Regional activities in West Africa, and the South Pacific Region and Latin America would also benefit from similar project However, the ways in which activities in these areas might be tackled is still open to discussion. The need to accelerate regional activities has been reinforced by the fact that an exhaustive evaluation of the work of the New Delhi Office has come to most favourable conclusions.

2.5 Although the main thrust of ICA activities is in the development of work at the regional level in appropriate circumstances the ICA does assist in two other ways. Firstly, innovative pilot projects are supported which it is felt would demonstrate new techniques and ideas and would be taken up by other organisations as a multiplier effect. The functional literacy work noted below is an example of this as is the Indore Project which is to be presented as a case study at this seminar. Secondly, the ICA has shown itself willing to respond in cases of special need. The most obviou example of this is the special efforts made to assist Bangladesh. The ICA, assisted by OXFAM, provided an Advisor to the ICA member, the Bangladesh Jatiya Samabay Union, for a period of two years. His task was to advise the BJSU on its programme and to help co-ordinate assistance to the co-operative sector.

The movement faces considerable difficulties but it was possible to analyse some of the problems and suggest possible solutions and to assist in the formulation and implementation of some projects.

2.6 At this point it would be appropriate to briefly describe some significant work of the Alliance in the educational field, other than the Regional Office work. In order to improve the supply and quality of materials used in co-operative education i and training the Co-operative Education Techniques Project was launched in 1973. The first task carried out was a survey of materials and techniques used in order to identify the main areas of action required to improve the existing provision. As a result of this survey it has been recommended that a Co-operative Education Materials Advisory Service should be established within the framework of the ICA Regional Office In addition two proto-type manuals have been published - on Radio Programmes and on Participative Teaching Methods as the first of a series of such publications.

In February 1975, the ICA organised a seminar on 'Functional Literacy and Co-operative for English-speaking countries in West Africa which was held in Ibadan, Nigeria. The seminar brought together leading co-operators, educationalists and government officials concerned with co-operative development to discuss how functional literacy (might assist in developing co-operatives at the primary level where a lack of appropriskills in both co-operative and technical matters acts as a brake on co-operative development. Several concrete projects were suggested as a follow-up to the seminar.

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3. Support for the JDD

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It will be appreciated that the bulk of the resources required by movements in the developing countries are provided by the movements themselves, but this section deals with the provision of external assistance, which is naturally of special interest to the ICA. If, for the purposes of this paper we take the amount of resources made available by the industrialised countries as given (although a discussion of the contribution of the oil producing countries to co-operative development might be useful), it would be interesting to examine the mechanisms by which resources are channelled to the co-operative sector, the problems which impede this process and how it might be improved.

in the industrialised countries for cooperators from the developing countries.

3.1 Member organisations and co-operative movements in developing countries need to possess the capabilities of identifying their needs clearly, establishing priorities and evaluating proposals at the field level for preliminary discussion with donor agencies.

3.2 A corollary of 3.1 is that co-operative movements need to develop and maintain close contact with relevant government ministries - the Registrars department, the Planning Ministry etc. In addition it is helpful to make contact with the Resident Representative of the United Nations Development Programme and the UNDP Administrator has recently issued a set of guidelines to Resident Representatives designed to promote more productive relations with NGOs. The ICA was consulted in the formulation of these guidelines. It is evident that in order to undertake these activities cooperative organisations need to have responsible leaders who can articulate the needs of the movement before national authorities. One problem to be found in many countries is a vicious circle in which national cooperative organisations do not carry weight with their respective governments because of their lack of economic strength yet they are unable to improve their position as access to external assistance is dependent on having influence with the government.

3.3 This leads to the crucial role which governments play in cooperative development a role which can be positive or negative. It is essential that a legal framework which encourages the growth of co-operatives is created, and that national development plans foster the growth of co-operatives as organisations which can assist in the attainment of development goals in the fields of food production, marketing, supply, credit and the development of small scale industry. The seminar might like to consider whether it would be helpful for a global study to be undertaken, which would investigate the relationship between governments and cooperatives with a view to formulating some general guidelines, which could be adapted to particular conditions.

3.4 Turning to the role played by the ICA much of this work has already been discussed with regard to the role of the Regional Offices and their growing activities with regard to project identification. In this connection it must be noted that an increase in the volume of projects flowing through the ICA Headquarters will necessitate an increase in staffing. However, passing reference should be made to the important work carried out in the promotion of trade, particularly the creation of the International Co-operative Trade Exchange (ICTO) in Singapore. Also reference should be made to continuing work in the field of research. Out of the many projects undertaken one can point to the examples of the International Register of Co-operative Research, the study on Collaboration between Co-operatives and Trade Unions and the research project

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at the ICA Moshi Office which is designed to assist member organisations in the region develop their own research capabilities. Also, the research department has made a major contribution to several studies sponsored and published by other organisations, including the UN organisations.

3.5 Member organisations in the industrialised countries naturally play a crucial role in stimulating support from a variety of sources. Firstly, they are able to provide resources by raising voluntary contributions from members and staff and/or allocating resources from general funds. These movements also possess a wealth of expertise which is invaluable in development projects. With regard to the provision of financial resources there are of course problems associated with the inconvertibilit of the often generous amounts provided by movements in the Socialist Countries. Ways of using these have been founded - for training cooperators from overseas or using publishing facilities as has been done in the case of the ICA research register mentioned above. But are there other effective ways in which these funds might be productively used?

3.6 Of course expertise in various sectors is brought together in the various ICA Auxiliary Committees but there is a point of view that as they were originally created more to exchange information and not to engage in development work new ways of working might be investigated. For example, is the International Co-operative Housing Development Association (ICHDA) created by the Housing Committee a useful model to initate? Similarly the Workers Productive Committee has set up a Centre to promote industrial co-operatives.

3.7 It has been noted that there are several courses of action open to co-operative movements in the industrialised countries and one of the most valuable is to develop a close relationship with the Overseas Development Agency of the government. Government official aid constitutes by far the largest proportion of total aid flow and it is important to ensure that adequate funds are earmarked for co-operative development. Several movements use their experience to advise their respective governments and in some cases to implement projects in developing countries. It is well known that the Swedish Co-operative Centre is financed partly by the Swedish movement and partly by the Swedish International Development Authority (SIDA) and, to take another example, the Canadian movement has recently appointed an overseas development officer to develop projects which would receive partial assistance from the Canadian International Development Agency (CIDA). The ICA has a role to play in promoting these relationships and by channelling requests for assistance to member movements so they may be considered for this kind of support.

3.8 Member organisations would also find it valuable to make contact with the large variety of voluntary organisations which support cooperatives, the example of the U.K. organisation OXFAM has been cited above with regard to Bangladesh.

3.9 Relationships with the UN and its specialised agencies is conducted in two interrelated ways, based on the recognition by several of these organisations of the expertise of the ICA by the granting of consultative status. Firstly, the ICA influence UN policy concerning cooperatives by speaking at UN Conferences, etc. The role of member organisations is crucial in, for example, ensuring that a particular resolution is adopted as they can brief their respective government delegations who hold the voting power. For example, in the case of the various resolutions adopted by ECOSOC in support of cooperative development several ICA member movements briefed their government delegations on the importance of the resolutions and the whole exercise was coordinated by the ICA. Secondly, the ICA secretariat works closely with the secretariats of various UN organisations and is of course a member of the Committee for the Promotion of Aid to Co-operatives (DPA2) which has a membership of both UN organisations and of non-governmental organisations. An important extension of its work is envisaged as the institution of arrangements at the country level so that organisations involved in cooperative development could co-ordinate their efforts.

3.10 Finally, the ICA collaborates with a wide range of international non-governmental organisations which provide various kinds of assistance to promote co-operative development.

4. <u>Some questions</u>

It would be helpful to identify several problems raised in this paper which have an important bearing on the work of the ICA, which require a response.

1. How can cooperative organisations be assisted to identify their needs and priorities?

2. What strategy should the ICA follow in developing its regional activities and how can continuing resources be found for such a programme?

3. How can the ICA best relate the role of cooperatives to wider development goals, including increased food production, when advocating support for cooperatives to UN agencies, governments etc?

4. How can ICA member organisations in the industrialised countries lend support to cooperative development, bearing in mind the various activities briefly listed in section 3 ?

5. Is it necessary to increase the proportion of aid going directly to Co-operative organisations as distinct from projects sponsored and controlled by Governments and how could this be done?

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RURAL DEVELOPMENT AND COOPERATIVES

Some Hypothesis by Dr. N. Newiger, FAO

- 1. In many developing countries the vast majority of rural people are poor because only a small segment of the population is gaining from development. The uneven sharing of gains from the new technology and the consequent widening of the gulf between the few big land holders and the mass of peasantry aggravated by serious malnutrition and hunger are to be avoided by deliberate planned efforts of rural development.
- 2. Any effective rural development programme will have to combat poverty through simultaneously increasing food production and improving the participation of the rural masses in decision-making and in the economic and social gains of production.
- 3. The above entails that all programmes and projects of rural development should not only be measured in terms of their impact on food production, but also in terms of their benefit to the rural masses.
- 4. Active involvement and participation of rural people in their own affairs may be regarded as the cardinal issue of the long-term and complex process of rural development.
- 5. The ultimate in participation in decision-making is the development of self-governing and self-reliant institutions capable of representing rural people in government and quasi government bodies, such as marketing boards etc., thus acting as countervailing force to privileged interest.

6. Cooperatives are expected to function in accordance with the principle of self-government and self-reliance their customers and owners being identical. While for most developing countries this is an aim to be attained in time, it is important for those who are responsible for rural development programmes to make ownership and selfcontrol a built-in feature of promoting cooperatives

and other rural organisations.

- 7. If cooperatives are to be effective instruments of rural development it follows that they should be an integral part of a clearly defined policy of rural development which in turn should be closely tied in with national development plans. Isolated from such rural development policy and plans cooperatives could be faced with serious limitations as instruments of progress. Effective cooperative development in rural areas therefore will only take place within the broader framework of rural development with favourable government policies, adequate adjustments in the land tenure - production - and supporting service structures and other measures.
- 8. It is important to realise in this context that the main objectives of rural cooperatives are coterminus with those of rural development: increasing food'production and improving participation of the rural masses in decisionmaking and in the economic and social gains of production. These two main objectives are closely inter-related in that increased food production will have to be attained through increased participation of rural people.

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9. In future technical assistance to cooperatives should be better geared to the requirements of the rural development process, its policy and structure than hitherto. Large cooperative projects with numerous expatriate staff. enjoying an autonomous or semi-autonomous status not sufficiently integrated with the administrative structure of the respective countries and provided with plenty of hard currency funds and supplies which are likely to be discontinued as much as the projects are likely to slowly disappear upon termination and handing over to local institutions should no longer receive priority. Instead of advocating this type of large cooperative projects which frequently are based on some sort of alien blue-print, a more flexible approach is required avoiding the mistakes of the fifties and sixties: it is essential to inject the cooperative idea into any suitable development project and programme rather than confining it to one or a few-big projects which often are not adequately related to the reality of the development process. Emphasis should be given for instance to the provision of cooperative expertise and support to irrigation projects or coffee productions and fertilizer application programmes etc. and any interdisciplinary development project aiming at increasing food production.

This entails, whenever applicable, the provision of high level short-term consultants rather than experts to stay for many years. This is particularly true for countries which did enjoy continous cooperative development for some years.

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10. Any technical assistance in the field of cooperative training should aim at building up viable training institutions in the countries concerned which should be closely integrated with the general training efforts of rural development.

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Conclusions and Recommendations -

Discussion Group. "A"

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	Part	ticipants:		
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	Dr.	Newiger	FAO	••
	Mr.	Dahlberg	Sweden	
	Mr.	El-Gelgawi	Iraq	
	Mr.	Younan	Iraq	
	Mr.	Farcis	France	
	Mr.	Pulle	Austria	
	Mr.	Chapalay	Switzerland	
	Mr.	Dabrunz	FRG	
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	Mr.	Künzel -	GDR	
	Mr.	Taiwo	Nigeria	
	Miss	s Haarr	Norway	
	Mr.	Boakye	Ghana	
	Mr.	Altynski	Poland	
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1. The present <u>large numbers of the very poor</u> and ignorant people will continue to have an <u>increasing trend</u>, until an effective machinery and social facilities have been established in the world to reverse it. Therefore, if cooperative technical assistance to developing countries is to meet its present-day challenge and achieve a greater impact, it must <u>combine</u> more officient <u>service to actual</u> <u>members</u> with the aim of making the co-operative method of - 2 -

solf-help available also to masses of other people whose poverty and ignorance prevent them from participating. 2. The question is frequently asked whether co-operatives are actually the right institutions to help the rural poor or the very poor. The answer to this question would have to be negative, if such co-operative help were to include the provision of initial capital and leadership, for these have to be provided by governments, together with appropriate expertise. On the other hand, however, co-operatives can help the rural poor very meaningfully and with a multiplier effect in the educational field, by enlightening them about the advantages of the co-operative method of economic self-help, illustrated by the practical example of their own economic, organisational and social achievements. After all, the masses of poor non-members should be looked upon as potential members and allies. Therefore the ICA should concentrate efforts on education "from below", i. e. at grass-root level, including functional literacy, to a greater extent, in addition to the training of trainers. Furthermore, co-operatives should simultaneously be encouraged by the ICA to make their structures more open to enable the very poor to join them and take part in decision-making. This is very important in view of the fact that cooperatives are organisations with not only economic but also social functions. This means that a "new thinking" will be required for making membérs and leaders of co-operatives realise the broader socio-economic tasks of co-operatives.

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- .3. Achieving a general acceptance of such new thinking, as an essential pre-requisite for new strategies and mechanisms, will be a difficult but indispensable task which the <u>ICA will</u> <u>have to implement.</u>
- 4. For putting the required new thinking and new strategies into effect, the ICA will <u>not need</u> to make any particular <u>changes</u> in its rules or principles, nor will it require new resolutions to be passed by various bodies, such as specialised agencies of the UN; what is actually needed is <u>more consistency</u> in the practical implementation of <u>those already existing</u>.
- 5. In developing its "new thinking", the co-operative movement should not rely too much on the United Nations Agencies, because their composition is so <u>pluralistic</u> that work must depend on <u>compromise</u> and no uniform thinking can spring from them. Therefore, the "new thinking" must spring from each country, and this process cannot be directed from outside to any significant extent. Nevertheless, aid <u>can</u>, in principle, be channelled through an international organisation, such as the ICA. From this it follows that the ICA is faced with the challenge of coping with this task effectively.
- 6. The "new thinking" must be bold, imaginative, innovatry and self-critical, and not be bogged down by traditional views which have become our-of-date in the modern world. Co-operatives must see their tasks and objectives in connection with overall development problems, for the solution of which the cooperative movement must serve as an instrument, realising that it is not an end in itself. The actual objects of

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development are <u>not set by cooperatives</u>. Therefore, cooperative action can only be useful if it fits well into the overall process of development. However, in the developing countries there are few socio-economic systems suitable for promoting a sound development of cooperatives. This means that the prerequisites for cooperative success often lie in spheres <u>outside the control</u> of the cooperative movement. Therefore, also the policies and ideologies of the cooperatives in all development work must take broader issues into account, if they are not to be unrealistic and futile.

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- 7. The inability of the masses of very poor people to take part in sharing the advantages that cooperatives can offer their members constitutes a serious obstacle, a kind of <u>barrier</u> preventing cooperatives from becoming usable by all those in need of such an instrument of economic self-help.
- 8. The cooperative movement is <u>unable</u> to surmount this barrier <u>with its own forces;</u> hence it needs outside help, particularly from governmental institutions, to penetrate into areas whose population is still in the "pre-cooperative" stage.
- 9. In relation to governments, cooperative thinking must be bold enough to realise that these will seldom be prepared to recognise cooperatives as anything more than useful or less useful <u>instruments</u> for the attainment of the development <u>objectives</u> of the country concerned.

10. The degree of usefulness of cooperatives in this context must be measured not only by their responsiveness to the immediate needs, but also by policies orientated more towards a sound future development.

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- 11. Consequently, the new thinking and new strategies must wage a more <u>direct attack</u> - not only on <u>poverty</u> as an abstract phenomenon, but also against <u>its causes</u>, i.e. technical, economic, political, social, institutional, educational, cultural, human etc.
- 12. Hence cooperative leadership will have to ensure and stimulate active participation of the masses not only in the field of economic self-help, but also in identifying their social aims and in getting them organised for effective political action.
- 13. Simultaneously, the co-operative movement has to <u>seek</u> <u>other allies</u>, among democratic and progressive social, political and economic organisations which pursue simular aims.
- 14. It will be the task of the ICA to guide cooperatives towards collaboration and alliance with such forces, as a logical conclusion drawn from the realisation of the limitations of the cooperative movement's own possibilities. While being quite sincere in admitting these limitations and acting accordingly, the ICA should

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do everything in its power to prevent what could actually be termed a criminal <u>exploitation of the</u> <u>cooperative idea</u> as a kind of "magic formula" and a "patent medicine" capable of curing all ills and evils, for such an approach can only <u>discredit</u> the cooperative idea and make people lose confidence in it, often irrecoverably.

- .15. In the promotion of development, both cooperatives and governments must take care that the advantages of cooperative action are not <u>exploited</u> or monopolised by profiteering individuals or groups. For the prevention of such misuse cooperatives should press their governments to introduce appropriate <u>legislation</u> and to enforce it where necessary.
 - 16. In the cooperative technical assistance work it would be important to make a distinction between <u>innovation</u> <u>aid</u> and <u>traditional aid</u>. Traditional aid provides additional resources for known activities in the recipient country, while innovation aid, on the other hand, contributes something new that for various reasons could not have been accomplished without aid support. Examples of the latter are, when the aid venture results in some completely new <u>concept</u>, <u>product</u> or <u>process</u>, or when the aid provides a resource which was not unknown, but was for some reason <u>difficult to obtain</u>. (It will not be easy to draw a clear-cut line distinguishing the two types of aid, as a number of assistance activities,

though predominantly of the traditional variety, will have some innovative features embodied in them)

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- 17. Developing countries suffer from severe underutilisation of labour. An aid-financed venture which has been specifically designed so as to utilise a much more labour-intensive technology would be a concrete example of such innovation aid. Small-scale industries use a maximum amount of labour but exert a minimum pressure on capital markets. Being small, they generate their capital chiefly through savings and the capital equipment they use is usually simple, often locally produced. They frequently utilise labour which is considered marginal, e.g. people who have no alternative employment opportunities. Furthermore, expansion of a small-scale, labour-intensive sector tends to lead to a more even income and wealth distribution and higher savings, as compared to what would happen if the modern industrial sector were to expand instead.
- 18. Cooperative technical assistance could help in many different ways to <u>expand</u> the sector of small-scale industries and make it <u>more dynamic</u>. The fact is that little <u>research</u> has been carried out for small units and the technological progress seems to be undergoing stagnation. This stagnation could be broken by research in the following three mutually interrelated fields, where improvement is needed:

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a) <u>Production processes</u> (It is likely that production technologies imported from industrialised countries would prove toocomplex to be suitable. It would thus be advisable to design alternatives suited to the underdeveloped countries.)

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- b) Management function
- c) Product development
- 19. Small-scale industries have to be developed alongside large-scale industries, for both have specific roles to play in promoting economic, social and technical development. Whilst introducing large-scale industries to developing countries mostly lies outside the scope of cooperative possibilities, <u>cooperatives can be</u> most <u>useful</u> in the promotion of <u>small-scale</u> industries.
- 20. Therefore, the cooperative movement in general and the ICA, in particular, should give maximum <u>support</u> to the promotion of small-scale industries in developing countries and help to organise them on a cooperative basis. For this purpose, wide-scale <u>co-ordination</u> of national and international efforts, finance and expertise should be ensured through an <u>appropriate machinery</u> (for example, COPAC, the ICA Development Committee, the ICA Workers' Productive Committee, the ICA Centre for Promotion of Industrial Cooperatives, the respective branches of ILO and UNIDO, etc).

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- 21. Specifically, an international co-ordination of research is required, for making maximum information available to all parties involved (donor organisations as well as recipients or beneficiaries), particularly of a technical nature - for example, including patents, descriptions of technological processes etc.
- 22. In practice, cooperative technical assistance for these purposes could be used for designing <u>production units</u> <u>adapted to the specific conditions</u> of developing countries, involving technological processes which could productively absorb large numbers of unskilled labour. Accordingly, the decisive aspects would include <u>simplicity</u> in production and in work on the assembly line, reliance on manual administrative procedures, a management structure not requiring more sophisticated talent than locally available, a maximum self-sufficiency in the maintenance of machinery, as well as in the provision of spare parts.
- 23. While the fincial aspects of technical assistance are certainly very important, the non-material aspects should not be overlocked.
- 24. <u>Direct</u> technical assistance is indeed, essential, but it is definitely not the only form through which cooperatives can prove helpful to the poorest masses. Cooperatives can play a very important role in making national governments realise their responsibilities and the suitability of the co-operative method of self-help for <u>mobilising the human resources.</u> Hence it is necessary

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to help cooperative in developing countries to strengthen their influence on the national governments. This help can and should be given by the ICA and by its member organisation in industrialised countries in various forms including education and training of personnel. Whether organised in the recipient developing country, or in another one of the same region, or in the aid-giving country itself, such training should be designed so as to have a maximum multiplier effect.

- 25. The same applies to principles underlying all forms of technical assistance, whose multiplier effect is an essential prorequisite for enabling the limited resources available to cover at least the main needs of the developing countries.
- 26. Simultaneously, technical assistance and aid must tend to be self liquidating, with the aim of creating conditions under which the people's organisations as well as the national economies of developing countries will be able to assume full control of their affairs and become self-reliant and independent as soon as possible. For instance, coeperative insurance can prove to be an importantinstrument enabling the cooperatives in developing countries to accumulate the capital necessary for the future sound operation of their business, without any further material assistance from outside sources.

The above conclusions and recommendations have been agreed upon unanimously, and all members of the discussion group hope they will be helpful to the ICA, although it has not been possible to put forward specific proposals on all the matters arising from the papers and discussions of the Seminar. Conclusions and Recommendations

Discussion Group "B"

Participants:

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Mr. Crespin	OECD
Mr. Sojka	Czechoslovakia
Miss Baulier	France
Mr. Buckman	Ghana
Mr. Moore	Great Britain
Mr. Singh	India
Mr. Aune	Norway
Mr. Fatukasi	Nigeria
Mr. Otudeko	Nigeria
Mr. Pedersen	Denmark
Dr. Kossut	Poland
Mr. Jönsson	Sweden

At the first meeting of the group, Professor Z. Kossut was elected chairman and he was even reelected for all the sessions of the group.

- On the questions raised in the paper presented by the representative of the U.N., the group has the following comments:
- 1.1. Can and should co-operative technical assistance programmes do more than now to help the poor in the developing countries? This question can also be put as

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follows: Can the co-operative method, as a whole, be of real value in helping the poor masses?

The group thinks that the international co-operative movement should take up the challenge raised by the U.N., but there are two important initial remarks to make: /

- a) It is evident that the co-operative movement can never <u>alone</u> be able to solve the problems of the poor, but it could take part and be of help.
- b) The help can only be given as a <u>help to the poor</u> to help themselves in line with the co-operative idea and the co-operative methods.
- 1.2. The group suggests that I.C.A. should, without delay, find out and clarify, why the U.N. has shown a rather sceptical attitude towards the co-operative organisations as a credible machinery to reach the poor, and how the causes for these doubts can be eliminated.
- 2. When clarifying I.C.A.s position as above, the following points should, among others, be considered:

2.1. The ways in which the co-operative movement can be useful for the poor seems to be foremost in the areas of <u>consumer and production co-operatives</u> (artisans, fisheries etc.) The <u>landless</u> rural poor can also be helped by agricultural co-operatives, but then they have first to be given <u>land</u>, which must be the task of the governments in the respective countries.

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- 2.2. The relations between governments and co-operative organisations and how these relations effect the problems under consideration have to be examined.
- 2.3. In which ways and to what extent is it to recommend that governments should assist and contribute direct to co-operative efforts for the poor?
- 2.4. Are there any new recommendations needed in respect of implementation <u>of the co-operative principles</u>, when it comes to assiting the poor masses more than now? For example in the following cases:
 - The question of open and voluntary membership?
 - The securing of democratic control?
 - The use of surplus for common benefit instead of distributing as patronage bonus?
- 2.5. Would it be useful to launch a <u>few pilot projects</u> as soon as possible, where special efforts should be made to help the poor by co-operative methods?

3. In relation to the questions formulated in the paper presented by the I.C.A. Development Officer, the group wants to make the following comments:

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3.1. How can co-operative organisations be assisted to <u>identify their needs</u> and priorities? The group thinks that identifying of needs and priorities always must be done within and by the countries themselves. Where they need assistance is in finding out which needs can be met by co-operative methods and which methods that should be applied.

Such assistance should as far as possible, be given by I.C.A. either direct or through its regional centres. The group realises that assistance in surveying co-operative needs will in many cases be given by donor countries or U.N. and its organisations.

- 3.2. What strategy should the I.C.A. follow in developing its <u>regional activities</u> and how can continuing resources be found for such a programme?
 - a) It is important that I.C.A. should expand its regional activities into new areas of the world. In such areas, the relevant countries should be given a possibility to meet and discuss ways and means of establishing regional centres.
 - b) In order to find recourses for such a programme, the combination of funds from the co-operative movement and funds from the government within a developed

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- country, which has proved very successful in one case, should be explored and utilized. The I.C.A. should make information available on this matter.
- c) The method of enlisting the interest of members as individuals in supporting assistance to cooperative movements in developing countries should be utilized.
- 3.3. How to relate co-operative work to wider development goals?
 - a) One of these wider goals may be increased assistance to the poor, as mentioned above.
 - b)The same goal was mentioned by the representative of FAC as help to secure that the benefits of technical progress go to the broad masses. In this respect, the co-operative method has many advantages, which will surely be stressed by I.C.A. when clarifying its position as suggested under 1.2. above.
 - c) It is necessary for the future to relate co-operative work more to the social impact on the population of developing countries being assisted. Efforts must be initiated:
 - To increase food production
 - To further the education of co-operative members and their children
 - To make the environment healthy and favourable to personal development.

3.4. How can I.C.A. member organisations in more developed countries lend support to co-operative development?

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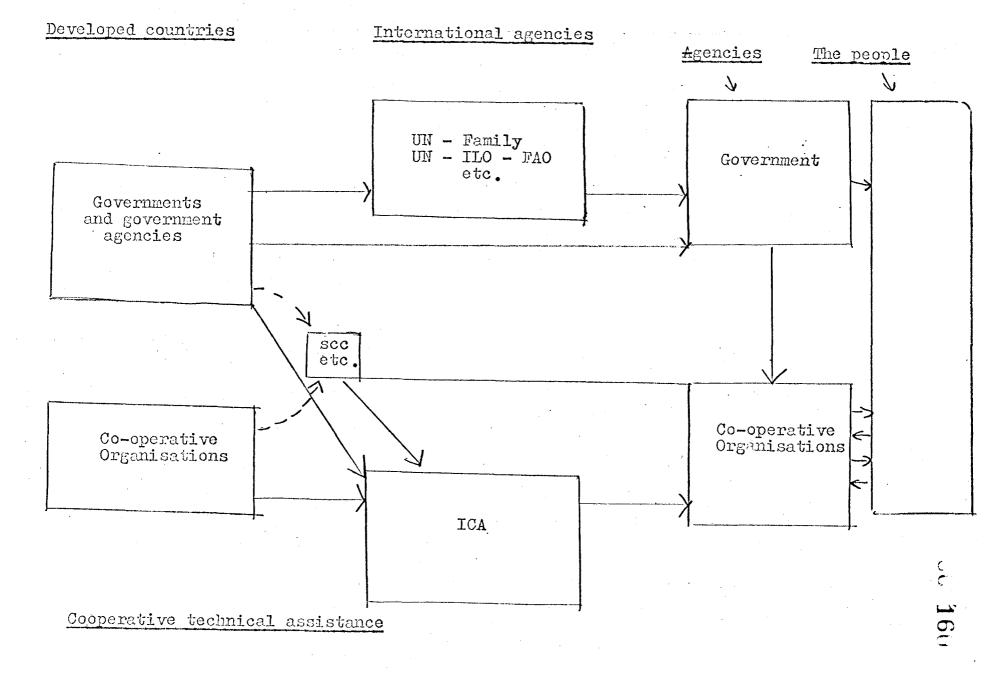
- a) First of all the group appraised the technical assistance programmes between co-operative organisations and recommends that such efforts should be increased.
- b) Under 3.2. (b) one method for support by co-operative organisations is already mentioned, namely combination of co-operative and government funds.
- c) Ways to transfer money from socialist countries have to be explored in order to utilize the will to help in these countries. The example given by Czechoslovakia is an encouraging one.
- d) Joint co-operative ventures, such as trading or manufacturing firms owned and operated jointly by co-operatives in developing and industrialised countries should be encouraged and supported as a practical foundation for development and trade. Financial participation by governments and others may be a valuable incentive.
- 3.5. Is it necessary to increase the proportion of aid going directly to Co-operative organisations as distinct from projects sponsored and controlled by governments and how could this be done?

- a) The group agrees that the way of direct aid should be encouraged and used whenever it is possible and practicable.
- b) In order to avoid overlapping of aid from two or more developed countries it is important that I.C.A. comes in as a clearing house when possible. On the other hand, co-operation between two countries <u>one more and one less</u> experienced in this field of assistance, could be very useful.

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- c) There are interesting examples of aid from one developing country to another (like Tanzania to Mozambique) which should be observed.
- 4. Other comments made by the group:

As a help to facilitate the discussion about different ways of technical assistance for co-operatives, the group found the attached chart useful.



.Conclusions and Recommendations

Discussion Group "C"

Participants:

Mr. Petriães	Cyprus (rapporteur)
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Mr. Carlsson	Sweden
Mrs. Lindström	Sweden
Mr. Hafner	Switzerland
Mr. Harman	Canada
Mr. Omojola	Nigeria
Mr. Yamauchi	Japan
Mr. Invernizzi	Italy
Mr. Patel	India
Mr. Ellis	Great Britain
Mrs. Taylor	Great Britain

Mr. Chairman, Dear Cooperators,

I have pleasure in presenting to you the report of the English speaking group "C". At this point I would like to reiterate a recommendation made by the group, i.e. that more guidance as to the objectives of discussion groups should be given.

It is a must that the activities of the International Cooperative Movements should come into line with the rapid changes that are obvious in other spheres in today's world. Therefore, proper planning should be the crucial factor, the cornerstone on which the International Cooperative movements should direct their attention in - 2 -

order to promote and accommodate far-reaching changes in the years to come.

The group found that cooperatives could not serve the poorest sections of the population. This must be the responsibility of the respective governments. With regard to the role of cooperatives in this context, examples were given of fruitful collaboration between the governments and cooperatives to raise the standard of living among the poorest. It was emphasized that the attitude of the governments concerned must be in favour of both the poorest and of cooperatives, to enable a fruitful collaboration between the two for the benefit of the poor.

It was suggested that the ICA should, in collaboration with other relevant UN agencies undertake a global study of the relationship between governments and cooperative movements in the industrialised countries, socialist countries and developing countries with a view to suggesting guidelines to the developing countries for promoting sound cooperative development.

In view of this and especially the noticeable world shortage of food, the group felt that priorities should be given to the establishment of processing units of agricultural produce in developing countries. Also as a remedy for such attitude the participation of women and young people in the affairs of the movement was considered of necessity.

The group felt that the pragmatic theme of the 43rd ICA Seminar "Assistance for Cooperatives in Developing Countries - Need and Response" was a very wide one in its broad sense. Therefore it was decided to limit - 3 -

the subject within the frame "Technical Assistance -Achievements and Priorities" with particular reference to such an assistance being directed towards the betterment of the living conditions for the poor classes of developing countries, especially the rural populations.

It was further noted that cooperative movements in general are world-widely recognised as media for assisting decisively for the development, headed by the Apex Organisation, the ICA. The role of the ICA in this respect is of paramount importance in as much as it is being recognised by all governments and non-governmental organisations. Through ICA's affiliated member organisations and Regional Offices, it can reach far deeper into the root of problems of each movement and by using its connections with other worldwide bodies, like the United Nations and its Agencies, can influence, direct and succeed in all matters affecting the International Cooperative Movements. In this context it was agreed that any kind of assistance, be it technical or financial, should be co-ordinated to the greatest possible extent through the ICA. This can be achieved with the minimum of expenses, of wastage of money and time, etc. if there exists collaboration between the donor developed countries, between the recipient developing countries, between governments and cooperative movements. The latter is of vital importance because the blessing and full support of the government in all plans should be sought well beforehand and well before any project is promoted. A very good example was quoted by the ILO expert, Mr. Helmut Watzlawick, in his case study.

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In the group's opinion the following prerequisites are the essential ones for the success of projects financed by developed countries for the poor masses in developing countries.

(a) Planning and Coordination

· Proper planning for priority projects for cooperative movements is of paramount importance. It should be directed towards the elimination of duplication, with the minimum of wastage of money and time. The United Nations with its Specialised Agencies (ILO, FAO, UNESCO) and COPAC and also the experts attached to ICA (Regional Offices, etc.) can contribute enormously, if not decisively, towards the fulfilment of the project. Foresceable co-ordination of such efforts is most important and the cooperative movements concerned must be ready to afford all possible assistance, revealing all necessary information regarding their organisations' structure, local funds available, feasible assistance to the masses, etc. It was said that one of the major tasks of the ICA Regional Offices was to undertake the identification of the needs of cooperatives and to put up schemes, and to present programmes, suitable and according to the needs of the poor in those parts of the world.

(b) Education

One of the major parts in the success of a national project within a country, especially in a developing country, requires in the opinion of the group proper

education coupled with full enlightenment of what should be expected and of what the result of such a project could be. Hethods for promoting the educational standards of the masses, vary accordingly from country to country. A very good exhibition of mass education was made in one case study. The facilities afforded by. the United Mations and its Specialised Agencies as well as the ICA through its experts, the various International Cooperative Training Centres in the developed countries, the holding of seminars and all other means of modern communication should be placed at the disposal of the countries wishing to promote cooperative education among its members. In particular, referring to the training courses which are sponsored by the developed countries. the group felt that it would be much better if such courses for grass roots should rather be held within the developing country and that local people should be used as far as possible for the education of grass roots. As regards selected senior staff or senior courses these should take place in the ICTCs of the developed countries, where the training advantages include firsthand experiences of working enterprises of different The developing countries have their own types. competences and expertise which merely need reinforcing by advice on methods, provision of means, co-ordination of activities.

(c) Funds

(a) <u>Availability</u>

It has been noted that the developed countries

have accepted to increase their contributions towards the requirements of the poor in the developing countries. This was a very good sign of collective effort towards increasing the funds available from flourishing cooperative movements. The example from the Swedish cooperative movement should be followed. Also self-finance by cooperative movements in developing countries is a new field which could be pursued more intensively by the ICA. Another source of supply is the utilisation of international financial bodies, like the World Bank or any other financial institution cooperative or otherwise.

(b) Efficient Use of Funds

The group felt that the way of using funds more efficiently would be:

- (i) Sotting objectives within time limits
- (ii) Measurement of performance; and
- (iii) Control of the results that must be expected.

The group felt that collaboration and combined efforts for solving problems, planning new projects intended for the betterment of the living, and standard conditions of the less privileged people in developing countries could very well be undertaken by Governments in very close collaboration with the local cooperative movements. The ICA and its affiliated member organisations can play an important role in this respect. Thus the International Cooperative Movement assumes new responsibilities and a heavy task to fulfil. It is on the other hand a challenge for the International Cooperative Movement to initiate have accepted to increase their contributions towards the requirements of the poor in the developing countries. This was a very good sign of collective effort towards increasing the funds available from flourishing cooperative movements. The example from the Swedish cooperative movement should be followed. Also self-finance by cooperative movements in developing countries is a new field which could be pursued more intensively by the ICA. Another source of supply is the utilisation of international financial bodies, like the World Bank or any other financial institution cooperative or otherwise.

(b) Efficient Use of Funds

The group felt that the way of using funds more efficiently would be:

- (i) Setting objectives within time limits
- (ii) Measurement of performance; and

(iii) Control of the results that must be expected.

The group felt that collaboration and combined efforts for solving problems, planning new projects intended for the betterment of the living, and standard conditions of the less privileged people in developing countries could very well be undertaken by Governments in very close collaboration with the local cooperative movements. The ICA and its affiliated member organisations can play an important role in this respect. Thus the International Cooperative Movement assumes new responsibilities and a heavy task to fulfil. It is on the other hand a challenge for the International Cooperative Movement to initiate

new thinking and new strategies which will improve its efficiency in solving publems arising from various cooperative movements, either national or international. As stated early in this report the ICA as the Apex Organisation can employ sources of governmental, or non-governmental, voluntary national and international organisations so that it may strengthen itself. The support of these bodies is of paramount importance. In this context the grap felt that a close collaboration with such bodies is essential and the ICA should undertake to examine this matter accordingly. The long awaited result will be more food, more housing, more trade, more education, more happiness to the poor, the less privileged people in the developing and underdeveloped countries.

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Before leaving this rostrum, Mr. Chairman, may I transmit another request on behalf of Group "C". That reports on Seminar activities and recommendations may be made available as early as possible for the information of the participants.

Thank you.

We, the participants of the 43rd Seminar of the International Co-operative Alliance,

feeling impressed by the fundamental and inspiring results of the Conference on Security and Cooperation in Europe for peace and détente in the world as well as for the improvement of cooperation among the states in all fields of social life,

being aware of the significant mission of our co-operative organisations and realising the great responsibility resulting therefrom for the well-being of our peoples,

taking into account the basic principles of co-operative activities and the urgency of the problems to be solved,

as a conclusion arising from the discussions held on questions of co-operative solidarity in a matter-of-fact atmosphere and in a constructive manner

declare

- our readiness to support with all our strength the endeavours of our states and organisations for the maintenance of peace in the world as a basic prerequisite for our work;
- to strive for the equality and equal rights of all persons, groups and peoples;
- to reinforce our endeavours for social and economic progress in the world, for the improvement of relations among our organisations and peoples in the interest of mankind;
- our firm intention to intensify the assistance for the co-operative movements in developing countries and to
- _____ seek new ways of increasing the efficiency of this assistance. Dresden - GDR, September 14th, 1975

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