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National experience in promoting the co-operative movement

Report of the Secretary-General

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I. INTRODUCTION

1. In its resolution 1985/22 of 29 May 1985, the Economic and Social Council requested the Secretary-General to prepare, in consultation with Member States, relevant organizations of the United Nations system and non-governmental organizations, a comprehensive report on national experience in promoting the co-operative movement, paying special attention, inter alia, to the role of co-operatives in overall social and economic development, particularly in rural areas; the role of agricultural, savings, handicraft and other types of co-operative organizations in the production, marketing and consumption of food and related goods and services; the role of co-operative and co-operative-type organizations in promoting development in urban areas; the participation of all people, including women, youth, disabled persons and the aging, in co-operatives; the participation of peasants, including landless peasants, in co-operatives; the role and extent of government support in promoting co-operatives; training and educational programmes to promote the effectiveness of co-operatives and make them more responsive to the needs of their members; difficulties faced by countries in the establishment and development of co-operatives and their experience in overcoming them; progress made in strengthening "movement-to-movement" activities; and progress made in promoting membership in and the growth of co-operatives. The Secretary-General was requested to submit the report, through the Commission for Social Development and the Economic and Social Council, to the General Assembly at its forty-second session.

2. The report presents a review and analysis of the themes mentioned above. It is based, in part, on information received in response to a note verbale sent to Member States* and, in addition, draws on a review of the more recent publications dealing with co-operatives and from information provided by the non-governmental organizations concerned. Consistent with the previous report on this topic (A/40/78-E/1985/10), the present report offers an analysis of various activities of co-operatives and their impact on the immediate economic and social environment; it delves more deeply, however, into the relationship of co-operatives to women, youth, disabled persons and the aging. Because of the impact of the prolonged recession and changes in public policy in many countries towards the private

* At the time of finalization of the report, replies had been received from the following 23 Member States: Afghanistan, Algeria, Benin, Bulgaria, Burkina Faso, Colombia, Czechoslovakia, Ecuador, Egypt, El Salvador, Ethiopia, Finland, German Democratic Republic, Germany, Federal Republic of, Greece, Guatemala, Guinea, Guyana, Hungary, Iraq, Lesotho, Mexico, Netherlands, Nicaragua, Pakistan, Poland, Portugal, Qatar, Rwanda, Syrian Arab Republic, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics and Zambia. Comments and inputs were received from three specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations and United Nations Industrial Development Organization; and from three international non-governmental organizations: International Co-operative Alliance, International Federation of Agricultural Producers and World Council of Credit Unions.

sector, special attention has been given to analysing the role and extent of government activities in promoting co-operatives.

3. Recommendation No. 127 of the International Labour Organisation (ILO) remains a valid instrument for defining the nature and role of the co-operative: it is an association of persons who voluntarily join together to achieve common ends through the formation of an autonomous and democratically run organization. Co-operative and co-operative-type organizations have demonstrated a capacity to mobilize large numbers of economically active people and people who have been driven to the margin of society by reason of poverty, age or sex. There is convincing evidence that co-operatives have done much to generate employment and to strengthen the productive and financial capacity of countries and their ability to provide basic services. Co-operatives continue to play a significant role in many developing and developed countries in the agricultural sector, notably in the production and marketing of food and cash crops.

4. According to data compiled by the International Co-operative Alliance (ICA), in 1985 there were 740,656 affiliated co-operative societies with a total membership of 500 million men and women. These organizations, which are established in 72 countries, are engaged in agricultural, consumer, credit, fishery, housing, industrial and an assortment of other economic and social activities. Slightly more than half (258 million) of the individual members are concentrated in consumer and credit societies. Of the 740,656 societies, slightly more than one third (34.6 per cent) are in agriculture and more than one quarter (27.6 per cent) are in the field of credit. Of the co-operatives in developing countries, 80 per cent are found in the Asia and Pacific region and 10 per cent in Africa, the remainder being evenly distributed between Latin America and the Middle East.

5. The universality of co-operatives does not imply a high degree of uniformity in activities. In some countries, there is a strong emphasis on consumer co-operation, while in others production or credit co-operatives predominate. In important respects, it is easier to draw up a list of factors that make for differences among the various co-operative movements, including in particular the effect of their operations on the national economy, the nature of their internal structure and operations, their ideology and their relationship with public authorities. A review of national experiences reveals not only these differences but the high incidence of similarities also. There are flourishing co-operatives in both centrally planned and market economy countries. It is equally clear that co-operatives in both these socio-economic systems have not been immune to the effects of slower economic growth and other economic problems, particularly in the agricultural sphere. In both developed and developing countries, agricultural co-operatives are burdened by heavy debt and are experiencing severe cash-flow problems resulting from depressed food prices and, in some instances, the failure of marketing boards to effect timely payments. Co-operatives, like other forms of enterprises, are directly affected by government policies and by the system in which they operate. For example, the best managed co-operative cannot expect to remain financially viable if the government keeps the price of its products artificially low in favour of certain groups of society, but fails to control

costs. Co-operatives cannot be expected to progress far in integrating women, disabled persons and youth if the laws of the country show little concern for the advancement of these population groups; and it is unlikely that co-operatives will be sufficiently free to run their organizations along democratic lines in a society that is not generally supportive of democratic principles. Co-operatives are not an island in society, unaffected by the larger economic, social and political trends that shape the lives of ordinary citizens.

6. A number of different kinds of self-help organizations have emerged in many developing countries. Although they have some of the characteristics of co-operatives, they are not yet fully fledged co-operatives in the formal sense. Not uncommonly, they are known as "pre-co-operatives". This very appellation suggests that the organization is on the way to shedding its non-co-operative features and becoming a co-operative as defined by the relevant national legislation. This is not always the case, however. In some instances, the growth of an informal co-operative sector is an adaptive response to shortcomings in the co-operative sector. A strong participatory ethic pervades these groups which traditionally emphasize self-help and mutual aid.

7. The participation of low-income groups with few, if any, fixed assets such as land, and limited education and literacy pose special problems for pre-co-operative organizations. Of necessity, such organizations emphasize minimum contributions to share capital, collective responsibility for credit and participation through inputs of labour. Low educational and literacy levels of members suggest that the interests of these groups are best served by limiting their size so as not to burden them with a complex management system and with promoting activities that are in keeping with the felt needs of the membership. This explains, for example, the growth in francophone Sahelian countries of informal, co-operative-type organizations engaged in seed stores and grain milling. The advantages of such informal groups are that they are rooted in the community and clearly satisfy immediate local needs. Their shortcomings include inherent financial weakness, difficulties in access to credit and other inputs, and the related problem of unclear legal status, which hampers contractual arrangements.

8. The large and growing numbers of rural and urban poor have led to the formation of diverse types of people's organizations. In most instances, these groups have come into being through the initiative of local people or with the support of national and international organizations because existing programmes are inadequate to meet the needs of low-income people for jobs, land and credit. Financial institutions, whether public or private, often shun rural areas because better opportunities exist elsewhere or because administrative costs are higher there. The United Nations, ILO and the Food and Agriculture Organization of the United Nations (FAO) are committed to encouraging the development of such grass-roots organizations.

II. ROLE OF CO-OPERATIVES IN OVERALL SOCIAL AND ECONOMIC DEVELOPMENT, PARTICULARLY IN RURAL AREAS

9. According to figures compiled by ICA, consumer co-operatives, co-operative banks and co-operative insurance companies, which are mainly located in urban areas, have a larger membership than co-operatives in rural areas. Co-operatives in rural areas, however, figure prominently in both developed and developing countries. Their close association with agriculture and rural life have made them a logical form of organization to promote development. This tendency was particularly pronounced in the post-independence period in Asia and in many parts of Africa, where the co-operative was viewed by policy-makers as a suitable social institution to help implement agrarian reform, encourage the production and marketing of food and promote a more equitable distribution of income and wealth. In Colombia, where priority for rural areas has been of more recent concern to the Government, support has been extended to co-operatives as a way of promoting a wide range of agricultural, fisheries, transport and education projects on a co-operative basis. In Pakistan, the federal and provincial governments are actively making use of co-operatives in carrying out various development programmes in all sectors of the national economy, especially in the rural areas. The Anand pattern of co-operative development in India stands as a model of what can be accomplished through co-operative action in the marketing of milk and other dairy products from far-flung rural areas into urban centres. In south-eastern Nigeria, co-operative societies have demonstrated their worth in helping implement Government plans for stimulating the production of palm oil. In Egypt, where agricultural co-operatives are considered the most important of such organizations, there are 5,000 multi-purpose agricultural co-operative societies covering all villages.

10. In socialist countries, co-operatives are an integral part of society, and have a key role in promoting agricultural and rural development. In Czechoslovakia, agricultural co-operatives cultivate 65 per cent of arable land and account for 70 per cent of total agricultural production. Comparable, and even higher figures may be adduced for the German Democratic Republic and other socialist countries. Co-operatives in these countries, however, are not involved exclusively in the multiple functions of agriculture but cover a broader range of activities.

11. There is sound evidence that co-operatives are an invaluable institution for promoting social and economic development and achieving a more equitable distribution of income. The record of success in this regard is not unmixed. There are numerous instances where co-operatives have proved unsuccessful and unable to exert the influence on development that many Governments had expected of them. Not uncommonly, the lack of success has been the product of a number of factors, not the least of which are poor management and planning of co-operative activities and the lack of timely support from the State or controls by government authorities that impair co-operative autonomy and the democratic character of the organization.

III. ROLE OF AGRICULTURAL, SAVINGS, HANDICRAFT AND OTHER TYPES
OF CO-OPERATIVE ORGANIZATIONS IN THE PRODUCTION, MARKETING
AND CONSUMPTION OF FOOD AND RELATED GOODS AND SERVICES

12. The situation of agriculture and food is far from satisfactory. Agricultural productivity and output remain low in many countries, and the consumption of food is below minimum requirements for a large part of the world's population. International markets in agricultural products and domestic marketing arrangements are deficient in several important respects. Currently, a combination of factors, related in part to agricultural and trade policies and in part to general world economic conditions, has depressed international markets, reduced prices and severely affected the income of farmers and the profitability of farming in many countries. In developed countries that are traditionally major exporters of agricultural products, farmers have suffered severe cash-flow problems and, increasingly, bankruptcies, forcing especially small and medium-sized farmers off the land. Agricultural co-operatives have not been spared the ill effects of the general decline in agriculture. As a result, co-operatives in many countries are in serious financial difficulty. Similar conditions prevail in many developing countries. The Twenty-seventh General Conference of the International Federation of Agricultural Producers (IFAP), held at Bonn in April/May 1986, devoted much of its attention to the plight of farmers and of agricultural co-operatives.

13. In a large number of developing countries, notably in Africa, widespread shortages of food are often the problem. The effects of drought, degradation of the environment, government pricing policies and civil unrest have combined to retard agricultural production in many sub-Saharan African countries. Annual food production in Africa over the past decade has grown by only 1.7 per cent, whereas population growth has averaged 2.8 per cent. The grim result is that as much as one third of the total African population, or about 150 million people, suffers, or faces the risk of, malnutrition, hunger and, in some regions, outright starvation. Even in countries that have achieved self-sufficiency in food, notably India, the incidence of malnutrition among the poor, particularly landless peasants, rural workers and low-income urban families, remains significant. In these countries, the challenge to the Government and society is to increase food production and achieve a more equitable distribution of what is produced, particularly among the more disadvantaged population groups. These are tasks that co-operatives have taken upon themselves with varying degrees of success.

14. In many countries, the co-operative movement has its roots in the age-old struggle of small farmers and landless peasants to obtain credit at reasonable interest rates. Credit co-operatives were established in India in 1904 as a way of achieving this objective and breaking the power of the money-lenders. The mobilization of savings and the provision of credit, which is so essential to the success of farming, is a function that co-operatives can and often do perform well. Typical of this is the close attention that the co-operative movement in Colombia has given to encouraging savings and credit.

15. Credit unions provide a tested institution in helping farmers and co-operators mobilize local financial resources. They are made up of people who join together to save money and make loans to each other at reasonable rates of interest; they

are not-for-profit financial co-operatives owned and operated by their members and chartered and supervised by the proper authorities. According to the World Council of Credit Unions (WOCCU), there were, in the developing countries alone, at the end of 1985, over 18,800 credit unions with more than 6.6 million members who had mobilized savings amounting to \$US 302 million in Africa, \$US 948 million in Asia, \$US 270 million in the Caribbean and \$US 455 million in Latin America. Credit unions have been effective in encouraging poor people, particularly in rural areas, to save money. Their record of accomplishment again demonstrates that the rural poor are capable of saving. Loans granted by these financial institutions have been used for production, education, health and emergency purposes. The Latin American Confederation of Credit Unions, for example, provided to its credit union members over \$US 50 million in loans for small businesses, home improvements and agricultural production during the period 1972-1985. Overall, credit unions in developing countries have an impressive record in encouraging people, particularly the poor, to save.

16. In some countries, consumer co-operative services are part of the functions of multi-purpose rural co-operatives. Engaging in wholesaling or retailing can provide good opportunities for co-operatives to boost sales and increase profitability - at the same time, consumers are provided with another distribution network for bringing food products to the market place. In the Union of Soviet Socialist Republics, as in other socialist countries, consumer co-operatives occupy an important place in the co-operative movement and account for a major share of the food made available to the public. In Iraq, a consumers' Co-operative Federation made up of co-operative societies has been active in spreading co-operative awareness and protecting the interests of consumers. The Federation is a founding member of the Arab Co-operative Federation, which is active in promoting the Arab co-operative movement.

17. Apart from promoting the sale of food products, consumer co-operatives serve a useful societal function by providing a standard against which prices and services in the private and government sectors can be measured. Where prices are the result of efficiencies generated by economies of scale or superior management, the public indisputably stands to gain. Lower prices that are the product of cheap credit, tax remission schemes or other forms of subsidy may be questioned. Where such practices are part of long-standing government policies of subsidizing the co-operative movement, then part of the real cost of what co-operatives sell is borne by society at large. In the event that subsidized consumer co-operatives lose these special privileges, they become more vulnerable to market forces and risk going out of business.

18. The extent to which co-operatives are involved in the three main phases of the food production cycle - production, marketing and consumption - varies widely from one country to another. In the centrally planned economies, they figure prominently in all three phases. In most other countries, co-operatives are of less importance in direct food production but are heavily involved in the marketing of one or several commodities or items of food. Supply co-operatives, however, which are widespread in both developed and developing countries, perform a most important function in supplying fertilizer, seed and other inputs to farmers at low prices.

19. There is some evidence that Governments in a number of developing countries have become more responsive to the needs of food growers by increasing prices for food crops and improving the terms of trade between rural and urban areas to the benefit of farmers. In certain countries, there are discernible signs that the regulatory role of the Government in the agricultural/rural sector is becoming more modest. Prices are no longer tightly controlled and marketing conditions are being eased. In Nigeria, the Government decided in 1986 to abolish all commodity marketing boards. Under the new system, co-operatives as well as individual farmers and companies will be largely on their own in buying and selling their products.

20. Closely linked to agricultural production and marketing is the processing of food. Food processing is an important step forward in promoting development because it results in value added, generates employment and enhances the net return for food exports. Food processing co-operatives are commonly found in many of the more industrialized developing countries, including Argentina, Brazil and India. In India, there has been a marked expansion of co-operatives in the processing and marketing of milk, sugar and oil seeds. At the international level, the United Nations Industrial Development Organization (UNIDO) has devoted much effort to promoting food processing industries. The Second Consultation Meeting on the Food-processing Industry, organized by UNIDO at Copenhagen in October 1984, examined the role of co-operatives in moving towards integrated development of the food processing industry. The meeting emphasized the importance of strengthening international co-operation in this field.

IV. ROLE OF CO-OPERATIVE AND CO-OPERATIVE-TYPE ORGANIZATIONS IN PROMOTING DEVELOPMENT IN URBAN AREAS

21. The role played by co-operatives in food processing indicates the significant position they hold in the industrial sector as well as their greater potential for promoting development in urban areas. Urban co-operatives already account for an important part of the overall co-operative movement in terms of membership, volume of business and the number of people they serve. Foremost among these are credit and thrift, consumer, housing and insurance co-operatives. In addition, as a result of persistent urban unemployment, industrial or working co-operatives are springing up in many developed market economy countries, including France, the Federal Republic of Germany, Spain and the United Kingdom of Great Britain and Northern Ireland. These co-operatives are experiencing a growth rate that is unparalleled in the history of industrial co-operatives. According to a recent report of a committee of the European Parliament, 1/ the majority of new industrial co-operatives in the Federal Republic of Germany, Italy and the United Kingdom were created out of businesses experiencing severe difficulties.

22. In some developing countries, there are signs of awakening interest in favouring co-operatives or co-operative type organizations as a way of dealing with persistent problems of unemployment, inadequate housing, food shortages and the rising cost of food. Rapid urban population growth throughout developing countries has made it even more essential to devise appropriate social organizations to cope with these and related problems. Urban-based industrial co-operatives have

considerable potential for generating employment for workers who might otherwise remain unemployed. Experience in the United Republic of Tanzania, for example, has shown that the required investment to secure employment for a single worker in a co-operative is lower than that for a regular enterprise. In Nicaragua, small-scale production co-operatives account for 30 per cent of all industrial employment.

23. Despite the considerable success achieved by co-operatives in urban areas in generating employment, they have not yet, with few exceptions, reached their full potential for serving as an organizational structure to promote wide-scale economic development. The Mondragon co-operative movement in the Basque Province of Spain remains to this day a model that most urban-based co-operative movements cannot even begin to aspire to, let alone emulate. The reasons for this are numerous and complex. In part, this has to do with the absence in urban areas of a co-operative ethic, a situation that is rooted in a lack of education and understanding by the public of the nature of co-operatives. Unlike rural areas, where a deep-rooted sense of isolation has engendered feelings of self-help and mutual aid, the propensity towards co-operative forms of activities is lacking in urban areas, where people often experience a deep sense of alienation from social institutions. This, in part, is being reversed in cities in some developed market economy countries, such as France and the United Kingdom, where workers are showing a greater willingness to use the co-operative model to start up small-scale industries or salvage those threatened by bankruptcy.

24. Urban-based co-operatives, however, particularly those of the industrial type, will not make much headway without assistance from government or external sources. Such aid, at least for the start-up period of an enterprise, is essential because a great many industrial co-operatives require supplementary sources of capital, trained management, skilled workers and a knowledge of marketing conditions. As is the case of rural co-operatives, efficient management is essential for the success of industrial producer co-operatives, a point that was elaborated upon in a pilot study undertaken by ICA for the Conference on the Economic and Social Potential of Industrial Co-operatives in Developing Countries, held at Arusha, United Republic of Tanzania, in February 1982. One conclusion of the study was that the lack of managerial ability was more often at the root of the difficulties of industrial co-operatives than the lack of capital.

25. Ideally, co-operatives should mobilize capital from accumulated annual reserves. This is difficult to achieve because their practice is to deal with members at the lowest possible cost rather than make a profit. Many countries, however, have legislation requiring co-operatives to set aside part of their annual surplus in a reserve account. A practice in Scandinavian countries is for co-operatives to build up reserves by issuing shares to members out of their annual surplus, usually in proportion to members' patronage of the services the societies provide. This practice is finding favour in a number of developing countries.

26. Industrial co-operatives should give close attention to how some agricultural co-operatives are devising new ways of raising capital. Since the latter generally do not enjoy access to equity and bond markets, many have devised alternative mechanisms for raising capital. These have included the sale of share capital to

institutions and Governments and the sale of bonds to members. Institutional funds have usually come from co-operative banks established to support co-operatives. Not uncommonly, these funds are provided by external sources or by the Government, but increasingly are derived from savings. As a result, co-operative banks in a number of countries have become fully independent of the Government, relying solely on co-operatives and co-operative members.

27. In the light of the real difficulties encountered by co-operatives in raising capital, Governments could, under certain conditions, become a source of such funds. This aid could take the form of loans and credits. Grants should be discouraged, except when they are used for clearly defined purposes of a public nature or are tied to promotional and educational activities. Consistent with the guidelines of recommendation No. 127 of ILO, such assistance should promote the interests and independence of co-operatives and should be designed to encourage rather than replace the initiative and effort of co-operative members.

28. Governments might also examine new or innovative approaches to help co-operatives raise the necessary capital. As is now the case in Egypt and the United Republic of Tanzania, general agricultural or development banks could be encouraged to lend money to co-operatives on terms that attract poor as well as more prosperous farmers. Poor farmers are often denied credit because they lack satisfactory collateral, thereby obliging them to borrow at high interest from money-lenders. Government and public bodies could be a source of borrowing for co-operatives wishing to make large investments. Debentures with fixed interest rates and redemption schedules have gradually emerged as a regular source of long-term debt in countries as diverse as India and the United States of America, where their marketability is sanctioned by some form of government support. This is one of the most promising sources of new finance but it is generally accessible to only well-established co-operatives with a proved credit rating. International lending sources, other than development assistance agencies, are also gradually becoming a source of capital for co-operatives. The establishment of an independent co-operative financing system owned and controlled by the co-operatives should be one of the goals of development efforts. It is noteworthy that such independent co-operative banks are found in almost every country where there has been a successful record of co-operative growth and development.

V. PARTICIPATION OF ALL PEOPLE, INCLUDING WOMEN, YOUTH, DISABLED PERSONS AND THE AGING, IN CO-OPERATIVES

29. Open membership is a touchstone of the Rochdale principles of co-operation. This principle is given legal expression in a great many countries, which declare that membership in co-operatives is open to everyone. A wide gap, however, usually exists between the law and reality. Co-operatives are often not eager to open their doors to women, youth, disabled persons and the elderly. In a FAO study, it was reported that "... women, with few exceptions, are mostly under-represented in agricultural co-operatives not least in the Third World". 2/ The following sections provide a limited picture of the issues relating to the participation of women, youth, disabled persons and the aging in co-operatives.

A. Women

30. The United Nations Decade for Women has heightened public awareness of the important role of women in society and of the constraints that prevent them from achieving full participation on the basis of equality. The Nairobi Forward-looking Strategies for the Advancement of Women, adopted by the World Conference to Review and Appraise the Achievements of the United Nations Decade for Women: Equality, Development and Peace (Nairobi, 15-26 July 1985), included co-operatives as one form of organization that could play an indispensable role in integrating underprivileged urban and rural women into the mainstream of development. In important respects, but to a limited extent, women have made significant strides in achieving full integration in co-operatives in ways that reflect their numbers and importance in society. This is most commonly the case in developed countries but is in evidence in a number of developing countries as well.

31. Women's participation in co-operatives and co-operative-type organizations in developing countries presents a mixed picture. Although the level of participation is generally low, the situation varies considerably from one developing region to another. Women tend to be strongly represented in the consumer co-operative movement but their numbers are far smaller in agricultural co-operatives. In certain countries where traditional values are strong among various segments of the population, women's co-operatives are to be found. In Bangladesh, there is a strong women's co-operative movement, much of which is devoted to the production and marketing of handicrafts. In the Syrian Arab Republic, the principle of open membership is generally adhered to except for certain societies that are limited to women, notably family services co-operatives. By and large, the common practice is to favour mixed co-operatives. Typical of these are the Anand dairy co-operatives in India where women work alongside men. Significantly, women tend to be well represented in consumers and credit co-operatives. In Africa, women are closely involved in savings and credit unions, which is undoubtedly a consequence of the predominant role they play in retail marketing.

32. Despite the considerable gains made by women over the years, they still do not hold in most countries a significant place in the co-operative movement. Women generally constitute a small proportion of agricultural and many urban-based co-operatives. Even when they are present in large numbers, the management of co-operatives is often a man's prerogative. These practices are not the result of chance but are firmly rooted in land tenure systems and established lending policies of banks. Membership in agricultural co-operatives in many countries is often linked to ownership of land or the ability to secure credit. In this vicious circle, women are effectively barred from membership in co-operatives because of their inability to secure title to land, which forecloses their right to secure credit. Even where legal barriers do not exist, custom and tradition are no less effective in closing the doors of co-operatives to women. In many countries, once the head of a household joins a co-operative, the other members of the family benefit from the services offered by the organization. Women, as a result, often do not become formal members of the co-operative.

33. The women's co-operative offers certain advantages in as much as women control the organization and make policy and day-to-day decisions governing its operation.

The establishment of separate women's co-operatives does not, however, constitute the sole approach to bringing women into the co-operative movement. Integrated or mixed co-operatives are still the most common and, barring special circumstances that warrant separate women's co-operatives, should be seen as the preferred model. In this context, mention should be made of the international survey carried out by ILO, on the integration of women in co-operatives.

B. Youth

34. Integrating young people in society is a major challenge to Governments in both developed and developing countries. In developed countries, unemployment rates among young people in the 15-25 age range are higher than the national average. Unemployment is often far more serious in the developing countries, where young people, who generally account for as much as half the total population, continue to bear a disproportionately heavy burden of the recession. Co-operatives, although they cannot serve as a panacea for eliminating youth unemployment, have the potential for offering gainful employment to many young people.

35. Attracting and keeping young people in co-operatives is a task for both the co-operative movement and the Government. The latter can do much to create an awareness of co-operatives and the different functions they perform. In many developed market economy countries, students receive little, if any, education about or training in co-operatives and the opportunities they offer in responding to peoples' needs in regard to employment, housing, credit, social services and sports. This is far less of a problem in the socialist countries and in the Scandinavian and some other countries, where co-operatives have a long and honourable tradition and are closely woven into the national economy. Co-operatives themselves also have a major responsibility in drawing young people into their organizational life. This they can do by providing activities and programmes that benefit young people. The Polish experience in encouraging young people to join co-operatives offers some guidelines to other countries. There are in Poland diverse forms of co-operative organizations, which attract a large number of young people. ICA and the Supreme Co-operative Council of Poland organized, at Warsaw in October 1985, a conference within the framework of the International Youth Year on the general theme, "Youth and the co-operative idea in a changing world". The conference, which was attended by 70 young co-operators from ICA member organizations from as many different countries, explored ways of promoting the co-operative idea among youth, particularly in developing countries, and how co-operatives can respond to the socio-economic problems confronting young people.

C. Disabled persons

36. The objectives of the World Programme of Action concerning Disabled Persons, adopted by the General Assembly on 3 December 1982 (resolution 37/52), are to promote effective measures for prevention of disability, rehabilitation and the realization of the goals of "full participation" of disabled persons in social life and development, and of "equality" (see A/37/351/Add.1 and Add.1/Corr.1, annex, sect. VIII). It is within this context that one should consider the role of

co-operatives in regard to disabled persons. The Programme of Action specifically mentions co-operatives as one type of organization that can help realize the integration of disabled persons into open employment.

37. Co-operatives have demonstrated that they can perform a useful role in helping disabled persons to gain employment and access to credit, housing and necessary social services. These social and economic needs of disabled persons, who constitute about 10 per cent of the world population, are so great that they cannot be met by most Governments and private institutions. In a great many countries, co-operatives established by disabled persons are, in a modest way, helping to meet those needs. With the publication in December 1985 of Co-operatives of Disabled Persons: A Guide for Promotion and Organization, 3/ much new information about the practice and organization of co-operatives of disabled persons has come to light.

38. Co-operatives of disabled persons are to be found in developing countries in Africa, Asia, the Middle East and Latin America. Generally, the membership of these groups represents a small fraction of the total number of disabled unemployed persons. The problems encountered by co-operatives of disabled persons include lack of capital, inadequately trained management, limited markets and insufficient government support. The number of co-operatives of disabled persons in Western Europe is very limited and only a small number of workers are involved. Two developments have recently provided an incentive to the formation of such co-operatives. One is related to certain deficiencies in state welfare programmes and the other is an outgrowth of the increased interest in workers' co-operatives set up by unemployed workers. The number of co-operative groupings of disabled persons is undoubtedly considerably larger than is thought, since many are not registered as co-operatives but as associations.

39. Co-operatives of disabled persons are much more developed in the centrally planned economies of Eastern Europe, but even there, with the notable exception of Czechoslovakia, Poland, and perhaps Bulgaria, its economic significance is limited. In Czechoslovakia, disabled persons are sometimes given priority in being admitted into regular co-operatives. The Polish "invalid's co-operative" (a term widely used in Eastern Europe) is the most comprehensive co-operative of this type in the region and in the world. 4/ Its basic aim is to provide productive employment, comprehensive vocational rehabilitation and training as well as education and social rehabilitation for all categories of disabled persons.

D. The aging

40. Until the present time, very little attention has been paid to co-operatives in regard to concerns of the aging. This matter is taking on added importance as the median age of co-operative members in developed countries (and of the population at large) is rising. Developing countries also have increasingly large numbers of elderly persons. The needs of this population group will gradually require a growing share of the social services budget of the State.

41. There can be little doubt that co-operatives can, and in many cases do, perform useful services for their older members. In the German Democratic Republic, members of a co-operative who, for reasons of old age or disability, are

no longer able to work enjoy benefits and services that are available to all other working people. In Western Europe, upon reaching retirement age, members generally withdraw from agricultural co-operatives, at which time they receive the share capital they have accumulated over the years. The Joint Committee for the Promotion of Aid to Co-operatives (COPAC) and the Centre for Social Development and Humanitarian Affairs of the United Nations Secretariat are soon to conduct a study to gain a clearer understanding of the relatively unchartered role of co-operatives in the field of aging. The United Nations Trust Fund for Aging has contributed \$US 27,000 for the study.

VI. PARTICIPATION OF PEASANTS, INCLUDING LANDLESS PEASANTS, IN CO-OPERATIVES

42. As population pressure on land increases, the numbers of landless peasants are bound to increase. This trend is particularly in evidence in South Asia and parts of Latin America and is now beginning to be felt in sub-Saharan Africa, where rapid population growth continues apace. Encouraging people to form craft, housing, consumer, poultry and other types of co-operatives could reduce dependence on the land and, in the process, diversify the economy. In China, where the Government is encouraging small but inefficient landholders to give up their small plots of land, workers co-operatives could prove to be effective in absorbing part of this surplus labour.

43. There is ample evidence to show that, with relatively few exceptions, co-operative organizations in most developing countries do not yet involve or serve the large majority of the rural poor, composed of peasants, landless labourers and other disadvantaged groups. It is not uncommon for population groups, especially those having no land, to be ineligible for membership in co-operatives because they lack adequate collateral to qualify them for credit. Advantages of membership in co-operatives, moreover, usually redound to the better-off rural population, who often control decision-making processes affecting the allocation of an organization's resources. In many developing countries, co-operatives, not uncommonly, tend to reflect and reinforce the well-layered social structures in rural society. In some countries, by contrast, co-operatives have become agents for social change and have helped bring about a transformation of agricultural production and marketing processes.

44. The case of Nepal illustrates how Governments can reorient co-operative development in favour of small farmers. A starting point for such involvement was a Government decision to define poverty in terms of size of holdings and/or income. Consistent with this approach, the Government enacted legislation to ensure that the poorer members of co-operatives have access to the decision-making processes of co-operatives. Under a law adopted in 1981, two thirds of the seats on the boards of directors of primary co-operatives are set aside for peasants and small farmers. Another way of helping small farmers is to ensure that the bulk of available credit is channelled to them. FAO has proposed that 80 per cent of the total volume of credit of primary cooperatives should be allocated to small farmers.

VII. ROLE AND EXTENT OF GOVERNMENT SUPPORT IN PROMOTING CO-OPERATIVES

45. It is widely accepted that Governments should extend aid to co-operatives as long as this does not compromise the autonomy and freedom of action of those organizations. This is in keeping with recommendation 127 of ILO, in which it was recommended that Governments should furnish co-operatives with aid of an economic, financial, technical, legislative or other character provided it did not impinge on their independence. The rationale behind this philosophy is quite clear: Governments have a legitimate role to play in assisting co-operatives but should not do so in a manner that creates dependency, which could undermine their independent and democratic character.

46. In the centrally planned developed countries and in the great majority of developing countries, government aid to co-operatives has been elevated to a point of high principle. The aid assumes a variety of forms and includes tax concessions, subsidized credit, remission of import duties, training and education programmes and the sale of capital equipment, raw materials and land at preferential prices. In Bulgaria, the co-operative movement is favoured by the State, which assigns it a key role in agricultural development. Similar examples may be cited from the experience of the co-operative movement in the Union of Soviet Socialist Republics, Hungary and the other socialist countries of Eastern Europe, where the State provides varying degrees of material assistance. Current trends in those countries indicate that the ties existing between the State and co-operatives will not change and that the co-operative movement can continue to look to Governments for support in pursuing economically useful and socially desirable activities. In the United States and Canada, the Governments play a supportive role vis-à-vis co-operatives in terms of legislation, regulation and finance.

47. In Western Europe, by contrast, co-operatives came into being through the action of popular movements and not the State. The co-operative movement in France, Sweden, the United Kingdom and other Western European countries grew up within a strong tradition of independence, voluntarism and self-help, which is maintained today. This does not mean that the State is neutral or indifferent to co-operatives. By and large, the Government encourages their growth and development. In the United Kingdom, for example, the Government has encouraged co-operative development in housing and agriculture and has been supportive of workers' productive co-operatives. The latter type of co-operative has been viewed in a number of European countries as having much potential for absorbing some of the existing urban unemployed and creating new jobs in small-scale industry.

48. It is widely acknowledged that the Government in developing countries has a necessary and useful role to play in promoting the co-operative movement. In many countries, this movement owes its very existence to government support. Without state subsidies, training programmes, legislative support and, in many instances, management personnel, the co-operative movement in many developing countries would have little to show for its efforts.

49. While the validity of this generalization is widely acknowledged, it is no less true that government support and control have not been an unmixed blessing. In a number of countries, the Government has the power to appoint and dismiss

co-operative board officials and, in doing so, has undermined their autonomous and democratic character which is the very hallmark of the co-operative enterprise. Co-operative members have in these situations not only lost control over the management of the organization but are often required to submit to government controls on the production, pricing and marketing of their products. To some extent, this is offset by subsidized credits and reduced costs for other inputs which lessen the blow of receiving below-market prices. All too often, however, the combined effect of government controls over management and discriminatory pricing policies has been to weaken co-operative autonomy and democracy and undermine the economic underpinnings of the co-operative movement.

50. In the light of current trends in many countries towards a loosening of government controls over the economy and allowing the market to determine prices, there is a need to reassess the role of government in co-operative affairs. While not many countries would go as far as Finland in abolishing all forms of state participation in and support of co-operatives (which now fall under the same rules regulating private enterprises), other countries are questioning current policies that provide subsidies for co-operatives and mandate extensive controls over their operations.

51. Many co-operatives have become excessively dependent on government support programmes which, if removed, would adversely affect their operations. In many, if not most, instances this is not desirable. It is a legitimate function of government to provide training and education programmes and, under certain conditions, to furnish financial aid to co-operatives that does not lead to dependence on state authorities. The case for such aid is particularly compelling where co-operatives perform public services that might otherwise have to be provided by the State. Not to assist them in these circumstances would have the effect of penalizing them vis-à-vis private competitors, which are less concerned with the social or national consequences of their actions. In the current economic crisis, where Governments in many countries are obliged to close down or sell off public corporations to private interests, there are growing opportunities for substituting workers' co-operatives for privately owned firms. Recently, the Government of Bolivia, beset by severe problems in the state-owned mining industry, agreed to lease nine mines to workers' co-operatives. In these circumstances, where employment is promoted, it does not seem unreasonable to provide some support for these co-operatives.

52. Given the new concerns as well as opportunities facing co-operatives, more attention is being given at the national and international levels to reconsider the role of government in the co-operative movement. The United Nations will organize a seminar in Moscow in May 1987 devoted to the topic of the role of government in promoting the co-operative movement, to which will be invited representatives of Governments and co-operative movements from 24 developing countries.

VIII. TRAINING AND EDUCATIONAL PROGRAMMES TO PROMOTE THE
EFFECTIVENESS OF CO-OPERATIVES AND MAKE THEM MORE
RESPONSIVE TO THE NEEDS OF THEIR MEMBERS

53. "Training" and "education", although the terms are often used together, are clearly different in nature and purpose. Training programmes purport to help members of co-operatives upgrade the level of their performance and enhance their motivation. This addresses a multitude of tasks ranging from decision-making activities in the boardroom to discrete operations performed by co-operators in the field, workshop or office. Educational programmes, by contrast, have as their principle purpose teaching members and prospective members of co-operatives about the principles of co-operation and the rights and responsibilities that go along with membership.

54. Both co-operators and government officials responsible for co-operative activities are the main target population of education and training programmes. Usually, there is no single source for these programmes; providers of education and training programmes include state schools and training institutes, co-operative organizations and government agencies. Government ministries, sometimes with the assistance of international organizations or regional bodies, often provide funding for these courses or make facilities available for them. In Guyana, the Co-operative Union League, which is the National Federation of Credit Unions, conducts regular seminars and receives assistance from the Ministry of Co-operatives and the Caribbean Confederation of Credit Unions to conduct training courses for members of credit unions. International non-governmental organizations, such as ICA, WOCCU and IFAP, offer training courses to upgrade skills for different types of co-operative activities. The Co-operative Education Materials Advisory Services (CEMAS) programme of ICA, funded by the Swedish Co-operative Centre, is one of the few organized attempts to concentrate on developing methods and materials for the specific needs of co-operative members and committee members, and thereby complements the more technical staff training provided by the Material and Techniques for Co-operative Management Training (MATCOM) project of ILO (see para. 56 below). Movement-to-movement programmes have been the source not only of technology and funding but also of training programmes. Among the specialized agencies, ILO has a long and distinguished record in the field of training and education.

55. Within this context, mention may be made of a series of national workshops on co-operative training policy and standards in selected Asian countries, organized by ILO and financed by the Government of Norway (see ILO/NOR/81/RAS/31, p. 4). This was a follow-up to the regional symposium on the same subject held at Chiangmai, Thailand, in 1979. It was considered desirable to review the conclusions and recommendations of the Chiangmai symposium. These cover, among other things, manpower surveys, employment conditions and faculty development, and a recommendation that the Government in each country should adopt a policy of transferring functions that are related to training from government agencies to the co-operative movement. Following this, national workshops were organized in late 1981 and early 1982 in India, Indonesia, Sri Lanka and Thailand. At the end of October 1985, the tenth in this series of national workshops was held in Bangladesh.

56. MATCOM is another important ILO training project. Towards the end of 1986, when the present phase of MATCOM will come to an end, the project will have produced complete sets of training material in the fields of agricultural and consumer co-operative management training. Production of training material for staff of industrial or workers' co-operatives has started on a modest scale. Identification of training needs for fisheries' co-operatives is now under way. By pursuing an active "marketing approach", the MATCOM material has been introduced, distributed, adapted and translated in many countries.

IX. DIFFICULTIES FACED BY COUNTRIES IN THE ESTABLISHMENT AND DEVELOPMENT OF CO-OPERATIVES AND THEIR EXPERIENCE IN OVERCOMING THEM

57. A recurrent difficulty mentioned by co-operatives and Governments in establishing and developing co-operatives is the lack of competent managerial staff. This lack, it is widely agreed, has hindered the development of co-operatives and the situation is likely to become worse as co-operatives will have to become more efficient if they are to survive. A common response to dealing with this problem is to increase the number and raise the level of training programmes. Recently enacted legislation in Egypt provides for the creation of a special fund for co-operative training. Half the funds are set aside to provide training at the local level and the balance for training at the national level. In Pakistan, the acute shortage of trained managerial personnel has prompted the Co-operative Training College at Faisalabad in the Punjab Province to provide training to co-operative executives as well as in-service training programmes that include technical training and teaching of the principles of co-operation. Co-operative movements would do well to examine this system-wide problem and propose ways of dealing with it at the national, regional and international levels.

58. Widespread illiteracy is also an important barrier to the establishment and operation of co-operatives. The International Federation of Plantation, Agricultural and Allied Workers (IFPAAW), an international non-governmental organization dedicated to uplifting poor peasants and farmers, has done much to organize the rural poor into co-operatives and trade union associations. Illiterate peasants, who are usually the poorest of all, generally lack the cognitive skills and self-confidence to organize a co-operative. When they join one, they are often unduly influenced by the better-off farmers. In Nicaragua, low levels of education among co-operative members has made it difficult to improve the quality of administration and self-management.

59. Certain government policies and programmes to aid co-operatives sometimes have the effect of burdening rather than benefiting co-operatives. In El Salvador, for example, aid to co-operatives is apportioned along political lines. This is not uncommon in countries where co-operatives tend to be associated with different political parties. In certain countries, frequent shifts in public policy towards co-operatives have tended to create confusion over the true nature of government intentions towards the co-operative movement. This difficulty is likely to become more pronounced as Governments reassess the role they should play in helping co-operatives. While government policy ought to be responsive to changing

conditions in the co-operative world, it should avoid frequent and far-reaching changes that can be disruptive to the orderly development of changes in the movement. Another difficulty is often rooted in the absence of a clearly defined co-operative law. This has the effect of creating an unfavourable climate for the organization and growth of co-operatives. One way of changing this situation is through reform of existing legislation covering co-operatives. In this context, it should be noted that the services of the co-operative programme of ILO have been requested by a number of Governments to help them draft improved co-operative legislation. Since 1981, ILO has sent missions for this purpose to Botswana, Burundi, Greece, Haiti, Madagascar, Mali, Niger, Rwanda and Togo.

60. Lack of capital is a perennial problem that often limits the scope of co-operative activities. To the extent that co-operatives become involved in capital-intensive industries, such as food processing and manufacturing, they require an increased infusion of capital to sustain their operations. This poses a problem in most countries because co-operatives do not have access to established equity markets and, not uncommonly, regular commercial banks are unsympathetic to their needs. In the light of the difficulties encountered by co-operatives in raising capital, Governments could, under certain conditions, provide such funds. Failing that, Governments should collaborate with the co-operative movement in examining new and innovative approaches for raising capital, including the establishment of special industrial co-operative development banks or similar organizations.

61. Civil unrest and/or war in Africa, the Middle East, Asia and Central and South America have been serious impediments to development. Not only have these conflicts exacted a heavy toll in human life but they have diverted vast sums from the development process. In many parts of Africa, famine or a poor agricultural performance can be traced primarily to civil unrest, rather than adverse climatic conditions. Where this unrest persists, it will necessarily have an adverse effect on the co-operative movement. People cannot maintain a co-operative movement or the semblance of normal life in the midst of civil and military unrest.

X. PROGRESS MADE IN STRENGTHENING "MOVEMENT-TO-MOVEMENT" ACTIVITIES

62. The provision of assistance across national boundaries from an established co-operative movement to a sister movement, without government or other official intermediaries, is not a new idea. The co-operative ethic implies such an obligation, and co-operative principles as reformulated by ICA in 1966 are supportive of collaboration among co-operatives of all types and at all levels. Transfer of resources from one movement to another could be in the form of information, technology, manpower or funds. North-South co-operation has usually included support by the developed countries of co-operatives in developing countries. As co-operative movements in developing countries mature and acquire added resources and expertise, there are growing possibilities for extending assistance along South-South lines.

63. If the idea of movement-to-movement support is inherent in co-operative ideologies, the political context in which it is now being discussed has changed considerably. After several decades of support for strengthening co-operative

movements in developing countries by Governments in developed countries, there is less than full satisfaction with the results. Although much has been accomplished under this form of assistance, there is a widespread feeling that more could be accomplished with the resources provided.

64. It is against this background of devising more effective ways of assisting co-operatives that interest has developed in movement-to-movement programmes. This model seeks to change the role of government from manager to sponsor. In the recipient countries, the Government still maintains the right to approve a project and the larger the project, the more closely it will attract official scrutiny. From the donor side, most of the funds come from Governments of developed countries, although a small but not insubstantial amount is provided by the co-operative movement. The Rabo Bank in the Netherlands provides training and other assistance to co-operative banks in selected developing countries. A concerted effort is under way in the credit union movement to raise funds to promote the development of credit unions in developing countries. Fresh impetus was given to this trend through WOCCU with the establishment of a network of credit union foundations in both developed and developing countries.

65. There are growing signs that Governments and co-operative movements in certain donor countries, and in selected receiving countries as well, are becoming more interested in promoting co-operative development on a movement-to-movement basis. The Swedish Co-operative Centre (SCC), supported by the Swedish International Development Authority (SIDA), co-ordinates aid to the co-operative movements in Kenya, the United Republic of Tanzania and Zambia. In 1982, SCC signed an agreement with the Zambian Co-operative Federation (ZCF), under which SCC has provided an average of SKT 25 million a year. An important objective of this aid has been to strengthen the capacity of ZCF, not only as the recipient of assistance on behalf of the Zambian movement, but also as an effective central organization. In Kenya, SCC assistance projects to the Kenya National Farmers' Union (KNFU) is being transformed into direct movement-to-movement assistance. Such moves might well be examined by other industrialized countries.

66. In the United States of America, there is no central executing agency for co-operative assistance to developing countries. Six co-operative bodies, the National Co-operative Business Association (NCBA), the Agricultural Co-operative Development Association (ACDI), the Co-operative Housing Foundation (CHF), the National Rural Electric Co-operative Association (NRECA), Volunteers in Overseas Co-operative Assistance (VOCA), and WOCCU manage their own programmes, which, in part, are financed by the United States Agency for International Development (USAID). The Africa Confederation of Co-operative Savings and Credit Associations (ACCOSCA) was the recipient of funds for a new project funded by USAID. The main purposes of the project are to provide training assistance and help generate new sources of income. CHF has agreed to participate in low-income housing projects with affiliates of the Latin American Confederation of Credit Unions (COLAC) in Costa Rica, El Salvador, Guatemala, Honduras and Panama. From Canada, La Société de Développement International Désjardin has been supporting the promotion of agricultural co-operatives and credit unions in the south-west region of Burkina Faso, while the Co-operative Union of Canada has been assisting over 140 projects in 37 countries in Africa, Asia, Latin America and the Caribbean.

67. Movement-to-movement support appears to have certain inherent advantages. Judiciously pursued, it permits the resources of the donor co-operative movement to be directly linked to the resource base of the recipient movement. This provides the opportunity for continuing support, implying the exchange of experience and personnel, and the development of long-term partnerships. This can lead to increased commercial relationships between co-operatives in different countries. Movement-to-movement aid, when channelled through apex organizations, can do much to strengthen their operations and enhance their credibility within the local co-operative movement.

68. Movement-to-movement aid cannot progress far unless co-operative movements in both donor and recipient countries, as well as Governments, are prepared to support them on a long-term basis. In the absence of such a commitment, assistance may dry up in financially difficult times and put at risk what has already been accomplished. Along these lines, mention should be made of the efforts of ICA to establish a working party to serve as a forum to encourage more Governments and non-governmental organizations to provide aid directly to co-operative movements.

XI. PROGRESS MADE IN PROMOTING MEMBERSHIP IN AND GROWTH OF CO-OPERATIVES

69. Precise up-to-date global figures on the growth in the number of co-operatives and their membership remain unavailable. Overall, however, it is safe to state that there has been an upward trend over the past years. Co-operatives have not only increased in number and overall membership but in the scope of their activities. In Pakistan, there was a 77 per cent increase in the number of co-operatives between 1978 and 1985, the total rising from 32,777 to 57,950. For the same period, membership figures rose from 2.2 million to 3.9 million. Another developing country for which figures are available is Guyana, where the number of co-operatives has risen from 12 in 1948 to 1,523 in 1986 with a membership of 175,000. A dramatic increase in the number and type of co-operatives has been registered in Ethiopia over the past 10 years. On a more general note, mention should be made of the effective work done by the National Rural Electric Co-operative Association in providing electric light and power for several million people in a number of developing countries.

70. In the credit union movement, growth has continued at an astonishing pace. In the past 10 years, credit union membership in WOCCU has more than doubled. The number of members in developing countries grew from 2.7 million in 1975 to almost 7 million by the end of 1985. Industrial production co-operatives have also experienced a revival over the past decade. Many of these co-operatives have been established in France, Italy and the United Kingdom. What will help spur growth in the co-operative sector is widespread dissemination of knowledge and information about the activities of co-operatives, not only their accomplishments but their shortcomings as well. In no small measure this can come about through educational programmes that inculcate an understanding of the principles of the co-operative movement and an appreciation of its usefulness in the various sectors of the economy. Such educational programmes should be complemented by news and

information from the media, which have great influence in shaping public opinion. To the extent possible, promotional activities should emanate from the co-operative movement and not depend upon government information services.

XII. CONCLUSIONS

71. On the basis of this review and analysis, Member States may wish to:

(a) Strengthen their commitment to co-operatives in a manner consistent with the need to preserve the autonomy and democratic character of those organizations. This will strengthen their capacity to make an effective contribution to overall social and economic development;

(b) Enhance the role of agricultural, savings, handicrafts and other forms of co-operative organizations in the production, marketing and consumption of food. Policies should be adopted that promote savings and investment in the rural/agricultural sector and encourage farmers to raise food production and improve marketing networks;

(c) Strengthen the role of co-operative and co-operative-type organizations in promoting development in urban areas;

(d) Explore ways to increase the participation of women, youth, disabled persons and the aging in co-operatives; consistent with this, attention should be given to encourage the use of co-operatives in small-scale and medium-scale industry;

(e) Encourage the participation of the poorest elements of society, notably peasants and landless peasants, in co-operative activities;

(f) Reconsider the role and forms of government support of co-operatives, so that they become a more dynamic and self-reliant factor in the development process;

(g) Promote training and educational programmes with a view to enhancing the operations of co-operatives, making them more responsive to the needs of their members and ensuring greater member participation;

(h) Support efforts to strengthen movement-to-movement activities among co-operatives as an important step in promoting co-operative development. Movement-to-movement activities represent an important approach for fostering collaboration among co-operatives, increasing the flow of resources and technology to co-operatives in developing countries and serving as a useful technique for project administration. Governments, in allocating overseas development assistance to national and international organizations, might consider channelling a greater proportion of this aid towards movement-to-movement activities;

(i) Encourage educational and informational programmes for increasing public awareness of co-operatives and the role they can play in agriculture, housing, credit and banking, fisheries, industry and other economic and social sectors.

Notes

1/ "Contribution of co-operatives to regional development: report submitted by the Committee on Regional Policy and Regional Planning of the European Parliament" (DOC.A2-51/86, May 1986).

2/ G. N. Lamming, Women in Agricultural Co-operatives: Constraints and Limitation to Full Participation (Rome, Food and Agriculture Organization of the United Nations, 1983), p. 1.

3/ Co-operatives of Disabled Persons: A Guide for Promotion and Organization, prepared by Johann Gudmundsson and issued by the Joint Committee for the Promotion of Aid to Co-operatives and the Centre for Social Development and Humanitarian Affairs of the United Nations Secretariat. The study was financed from the United Nations Trust Fund for the International Year of Disabled Persons in the framework of the United Nations Decade of Disabled Persons, 1983-1992. It has been published in English and will be available shortly in Arabic, French, Italian and Spanish.

4/ Co-operatives of Disabled Persons ..., p. 19.
