



UNDERSTANDING OUR HISTORY **TO BUILD A STRONGER FUTURE**





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01 Message from the ICA President

ARIEL GUARCO

*President of the International
Cooperative Alliance*



The 125th anniversary of the International Cooperative Alliance, celebrated in August, 2020, is not only a milestone for our organization, but also for the entire cooperative movement.

The global context in which this anniversary occurred is that of a health crisis unprecedented in the global era.

The Covid-19 pandemic also had a huge economic and social impact on each of our communities.

However, cooperatives have put our principles into action to face this and other pre-existing problems, some of which were accentuated during the pandemic.



The loss of millions of jobs, climate change and the various latent inequalities and violence on our planet are challenges that we must solve together, integrated from the incredibly diverse sectors and regions we represent.

Our International Cooperative Alliance was born 125 years ago for cooperatives from all corners of the planet, and today it continues to be the common home for all cooperative organizations that practice an economy with roots in democracy and solidarity, and with a spirit that is capable of taking on today's global challenges.

We have a model with a proven track record to equitably distribute tools that allow people to take control of their livelihoods. Tools that are used today by the new generation that will allow us to see a better future, where no one is left behind.

Therefore, it is time to deepen our Identity, it is time to value the entire trajectory of our movement to consolidate our international leadership in the present and move towards

a horizon of true economic, social and environmental sustainability.

We celebrated ICA's anniversary in the midst of much pain and uncertainty. Our movement lost valuable people to the pandemic and our organizations suffered, to a greater or lesser extent, from the impacts of this global crisis.

It is our Identity, forged in these 125 years, that allows us once again to be resilient and become a beacon that lights the path out of this crisis better than when we entered it.

Many of the actions, people and collective movements that have shaped this Cooperative Identity since the beginning of the ICA are found in the pages that follow.

Let us cherish this rich history and continue to build together a strong and transformative cooperative movement... for the next hundred years and beyond!

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Rita Rhodes



THOUGHTS ON ICA'S 125TH ANNIVERSARY

PhD in History; Former visiting research fellow at the Cooperatives Research Unit of the Open University; Former chair of the UK Society for Co-operative Studies.

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The International Cooperative Alliance formed in London in 1895 with approximately 200 representatives from a number of young cooperative movements. It would remain an alliance and never become a federation. Initially individual co-operators and cooperative associations could join although rule changes in 1919 limited it to the latter.

The inaugural meeting elected a provisional Central Committee to facilitate the exchange of experiences between cooperatives throughout the world and to consider how to develop commercial relations between them.

A further aim was to make better known cooperative principles. It suggests that there was already a wide acceptance of what became known as the Rochdale principles reflecting self-help,

mutuality, equality and democracy. In particular the ICA's first meeting adopted the principle of religious and political neutrality. In Britain as much as anything it was adopted to avoid controversy arising from the rather unusual religious views of Robert Owen but was closely linked to the further principle of open membership.

No one applying for cooperative membership could be denied it on grounds of sex, race or creed. Given that ICA affiliates would come from different economies and political systems both principles were eminently practicable.

Celebrations for the ICA's 125 anniversary should thank the earlier leaders for overcoming crises. The ICA has been distinguished by its continuity and longevity. Few other international non-governmental organisations share these.



ICA office building in London,
the UK



ICA Global Office Building today
in Brussels, Belgium

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Even the Socialist International and the International Federation of Trade Unions with which the alliance had affinity split under the pressures of total war and divisions of doctrine. Fortunately, the alliance did not affiliate to the Socialist International when urged to in 1910. The three organisations each avowed peace and the international brotherhood of man but two split.

The ICA passed its first peace resolution in 1902 and the pursuit of peace became one of its long held policies. It supported systems of mediation and arbitration, the League of Nations and the United Nations. The two World Wars and the Cold War gravely threatened it. In my book The International Cooperative

Alliance during War and Peace 1910-1950 I suggested that the ICA's ideology and organisation were the main reasons why it overcame the crises they presented. Broadly its ideology can be traced through its review of cooperative principles undertaken in the 1930s, '60s and '90s while its periodic rule changes reflect its organisation which was also shaped by its ideology.

Each conflict aroused a different response. That to the first World War revealed the young ICA already had a clear identity in as much as it distanced itself from its capitalist and imperialist belligerents. Cooperators were not at war and sought peace between their countries. Indeed, cooperative leaders

became an effective impromptu network. Despite national barriers, newspaper shortages and censorship, the ICA continued to produce its monthly International Cooperative Bulletin. Prepared and edited in the ICA's head office in London, a copy was sent to Dutch cooperative leaders who printed and distributed it to their members and transmitted the original to counterparts in France and Germany who then reproduced and distributed it.

Personal messages, condolences and enquiries were also made through the same network.

After the war the ICA's General Secretary, Henry May, welcomed the creation of the League of Nations as a 'younger sister', the ICA itself being the real 'league of the people'. Accountability was a strong feature of its organisation and its first post-war congress in neutral Switzerland received an account from each affiliate describing how the war had affected it and how it had responded. It is a notable document and should be considered an early example of truth and reconciliation. Frequent apologies were given where cooperative principles had been broken, as for example when governments decreed that consumer cooperative societies should trade with non members.

After the war, the ICA faced two immediate crises. New states had been formed by the Versailles Treaty. Did their original affiliates continue or were new ones to be appointed? Secondly Russia had revolted and its central consumer cooperative union Centrosoyuz which had joined ICA in 1903 was being replaced. Its existing delegates made emotional appeals to remain, claiming that they represented true cooperatives which those replacing them were not. The first crisis was overcome by basing

affiliation on new internationally state accepted boundaries; the other by fudge. It was a highly delicate, confidential and long sustained fudge that later helped the ICA survive the Second World War; then the Soviet Union became one of the allies. Moreover, the ICA was united in as much as its Italian, German, Austrian and Japanese movements had been withdrawn by their Fascist, Nazi and militaristic regimes.

Luck also entered the ICA's survival. From 1895, its head office had remained in London and although Britain was badly bombed during the war it was not occupied. By then the ICA's constitution provided for a President and two Vice Presidents. Both the President and a Vice President were unable to operate but the other Vice President was R.A. Palmer, General Secretary of the Cooperative Union in Manchester. He assumed the role of Acting President and the British delegation, the largest to the ICA became a de facto Central Committee. Sadly, Henry May, the General Secretary, had died unexpectedly in November 1939. His deputy, Miss Gertrude Polly, was appointed Acting General Secretary. A point to emphasise was that all this was reported to the first post war congress thus maintaining accountability.

There was much to report. The acting administration had been able to continue work with American and Canadian affiliates; also with the International Labour Organisation and its cooperative branch that had evacuated to Canada. Through these links the ICA was able to develop a relationship with the embryonic United Nations in New York. Officials from the Cooperative League of the USA, particularly Wally Campbell, represented the ICA in the development of post-war rehabilitation and development programmes.

RITA RHODES

ICA Global Office Building today
in Brussels, Belgium



These undoubtedly helped the ICA gain category A consultative status with the UN's Social Committee in 1946, one of the first three international non governmental organisations to do so. Thereafter it developed working with UN agencies such as ILO, FAO and UNESCO etc.

The ICA's authority was boosted by its having become the guardian of cooperative principles. It reviewed them in the 1930s, '60s and '90s. The first was undertaken because they had not been listed and fears were growing of some deviation. Difficulties grew from their being heavily shaped by consumer co-operation and attempts were made to widen principles to be more inclusive of other kinds of cooperative. The question of inalienable assets also arose and would subsequently reappear.

The second review in the 1960s needed to take account of two kinds of cooperative movement in the Soviet bloc and elsewhere. It continued the earlier fudge but was providential. When the Berlin Wall came down and the Soviet Union became Russia again, their cooperatives could once again be natural affiliates with the ICA. Those in the 1990s took these changes in international relations on board but also responded to the ICA's regionalisation and the decline of some movements and emergence of others. Its basis was also becoming less European.

Views were widely sought for the '90s review and I contributed. Yet I have since felt uneasy about the process and its result. Both appeared unwieldy. I recall that the two original sources of the Rochdale Principles (Law the First and the Pioneers' 1860 almanac) contain probably fewer than 500 words. Similarly, statements of belief such as the Ten Commandments and the Lords' Prayer are profound but succinct. I hope that any re-statement of cooperative identity will be brief and to the point.

In its 125 year history, the ICA has evolved. It has shown itself capable of taking on new situations as well as resolving crises. It has a good track record from which lessons can be drawn on how to help solve today's economic, social and political problems arising from the pandemic and climate crisis.

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The road to
1895

WITH CONTRIBUTIONS
FROM NATIONAL
COOPERATIVE
MOVEMENTS

Identity is often explained as the sum of one's experiences. Today, our common cooperative identity is representative of the experiences of more than 100 national movements from diverse sectors. This reflects the international character of the cooperative business model, which has been nurtured by our universal values and principles.

This publication follows the spirit of the Chinese saying "become familiar with the past in order to understand the present" and resonates with this sentiment captured by William Pascoe Watkins:

"Social institutions, such as the International Cooperative Alliance, which lose sight of their past are in danger of losing control of their future."

The International Cooperative Alliance was founded in London in 1895 during the 1st International Cooperative Congress. In attendance were delegates and visitors from cooperatives from Argentina, Australia, Austria, Belgium, Denmark, France, Germany, India, Italy, Ireland, the Netherlands, Switzerland, Serbia, the UK, and the USA.



38 INTERNATIONAL CO-OPERATIVE ALLIANCE.

RESOLUTIONS PRELIMINARY TO THE PREPARATION OF A
CONSTITUTION OF THE INTERNATIONAL
CO-OPERATIVE ALLIANCE.

Article 1.

"An International Co-operative Alliance is created between the Associations and persons now or hereafter adhering to the work commenced by the late Vanitart Neale and his friends; to promote co-operation and profit-sharing in all their forms."

"The Resolutions of the first International Co-operative Congress, (London, August 19th to 23rd, 1895) shall serve as guides for the preparation of Statutes for the Alliance, and for its operations. These resolutions are as follows:— (See pages 34-37.)"

Article 2.

"The Alliance does not interfere with politics or religion."

Article 3.

"The objects of the Alliance are defined to be:—

(a) "To make known the co-operators of each country and their work to the co-operators of all other countries by congresses, the publication of literature, and other suitable means.

(b) "To elucidate by international discussion and correspondence the nature of true co-operative principles.

(c) "To establish commercial relations between the co-operators of different countries for their mutual advantage."

Article 4.

"The Alliance will be careful to act, as much as possible, through the organisations existing in the various countries."

Article 5.

"The Provisional Central Committee, created by the resolution of August 19th, is continued in office, with the title of Central Committee, until the end of the next Congress."

"The following are the members thereof:—

Monsieur D'ANDRIMONT Belgium.

" MICHA "

Monsieur E. DE BOYVE France.

" KEOGALL "

" CHARLES ROBERT "

Herr Dr CRUGER Germany.

INTRODUCTION.

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Mr J. C. GRAY Great Britain.

Mr EDWARD OWEN GREENING "

RE. HON. EARL GREY "

Miss TOURNIER "

Mr ANEUGIN WILLIAMS "

Mr HENRY W. WOLFF "

Commandatore ENEA CAVALIERI Italy.

ONOREVOLE LUIGI LUZZATTI "

Mr N. O. NELSON United States.

"The Committee shall have power until next Congress to add to its number new members, chosen from among persons who are members of the organisations adhering to the Alliance, or who adhere individually."

Article 6.

"The Central Committee shall elect from its own members an Executive Bureau, composed of Chairman, Deputy Chairman—who may also act as Treasurer—and a Secretary. This Bureau shall sit in London."

Article 7.

"That the following form the Executive Bureau of the Alliance:—

EARL GRAY, President and Chairman.

H. W. WOLFF, Treasurer.

E. O. GREENING and J. C. GRAY, Hon. Secretaries, with

A. WILLIAMS, as Assistant Hon. Secretary."

Article 8.

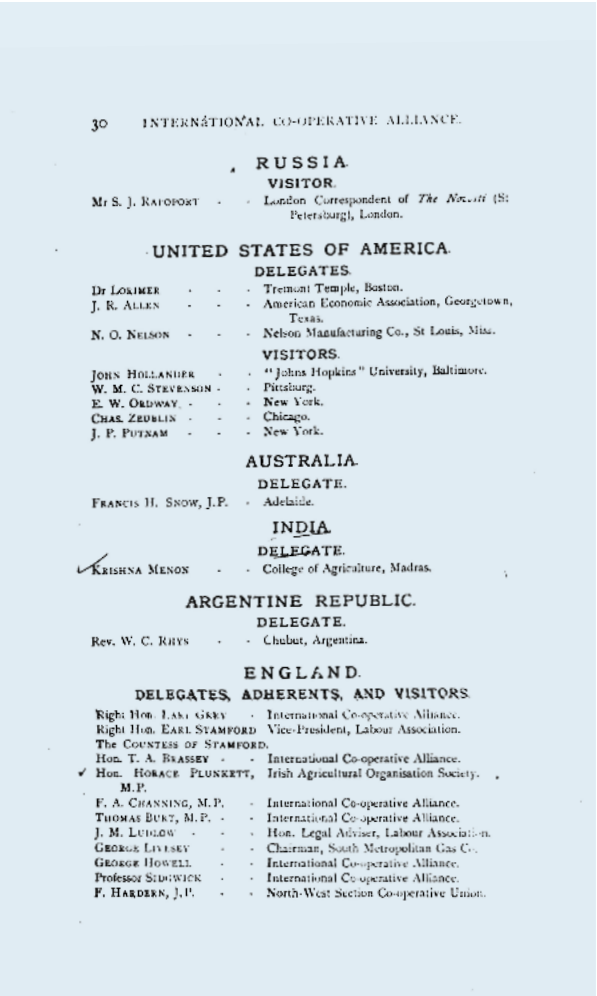
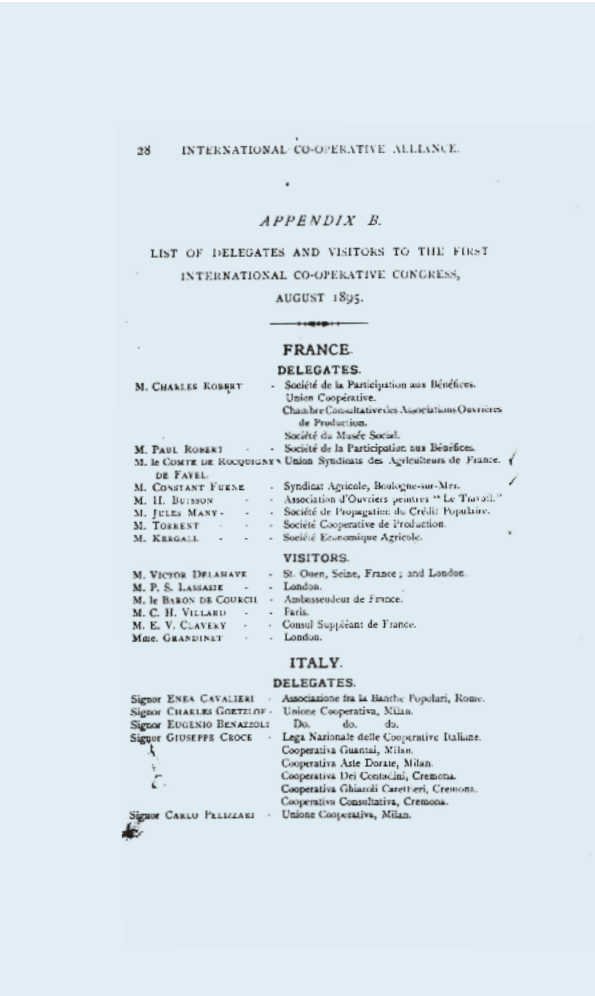
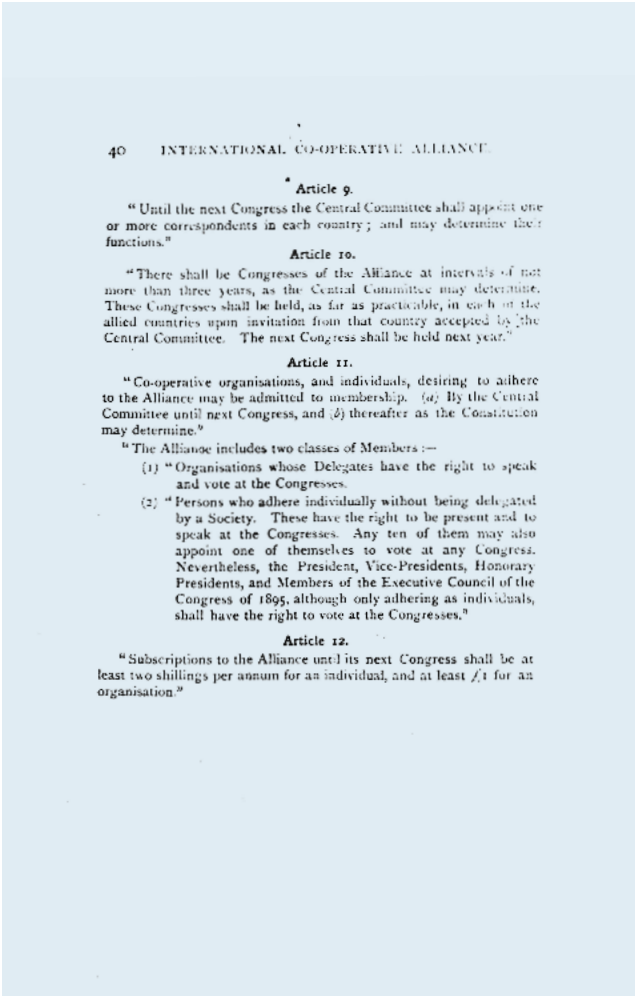
"The Central Committee shall prepare for, and present to, the next International Congress, a complete Constitution for the Alliance, embodying the objects and principles of the Alliance as defined by these resolutions and upon the following lines:—

(a) "The Alliance shall have a Central Committee which shall be elected at the next International Congress, and thereafter after shall retire, and be renewed by halves at each Congress. The order of retiring shall be determined at first by lot, and afterwards by seniority. Retiring members are re-eligible."

(b) "In each country there shall be a section, or several sections, of the Alliance, and each section shall have a Sectional Council. All co-operative bodies and co-operators who shall have adhered to the Alliance as individuals, within any section, shall be represented on the Sectional Council."

(c) "The Constitution shall determine the respective functions of the Central Committee and Sectional Councils; the amount of subscriptions, and the right and scale of voting."

Resolutions preliminary to the
preparation of the Constitution

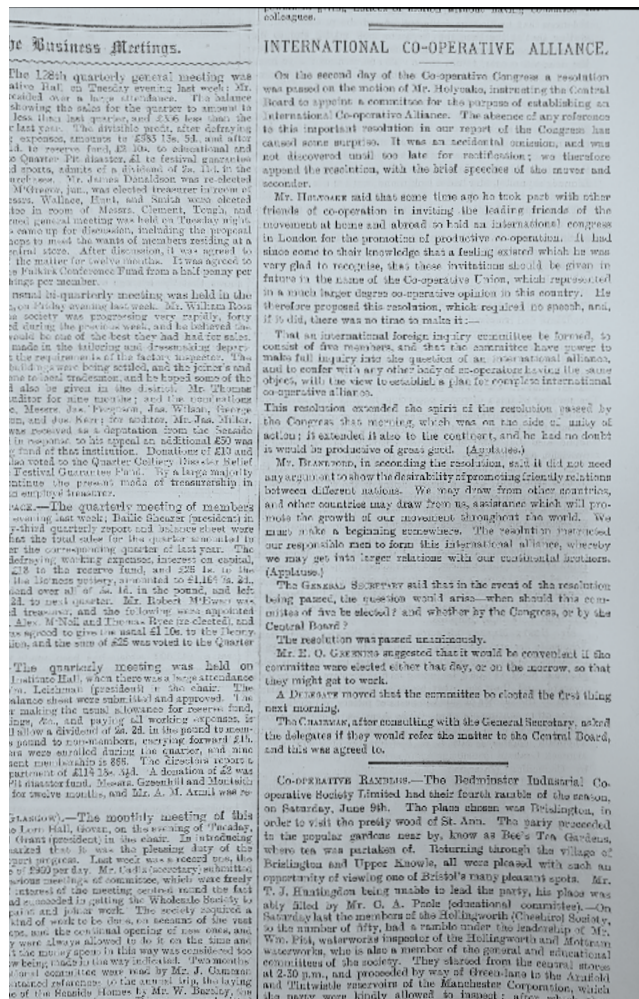


Of the ICA. Courtesy: ICA Domus
Trust Library, New Delhi (India).

List of Delegates to the first
international Congress.

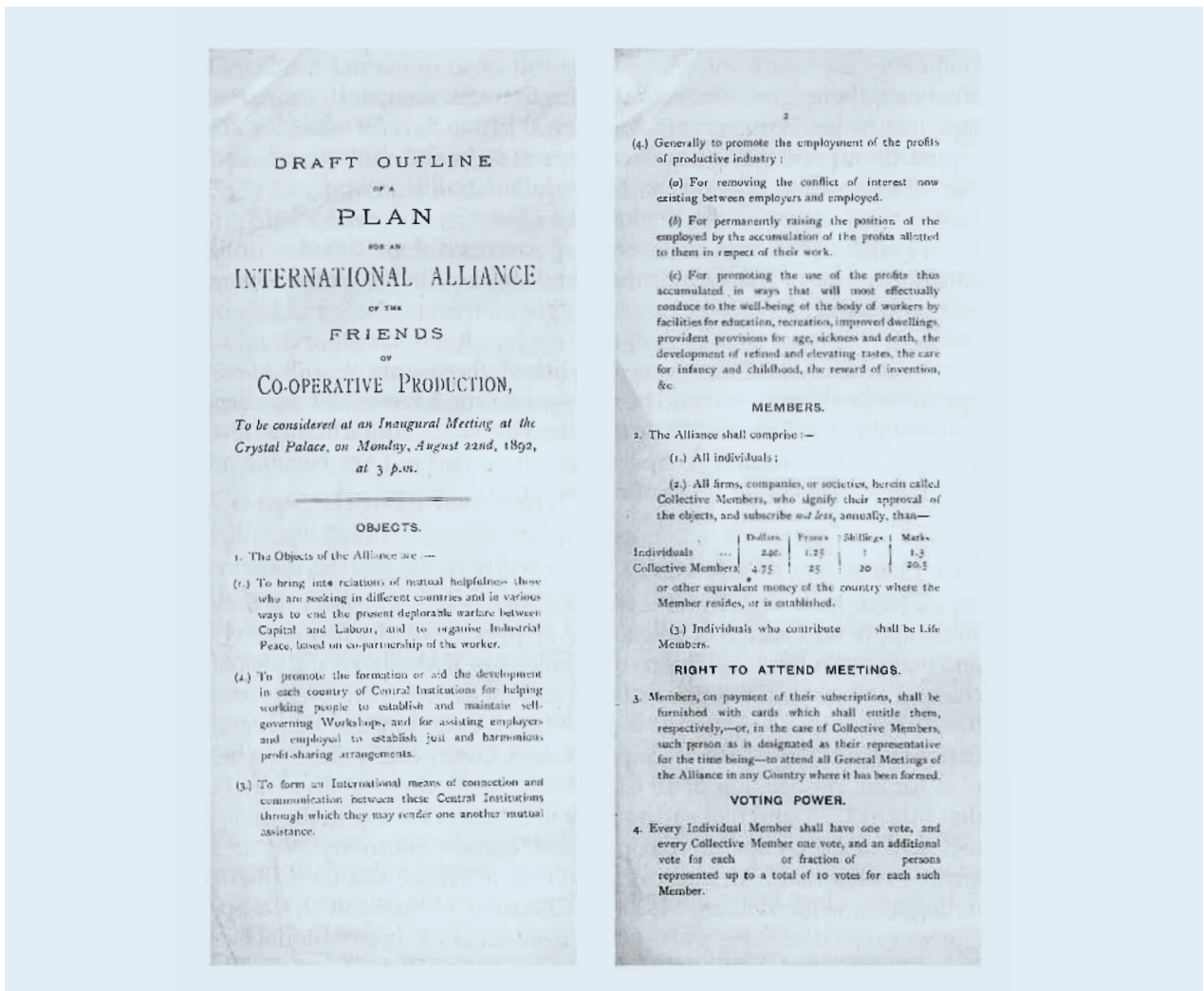
Courtesy: ICA Domus Trust
Library, New Delhi (India).

Since its creation, the International Cooperative Alliance has had the primary responsibility for the definition of a cooperative. The idea of convening an international congregation of cooperators gained support in the latter half of the 19th century specifically after foreign cooperators participated at the first British Co-operative Congress in 1869. Further momentum was gained after the Paris International Cooperative Exhibition and the 4th Congress of the French Cooperative Distributive Societies in 1889, which witnessed the presence of representatives from Argentina, Belgium, Brazil, Denmark, Italy, Mexico, Norway, Switzerland, the UK, the USA, among others.



**Report by the Cooperative News
on the creation of the Foreign
Inquiry Committee.**

The Co-operative Union in Britain created a Foreign Inquiry Committee to examine the question of convening a First International Co-operative Congress. In 1892, Edward Owen Greeing, chairman of the committee called upon Edward Vansittart Neale to undertake the task of appealing to cooperative producers outside the UK, to participate in the International Congress.



Draft Outline Plan for an International Alliance of the Friends of Co-operative Production.
Courtesy: ICA Domus Trust Library, New Delhi.

In 1893, an annual meeting of cooperators was held in place of the first International Cooperative Congress which had to be postponed due to the loss of Edward Vansittart Neale. At that time, the proposed name of the alliance was the "International Alliance of the Friends of Co-operative Production". During this 1893 meeting, a motion was introduced by Horace Plunkett and it was agreed to include within the scope of the international alliance, other forms of cooperation with the notable mention of cooperative banking which gained more admirers following the paper on People's Bank in Germany by Henry W. Wolff. Therefore, the meeting agreed to adopt the name International Cooperative Alliance to represent the interests of cooperatives across all sectors.

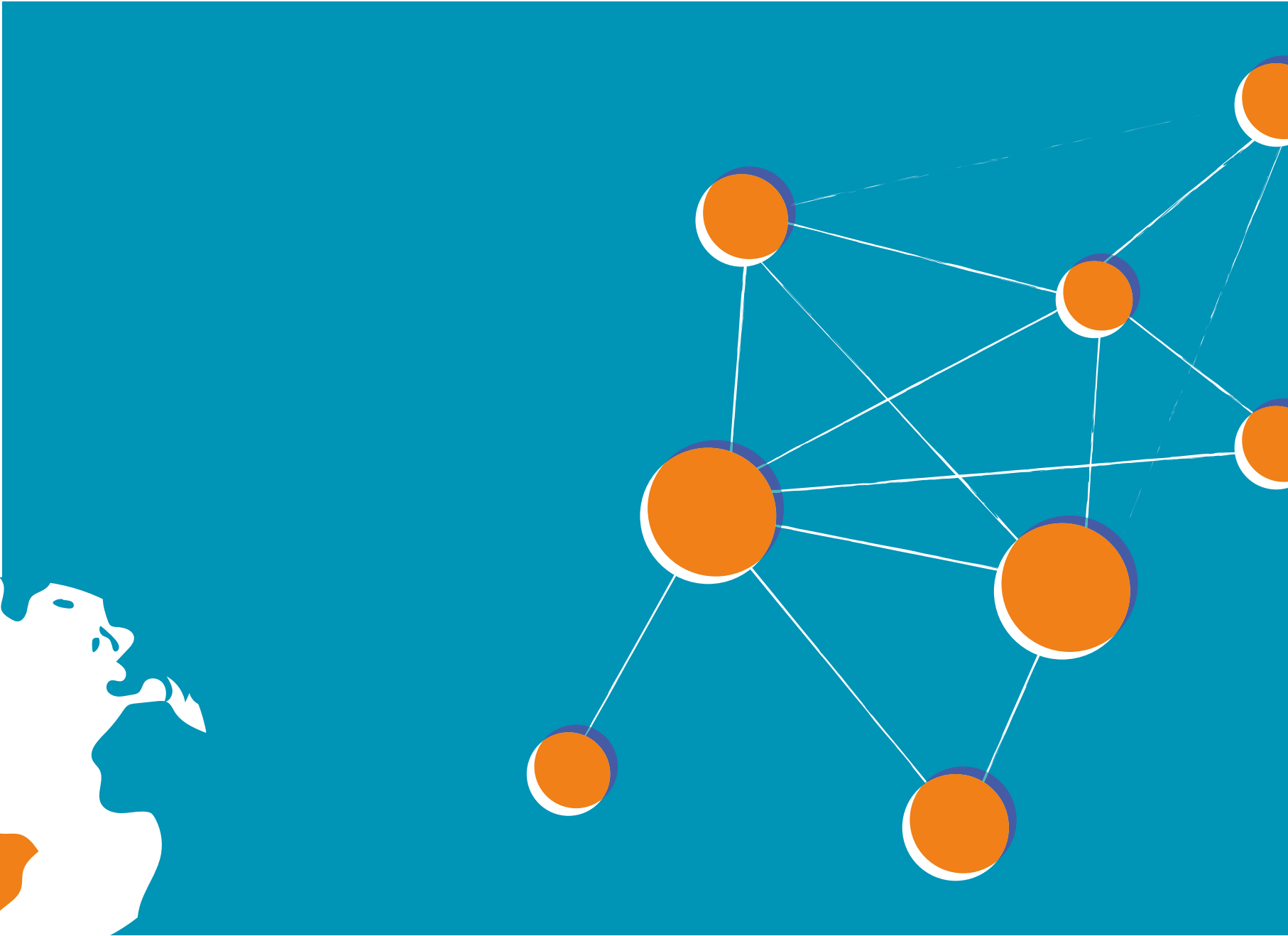
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The ICA was formally created between 19 to 23 August 1895 in London, and currently works out of its Global Office in Brussels, Belgium, and through its regional offices and sectoral organizations spread around the world.

Approximately 200 persons from 14 countries participated in the 1st International Cooperative Congress and formed the International Cooperative Alliance with the following aspirations:

- i. make known the cooperators of each country and their work to the cooperators of all other countries by Congresses, the publication of literature, and other suitable means,*
- ii. elucidate by international discussion and correspondence on the nature of true cooperative principles.*
- iii. establish commercial relations between the cooperators of different countries for their mutual advantage.*

The International Cooperative Congress adopted 14 resolutions including the creation of the Alliance which elaborated the preparation of a constitution of the ICA. Delegates decided to meet again for the second Congress in the late autumn 28-31 October in Paris (France) by which they intended to mark further progress in the



CONTRIBUTIONS FROM
NATIONAL COOPERATIVE
MOVEMENTS



Contributions from **national** cooperative movements





(1913) First collective housing built by the cooperative.
Photo: Archivo Histórico del Cooperativismo Argentino/ EHO.



El Progreso Agrícola (Pigüé, Buenos Aires), founded in 1898.
Photo: Archivo Histórico del Cooperativismo Argentino/ Museo Histórico Pigüé.

ARGENTINA



THE RELATIONSHIP BETWEEN THE ARGENTINEAN COOPERATIVE MOVEMENT AND THE ICA SINCE THE FIRST ICA CONGRESS

Daniel Plotinsky, Professor and M.Sc. in History. Director of Idelcoop Fundación de Educación Cooperativa [Foundation of Cooperative Education] and of the Archivo Histórico del Cooperativismo de Crédito [Historical Archive of Credit Cooperatives]. Editor of the Idelcoop Magazine.

Argentina participated in the foundation of the International Cooperative Alliance, which is one of the reasons to be proud of the Argentine cooperative movement. However, this detail does not appear in contemporary texts, which obscures its veracity and makes it very difficult to verify. These times of pandemic seclusion, where archives and libraries remain closed, are not ideal for seeking the truth. Therefore, and with the invitation to reflect, I modify the suggested slogan as follows: For what reason would it not be strange to have Argentina present at the Congress in London?

The first cooperative experiences in our country took place during the last decades of the 19th century, and they were linked to the massive influx of European immigrants – required under the economic model imposed on the country, stemming from the organisation of the nation State – who contributed not only to work techniques and procedures, but also traditions and organisations based on solidarity and cooperation.

The leading cooperative organisations were faced with the same discussions that took place in Europe, and consequently two different types of experiences unfolded: a group of cooperatives was created by working class people with the aim of freeing themselves from capitalistic exploitation or at least to mitigate its effects; while others were promoted by members of the middle classes and the petite bourgeoisie with the aim of seeking solutions to their economic and social needs. According to scarce and somewhat questionable sources, there were approximately 60 cooperatives in the late 19th century.

Those that spread the cooperative values in the early days included the Frenchman Alejo Peyret, the Catalan Victory y Suarez and the German L'Allemant, who came to our land seeking better opportunities for development or fleeing from the repression that was being unleashed in their countries against the attempts of social transformation. All of them maintained active engagement with European organisations and political and social militants. Shortly afterwards, the task was continued by a generation of

Argentinian young people, amongst whom Juan B. Justo was most prominent in his contribution to shaping socialism and developing the cooperative movement.

William Casnodyn Rhys, pastor of the Welsh community and secretary of the Chubut River Valley Cooperative, created by a contingent of Welsh immigrants in 1865, on the ship in which they travelled from Liverpool to the Valdés Peninsula, where they settled.

The co-operative participated in the constituent assembly of the International Cooperative Alliance at the invitation of the Welsh Christian social movement.

Some researchers erroneously deduce that it was Juan B. Justo, who that same year was in Europe, although he only visited Madrid, Paris and Brussels. He returned from the latter city so impressed that in the debates surrounding the creation of the Argentine Socialist Party (1896) he defended the Belgian model of the development of civil society based on trade unions and cooperatives, against the majority tendency to impose the German experience as a model of revolutionary class struggle.

What is certain is that El Hogar Obrero (EHO), a credit and building cooperative founded in 1905 with efforts inspired by Justo, was the first non-European organisation to be accepted as a member of the ICA in 1910, two years before incorporating consumer interests to its originating activities. This coincides with the trend – predominant at the Congresses of the Alliance from 1904 onward – to promote the cooperative movement for consumer interests. It was also its regular participation at the ICA that allowed the EHO to establish relationships with wholesale cooperatives in England, Spain and Italy from 1920 onward.

On the other hand, it was with the sponsorship of El Hogar Obrero that in 1919, a Conference of Cooperatives took place in Buenos Aires, where the first steps were taken to establish a national Congress in which all branches of the cooperative movement were represented.

A few months later, the first Argentine Congress of Cooperatives was held, with the central aim of developing a project to create the General Law of Cooperative Societies.

The discussion revolved around whether or not to include the concept of political, religious and racial neutrality, as well as matters of remuneration to leaders and tax exemption. In addition, the Congress proposed to the ICA that 21 December – which is when the operations of the Rochdale Society of Equitable Pioneers began – should be marked to annually celebrate the International Day of Cooperatives. The Alliance made this initiative their own, although they changed the date to September 6th, and then to the first Saturday of July.

In the following decades, there was active involvement of some Argentinian entities and leaders in doctrinal discussions that would take place at the ICA headquarters. As an example, during the 1960s, the matter of neutrality became a particular focus of heated debates. In the categorical and exclusive defence of the (then) fifth principle (1937) by powerful federations of consumer and credit cooperatives, a small sector of credit cooperatives put forth in a text of 1965 and signed by one of its prominent leaders, that cooperatives were not neutral and nor should they be, explaining to what extent and why cooperatives necessarily engaged in a deeply political activity in the pursuit of their objectives. This text may be said to have advanced the revisions made by the ICA at the Congresses of Vienna (1966) and Manchester (1995), which ended up replacing that principle with the one on the autonomy and independence of cooperatives.

ARGENTINA

In summary, the ongoing and increasing participation of the Argentine cooperative movement in the International Cooperative Alliance has allowed it to keep the founding values and principles alive, and at the same time has prompted it to reflect on them, and thereby enriching them further.

AUSTRIA



Eva Bauer, former Housing Economist of Österreichischer Verband gemeinnütziger Bauvereinigungen – Revisionsverband (Austrian Federation of Limited-Profit Housing Associations).



Austria(-Hungary) may not be regarded as a core founding member of the International Cooperatives Alliance but without doubt at least a part of the Austrian cooperatives did support the international movement from the very beginnings and became member right after the foundation of ICA.

According to the reports presented to the members of the biggest cooperative umbrella organisation¹ in its regularly published gazette, a representative of this organisation had been invited to but could not attend the London meeting of 1895. The foundation of the international association nevertheless was welcomed and a written report concerning the cooperatives' movement in Austria was submitted to the London congress². The following year (1896) we find 14 representatives of Austria-Hungarian cooperatives and their associations in the "Grand Comité" of ICA as well as a "President of Honour"³.

In those times the cooperatives' movement in Austria-Hungary was quite heterogenous in many respects. Reflecting the political situation in the Austro-Hungarian Monarchy the bonds between the two parts of the empire were not too strong; political and ethnical differences within Austria had consequences in respect to the cooperatives' movement as well. The manifold fields of cooperatives' activities gave ground for different organisations alongside different branches; regional aspects contributed to the fragmentation of the cooperatives' movement as well. And moreover, the cooperatives were confronted with critics and opponents. Partially the cooperatives were regarded as disturbing element within the market. On the political level there was mistrust as well as support in almost any of the then existing parties.

Most prominent in the late 19th century within the about 4000 cooperatives in Austria-Hungary were the lending associations (about 2700), followed by consumers' associations (about 460), and smaller numbers of producing, commodities, agricultural and housing cooperatives. The above-mentioned, most important umbrella organisation within Austria and it's about 2100 cooperatives represented 300 cooperatives of all branches except the agricultural one und was built on strict principles – such as rejecting nationalist tendencies and declining any active state involvement including subsidisation and instead strongly relying on own initiative and

selfsupport of people. The leading position within the cooperatives' movement was achieved through intense networking, lobbying and involvement in building-up the legal framework for the cooperatives' activities.

We did not find written evidence of specific motivations joining the international cooperatives' association besides the general support of its goals. There is good reason that the background of the mentioned umbrella organisation stated a closer link to international relations than did the principles of other cooperatives. The domination of lending on the other hand stated a clear distinction to other countries – with the exception of Germany, where the structure of cooperatives resembled that of Austria a good deal. Maybe that was an extra challenge for Austria-Hungary to become a member in the international association.

The relations between Austria's cooperatives and ICA in the course of time have not been without disruptions. The history about these relations is not written yet; but there have been periods of major disagreements on principles between parts of the Austrian members and ICA. The membership of the Austrian leading organisation (Allgemeiner Verband) was even dissolved some years later - without knowing yet if all Austrian(-Hungarian) representatives left and if and when the membership was resumed later. That must not provoke too much of a surprise. Even if the first ICA constitution confirmed distance to any political or religious affiliation, the big questions of these times – the relations between the social classes, state involvement, the national question – could not be kept outside the cooperatives' movement.

In consequence the link between the Austrian cooperatives and the ICA has not been a permanent one in the last 125 years. A detailed historical description could without any doubts reveal most interesting facts thus leading to a better understanding of the developments.

In Austria itself the cooperatives' movement took a quite eventful history. The different branches evolved in different patterns and orientation on different principles, which was reflected in the differentiation of their umbrella organisations. The last big disruption in Austrian cooperatives' history

was the NAZI-period when the cooperatives were under huge political pressure but could survive. Since the end of this period the cooperatives' principles are very well accepted and supported – which does not imply that there have not been major problems and even breakdowns of cooperatives.

The international relations before this background came to a new life, maybe in contrast to the founding period more fruitful on the branch level. Today the main Austrian cooperative branches – banking and housing – are ICA-members (either direct or via European cooperative networks). There the exchange of information - especially on the details of institutional solutions, the legal framework, finance and public assistance - creates an added value on the national level. Finding solutions to answer the challenges on European or worldwide level require international cooperation. Learning from each other not only provides opportunities of improving the own performance but also builds up bonds between international partners thus improving and strengthening the model of cooperatives as such. There are manifold challenges in the upcoming years and it is not unlike that cooperatives can provide solutions on the level of organisations and principles.



¹ Allgemeiner Verband der Erwerbs- und Wirtschaftsgenossenschaften in Österreich.

² Die Genossenschaft, Organ des Allgemeinen Verbandes der Erwerbs- und Wirtschaftsgenossenschaften in Österreich; Year 1895 p. 155, p. 185.

³ ibid, Year 1896, p. 186. The "President of Honour" was Mr. Karl Wrabetz, the director of the mentioned. "Allgemeiner Verband"; the same had submitted the Austria-Report at the First ICA Congress.

BELGIUM



**JACQUES DEBRY, MANAGING
DIRECTOR, FEBECOOP**

On 19 August 1895, Belgian co-operators were among those who created the INTERNATIONAL COOPERATIVE ALLIANCE - ICA. FEBECOOP, heir to these pioneers, has always considered the ICA as an essential institution for the co-operative movement.

In Belgium, cooperatives appeared historically very early. The first developments of the cooperative movement in Belgium also have a number of specific features.

ORIGINS (1860-1918)

The first cooperatives were born in Belgium in the 1860s, in the country's first industrial areas. Often of modest size, few have survived. The first large scale, sustainable project was born in Ghent in 1880: the VOORUIT. In the beginning, it was only a cooperative bakery. Less than 30 years later, the VOORUIT had 10,000 members (a quarter of Ghent's families) and had expanded into groceries, butchery, fabrics and clothing, etc. The VOORUIT was the first cooperative bakery in Ghent. It owned several factories and even a bank.

In addition, this cooperative had two particularities that will be found in many other projects. A political commitment, a declared socialist commitment, first of all. Sec-

ondly (and this is partly related), this cooperative represented much more than a business belonging to its client-cooperators: it was at the same time a House of the People, i.e. a meeting place for the working class, structured around a café, a meeting room, a party room, a library, etc. It was also a place where the working class could meet. Socialist-inspired cooperation will rapidly develop on this model throughout the country.

Agricultural cooperation, of Christian obedience, will be born in 1890 (BOERENBOND). At the end of the First World War, Christian workers' cooperatives also developed. The consumer cooperatives will play a very important role in Belgian economic and social history.

DEVELOPMENT AND THE APOGEE (1919-1960)

During this period, cooperation occupies a more and more prominent place in distribution, in pharmacy, and develops in financial services, banking and insurance cooperatives.

Decline and stabilization (1961-1985) - This period will see the disappearance of the large consumer cooperatives for two reasons. Clinging to a desire to establish themselves regionally, they were too small in a changing economic context. Mergers and mergers came too late. Moreover, due to a lack of vision, they did not believe in the technological revolution represented by the concept of the supermarket, a concept that the population was going to overwhelm, and with respect to which the cooperatives would very quickly fall far behind. By the time they realize

THE GREAT MANOEUVRES IN THE FINANCIAL SECTOR - TOWARDS A COOPERATIVE RENEWAL (1986-2020)

this, it will be too late. The place is taken, vis-à-vis all sections of the population, including the working classes. One cessation of activity follows another. The cooperative movements, both socialist and social-Christian, are therefore falling back on banking, insurance and pharmacy, but in a combative manner, developing in these sectors.

THE GREAT MANOEUVRES IN THE FINANCIAL SECTOR - TOWARDS A COOPERATIVE RENEWAL (1986-2020)

This period is marked by a strengthening of cooperative enterprises in their respective sectors. At the same time, new cooperative initiatives are emerging.

The financial sector is then faced with immense challenges linked to the opening of the European market. The three major cooperative groups will carry out numerous acquisition, disposal and restructuring operations. Two major cooperatives will emerge (the ARCO group of the Christian workers' movement being put into liquidation): P&V, which today occupies

6th place in the ranking of insurance companies in Belgium; CERA, a financial cooperative structure (linked to BOERENBOND) which today holds around 7% of the capital of KBC, the leading Belgian bank. In the pharmaceutical distribution sector, cooperatives have consolidated a very important position and represent 20% of the Belgian market, including MULTIPHARMA, the leader in the sector in Belgium.

This period is also one of renewed interest in the cooperative formula and sees the emergence of new initiatives. In a context of economic difficulties, the cooperative approach has emerged as a solution to the problems of employment and professional integration. In addition, other sectors have emerged in response to new concerns, mainly ecological: renewable energies, organic farming, the search for short distribution channels, fair trade, etc. In terms of unquestionable successes, the example of cooperatives for the joint production and management of renewable energy is certainly worth highlighting.

FEBECOOP AND ICA

FEBECOOP today mainly groups together Belgian cooperatives from the movement of socialist origin, including P&V and MULTIPHARMA, and thus ensures continuity with those who participated in the historic congress of 19 August 1885.

The Belgian participation in this founding congress was natural: the cooperative movement that FEBECOOP represents today was convinced from the outset of the importance of creating an international movement: these pioneers were convinced that the struggle for social change could only be won by showing solidarity across borders. If the capitalism to which the cooperative movement wanted to offer an alternative became international, so too must the cooperative movement. Such a demand is perhaps even more pressing today.

This is why FEBECOOP has remained an active member of the ICA and its European Regional Office, now called Cooperatives Europe.

The added value of the ICA for the Belgian co-operative movement is evident on several levels: a force of representation, a place for exchange, a regulatory body concerning the co-operative principles.

As we have said, the co-operative movement must transcend national borders and profile itself as an international, global force. To do so, it needs strong representation through a structure such as the ICA, whose remarkable durability should be underlined. After 125 years, the ICA is still present as the only international institution with the vocation to represent co-operatives from all sectors and from all over the world. One can only bow to this continuity of the ICA which has survived, apart from sometimes some internal divergences or tensions, two world wars, the Russian revolution of 1917 followed, later, by the constitution of the Soviet bloc, the Cold War, and its appearance on the international scene, including economic and social, of developing countries, the collapse of the Soviet bloc and its economic, social and political system, the irruption of China and other Asian countries into the world economy, the globalisation of the economy in a context of exacerbated free competition as a major dogma, etc. Never has the ICA broken up, never has the ICA ceased to function, adapting to the changing world. Better still, the ICA has constantly welcomed new members from different backgrounds and has strengthened its representative legitimacy over time. At the UN, the ICA participates in high-level discussions on co-operatives through its consultative status with the UN Economic and Social Council (ECOSOC). FEBECOOP supports the ICA in this indispensable mission.

The ICA, and Cooperatives Europe at the European level, are also needed as a forum for exchange and mutual reinforcement. Belgian co-operatives, like others, need to share information, reflections and experiences with other co-operatives. They also need an organisation like the ICA to strengthen their local legitimacy and to place the issues they are tackling in a more general international context. Conversely, given the often difficult context in which they carry out their mission, co-operatives need to be inspired by the fact that elsewhere in the world their counterparts, like them, are working to find solutions. FEBECOOP strives to participate, both at the global and European level, in these exchanges and to benefit from the mutually reinforcing effects that result.

Last but not least, the ICA plays an indispensable role as a regulatory body for cooperative principles. The strength of conviction of co-operatives and their real belonging to a unified community would be greatly diminished if they were not supported by a common vision of what constitutes the fundamental elements of their values and operating principles. FEBECOOP has always followed with great interest the work and publications of the ICA in this field.

BELGIUM

Headquarters of CCU, Bulgaria: The Central Cooperative Union unites, protects, and represents the interests of 115 000 cooperative members, 27 cooperative unions, 673 cooperative societies and 5000 employees



BULGARIA

130 YEARS BULGARIAN COOPERATIVE MOVEMENT, HISTORICAL PAST AND FUTURE



The first Bulgarian cooperative society – Agricultural Savings Society “Oralo” - was established in Mirkovo Village, Sofia District in 1890 by the revival Bulgarian leaders Todor Yonchev and Todor Vlaykov.

Among the most precious relics of the National Cooperative Museum in Sofia is the Original Seal of the first cooperative society, which is made of 5 separate parts, including a handle. An interesting fact is that each part was kept by a different member of the management and a consensus between

all five of them was required in order to affix the seal on any document.

In 1902 the Bulgarian cooperative movement became one of the first members of the International Cooperative Alliance.

In order to regulate the functioning of the cooperative societies the first Law on Cooperatives was passed in 1907. It was subsequently amended and supplemented in 1948, 1953, 1983, 1991, 1999, 2003 and 2007.

The Law on Cooperatives encouraged the establishment of credit, insurance, banking, agricultural and consumer cooperatives, united in regional branch cooperative unions. The Central Cooperative Union was founded in 1947 at the initiative of eight branch cooperative unions.

Today, the historical memory of the cooperative movement in Bulgaria is preserved at the National Cooperative Museum, which opened doors in 2004. A commemorative bas-relief was placed in front of the CCU building in Sofia in 2006 as a sign of gratitude to the founders Todor Vlaykov and Todor Yonchev.

Nowadays the Central Cooperative Union unites, protects and represents the interests of 115 000 cooperative members, 27 cooperative unions, 673 cooperative societies and 5000 employees. Consumer cooperatives operate in the retail, industry, tourism, agriculture, forests and purchasing sectors. More than 600 stores are part of the COOP retail chain, serving the population even in the most remote and high mountain settlements on the territory of Bulgaria.

In 2004 and 2006 the Central Cooperative Union was awarded the prize "National Structure Contributing to Bulgaria's Economic Development" for its significant contribution to the economic and social development of the country.

In 2017, on the occasion of the Central Cooperative Union 70th Anniversary CCU hosted the Board meeting of International Cooperative alliance for the first time. It was the year of the official opening of COOP zone of Sofia, includes the reconstructed office building of the Central Cooperative Union, the newly opened COOP Hotel, the COOP Bio Shop and the chocolate workshop CHOCO COOP.

2020 was historically destined to pass under the auspices of the 130th Anniversary of the Bulgarian Cooperative Movement and Central Cooperative Union had to host for the second time Board meeting of International Cooperative Alliance and Europe conference for social economy, but the pandemic took away all the events.

INTERNATIONAL ACTIVITIES AND
COOPERATION BETWEEN CCU AND ICA

The recognition for strengthening of the international cooperation and the contribution to the development of the cooperative movement are proven by the participation of Professor Petar Stefanov – President of CCU in the management bodies of:

- International Cooperative Alliance – Member of the Global Board (2009-2013), (203-2017), (2017-2021) and Chair of the Governance Committee (2013 – 2017), (2017-2021).
- Consumer Cooperatives Worldwide – President (2015-2017); (2017-2021)
- Cooperatives Europe – Vice President (2006-2010), (2010-2013), (2013-2017) ((2021– 2025).
- European Community of Consumer Cooperatives – Board member – (2004 – present)
- Cooperative House Europe (MEC) – Board member – (2008 – present)

The Central Cooperative Union is an active partner to many European projects and initiatives involving national cooperative organisations, EURO COOP, Cooperatives Europe, Consumer Cooperatives Worldwide (CCW) and the International Cooperative Alliance.

The Central Cooperative Union participated with its own stand in the global cooperatives exhibitions COOP EXPO organised in 2008, 2010 and 2012. The goal was to promote the COOP brand products and tourism services and the cooperative business. On the occasion of the closing of 2012 – the International Year of Cooperatives announced by the UN, as part of the 2012 Global Cooperative Festival in Manchester, the Central Cooperative Union initiated a friendly football game between the global team "ICA United" and the local football club of Manchester United fans. Both teams wore sports suits especially made for the occasion by the Central Cooperative Union.

INTERNATIONAL ACTIVITIES AND
COOPERATION BETWEEN CCU AND ICA

- International Cooperative Alliance – Global Board meeting (2017)
- Cooperatives Europe – General Assembly (2009) and Board meeting (2011 and 2016)
- European Community of Consumer Cooperatives (EURO COOP) – General Assembly (2011 and 2013) and Board meeting (2018)
- European Youth COOP Forums (2008 and 2012) and Global Youth COOP Forum (2016)
- Ariel Guarco – President of the International Cooperative Alliance – paid an official visit to Bulgaria in 2019. He took part in the General Assembly of CCU and in a joint meeting of CCU President Petar Stefanov and the Minister of Labour and Social Policy.

During the last 15 years we welcomed delegations from 13 countries aimed at exchange of experience and promotion of the cooperation between national cooperative

organisations from Europe and the world: Belarus, Denmark, Estonia, Israel, Iran, Italy, China, Lithuania, Poland, Romania, Russian Federation (the Board of Centrosoyuz, Russia), Turkey, Sri Lanka.

In 2022 the Central Cooperative Union will celebrate 75 years since its establishment, 120 years since its acceptance as member of ICA and on 1 July 2022, together with the global cooperative movement, we will celebrate the 100th International Cooperatives Day.

ALL TOGETHER WE CAN DO MORE!



We believe in the future of the cooperative movement, because no other business model unites and offers more opportunities and benefits to the people. This is why the slogan of the Bulgarian consumer cooperatives is more frequently heard.



Caisse populaire Desjardins de Maria, 1909
Mention obligatoire : Archives du Mouvement Desjardins



Caisse populaire Desjardins de Saint-Jérôme (Métabetchouan), année inconnue
Mention obligatoire : Archives du Mouvement Desjardins

CANADA

THE CANADIAN COOPERATIVE MOVEMENT AND THE INTERNATIONAL COOPERATIVE ALLIANCE

There were no Canadians present at the founding of the International Co-operative Alliance in London in 1895. However, in 1898, a Canadian citizen, Alphonse Desjardins, wrote to Henry William Wolff, then president of the ICA, to learn more about Wolff's book *People's Bank* (Bélanger, 2012, p. 121). Thus began a correspondence that would help the founder of Canada's caisses populaires movement develop his vision of what a savings and credit cooperative should be. In addition to providing him with useful information, Wolff put Desjardins in touch with co-operators in Italy, France and Germany. In 1902, the executive committee of the ICA offered support to Desjardins's caisse project and invited him to the ICA congress in Manchester. Unable to attend, Desjardins drew up a report on the

progress of co-operation in Canada that would be published in the official report of the congress. A few years later, in 1907, ICA Honorary President and Governor General of Canada, Lord Earl Gray, testified before a special committee of the House of Commons studying a bill favorable to the caisses. Lord Gray even took the time to visit the office of the Caisse Populaire de Lévis to examine its operation and the keeping of its books and accounts! In 1908 and 1910, the ICA lent further support to Desjardins in his efforts, by sending letters of support. It is also worthy of note that Alphonse Desjardins was himself a member of the ICA from 1904 to 1910, which very likely made him the first Canadian to have this connection!

The English Canadian movement, very early on, drew inspiration from the development strategy adopted by the consumer cooperative movement in England, while in practice, particularly in the Prairies, grain elevator cooperatives (wheat pools), a form of producer cooperative, gained in popularity (MacPherson, 1984, pp 85-86).

Formed in 1909, in 1912 the apex organization representing Canada's nascent English-speaking cooperatives, the Co-operative Union of Canada (CUC), became a member of the ICA (MacPherson, 1984, p. 34). During its first decades of existence, CUC struggled with very limited resources to meet the significant needs of Canada's growing movement, to the point where, in 1928, the ICA made a donation to CUC of \$2,500 in an expression of support. The common views on cooperative development held by CUC General Secretary George Keen and ICA Secretary Henry J. May made this support natural.

The arrival of a new general secretary at the head of CUC in 1945, A.B. MacDonald, combined with increased resources, led to a realignment of the organization, particularly in terms of its involvement on the international stage. In 1946, MacDonald attended the first post-war ICA congress, held in Zurich. The first Canadian to participate in this period, he was particularly impressed by housing and consumer cooperatives, which, though only several decades later, led to the emergence of Canada's cooperative housing sector. MacDonald believed that the cooperative model could and must contribute to the fair exchange of goods on a global level in order to curb the rivalries peculiar to capitalism and nationalism (MacPherson, 1984, pp 140-141). It was also in 1946 that the Conseil canadien de la coopération (CCC) was formed, an organization bringing together the country's French-speaking provincial cooperative councils, including the powerful Conseil supérieur de la coopération in Quebec, which also housed the CCC for several years (Lamarre, 1991, p. 29). CCC would eventually become a member of the ICA. In 1947, CUC created the Co-operative Development Foundation of Canada (CDF). Formed to support cooperative development in the Canadian Far North, CDF gradually extended its activities to Central America, then to Africa and Southeast Asia. In 1970, the Mouvement Desjardins set up its own non-governmental organization (NGO) in the area of international

development, which today bears the name Développement international Desjardins (DID), while in 1985 the majority of other cooperative and mutual organizations in Quebec established an NGO, SOCODEVI, with the same purpose. These three NGOs—CDF, DID and SOCODEVI—would launch over the decades a number of cooperative projects in developing countries, sometimes working in concert with the ICA or its regional branches.

General Secretary of CUC from 1958 to 1968, Alex Laidlaw was familiar with what is called the Antigonish movement, a citizen education initiative for collective action, including cooperatives, launched in the 1930s by members of the Catholic clergy and embedded in the adult education service of Saint Francis Xavier University in Antigonish in the Maritime province of Nova Scotia. Nourished by this knowledge as well as multiple academic and cooperative commitments, particularly in Sri Lanka (which then bore the name of Ceylon), Laidlaw authored the main reflection paper presented at the ICA congress held in Moscow in 1980, *Co-operatives in the Year 2000*. In this work of futurology, the author argues for a strong commitment to cooperation at the international level in order to meet the challenges facing humanity at the turn of the millennium, including world hunger. In his book on the history of CUC from 1909 to 1984, the Canadian historian Ian MacPherson (p. 248) points out that, over the preceding decades, the organization consistently advocated for a commitment by Canadian cooperatives to support cooperatives in emerging economies.

In 1999, a few months before the hundredth anniversary of the foundation of the Desjardins caisses, the ICA congress was held in Quebec City, a few kilometres from the founding site of the first caisse (Lévis).

The merger in 2014 of the two Canadian cooperative apex bodies, Francophone and Anglophone, in the new Cooperatives and Mutuels Canada (CMC) means that Canada now holds a single membership in the ICA.

CANADIAN CONTRIBUTIONS TO THE ICA

Executive Director of CUC from 1979 to 1985, Bruce Thordarson served as Director General of the ICA from 1988 to 2001. In that capacity, he was involved in the process that resulted in the formulation of the Statement on the Cooperative Identity, as was Ian MacPherson, who led the global consultations and authored the background document for the 1995 Manchester Congress at which the Statement was adopted.

Over the past few decades, successive Canadians have served on the ICA's board of directors. An unwritten rule favors an alternation between French- and English-speaking nominees. We thus find in this list Claude Béland, Glen Tully, Kathy Bardswick, Monique Leroux and Alexandra Wilson. Monique Leroux was the first person from Canada to serve as president of the ICA (2015 to 2017) and she was the initiator and the force behind the three international cooperative summits (2012, 2014 and 2016).

We also note significant Canadian involvement in the ICA's sectoral organizations: Claude Béland chaired the cooperative banking committee, Alain Bridault was a member of the CICOPA executive, Kathy Bardswick chaired ICMIF, Jean-Pierre Girard sat for more than a decade on the executive committee of the International Health Cooperative Organization, and Nicholas Gazzard served as president of Cooperative Housing International, where today Julie LaPalme serves as General Secretary.

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CANADA





The emblematic photo of Colonel Pinzón signing the act of constitution of Ascoop takes us back 60 years to 6 August 1960, when 105 cooperators met in Cali to create the Colombian Association of Cooperatives, convinced of how much a country with so much inequality, inequity and marginality needed cooperativism.

COLOMBIA



90 YEARS OF COLOMBIAN COOPERATIVISM

Maria Eugenia Pérez Zea, Member of the International Cooperative Alliance (ICA) Board Executive Committee Chair of ICA's Committee for Gender Equality Member of Cooperatives of the Americas's Gender Equity Committee Executive Director of Ascoop.

Almost a century ago, this country was filled with talk of corporate entities and unions. The "Law 134" was signed 90 years ago that defined the identity of cooperative societies. Since then, there has been significant progress in this sector: all the laws signed since then are still in force (such as 79 of 1988 and 454 of 1998), and the respect for the cooperative principles and values is still evident.

In the 1960s, Ascoop was born. For six decades now, hundreds of men and women - faithful to the cooperative principles and values of - have worked with commitment and solidarity to strengthen the model and its enterprises, and providing a prominent image before society and the State: to generate prosperity.

Thanks to them, Ascoop has fulfilled the task of being a representative body for co-operatives; it has generated a high level of union leadership and has positioned itself as an interlocutor in the sector before public and private entities; it has also developed a complete portfolio of services that meet the needs of partners and users. Achievements include the construction of the road to the Monserrate sanctuary and in Bogotá, the improvement of the city's parks.

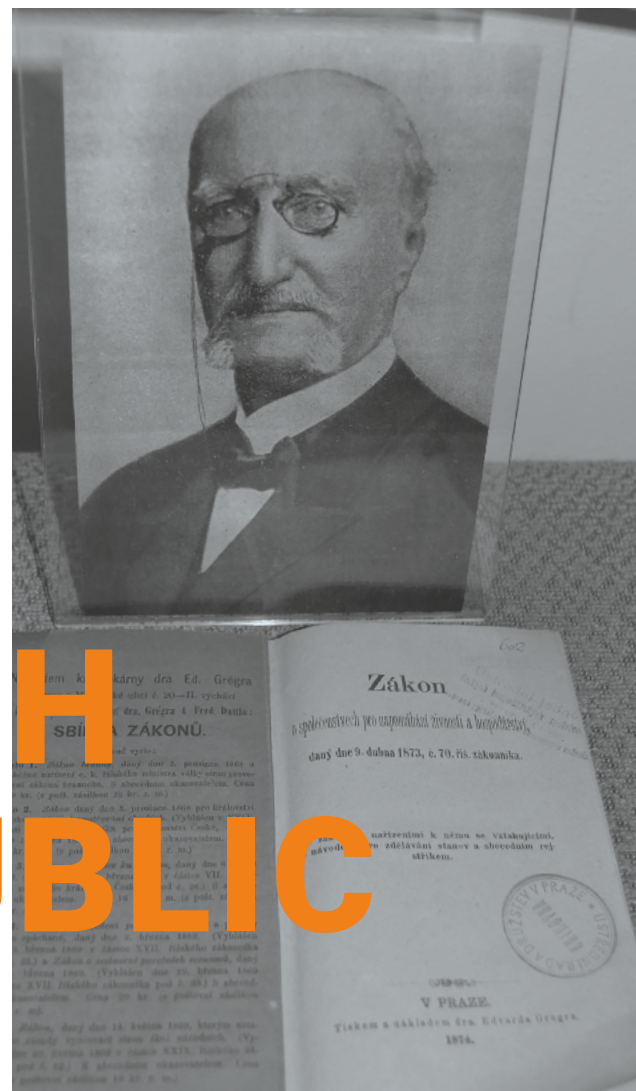
Also, nearly five hundred billion pesos from the surpluses of our associates were invested in the education of the most vulnerable children in the Colombian capital, the creation of La Equidad Segurost, the proactive participation in the Confederation of Cooperatives of Colombia (Confecoop), the Confederation of Housing Cooperatives, the Solidarity Business Incubator of Colombia, the Cooperativism Research Center (Cenicoop) and the Cooperative and Solidarity Law Bar Association (Coolegas). Also noteworthy are the holding of 35 Cooperative Opinion Sessions, thousands of training events in the sector, the publication of 140 editions of the Colombia Cooperativa magazine and the execution of thousands of consultancies and legal advice.

Today, in 2021, cooperativism in Colombia has an important supervisory body that establishes the guidelines for conduct and development of our entities. We are pioneers in America, mainly in the financial area since savings and credit represent almost 70% of our activities. Thanks to the progress we have made, it is stimulating to see that we have a long way to go. With the platform provided by the solidarity economy, we can develop associativism, mutualism and cooperativism in sectors such as agriculture, public services, housing, the production of goods and services, and in the cultural sector. We can continue to contribute to development with social and economic inclusion.

CZECH REPUBLIC

The history of the Czech co-operative system is very interesting and represents an integral and distinctive chapter of the political, economic and social development and cultural life of the Czech nation. The co-operative movement was influenced and shaped in accordance with the twists and turns of the nation's development. In the past more than 170 years, the Czech co-operatives have experienced a period of successful development but they also had to overcome many obstacles and go through a number of radical changes, reversals and almost liquidating efforts.

Like in the neighbouring countries, the emergence of the co-operative movement in our country was closely related to the advancement of capitalist production relations and the development of a market economy. In defence against the growing economic pressure and in an effort to improve their plight, the worst affected sections of society – labourers in cities and peasants in the countryside – tried to group into self-help organisations. In this way, the first associations began to come into existence being based on self-help, co-operation and mutual solidarity.



1st Co-operative Act, First Headquarters, Act No. 70 of the Imperial Code of 1873 on Communities for the Promotion of Trade and Economy, later ca.



The tradition of the Czech co-operative movement dates back to 1847 when the Prague Food and Savings Society was founded in Prague, which, as its name suggests, conducted mixed trading and lending activities. The operation of this co-operative proves that also in our country, the co-operative form of business was initially focused mainly on the area of consumption and mutual financial assistance. Without the necessary knowledge and experience, the first attempts were not always successful, yet the co-operative thinking and entrepreneurship proved to be very viable, began to spread and gradually became involved in almost all areas of material production and social activity. While at the beginning, co-operatives were created as a safety net for the socially weakest groups of population, in the course of time the co-operative form of enterprise began to be used by other social groups as well.

An important milestone in the history of the Czech co-operative system was the creation of the first co-operative law in 1873 (Act on Societies to Assist Trade and Economy, later also referred to as the Act on Gainful and Economic Societies), which influenced substantially the development of co-operatives in our country in the second half of the 19th century. Its author was an outstanding Czech lawyer JUDr. Antonín Randa. The importance and functionality of this law is also evidenced by the long period of its validity. In the Czech lands and later in Czechoslovakia it was in effect (with amendments) until 1954 and in Austria, it is still effective (with additions) up to now.

An important undertaking of the gradually expanding co-operative industries was the occurrence of co-operative central offices established by the co-operatives for the protection of their common interests and for their mutual co-ordination.

The first co-operative central office was founded in 1896 in Prague under the name of the Union of Czech Economic Co-operatives in the Kingdom of Bohemia and became the largest co-operative union in what was then Austro-Hungary.

The headquarters of workers' co-operatives was founded in 1908 on the initiative of the Social Democratic Party under the name Central Union of Czech and Slavonic Consumer, Producer and Economic Co-operatives in Prague.

The turn of the 20th century was already characterised by the strong development and advancement of co-operative entrepreneurship.

The establishment of independent Czechoslovakia in the autumn of 1918 opened a new development stage for the co-operative sector. In particular, the period of the first post-war years has been often referred to as the golden era of Czech co-operatives. It was a short period when the advancement of co-operatives was natural, without struggle for power and political interventions, which started to emerge gradually in the following period.

The co-operatives created an abundantly structured and varied system with manifold spheres of activity. The large increase in the number of co-operatives, the expansion of their spheres of operation and the establishment of interest associations transformed the co-operative system into a huge but very fragmented sector because the co-operatives were segmented not only by their professional orientation but also, for example, by nationality, political affiliation or religion.

The strongest co-operative type was represented by consumer co-operatives with a membership base mainly in cities, with a vast network of shops, own warehouses and manufacturing plants.

In rural areas, agricultural co-operatives of various orientations created a perfectly functioning system. Agricultural co-operatives were divided into credit unions and non-credit societies, which were commercially oriented purchasing, selling, economic, as well as diverse processing, operating and manufacturing co-operatives. Since 1921, the supreme body of the agricultural co-operative sector was called Centrokooperativ.

Another strong segment of the Czechoslovak co-operative system was formed by money co-operatives in cities, especially trade and civic credit unions.

The development of housing and construction co-operatives, producer, trade and other co-operatives was also very promising.

In general, the co-operatives in this period were self-help interest organisations with democratic management applying the traditional co-operative principles – voluntariness, democracy, self-help, co-operation and mutual solidarity.

The successful development of co-operatives in our country was affected very destructively first by World War II and the occupation of Czechoslovakia and later by the political development after the coup in February 1948.

The advent of the totalitarian system represented permanent abuse of the co-operative system for state and political party purposes. The entire co-operative sectors, such as trade co-operatives, credit and savings co-operatives and many others, were ruthlessly liquidated. The fundamental rights of members were infringed. Democracy became an empty slogan.

In the late 1960s, the vast majority of co-operatives, their unions and the Central Co-operative Council fully sided with the progressive forces. After a brief hopeful period of 1968-1969, the new onset of totalitarianism marked the end of the tendencies to restore the democratic life of co-operatives and their economic independence.

The distortions of the co-operative system that took place at that time ensued mostly from the theory that co-operative ownership and enterprise is a lower form of socialist ownership, which will be abolished in the course of time anyway.

The process of democratisation after the November 1989 revolution had a profound effect also on the co-operative sector. It was necessary to ensure that the Czech co-operative system returned to international co-operative standards, to the full application of traditional, time-proven co-operative principles and respect for co-operative values. For the co-operatives, this meant in practice resisting political pressures seeking their complete elimination. Great assistance in this political struggle was provided by the International Co-operative Alliance. The fight for the identity of our co-operatives was also supported by Western European co-operative headquarters, including members of the European Parliament.

In the course of 1990, democratic elections of all co-operative bodies took place in co-operatives and co-operatives unions. The national co-operative unions have become once again truly interest-based organisations of co-operatives. The co-operative legislation was modified to eliminate all the distortions introduced into the co-operative system in the previous period. Based on amendments to their statutes, the co-operatives became full-fledged and state-independent organisations, which voluntarily united into interest associations and headquarters according to their own conditions and needs.

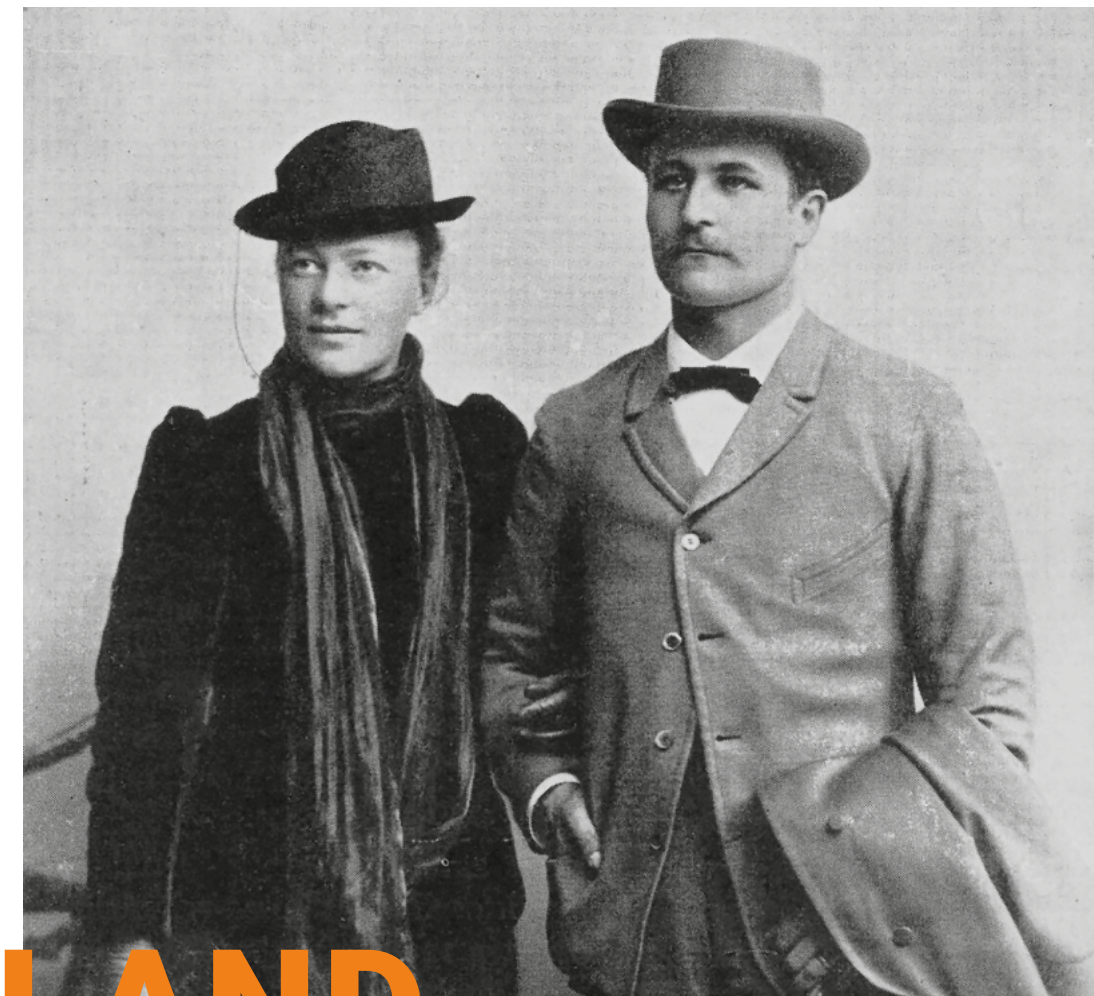
Today, at the beginning of the 3rd millennium, the co-operatives are proof of the functionality of the principles set up in the 1840s by the co-operative movement founders and of the universality of the co-operative form of enterprise. In addition to co-operatives with a traditional orientation, completely new co-operatives with modern production programmes are being created and developed. Co-operatives belong to the bearers of progressive trends and contribute within their capacities to solving the social and economic problems of society.

FINLAND

THE MOST COOPERATIVE
COUNTRY IN THE WORLD



Prof. Hannes Gebhard and Mrs. Hedvig Gebhard are hailed as the father and the mother of the Finnish cooperative movement. Hannes was the founder and chairman of the Board of Pellervo. Hedvig was one of the first women members in the Parliament of Finland since 1907.



Finland is perhaps the most cooperative country in the world. The first articles about cooperatives were written by Professor Philip Palmén in 1860's, but the rise of the movement took time. The knowledge about the business model started to spread in the turn of the 20th century with the foundation of the apex organization Pellervo, Confederation of Finnish cooperatives, in 1899. The first Cooperative Act came to effect in 1901 as an Act for all types of cooperatives.

Before 1901, there were only cooperative organisations in the different business format in Finland. Professor **Hannes Gebhard** (1864-1933) is the father and his wife journalist **Hedvig Gebhard**

(1867-1961) the mother of the Finnish cooperative movement. Hannes was the founder and chairman of the Board of Pellervo. Hedvig was one of the first women members in the Parliament of Finland since 1907. At that time Finland was an autonomous part of the Russian Empire (Grand Principality of Finland) and got its independence in 1917.

Hannes and Hedvig Gebhard were travelling abroad studying the cooperative business models in Germany, UK and France. Those relationships and connections may have been the reason for Pellervo to join to the International Cooperative Alliance so early as 1902.

Today there are over 4000 cooperatives in Finland and cooperatives have more than 7.4 million memberships (the population of Finland is 5.5 million). Around 90 % of Finns are members of at least one cooperative or mutual.

The joint turnover of cooperatives exceeded 32.5 billion euros in 2020. The cooperative groups are most often market leaders in their respective fields. The agricultural producer cooperatives have a market share of 90-95% in milk and 80-90% in meat. Consumer cooperatives cover 46 % of daily goods and the cooperative OP Financial Group is the largest retail banking company.

WHY THE COOPERATIVE BUSINESS MODEL IS SO SUCCESSFUL IN FINLAND?

Pellervo had the leading role in educating and communicating about the cooperative business model after its establishment. When the knowledge about the model came more widely known, it was clear that the business model was very suitable to the situation in Finland at those days. Finland had no resources, no capital to build a strong presence in the society, which was just under construction. The cooperative movement was developing together with the Finnish society and the cooperative leaders had also an active role in the Finnish political life and governance.

From the beginning of the history of cooperatives in Finland, the cooperative business model has been the model which brings together people - the whole society: farmers, workers, elite, women and men. The cooperatives with members and their small membership fees was the solution to form the basis for today's strong cooperatives.

The values of the model have been widely accepted and effective also when forming the growing society. The equality and open membership, the participation of women as members and active also in the governance - Hedvig Gebhard as one of the leaders and a role model to all women. The model of democracy has served also as an example for the Finnish democracy in cities and municipalities.

The consumer cooperative movement in Finland was divided into two competing groups in 1916: Central Cooperatives of Finland SOK and Progressive cooperatives of working population in cities. Reasons were mostly ideological and deriving from the divide between the cities and the rural areas.

One pioneer and leading person in the cooperative movement was lawyer Vaina Tanner. He 's first impressions about cooperatives have roots in Germany, where he was working in a cooperative in 1902. He served one of the consumer cooperatives as managing director and was the chairman of the supervisory board of the SOK (1909-1915), PM of Finland (1926-1927) and minister and MP for several years.

Vaina Tanner was active in international cooperative movement since 1910 and the chairman of the International Cooperative Alliance (1927-1945), when he was representing the Progressive cooperatives.

The cooperative will be successful if the leaders of the cooperative keep in mind the basis - the cooperative is there for its members - to offer competitive services to the members and bring benefit to them, to have resources to develop the cooperative according the changing needs of its members. And at the same time to develop the society around it. In Finland the cooperative leaders have faced challenges and extremely difficult times, which have been the force to build a strong connection and knowledge about the needs of the members. The support from the Finnish government was crucial in early days but today the cooperatives are facing the equal situation, e.g. regarding company laws, with other companies. The cooperative has to be profitable in order to survive in the competition at the market.



FINLAND

CONSUMER COOPERATIVES

The biggest cooperative group in Finland is S Group operating in the retail and service sectors. S Group consists of nineteen independent regional consumer cooperatives and SOK Corporation, which is owned by the cooperatives. The network of cooperatives extends throughout Finland with nearly 1900 outlets, and the regional aspect is highlighted in the operations of the cooperatives.

The cooperatives have more than 2.4 million members, which covers nearly 80 % of the Finnish households. The membership program is the strongest loyalty program in Finland and is also highly appreciated abroad. Besides shops, department stores and hypermarkets the services include ecommerce, restaurant and hospitality business, fuel service stations and banking services by S Bank, owned by the cooperatives and SOK.

The small local consumer cooperatives founded SOK in 1904 and the aim was to serve the consumer cooperatives especially in training and sourcing. The connections with Pellervo were close as Hedvig Gebhard was an active member in the supervisory board of SOK (1917-1948). SOK joined to the International Cooperative Alliance 1907.

One way to show the development of the S Group is the number of consumer cooperatives of the group: in 1917 there were 569 small local consumer cooperatives and today they have formed 19 effective regional consumer cooperatives. In 1990 the consumer cooperatives had almost 500 000 members and today 2.4 million. The sales of S Group total 11.625 billion euros in 2020 and it employs 40 000 people being the biggest private employer in Finland.

PRODUCER COOPERATIVES

Metsaliitto Cooperative is the parent company of Metsa Group and is owned by 100 000 Finnish private forest owners. The forest cooperative buys timber from its members for the production plants. Metsa Group is one of the biggest forest industry enterprises in Europe and one of Europe's largest producer cooperatives operating in some 30 countries.

Metsa Group's core businesses are tissue and cooking papers, board, pulp, wood products, wood trade and forestry services. Metsa Group's sales total 5.1 billion euros in 2020, and it employs approximately 9300 people.

Valio Ud is a milk-processing enterprise owned by 14 cooperative dairies. It markets members' dairy products in both domestic and foreign markets. Valio Ltd's brands are known in approximately 60 countries. Valio's milk ranks among the cleanest in the world, the tolerance for antibiotic residue in milk is zero.

Food enterprises HKScan Ud and Atria Ud have basis in producer cooperatives and are partly owned, but completely governed by primary meat producer cooperatives. This hybrid structure was formed in the 1990's when the sector needed financing for restructuring.

The marketing and processing company HKScan is owned and governed by meat cooperative LSO Osuuskunta. Atria is the market leader in meat processing. The majority of its shares are owned by cooperatives Itikka, Lihakunta and Pohjanmaan Liha.

FINANCIAL SERVICE

The largest financial services group in Finland is OP Financial Group. The Group is made up of 137 OP cooperative banks and the central cooperative which they own. Over 2 million owner-customers own the OP cooperative banks and thereby the entire OP Financial Group with a staff of over 12000. OP Group provides its customers with the most extensive and diversified range of banking, investment and insurance services and the best loyalty benefits in the country.

INSURANCE

LocalTapiola Group is mutual group of companies owned by its customers. The services cover insurance, investment and saving services for both private and corporate customers. The group is also professional in corporate risk management and welfare in the workplace.

LocalTapiola employs approximately 3400 people. The number of ownercustomers is nearly 1.6 million.

FINLAND



Second ICA Congress in Paris (1896). Courtesy of Musée social (Cédias)

FRANCE



THE FRENCH COOPERATIVE MOVEMENT AND THE ICA

Jean-François Draperi, Director of the Social Economy Centre (CESTES) of the Conservatoire National des Arts et Métiers (CNAM, Paris); Editor-in-Chief of the International Review of the Social Economy (RECMA, Paris)

The first ICA Congress held in London from 19-23 August 1895 marked the beginning of an era of international unification of national cooperative movements. It punctuated a long series of English and French attempts which began as early as 1835. The London congress is thus not only a birth but also a culmination. The heart of the debate lies in the articulation between two major cooperative conceptions, the one initiated by workers and the one initiated by consumers. The 1895 Congress marked the victory of the latter, echoing the economic success of the Wholesale Societies. The defenders of the 'participationist' thesis, i.e. that which claims a decisive place for workers, nevertheless continued their quest. In particular, they draw on the experience of Godin's family in Guise (France) to demonstrate the possibility of a largescale cooperative development based on cooperation in the workplace. For these reasons, this debate has often been presented as one of two conceptions, one English, the other French.

In reality, in England and France, as in most countries, the two currents are developing jointly. But their reciprocal relations differ from one country to another. In France they are very intertwined and are often seen as complementary rather than antagonistic.

At the founding congress of the Union Coopérative, the first French federation of consumer cooperatives, held in Nîmes in 1885, Jean-Baptiste André Godin presented a plan to conquer the economy based on production cooperation, a plan that included, in addition to agricultural and industrial production, mutuality, education, consumption and housing. During the same congress, the great English cooperator Edward Vansittart Neale invited to "form associations in the style of the Familistère de Guise". The Familistère was a community housing complex for workers in Guise, a town of the Picardie region, in France. Among the many cooperative leaders staying

at the Familistère at the end of the 19th century, Neale and Holyoake point out that England lacks a Familistère as much as France lacks Wholesale Societies. After Godin's death in 1889, Neale and Holyoake returned to the Familistère, notably in 1896, on the occasion of the second ICA Congress in Paris. The importance of the Familistère de Guise and Godin's thinking was reflected in the opposition between the cooperative path of consumer cooperatives and the participatory path of worker cooperatives. The founders and leaders of the French consumer cooperative movement were in fact marked by Godin's conception. Some of the most illustrious stayed at the Familistère for a long time before embarking on consumer cooperation, and Auguste Fabre, founder of one of the first French consumer cooperatives and co-founder of what was to become the École de Nîmes, spent two years in Guise and considers himself a disciple of the founder of the Familistère.

At the second congress of the Cooperative Union (1889), Charles Gide presented his three-step "prophecy" based on the power of consumers alone. This position is similar to that of the English founders of the ICA.



André Godin à l'âge de 45 ans environ. Photographie anonyme, vers 1860-1865. Collection Archives départementales de l'Aisne. Crédit photographique : Familistère de Guise / Bruno Arrigoni, 2001.

This 1889 congress had an international resonance and founded what Gide himself called "l'École de Nîmes", to designate a consumer cooperation aiming to establish a "Cooperative Republic", which meant in particular that the cooperation was not only for the cooperators but for society as a whole. Ernest Poisson signed a book with this title in 1920, on the eve of the foundation by Charles Gide and Bernard Lavergne of the Revue des Études coopératives (REC, which became RECMA or Revue internationale de l'économie sociale in 1984, namely the International Review of the Social Economy, a Journal with articles in both English and French), a partner journal of the ICA since its foundation. Ernest Poisson's book, then first president of the Fédération nationale des coopératives de consommateurs (FNCC), and the Revue des Études coopératives had a wide international impact, particularly in Latin America where independent British Guyana took on the official name of "Cooperative Republic of Guyana" in 1970, a name it still bears today.

The French cooperative tradition has thus often sought to combine cooperative forms and has sought to extend cooperation to the entire economy and society.

This tradition found an international echo at the end of the 19th century with the Familistère de Godin, then during the period of the accessions to independence with the project of a Cooperative Republic, and then at the time of the birth of the social economy in the 70s and 80s. The REC, which became RECMA, has continued and deepened the paths opened by Charles Gide, Albert Thomas, Georges Fauquet, Claude Vienney and Henri Desroche, seeking to understand both the cooperative creativity on all continents and the challenges facing the largest cooperative organisations. This international openness is confirmed by its readership, which extends to fifty countries. RECMA will celebrate, in partnership with the ICA, its centenary in 2021, one year after the 125th anniversary of the ICA.

After the deep crisis of the consumer cooperative movement in the 1970s and 1980s, the beginning of the 21st century is marked by a revival that affects both worker and user cooperation. Remarkably, the opposition that marked the founding of the ICA is no longer in evidence: the complementarity between cooperative forms and multi-society is permeating contemporary cooperative creativity. They update the thesis of inter-cooperation dear to Albert Thomas.

As early as the 1920s, the latter had in fact campaigned for complementarity between cooperative forms and particularly between consumer and agricultural cooperatives, an inter-cooperation whose major interest he had underlined in a report noted at the ICA Congress in Ghent (1924). From the 1970s to the 1990s, Henri Desroche (1914-1994) and the cooperative leader Jacques Moreau (1927-2004) were among the most innovative and active continuers of this tradition, which considers that cooperation has a societal purpose and can provide the basis for original economic and social development.

FRANCE

This is a postcard showing the main branch of the Volksbank Weiden eG in the Upper Palatinate around 1940. The lettering "Volksbank" is visible on a house facade between two bay windows with round arched gables. There is a car in the foreground (DKW cabriolet of the F8 series). Due to numerous mergers, the bank is today called Volksbank Raiffeisenbank Nordoberpfalz eG.



GERMANY



WE AGREE TO DIFFER - THE
GERMAN COOPERATIVE
ORGANISATION AND THE ICA

Dr. Peter Gleber, Scientific Director of the non-profit foundation GIZ - Cooperative History Information Center in Berlin, established by the Federal Association of German Cooperative Banks (BVR) and the German Central Cooperative Bank (DZ BANK).

The GIZ is the historical competence centre of German cooperatives. It advises cooperatives, their umbrella and regional associations and the cooperative central institutions on how to maintain and reappraise their history, and is a point of contact for academia, the media and the public.

In Germany, cooperatives are considered as schools of democracy. Their masterminds, Hermann Schulze-Delitzsch and Friedrich Wilhelm Raiffeisen, developed them in a Central European region that was not yet a national state. In the 19th century many small German states existed, which were constitutional states but not democracies. Schulze-Delitzsch, who unsuccessfully advocated freedom and democracy in the revolution of 1848/49, was inspired abroad. Besides French early socialists, it was above all English practitioners, such as Robert Owen and the pioneers from Rochdale, who guided him to the cooperative idea. But in Germany, too, there was already a first savings and credit cooperative that anticipated the ideas of Schulze-Delitzsch: the Oehringer Privatspar- und Leih-Kasse in the state of Württemberg. But it was only due to the ideas of Schulze-Delitzsch that craftsmen and traders in particular founded numerous cooperatives that alleviated the economic and social hardship of the middle class.

In 1859, Schulze-Delitzsch created the first German banking association and then the first cooperative association. He is also considered the creator of the Prussian Cooperative Law, which was adopted by the German Empire a few years after his death. 125 years ago, the "General Association of German Cooperatives based on Self-help", founded by Schulze-Delitzsch on a national level, was very attached to the Rochdale principles.

On 5th of January 1895, the publication "Blätter für das Genossenschaftswesen" printed a contribution by the British cooperative functionary Henry William Wolff, which can be understood as an invitation to the founding meeting of the ICA in London's Crystal Palace. Wolff flatters the Germans in the article and pays tribute to Schulze-Delitzsch as the "old master of the continental cooperative system". He promised that the scope of work of the aspired alliance would be extended "to all sectors of cooperative activity", notably to the type of German credit

cooperative that was still almost unknown in Great Britain at that time. Schulze-Delitzsch's objective "The cooperative is peace" was to be fulfilled with the foundation of the ICA. Wolff probably sensed that the event, which had been initiated mainly by Englishmen, Frenchmen and Italians, would meet with little sympathy in Germany.

The editors of the German cooperative newspaper made a remark to the English association, insinuating that the English themselves were not committed to the idea of an international alliance, as they had enough contacts of their own and therefore did not require an organisation as the ICA.

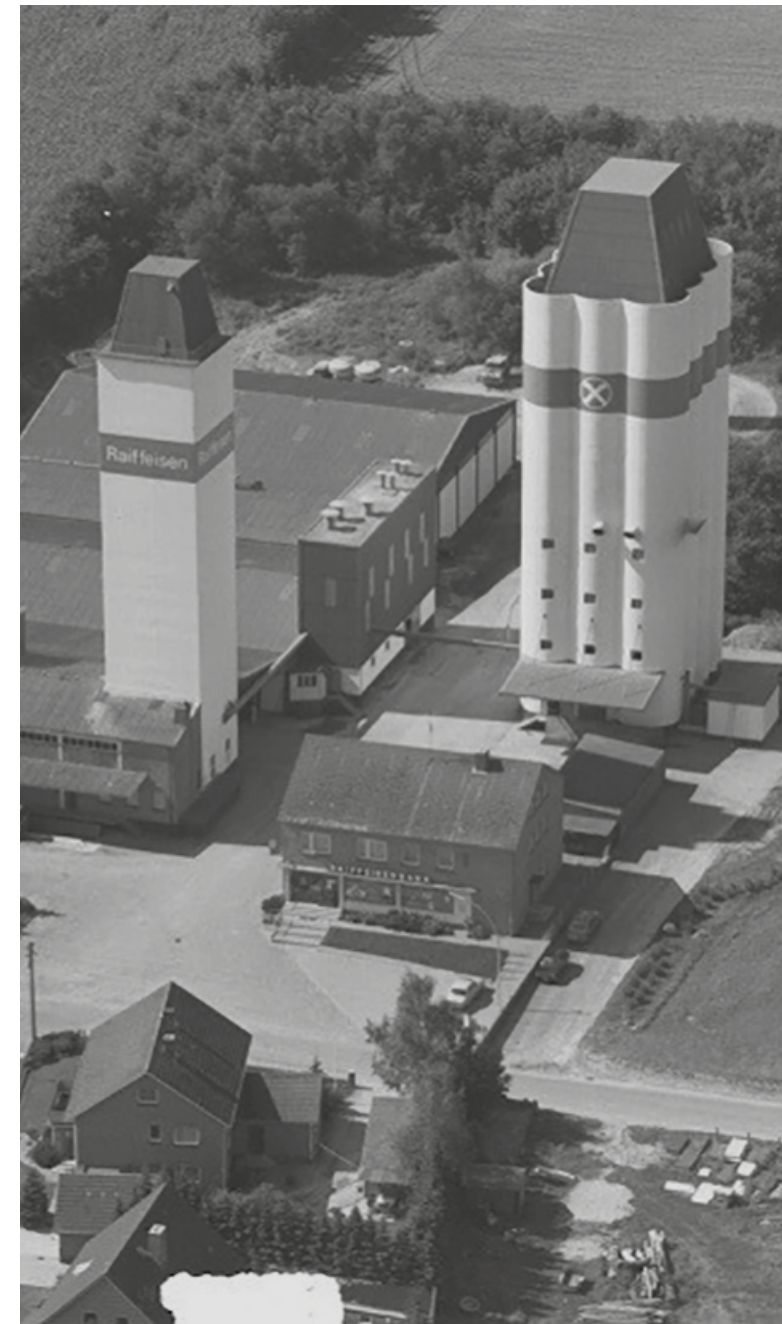
Afterwards, the secretary of the National Cooperative Association, Hermann Häntschke, took a critical look at the English cooperative system. He described in great detail its substantial organisational costs and praised the thriftiness and modesty of German Cooperative Congresses. Häntschke then reported on the first cooperative bank on the British Isles in Edinburgh, Scotland. This bank could not be compared with a solid German "Volksbank", which mainly granted personal loans. Although the Scots were very proud of their business model of an agricultural mortgage bank Häntschke did not predict any lasting success for the institution. He assumed that sooner or later the bank would run out of funds.

In view of the reporting described above, it seems in fact quite unusual that the German cooperative organisation became a founding member of the ICA. The differences in factual matters that came to light are a reflection of the structural differences between the German cooperative system and the other members of ICA. While in most countries of ICA members consumer cooperatives and self-help organisations of end consumers have been the majority, credit cooperatives of the self-employed small trade dominated the German cooperative system. In addition, there were also self-help organisations of

the crafts sector. Consumer cooperatives and housing cooperatives were in the minority in the German National Cooperative Association. Both of the latter represented the self-help organisations of dependent employees, which dominated in other parts of Europe. The fact that the Germans were nevertheless involved in the foundation of the ICA is to be seen as a strong signal for the international cooperative system. In 1895, Schulze-Delitzsch and his comrades-in-arms had created a decentralised civic cooperative system that differed significantly from the models in other countries. However, the principles of the pioneers of Rochdale were also recognized and respected in Germany. In particular, the democratic principle of "one man, one vote" was a reason for German support for the ICA. The German Cooperative Law and the membership in an international association were a "life insurance" for German cooperatives in the German Empire, an undemocratic authoritarian state.

"We agree to differ" was an important fundamental principle of the ICA. It teaches us today that solidarity in spite of all differences is an important value for securing peace and freedom.

Born on 30th March 1818 in Hamm (Sieg), Germany and died on 11th March 1888 in Neuwied, Germany. Friedrich Wilhelm Raiffeisen was a German social reformer and municipal official. He was one of the founders of the cooperative movement in Germany. He is also the eponym of the Raiffeisen organisation. During the 19th century, Friedrich Wilhelm Raiffeisen (and Wilhelm Haas) developed a decentralised banking system for farmers. Photograph: Copyright: GIZ Berlin





Current Prime Minister of India Narendra Modi delivering a speech during the 15th National Cooperative Congress in 2008.



President of India (edit/photoshop required) ; Modi 15th Congress

INDIA

EVOLUTION AND GROWTH OF COOPERATIVE MOVEMENT

Dr. Sudhir Mahajan, IAS (Retd.)

Chief Executive National Cooperative Union of India

The origin of the cooperative movement in India can be traced to farmers spearheading agitations against the moneylenders who were charging exorbitant rates of interest from them in the 18th century. The British Government in order to improve the condition of peasants passed Deccan Agricultural Relief Act (1879), Land Improvement Loan Act (1883) and Agriculturists Loan Act (1884). During 1892, Madras Government appointed Frederick Nicholson to study cooperatives in Germany, who after his return, suggested establishing cooperative societies for providing rural credit.

In 1904 the first Cooperative Societies Act was passed, which was only applicable to credit societies. Later, the Cooperative Societies Act which was passed in 1912 provided legal protection to all types of cooperative societies. Under Montagu Cheimsford Act, 1919, the subject of Cooperation was transferred to then provinces which were authorized to enact their own cooperative laws. This gave further impetus to increase in the growth of cooperative societies in India. Under the Government of India Act, 1935, cooperatives remained a provincial subject. The cooperative movement got a definite boost

during the second World War. Various plans formulated during this period emphasized on increasing the role of the cooperative movement. In order to administer cooperatives where membership was from more than one province, Government enacted Multi Unit Cooperative Societies Act, 1942. A Cooperative Planning Committee was appointed by Government in 1945.

After independence, Cooperation emerged as a distinct sector of national economy. The First Five Year Plan specifically mentioned that success of the plan should be judged by the extent to which it is implemented by cooperative organizations. During 1960s, special importance was attached to achieving increased agricultural production as well as rural development through cooperatives. Green Revolution thereafter led to rise in agricultural production, and gave a boost to the activities of cooperatives. As a result, many specialized cooperatives emerged in fields of milk, oilseeds, sugarcane, fertilizers, cotton, etc. The role of cooperatives, was no longer confined to traditional activities, it expanded to new economic ventures. In a major development, in the year 2002, Multi-State Cooperative Societies Act, 2002 was enacted to consolidate and amend the laws related to cooperative societies. It substituted Multi-State Cooperative Societies Act 1984. In 2002, the Government announced National Policy on Cooperatives so that cooperatives are able to function based on values and principles enshrined in declaration of ICA Congress 1995 held at Manchester.

During the recent few decades, there has been substantial growth of the cooperative sector in various areas of economy. With more than 8 lakh cooperatives covering 95 per cent of the villages, the cooperatives have significant presence in all areas of socio-economic activities like agricultural credit, fertilizer production, milk production, fishery, housing, urban credit, etc. AMUL is a global dairy cooperative which has ushered in milk revolution in the country. IFFCO, KRIBHCO, NAFED, NCDC, Uralungul Labour Contract Society, Mulkanur Cooperative Rural Bank, etc. are well known success stories, though there are many success stories of primary level cooperatives in India.

National Cooperative Union of India is an apex organization of the cooperative movement in India with focus on cooperative education and training. Its origin can be traced to formation of Indian Provincial Cooperative Banks Association by end of 1920s with Lallubhai Samaldas as President, and All India Provincial Cooperative Institutes Association on 1st October, 1929 with

Mr. Samaldas continuing as President. However, during this period, three separate conferences were held by three organizations, and there was no joint cooperative policy at the national level. The efforts for having a separate unified Cooperative Association bore fruits when Indian Cooperative Union came into existence on 15th May, 1949 with Prof. H.L. Kazi as President, this organization was later renamed as All India Cooperative Union in 1954. The Union started acquiring an all India character as it started taking interest in the problems and issues of provincial cooperative institutions. The name of All India Cooperative Union was again changed to National Cooperative Union of India (NCUI) in 1961. Since then, NCUI has acted as a torch-bearer of the Indian cooperative movement through its wide-ranging activities/programs. NCUI's all-encompassing training programs have played an important role in capacity-building of the cooperative organizations at all levels. Its active advocacy/lobbying role has influenced government policy-making in favour of cooperatives.

Despite commendable growth, and being the largest cooperative movement in the world, the cooperative movement in India faces many challenges like competing in the market economy with a high level of professionalism, strengthening its autonomous character with due regard to cooperative principles and values, adopting latest technologies, strengthening primary agriculture cooperative societies, etc.

2021 is the landmark year for the cooperative movement in India as the central government has created a separate Ministry of Cooperation recently to give due priority to cooperatives in policy-making, which will further strengthen the cooperative movement in India. While addressing the first National Cooperative Conference in New Delhi on 25th September, 2021, the Minister of Cooperation Shri Amit Shah Ji said that the cooperative movement and organisations will play a key role in making India a \$5-trillion economy, helping unlock the potential of the rural economy as the country recovers from the coronavirus pandemic.

Being the apex organization of cooperatives in India, NCUI has recently taken a number of policy initiatives to ensure that cooperatives contribute significantly to the national economy and at the same time they should emerge as the most dependable platform for financial inclusion and empowerment of the needy classes of the society. NCUI has recently engaged a reputed consulting firm named Ernst & Young to conduct a study to understand the impact of cooperatives in the Indian economy. NCUI is also in the process of establishing a state-of-the-art Skill Development Centre with focus intervention to build the capacity of members and staff of cooperatives and cope up with the emerging challenges in market and grab the new avenues of businesses. NCUI has started a consultation process with State Cooperative Federations, Chambers of Commerce & Industry and various other Industry Federations at national and state level to understand the nature and quantum of the demand of skilled work force in the country. NCUI in the process of establishing a dedicated Cooperative Entrepreneurship Development Cell which will work in providing technical and consultancy support to the self-help groups/communities who aspire to register a cooperative society at state and central level.

NCUI has recently launched a novel initiative to support SHGs and cooperatives working in remote areas. NCUI Haat initiative has been conceived to empower women led and lesser known cooperatives by providing them a stall space for their products at an exhibition-cum-sale centre named 'NCUI Haat' in its premises located in a premium location in Delhi. Though this initiative is for the self-help groups of NCUI field projects, but to expand the landscape of Indian Cooperative Movement, other self-help groups, specifically women groups are also being given an opportunity to benefit from NCUI HAAT initiative. NCUI Haat supports many of the flagship programmes and initiatives launched by Government of India such as National Livelihood Mission, 'Vocal for Local' and Skill India Mission, expanding its reach to all parts of the country thereby creating an enabling environment for "Sahkar se Samridhi" i.e. prosperity through cooperatives.

In addition to this, NCUI has reached out to reputed government organizations, international donor and development organizations and social organizations at national and state level to explore avenues of association and leverage their resources and expertise to empower cooperatives. German Development, Rainmatter Foundation, Art of Living organization and many other organizations have come forward to support NCUI in achieving its socio-economic objectives.

NCUI as a member of ICA, has developed a strong relationship with ICA. Through active participation in ICA's programmes/conferences/seminars organized from time to time, and working in accordance with ICA's goals and objectives, NCUI has cemented its ties with ICA. The visit of ICA President Mr. Ariel Guarco to NCUI recently has further given a boost to NCUI's ties with ICA.

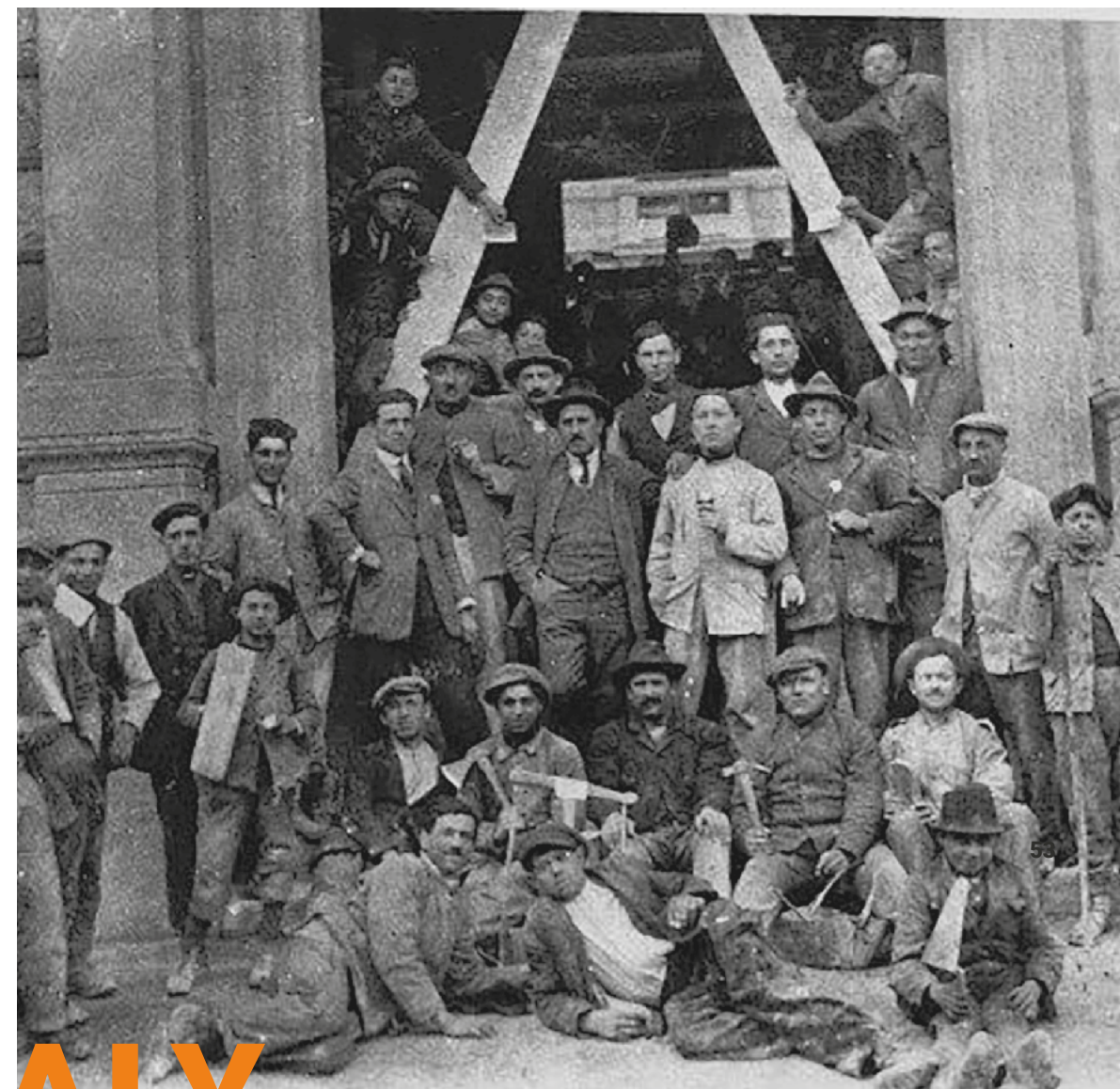
Overall, NCUI has taken giant leap in 2021 to overhaul its training infrastructure and augment its role in cooperative policy framework for catering to the requirements of the various sections of the society. We are in the process of creating a robust knowledge resource centre and a team of experts and resource organizations at national level to empower the state and district level cooperative federations of India.

With the new Ministry of Cooperation in place, NCUI is hopeful of furthering its agenda of cooperative development and entrepreneurship under the aegis of the new ministry. NCUI has both the capacity and the outreach network to support the central government both in policy formulation and execution level for reinvigorating the cooperative sector in India.

INDIA



1910
Cimisello Balsamo bricklayers



ITALY

THE ITALIAN COOPERATIVE MOVEMENT WITHIN THE INTERNATIONAL COOPERATIVE ALLIANCE



By Mattia Granata, President National League of Cooperatives Study Centre, Rome and Director of the Ivano Barberini Foundation, Bologna.

The first page of the periodical “la Co-operazione Italiana”, “organ of the National League of Italian Cooperatives and Welfare,” in August 1895 contained an article on Cooperative Education (“a matter of capital importance for the future of co-operation”), and one on True and False Worker Cooperatives.

Let’s say that, given the evergreen topics, it could have been the first page of a cooperative periodical from August 2020, where, however, we are going to celebrate the 125th anniversary of the founding of the International Cooperative Alliance.

In turn, the same page opened with the message that the then President of the Italian Cooperatives, Antonio Maffi, had arrived in London to accompany Italian delegates led by Luigi Luzzatti, along with Luigi Bodio and Leone Wollemborg among others; in it, the President greeted the “Masters and Fellows” gathered at the Congress, on behalf of all of those Italian co-operators “waiting to learn the watchwords for new struggles and the teaching for new conquests”.

In effect the “gratitude and affection” towards the brethren of the various cooperative movements gathered in London had deep roots in previous years and had already had repeated testimonies during the founding moments of the Italian cooperative movement. In 1886 in Milan, above all, Ed. Vansittart Neale, with G.J. Holyoake and other foreign representatives, had “baptised” the Federation of Cooperatives, which in 1893 would soon be renamed “Lega” (“League”).

Milan had been the incubator of this gestation period; here, in the context of one of the most advanced markets in the country and towards the end of the Nineteenth Century it was already greatly interconnected with international economic flows, various economic, social, political, and cultural factors such as to promote the “new” cooperative phenomenon.

The different cultural matrices of the origins phase, between the Nineteenth and Twentieth Centuries, had already been synthesised, roughly

speaking, into the two orientations of the major political families which subsequently became rooted in the country, i.e. the radical socialist secular matrix and the Catholic denominational matrix that wanted to promote the social inclusion and cultural and material elevation, in the countryside and in the cities, of the disadvantaged classes, and to broaden the social bases of the recent Italian state, in order to modernise it.

The relationship between Italian co-operation and the newborn International Cooperative Alliance was therefore deep, precisely because it was based upon this original bond, and only the affirmation of Fascism and Nazism, a few decades later, was able to temporarily interrupt it.

The Fascist dictatorship strengthened in society in taking possession of pre-existing social structures. Co-operation was an intermediate body with a long tradition, and that is why it was one of the targets. Since the dawn of the 1920s, for ideological and economic reasons, the Fascist movement had been hard at work against cooperatives. The Fascist Party had then compressed, distorted, and subjugated cooperatives with the removal of the pre-Fascist elites, to make it its own instrument of control and direction of society and the market. Understandably, therefore, the ICA came to firmly condemn the fascistisation of the Italian cooperative movement and decided to exclude it from its bosom, only re-establishing contact from the 1930s onwards.

During the post-war period, also during international phenomena, such as the Cold War, which deeply marked both the life of the ICA and the presence within it of the Italian cooperative movement, characterised by strong ties with Twentieth Century political families, the cultural and ideological link based upon the principles of the international cooperative movement did not disappear.

The years of the movement’s maturity sanctioned the consensus for “contemporary cooperative democracy” again in support of the weakest, of peace, and of the promotion within the world of cooperatives as an ideal and as an instrument of social and economic emancipation.

ITALY

This strong bond was established, we like to remember it upon this important anniversary, by the election of Ivano Barberini as President of the International Cooperative Alliance at the Seoul General Assembly in 2001.

He was the first Italian to hold, for two subsequent mandates, that office: the most prestigious position for a co-operator. His presidency was marked by a commitment to peace and social justice, values common to the various international movements that in this difficult historical moment of time will certainly have to be pursued with ever greater conviction.

November 3, 1913 - Big party for the inauguration of the Fontanone Hydroelectric Plant, the development engine of the Alto But in Friuli, Italy.





PHILIPPINES

55 GREAT YEARS OF MASS-SPECC



The year 2021 marks the 55th anniversary of the MASS-SPECC Cooperative Development Center and it pays forward to look back how the federation was initiated, formed, and triumphed over the many social, economic, and cultural shifts in our country.

MASS-SPECC traces its beginnings in the early 1950s, a period of severe economic hardship and political unrest. Co-ops at the grassroots level were seen as an effective alternative mechanisms to address poverty and marginalization. Several co-ops

were organized by leaders in Cagayan de Oro City and in the provinces of Misamis Oriental and Bukidnon. These cooperatives started to provide savings and credit services to their members in the communities.

The co-op leaders bonded together in 1962 to form the Misamis Oriental- Bukidnon-Camiguin Federation of Cooperatives (MBC) which eventually became the model and strongest secondary coop organization in the country.

By 1966, the leaders of the MBC Federation of Cooperatives felt the need to strengthen the educational component of the community-type cooperatives.

On August 9, 1966, the Southern Cooperative Training Center of MBC was (later known as the Southern Philippines Educational Cooperative Center or SPECC) established to meet the educational needs of the coops. In 1971, SPECC started the first coop mutual protection system in the country, now called CLIMBS or Coop Life Mutual Benefit Services, Inc.

After a Mindanao-wide consultation in 1973, co-op leaders, representing 11 provincial federations in Mindanao, organized the Mindanao Cooperative Alliance (MCA), which was tasked to articulate the views of the private voluntary sector on issues affecting cooperatives collectively. The MCA came into existence a few months after Martial Law was declared. This was a time of great trials and difficulties for the cooperative movement.

The proclamation of Presidential Decree No. 175 and Letter of Implementation No. 23 placed the co-ops under state sponsorship and superimposed structure. Hence, it had to change its name and legal character to a non-stock, non-profit organization known as the Mindanao Alliance of Self-Help Societies, Inc. (MASS).

To the cooperatives which put foremost the value on autonomy and self-reliance, government control and intervention posed as serious blocks to their efforts. The cooperative movement made a strong protest which led to the harassment of some leaders and threats to cooperatives. Despite these, the movement survived.

MASS proceeded to establish technical programs to benefit the coops. In 1974, it set up a printing press to serve the coops. In 1978, it initiated a financial intermediation system known as the Central Fund.

Meanwhile, SPECC expanded its educational activities to include audit as well as extension work. Finally on July 1, 1984, MASS and SPECC were consolidated to maximize the organizational, financial, physical and human resources of both institutions. The merged organization became what is now known as the MASS- SPECC Cooperative Development Center.

In 1995, in partnership with the Development Internationale Desjardins, MASS-SPECC ventured into a standard savings and credit coop software. In 1996, it started its computerization program with primary cooperatives. This was done with the introduction of the General Ledger System. It also started during the year the establishment of MS RTE (MASS-SPECC Standard Run-Time Edition) system, beginning with four MBDOS systems. This is now running in nearly 560 sites.

In 2005, a new service on consultancy for Financial Intermediation was operationalized with eight coops joining the service by end of 2006. In February 2006, MASS-SPECC piloted the first Pinoy Coop ATM in the whole country.

The year 2007 showcased the pioneering spirit of MASS-SPECC in Information and Communication Technology. Megalink connectivity of the Pinoy Coop ATM was realized on December 12th of that year. MASS-SPECC became the first cooperative to be a member of a national ATM network; the first to own and operate the very first cooperative data center in the whole country; and the first time a youth representative was elected to the Board of Directors of MASS-SPECC during the year's Youth Congress in the 2007 Mindanao Coop Leaders Congress.

In 2008, MASS-SPECC launched the Mindanaw Microentrepreneur Award or MICMA. The Award seeks to acknowledge the contribution of the cooperatives in alleviating poverty through the coop's support of micro-enterprises. It is also aimed to encourage co-operatives to further provide appropriate support to its members.

The following year, 2009, saw the signing into law of the Cooperative Code of 2008. It is a milestone reached thru the untiring efforts of the late Coop NATCCO Party-list Representative and former CEO of MASS-SPECC Gil Cua.

In 2011, MASS-SPECC expanded its E-services facility to make available to the member cooperatives the MASS-SPECC Internet Banking System (MIBS) and the On-line Transaction Point of Sales (POS) system. In 2012, ATM transactions reached the one million mark. A total of 1,104,226 Acquirer, Issuer and On-Us transactions were recorded with 71,144 Pinoy Coop ATM cards used by the member cooperatives.

Meanwhile, MASS-SPECC also enhanced its education and training services thru its Institute of Cooperative Studies. Delivering the educational and training needs of co-op staff, managers, and officers across Mindanao.

As it closes its first half a century of existence and opens the next half, MASS-SPECC, in partnership and solidarity with the cooperatives in Mindanao, continues to take up the challenge to contribute to the building of a society founded on the values of equity, social justice, self-reliance, solidarity, nationalism, and peace and development in Mindanao.

In 2017, a 10-year Strategic Communication Plan was crafted by our co-operative leaders, based on the results of a qualitative research on the perceptions of MASS-SPECC's member-owners toward the federation. The Plan accentuates the new goals of the federation namely (1) Strengthen the co-op identity, (2) Promote solidarity among co-ops through developmental undertakings with social impact, (3) Promote the co-operative as a unified movement, and (4) Institutionalize a Knowledge Management System.

PHILIPPINES

Co-operatives started adopting the movement vision – All Members Enjoy Better Quality of Life – which was approved by the general assembly in 2018.

In 2019, The Coop Monitor Newsletter was launched to update the co-op members with the latest news and stories about co-ops, including economic highlights and market trends per quarter. The Yaman ang Kalusugan Program (YAKAP) took off.

In its digital transformation and policies, MASS-SPECC stands proud for its ISO Certification, a testament to its passionate and significant business operations and services to its members and communities. In recognition of its excellence, the House of Representatives of the Republic of the Philippines has awarded MASS-SPECC as the "Most Outstanding Co-op Federation" in 2020. In achieving the Sustainable Development Goals (SDGs) set by the United Nations, co-ops are proactively involved in addressing poverty, inequality, injustices, conflicts, and climate change.

As co-ops respond to the challenges brought about by the COVID-19 pandemic, MASS-SPECC gave birth to #CoopHEROtives, an informational campaign recognizing and popularizing the co-operatives as heroes in many ways. The hashtag in CoopHEROtives symbolizes our commitment towards digital transformation and reaching out to our members through the internet.

True to its values and principles, MASS-SPECC's growth has also strengthened the co-operative movement in the country, especially in Mindanao. Member co-ops have conceived the indicators in achieving our movement vision, bringing us closer to a unified and principled approach to making all our members enjoy a better quality of life.

55 GREAT YEARS OF
MASS-SPECC



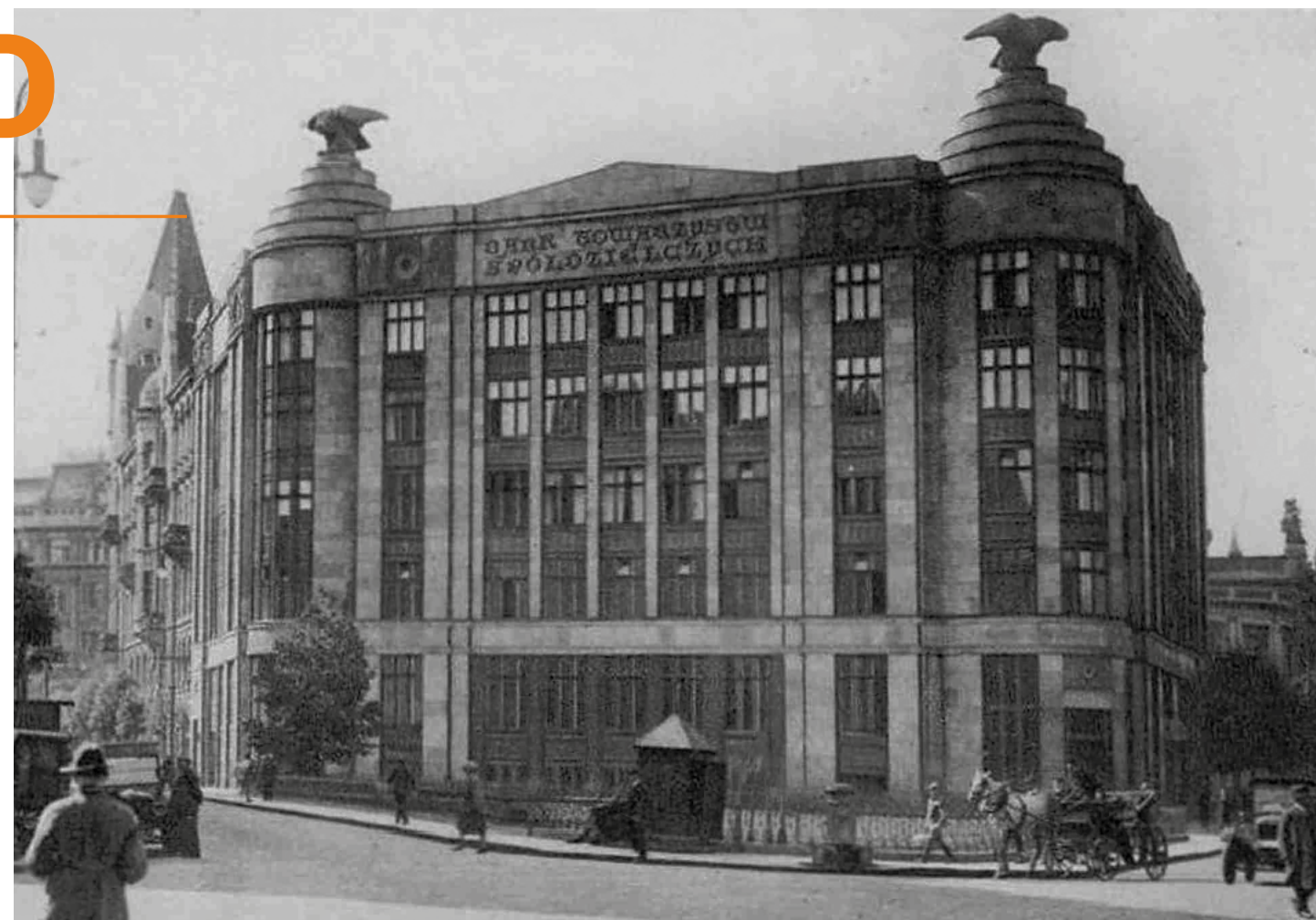
POLAND

205 YEARS OF COOPERATIVE MOVEMENT IN POLAND



ORIGINS

Cooperative movement on the Polish territory, as in the majority of European countries, was created in the 19th century, i.e. during the period when Poland did not exist as an independent state, but was divided between Russia, Austria and Germany. The first Polish cooperative, or rather an organised form of economic cooperation resembling modern cooperatives, is considered to be the Hrubieszów Agricultural Society for Common Rescue in Misfortunes, founded in 1816 by Stanisław Staszic. Regular cooperatives appeared half a century later. Among the oldest ones were: cooperative bank under the name Loan Society for Industrialists of the City of Poznań (1861), on the area of the German partition, based on the model of H. Schulze-Delitzsch's; Rochdale-type consumers' cooperative "Merkury" (1869) in Warsaw, on the Russian partition; and from the Austrian partition a cooperative bank in Brzeżany (1864). For the latter partition, however, the most representative were somewhat younger rural savings and credit cooperatives later called Stefczyk's Societies, set up from 1890 according to the model of F. W. Raiffeisen. This was also when agricultural, workers' and housing cooperatives appeared. Worth mentioning is a unique women's housing cooperative – the Building Society of Postal Women-Clerks in Cracow.



"The House under the Eagles", constructed in 1913-1917 as the seat of the Bank of Cooperative Societies, was one of the few buildings in the centre of Warsaw to survive World War II. Currently the headquarters of the National Cooperative Council.
Author: Dr. Adam Piechowski National Cooperative Council

The development of cooperatives, as a movement for economic self-defence and self-help, took place under different legislations, traditions and economic conditions in the individual partitions. Particularly in the German and Russian partitions, the establishment of cooperatives as independent Polish economic initiatives was subject to many restrictions. Despite these obstacles cooperatives developed among peasants, workers, small and medium entrepreneurs – craftsmen and merchants. Just before the World War I, on the territory of the three partitions there were approx. 3,500 cooperatives of various types with 3 million members. The Polish specificity was the widespread participation of intelligentsia, and even landowners, as well as the general national-patriotic character of cooperative initiatives.

IN THE REPUBLIC OF POLAND 1918-1939

It was the latter that caused cooperative activity to contribute significantly to regaining independence in 1918, while among fighters for independence there were many cooperators, they also found themselves among numerous prominent politicians of the reborn Polish state – the Republic of Poland. It is worth mentioning that the second president of independent Poland was an outstanding cooperative leader, the co-founder of Polish consumers' cooperatives, Stanisław Wojciechowski, probably the only co-operator-president in the world.

The three basic cooperative models from the period of the Partitions of Poland continued to co-exist and all previous cooperative sectors developed, as well as new ones were created. There were sometimes sharp controversies and conflicts between representatives of these trends, but they were also able to cooperate on many issues. In the dramatic situation of a country which was restoring its independence, with wars on all its borders, a disorganised economy, rampant inflation, and profound disproportions in development, it was possible in 1919-1920 to have the Act on Cooperatives passed by Parliament. According to many opinions, it was one of the best and most modern legal regulations for cooperatives in the world at that time and significantly contributed to the development of cooperatives, at the same time being evidence of a state policy favourable to the movement that has been recognised as an excellent tool for solving people's basic social and economic problems. As a result the cooperative sector recorded slow but systematic growth, it also survived the period of the Great Economic Crisis of the 1930s. Prior to World War II there were in total approximately 20,000 cooperatives in Poland, including approximately 7,000 financial ones, approximately 4,000 agricultural and consumers' cooperatives each, 2,000 dairy cooperatives and the remainder housing, labour and other societies. The number of members can be estimated at over 3 million people. Particularly noteworthy are the consumers' cooperatives, whose nationwide organisation known as "Społem" created an efficient trade system competing successfully with the private sector, with its own wholesalers, processing plants, etc. The housing sector initiated an innovative type of housing estate with modern architecture and a rich social programme for the inhabitants. There was intensive educational activity through the movement's own cooperative schools, cooperative courses of study at universities or the Cooperative Scientific Institute. The student's cooperative movement promoted cooperative ideas and practice among children and young people, while the activation of women through cooperatives was carried out by the League of Polish Cooperative Women.

WORLD WAR II AND THE PERIOD OF THE POLISH PEOPLE'S REPUBLIC

This excellent development of the cooperative movement was impeded by the outbreak of World War II. Many cooperators perished, the cooperatives were destroyed or suffered enormous material losses. Those which managed to continue to function during the German occupation often collaborated underground with the resistance movement, providing it with material and organisational support. After the war, when Poland, called now Polish People's Republic, found itself under Soviet domination, the cooperative movement, as in the whole bloc of communist countries, was closely linked to political, social and economic transformations. The entire economy was brought under state control, including cooperatives, which were deprived of autonomy and democratic structures. In many segments of the economy (e.g. housing, retail trade, marketing of agricultural products, provision of supplies to farmers, etc.) cooperatives were given a monopolistic position. The result was an enormous economic growth of the movement (there were about 15,000 cooperatives with 15 million members, they produced 12% of GDP), but at the same time members lost any influence on what was happening in their cooperatives, they mostly stopped identifying with them, treating them as part of the bureaucratic party-state apparatus.

This contributed to the consolidation of the negative image of cooperatives after the political changes

WORLD WAR II AND THE PERIOD OF THE POLISH PEOPLE'S REPUBLIC

of 1989, when democracy and a market economy were restored and the cooperative system in Poland was rapidly reconstructed. Cooperatives experienced great difficulties in adjusting to new conditions of functioning on the free market and with progressing European integration, as well as fierce competition from foreign companies, private enterprises and the "black economy". As a result, the number of active cooperatives and members fell dramatically. The decisive factor was the liquidation of cooperative unions in 1990, which contributed to the breaking of economic ties between societies, depriving them of training and advisory facilities.

In the second half of the 1990s a process of slow reconstruction of the movement began, which was however not favoured by legislation and tax regulations unfavourable for cooperatives. A positive impact was exerted by the aspiration to integrate with the EU, followed by EU membership (since 2004) and support through many international projects aimed at adjusting Polish cooperatives to new economic conditions, e.g. implemented by the ICA. The dissolved cooperative unions were replaced by new, so-called Cooperative Auditing Unions, separate for particular sectors, and the movement was headed by the National Cooperative Council as the highest representative body of all cooperatives. New cooperative sectors emerged – Cooperative Savings and Credit Unions, Cooperative Agricultural Producers' Groups and Social Cooperatives. Currently there are approximately 9,000 societies in Poland, divided into 15 sectors, with over 8 million members and approximately 200,000 employees; their share of GDP is 3.4%. Their image is improving, more and more young people are getting involved in the movement. Cooperatives also show exceptional resilience to economic crises, as we saw during the financial crisis of 2008 and the recent COVID-19 crisis.

POLISH COOPERATIVES AND THE ICA

Polish cooperators joined the mainstream of international cooperative life very early. From the very beginning there were numerous contacts – during studies abroad, journeys or specially organised study trips; foreign achievements were popularised, works published in Western Europe were translated or discussed in Polish publications. In 1892 Henry W. Wolff, co-founder and later president of the ICA, visited Wielkopolska (the part of Poland controlled by Germany at that time) and was impressed by the local cooperative solutions. Although there were no Poles among the participants of the 1st ICA Congress in 1895, they had already appeared at the 6th ICA Congress in Budapest in 1904, and at that time two Polish federations of cooperative banks – from Poznań and Lwów – had joined it. Both of these organisations, however, had to bear the colours of the partitioning states: Germany or Austria-Hungary. Also in Budapest, a prominent Polish cooperative leader Józef Kusztelan was elected as the first Pole to the ICA Central Committee.

POLAND

After World War I, from 1919 onwards, the now-independent Poland was represented in the ICA by the "Spółem" Union of Polish Consumers' Cooperatives, later joined by other Polish organisations. They participated in and exhibited their products at the International Cooperative Exhibition in Ghent in 1924. Representatives of Polish consumers' cooperatives Michał Chrystowski, Romuald Mielczarski and Marian Rapacki sat on the ICA Central Committee. The latter was appointed to the Special Committee for the Present Application of the Rochdale Principles, which prepared the new rewording of the Cooperative Principles. In 1936 the ICA Central Committee met in Warsaw and a series of accompanying events took place. Polish women's activist Maria Orsetti took part in the formation of the International Cooperative Women's Guild and was later in its leadership.

In 1950, Polish organisations lost their membership of the ICA, as they were recognised as de facto state bodies. It was only restored by the Central Office of Agricultural Cooperatives "Peasant's Self-Help" after a visit to Poland in 1963 by a special mission of the ICA to familiarise itself with the reality of cooperative activity in the country, which was judged acceptable. In 1972, the 25th Congress of the ICA was even convened in Warsaw.

In the new situation after 1989, the National Cooperative Council and sectoral Cooperative Auditing Unions of consumers', labour and housing cooperatives as well as Cooperative Savings and Credit Unions, i.e. five organisations in total, became members of the ICA. They are also active in Cooperatives Europe and sectoral organisations of the ICA – in ICAO, ICBA, CICOPA or ICA-Housing, and their representatives have been elected to the governing bodies of the ICA and these organisations. In 2004, the European Assembly of the ICA was held in Warsaw, in 2009 in Cracow the meeting of the ICA Board, in 2014 again in Warsaw the General Assembly of Cooperatives Europe, and in 2018 the meeting of the Board of the latter. Earlier, the ICA Committee on Cooperative Research organised its conferences in Poland several times. Important support for Polish movement came from the leaders of the ICA in defence of cooperatives against unfavourable draft legislations – such actions, including sending letters to the Polish authorities protesting against amendments to the law threatening cooperatives, were undertaken by Lars Markus, Roberto Rodrigues, Ivano Barberini, dame Pauline Green, Ariel Guarco or Jean-Louis Bancel among others. In several cases such protests have been successful.



REPUBLIC OF KOREA

NATIONAL AGRICULTURAL
COOPERATIVE FEDERATION
AND THE COOPERATIVE
MOVEMENT OF KOREA



Pioneers of the Agricultural Cooperative in the 1960's

In Korea, there had been traditional forms of cooperative groups for mutual aids such as Durae, Gye and Hyangyak. Cooperative Credit Society which was founded in 1907 could be categorized as a modern form of cooperative. A number of cooperatives were established later on during the Japanese colonial period, but they failed to fully serve their purposes.

After the liberation from Japan mid-20th century, the agricultural cooperative established its

structure on national level as it ran cooperative extension works and economic businesses, but the organization experienced extreme financial difficulties because there were no particular profit-making businesses. The Korean government implemented a basic policy with the objectives to save farmers from usury and improve rural economy. Under this policy, the new Agricultural Cooperatives Act was enacted in 1961, then the former Agricultural Cooperative and Agricultural Bank were inte-

grated. The National Agricultural Cooperative Federation(NACF) pushed forward a business of boosting cooperative establishments in Korea through a campaign of increasing members. In result, the number of village cooperatives increased to 21,239 in 1963. The NACF renovated itself as it reorganized special purpose associations and community cooperatives, not to mentions its own structure and businesses. Such efforts led to the growth of business in all areas including extension, purchasing, marketing and credit business. Moreover, member education was greatly reinforced with the roll-out of organization revamping campaign and New Farmer Movement, in addition to founding Agricultural Cooperative College.

After the take-off, the integrated agricultural cooperative facilitated merge of village cooperatives to help them serve their functions, and drove capital expansion. The Agricultural Cooperative also introduced nation-wide chain store after the launch of the vital commodities business. In 1969, cooperative banking business was launched in order to address the problem of strained capital among economically incompetence famers. Furthermore, as the cooperative's mutual aid (based on the concept of deduction program) was considered to underserve its fundamental purpose of protecting members from unexpected disasters and damages to members' asset or health, a supplementary deduction program was developed, covering life-damages. In 1972, a credit guarantee fund was first installed in the NACF for farmers. Starting from the 1970's the NACF organized co-operation based on village unit, then fostered 'crop-unit' under that level by grouping 20 to 50 farms raising same crops. Marketing business was strengthened in connection with other business areas such as extension, credit and purchasing, and retail business was expanded by increasing numbers of distribution facilities such as product stations and joint markets. Furthermore, throughout the 1970's it also supported the nation-wide New Village Movement and worked for food production increase.

Ever since 1981, Korean Agricultural Cooperative system was simplified to two tier of member cooperatives and the federation. With the launch of the congress system and empowerment of cooperative presidents, the voices of farmers could be reflected directly on the operation of the Agricultural Cooperative. The 5-year plan on boosting member cooperative was also launched and the business to increase farm income was pushed forwards. In addition, business area was extended further to cooperative logistics, grain marketing, food retail business, improvement of fertilizer and pesticide distribution, and support in agricultural machineries and tax-free fuels.

In 1988, in accordance to the amendment of the Agricultural Cooperatives Act, cooperative presidents and federation president started to be elected, not appointed. With the amendment of Act, the autonomy of the federation was expanded and the foundation for self-controlled management was consolidated. In the same year, the New Agricultural Cooperative Movement was propelled as well, and the federation's engagement in agricultural policies became more active. Upon the rise of free trade after the Uruguay Round, the NACF led the opposition against food market opening to foreign products, by collecting pleadings against rice import. Sintoburi movement, a campaign for the consumption of domestic agricultural products, was another activity that the NACF rolled out.

Moreover, as the era of food market opening, the NACF pushed forward agro-product retail & processing business in full scale, and strengthened its financing functionality which consolidated its status as the bank for the people during the 1997, Asian financial crisis.

Following the enactment and proclamation of the Act on Integrated Agricultural Cooperative, the National Agricultural Cooperative Federation was officially launched in 2000 through the integration of the Agricultural Federation, Livestock Cooperative Federation and Ginseng Cooperative Federation. After the launch, the synergy effect worked on higher level, as complementary cooperation was possible is the overlapping business areas.



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As the integrated federation had higher public credibility, member cooperatives could enjoy increased trust from customers as well as from members. The NACF facilitated specialization and scaling up of businesses in the local areas, and established a group in charge of wholesale, which all show its commitment in reinforcing the profit-making businesses. At the same time, the NACF leveled up its capacity in financing business as the profit-center for member cooperatives.

In 2012, the NACF shifted to a system of 'one federation, two holding companies.' The primary business objective of the Nonghyup Agribusiness Group is defined as operating agriculture and livestock related businesses efficiently and professionally in order to improve its market competitiveness and support economic activities of farmers and cooperatives. In addition, the establishment of the Nonghyup Financial Group was prescribed, to have an organization that oversees all the financing businesses. Following such change, Nonghyup Bank, Nonghyup Life Insurance and NH Property and Casualty Insurance were founded. The supportive programs for

farmers were also reinforced for better welfare services, and education on cooperative identity was highlighted as well.

The NACF first joined the International Cooperative Alliance (ICA) in November, 1963 as an associate member and later on obtained its full membership at the 25th ICA General Assembly in October, 1972. Since then, NACF has been contributing to the development of cooperatives and growth of cooperative profits around the world by actively leading international cooperative movement as a board member of ICA and global agricultural cooperative movement as the president organization of ICAO. NACF is currently supporting ICA for the successful opening of the 33rd World Cooperative Congress in Seoul. NACF has 1,188 cooperatives and 2.3 million members, now working together for the vision of "100 Years Together with Nonghyup." Under this vision a sustainable growth in agriculture and rural areas will be pursued for the next 100 years, through the retail and digital innovation.

REPUBLIC OF KOREA



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RUSSIA



RUSSIA AND THE ICA

Alexander Sobolev, Doctor of Economic Sciences, Professor, Department of Economics, Russian, University of Cooperation (Mytishchi, Moscow region, Russian Federation)

MOTIVATION FOR ATTENDING THE FIRST ICA
CONGRESSES

Representatives of the Russian cooperation, who attended the first ICA congresses, were highly interested in foreign cooperation and thoroughly learned its experience, as key types of cooperatives in Russia were originally based on the models of Rochdale, Schulze-Delitzsch and Raiffeisen. As Russian cooperatives developed, the practice itself caused their participation in the international movement, and the Russian cooperative elite (V.N. Zelgeim, V.F. Totomiant, etc.) highly evaluated ideological, ethic and practical significance of the international cooperative movement. For instance, one of the leaders of the Russian cooperation I.F. Zhrebaytyev (member of the ICA Central Committee) was personally acquainted with the leaders of French and English cooperation, and had an opportunity to learn the layout of warehouses and the way wholesale societies worked in London and Manchester, to get acquainted with activities of European societies and unions. He shared impressions with his colleagues at general meetings, made a comparative analysis of foreign and domestic cooperative movement and recommended to introduce foreign experience into practice while building cooperation in Russia.

MOTIVATION FOR ATTENDING THE FIRST ICA
CONGRESSES

The first years associated with the ICA were both productive and encouraging for the Russian cooperation, since the Alliance acted as the highest authority to discuss controversial issues of theory and practice, and as a platform to get acquainted with cooperative movement, where Russian cooperators represented by Centrosoyuz (ICA member since 1903) got practical experience.

In the first half of the 20th century the influence of Bolsheviks fighting for ideas of the world communist revolution was increasing in different bodies of the ICA. Since the mid-20th century representatives of Centrosoyuz and the Soviet bloc have played a prominent role in the activities of the ICA and in the ICA congresses, using them as a platform to influence the cooperative movements of other countries and for communist propaganda. Membership in the ICA allowed Centrosoyuz to extend contacts with cooperators from developing countries and maintain mutually beneficial international cooperation. In the 1960s-1980s Moscow Cooperative Institute provided internships to thousands of cooperators from Africa, Asia, and Latin America.

RUSSIA

The ICA has always been needed primarily in order to have its supporters in other countries. To contribute to the development of the cooperative movement and to put this interaction into practice requires both a unique cooperative spirit and the participation of as many active and educated people with a cooperative mindset as possible.





SWEDEN

Anders Lago, ICA Board Member, Chairman of HSB; Board Member at We Effect and Folksam. The cooperative movement has with its long history and strong organizations helped shape and been a vital part of the Swedish society.

In 1899, the consumer cooperative KF started and by working together, monopolies were abolished, goods cheaper and the benefit for the members was obvious. KF declared that the

cooperative's economic system aimed for a happier humanity. This goal is still valid today, even if it is now framed as: creating economic value and at the same time making it possible for members to contribute to a sustainable future for humanity and the environment. KF have changed and developed retail in Sweden, in the 1940's by introducing self-service shops, in the following decades by introducing supermarkets and being pioneers in ecological development.

In order to create better conditions and security for ordinary people and share risks, ideas concerning a mutual insurance company were raised in 1908, later resulting in the insurance company Folksam. Ethical placement of pension funds, leading research in traffic safety, collective insurance and an early adoption of sustainability criteria are just some of the ways in which Folksam have stood out.

In the early 1900's, the housing situation was bad, and Sweden was facing an acute housing shortage. Rents were increasing much faster than salaries and when the

housing cooperative HSB was founded in 1923, the situation was so bad that the municipalities had to arrange emergency housing in schools, factories and old hospitals. The aim for HSB was to create good, family friendly housing with practical and innovative solutions and reasonable costs. And to create these houses for and in cooperation with the members. HSB were pioneers in creating good housing with running hot and cold water, bathrooms, laundry rooms and modern kitchens at a time when this was considered a luxury only for a few and have helped shape the standard of housing in Sweden.

At around the same time as HSB started, in 1926, a few international actors controlled the market for petrol. Drivers then started an organization in order to make it possible to have an impact on pricing and supply of oil and petrol, making it the first organization of its kind in the world. This organization was later named OK, Oljekonsumenterna (oil consumers) and have been at the forefront with sustainable solutions in the market.

In 1940, construction unions created the housing cooperative Riksbyggen. The housing shortage was still bad, and this way the unions could build housing for ordinary citizens at the same time as creating jobs for their members. With smart and rational ways of constructing, they were soon an important player on the housing market.

The Swedish cooperative organizations and companies have a deeply rooted engagement in sustainable development, that in 1958 manifested itself in the creation of the international development organization We Effect (at this time Cooperation without borders). The motto from the start were cooperation and self-help: by organizing themselves into cooperatives, women and men living in poverty would improve their living conditions. This motto still remains, and 60 Swedish cooperative and/or customer-owned companies and movements own We Effect. We Effect works in more than 20 countries in Asia, Eastern Europe, Latin America and Africa with sustainable rural development and adequate housing.

SWITZERLAND

A COUNTRY BASED ON
COOPERATION.

**Autor: Franz Horváth, Head
Continuing Education, Swiss
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"Inauguration of the «Freidorf», a model housing cooperative for collaborators of consumer cooperatives and affiliated organisations, 1921 during the ICA congress at Basel"



In its name the Swiss Confederation recalls an oath of co-operators. The country is very much based on the mythical federation of communities partly organized as cooperatives. To stand together, in solidarity against whatever threat, is until today in use to mobilize the Swiss people.

Cooperatives reach far back in Swiss history, as Elinor Ostrom has shown in her studies about Commons. Since medieval times and until today alpine pasture and the settlement of disputes about grazing rights are partially organized in cooperatives. The Swiss association of citizen corporations, fulfilling tasks as maintaining homes for the elderly or spon-

soring cultural activities, counts still more than 1500 members.

At the beginning of the 19th century some of the pioneers of the cooperative movement got in contact with Philipp Emanuel von Fellenberg's «Hofwil». In this family estate the Bernese patrician, who was a scholar of Pestalozzi, opened a residential school. His first scholar was the then only six years old half-orphan Victor Aimé Huber. Later Robert Owen visited «Hofwil» and placed his son there. The other way around Swiss cooperative pioneers travelled abroad and learned more about what had been tried out already in the UK, in Germany and elsewhere.

THE BEGINNINGS OF MODERN COOPERATIVES IN THE 19th CENTURY

During the phase of high corn prices in 1840's self-help associations in various Swiss cantons began to procure staple food items avoiding intermediate trade. Since there was not yet a co-operative law these early organisations were established as public limited companies. Karl Bürkli, the co-founder of the consumer association in Zurich (1851), gave credit and even an activated guarantee to the association. He was inspired by French writings about bank and trade reform. He was a member of the consumer association's committee as well as its treasurer and took care of the entire operative business, from monitoring international wholesale prices to repairing a damaged stovepipe.

In the agricultural sector the tradition of pasture and alpine dairy cooperatives was enlarged by modern German cooperative ideas coming (Raiffeisen, Schulze-Delitzsch) and expanded to the plains. The agrarian crisis of the 1880's gave birth to many supply and sale cooperatives. In the 1890's cattle breeding cooperatives rose and, after the beginning of the new century, credit cooperatives (Raiffeisen).

Very quickly consumer cooperatives of larger cities began to cooperate with others in their surroundings. It took several attempts to establish the federation of Swiss consumer cooperatives. First trials to set up a union of consumer cooperatives were undertaken 1853 and 1869. 1890, the goal was finally accomplished. Three years later the organization had been remodelled as an "umbrella" cooperative. In these times and the following decennials, the federation of Swiss consumer cooperatives grew and expanded, also by the set-up of production facilities, the establishment of an insurance company, and other activities: For example, loans and support to housing cooperatives, where they could integrate their shops.

At the same time, agrarian cooperatives organized themselves in regional associations, growing to their biggest importance in the regions east of Zurich and in the canton of Berne. They opened their own grocery stores, and competed, together with consumer cooperatives, with traditional trade and commerce. The consequences were boycotts and political initiatives for a higher taxation of cooperatives. That is why, in 1898, the federation of Swiss consumer co-operatives and the association of agricultural cooperatives in eastern Switzerland, initiated a union of Swiss cooperatives.

In these times Swiss cooperatives and their leaders took actively part in the international co-operative movement. They were present at the very first ICA congress, and later even small cooperatives sent delegates to the congresses. The Federation of Swiss consumer cooperatives became an ICA member in 1897. The first congress after World War I even took place in Basel, Switzerland (1921). That was also a possibility to show to the delegates the then newly built model housing cooperative «Freidorf» in the neighbouring town of Muttens. During World War I, the federation of Swiss consumer cooperatives played an important role in supplying food in a time of shortage and high prices. It also bought soil and founded a co-operative to produce vegetables. Concurrently these times of conflict unveiled the opposing interests of consumers and producers.

NEW TENDENCIES

Trade and cooperation between agricultural and consumer cooperatives, between small economies in cities and in rural areas, and international trade between cooperative supply organisations were big issues before and after World War I. Bernhard Jaeggi, then a leading figure of Swiss consumer cooperatives, presented an extensive paper about these issues at the congress ICA 1927 in Stockholm. One of his aims was to maintain the cooperative's ability to compete with capitalist economy and public limited companies. He advocated cooperative banking, to become more independent from capitalist banks, but also an economical administration. During World War I, reorganisation and consolidation started. 1950, at the end of this process, 572 consumer associations merged into Coop Switzerland in 1970. As an irony of Swiss cooperative history Gottlieb Duttweiler, the founder of the public limited company «Migros» (1925) became the keenest competitor to cooperatives. 1941 his legacy was

to maintain the scope of his company and to give a cooperative structure to it by endowing it to its customers. The competition of several big players with cooperative roots is one of the reasons why such companies play still an essential role in Swiss retail business. In the housing sector however, a consolidation is still far away. Housing cooperatives in Switzerland occupy only a small niche of the market, but they feature a great variety of offers. Their number is growing, some of them are very traditional, some very innovative. They also transfer know-how from peer to peer in the respective ICA sectoral group. Around half of all start-ups in 2019 and 2020 were housing cooperatives. Notwithstanding the fact that the number of registered cooperatives is not growing extensively, cooperative thinking in Switzerland is very much alive. Some highly innovative new cooperatives show this impressively, for example «Mobility» - the largest car sharing company in Switzerland, and a pioneer in the technology field.

SWITZERLAND

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THE NETHERLANDS



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PAST, PRESENT AND FUTURE OF RABOBANK

By Dr. J.M. Hans Groeneveld, Director
International Cooperative Affairs, The
Cooperative Rabobank

Rabobank emerged from small credit unions founded by farmers and horticulturists starting at the end of the 19th century in the Netherlands. The common thread since its inception is to offer financial solutions for economic needs and to realise social objectives. In practice, Rabobank has frequently reoriented its strategy, business model and governance structure in anticipation of or in response to shifting trends in society, technology, competition, banking regulation and supervision, etcetera.



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COLLABORATION
IN RURAL AREAS

Dutch farmers and horticulturists wanted to modernize but had difficulty getting credit. They solved this problem by founding credit cooperatives. The idea for such cooperatives was developed by the German rural mayor Friedrich Wilhelm Raiffeisen. The local cooperative banks (LCBs) became a great success. The farmers could borrow money for a reasonable interest rate, and production and yields increased thanks to their investments. It was all possible due to the savings of farmers who were well off. Other citizens also benefitted. Many brought their savings to the farmers' lending banks and received a good interest rate.

After the foundation of the first LCBs in the years 1895-1897, two central organisations were created in 1898. During the next decades, LCBs of both co-operative banking groups, i.e. Raiffeisenbanken and Farmers' banks (Boerenleenbanken), spread rapidly throughout The Netherlands. Members of the LCBs decided to reserve the largest part of the realised annual surplus, while a modest part was reinvested in local societies. This capitalisation and reinvestment policy has been pursued ever since and has been recorded in all subsequent articles of association. Each LCB initially applied the principle of solidarity between its members. Since the 1960s, LBs also serve non-members.

FROM A FARMERS' LENDING BANK TO
A BANK FOR EVERYONE

Starting in the 1950s, the farmers' lending banks also started welcoming non-agricultural entrepreneurs and private individuals. Meanwhile, there were some 1,300 LCBs. They evolved into general financial services providers, no longer only for savings and agricultural credit. Clients could turn to the banks for a loan, but also for home mortgages, business financing, payment services and insurance. In the meantime, automation enabled new forms of payment, such as bank transfers, acceptance giro's and checks.

The client base also increased enormously. The LCBs opened more and more branches in large cities and new residential areas. Everyone had a Rabobank branch somewhere close by. This is the name that has been etched on building facades since 1972, when the two central banks merged into Rabobank Nederland. All LCBs remained independent cooperatives, firmly rooted in their communities. Rabobank Nederland itself was also set up as a cooperative, with all LCBs as members.

A WORLDWIDE
"FINANCIAL WAREHOUSE"

The Dutch business community continued to grow rapidly in the 1970s and 1980s; and so did Rabobank's service provision to businesses. It became the principal banker of many large organizations. There were subsidiaries and participations for specific services, such as Interpolis (insurance), De Lage Landen (leasing) and Robeco (asset management). Gradually, the Rabobank Group turned into a "financial warehouse" with a complete service portfolio.

Starting in the early 1980s, Rabobank expanded across the border. It opened branches in Frankfurt and New York. And acquired retail banks in rural areas worldwide, including in Australia, the USA (California), Brazil and Chile. At its height (in 2006), Rabobank had branches in 42 countries. This is how Rabobank evolved from a purely Dutch bank into an international financial services provider, with a focus on the food and agriculture sector.

MORE OPPORTUNITIES,
MORE FOCUS

Technological developments changed the way our clients pay and do their banking. The debit card and ATM were the first to appear, followed by the payment terminal and making purchases with your debit card in stores. Then at the end of the 1990s, Internet banking made its appearance. Rabobank was one of the first banks that made products and services available through online channels. This caused the number of Rabobank branches to decrease from around the year 2000. Clients could now do more and more of their banking transactions themselves online. They had their bank close at hand day and night in the form of the Rabo Banking App.

ONE RABOBANK,
ONE COOPERATIVE

In 2020, Rabobank had about 7.3 million clients in the Netherlands, of which 2 million were members. They could provide input on policy through the Member Councils, befitting a LCB that has strong ties with the local communities. In the meantime, the LCBs were no longer independent cooperatives; Rabobank became one cooperative in 2016. The bank said good-bye to some independent divisions, while others, like Schretlen & Co and FGH Bank, joined Rabobank.

CURRENT MISSION
AND VISION

Being a co-operative, profit maximisation has never been our overriding purpose, but profits are necessary for meeting capital requirements, continuity and the pursuit of our social goals. Rabobank stays faithful to the 'dual-bottom line' approach. Through its 'Banking for The Netherlands' and 'Banking for Food', Rabobank commits itself to achieving progress in society and in the Sustainable Development Goals defined by the United Nations. 'Banking for The Netherlands' is closely linked with our social agenda which was formulated in co-operation with our member representatives. In accordance with its Dutch roots, the international strategy centres around 'Banking for Food'. Rabobank intends to contribute to resolving the food issue worldwide in view of the predicted increase in world population, formulated in our mission: "Growing a better world together".

CONCLUDING
CONSIDERATIONS

The co-operative organisational form has great merits. As a core feature of the co-operative governance, membership has always led to divergent internal dynamics and a different – strategic – orientation compared to other major financial institutions. Rabobank is indisputably different and has a 'presence value' in Dutch society and banking. Local autonomy of LCBs and active participation of our employees in local networks and communities are cherished as distinguishing characteristics of our co-operative bank. There is a distinctive place for a co-operative customer-oriented bank that provides relevant knowledge, networks and financial solutions nearby.



UK

**THE UK CO-OPERATIVE
MOVEMENT IN THE
NINETEENTH CENTURY.**
Gillian Lonergan.



Bournemouth Congress (1963). Courtesy: Co-operative Heritage Trust

In the UK, the number of co-operative societies increased dramatically during the nineteenth century. It was estimated that there were around 350 co-operatives in the 1830s, by the 1890s, that number was approaching 1,400 with 1 million members.

The majority of these were consumer co-operatives but there were producer co-operatives in a wide range of manufacturing sectors. In 1893 Benjamin Jones – who had known several of the Rochdale Pioneers as a young man and later formally opened the Rochdale Pioneers Museum – travelled round the UK finding out about the productive societies,

their history and how they operated. His book *Co-operative Production* is a fascinating read. With the industrial revolution, more people were moving into towns and cities and they needed a supply of good quality unadulterated food at reasonable prices and using fair weights and measures. Working people in the first half of the nineteenth century did not have much control over their lives, as members of a co-operative, they could work towards improving their communities and living conditions. These factors helped to ensure the success of the consumer co-operative model.

Consumer co-operatives started to work together, sometimes informally, sometimes in formal arrangements, building a bakery or dairy to serve two or three local societies for example. In 1869, the Co-operative Union, the national co-operative federation was formed at the first of the annual UK Co-operative Congresses. The Co-operative Union helped co-operative societies with information and advice and brought them together in regular meetings so they could learn from and support each other.

Where a society had a problem, the Co-operative Union would offer help remotely, or would send a member of staff or ask someone from another society who had overcome a similar problem to visit and assist.

The Rochdale Pioneers had developed their original rulebook during 1844 though several of the Pioneers themselves had years of experience, they read widely and talked with other cooperators. Some of them had been involved in earlier co-operatives and other membership based organisations and they used the rulebook of a friendly society in Manchester as an example.

The strength of what quickly became known as the Rochdale Method was the way they put together the ideas they had gathered – using things that they knew or hoped would work and avoiding things that they knew might cause problems. For example, the co-operative society set up in Rochdale in the 1830s allowed credit to its members and quickly ran into difficulties.

Some of the 28 Rochdale Pioneers had been involved in that earlier society and had lost money when it failed. Probably as a result of this experience, the Rochdale Pioneers Society did not give or take credit – everything was cash only.

The rulebook was originally intended to be just for the Rochdale Pioneers society – they did not know that what they did would very soon be copied by others.

For me, the reason that the Rochdale Method became widely adopted was its simplicity and clarity. Any group of people could pick up and use the Rochdale Pioneers' Society rulebook to form their own co-operative. Earlier societies tended to be built around a particular group of people in a particular place, the Rochdale Pioneers always intended their society to recruit new members and to grow over time. One of the publications that they had and used is now in the National Co-operative Archive in Manchester, it is a periodical *The Co-operator*, written by Dr William King from 1828 to 1830. Dr King's approach was that people could achieve anything that they wanted to achieve if they worked together. He suggested that a co-operative should start small, become established and use the profits to extend into other areas. The first rule in the Rochdale Pioneers rulebook, Law First, gives the aims, starting with a shop, adding housing, manufacturing and finally building towards operating production, distribution, education and government through co-operation. The Rochdale Pioneers recognised that the world would be a better place if everything was run co-operatively, an idea that came to be known as the Co-operative Commonwealth.

The use of the Rochdale Method was not, of course, compulsory. It was up to the members of new societies to decide if that method was right for them. However, if a society was operating on the Rochdale Method, it did make it quicker and easier to have the society's registration approved by the Registrar of Friendly Societies who had to decide whether a new society was really a co-operative.

What became known as the Rochdale Principles were not set out until 1860. The Pioneers and their story had become well known and the Pioneers kept being asked for advice for people setting up their own societies. The Pioneers published an annual *Almanac*, a calendar for members, and in 1860 they included an article giving advice to people setting up a society. The items included there were taken up and started to be called the Rochdale Principles.

According to Martin Purvis's PhD thesis on the geographic spread of co-operation, the ideas seemed to move out from Rochdale probably as people moved to find work, steadily at first, then gaining momentum. This model of co-operation – the Rochdale Method as it was known – was replicated in many places. Copies of the Rochdale rule book were being sent to anyone who requested one and in the early 1860s, the Rochdale Pioneers published a version specifically designed to be used as "Model Rules". The fact that so many societies were using the same model was important in helping them to understand each other and to work together.

Following the formation of the Co-operative Union, it published model rules for consumer cooperatives based on the Rochdale Pioneers' rulebook. In the 1880s, Horace Plunkett working in Ireland with dairy co-operatives adapted the consumer co-operative model rules as the basis for model rules for agricultural co-operatives.

The Co-operative Wholesale Society is an interesting example of collaboration between cooperatives, it was up to each co-operative society and its members to decide whether to become members of the CWS. John Wilson, Anthony Webster and Rachael Vorberg-Rugh in *Building Co-operation: A Business History of the Co-operative Group 1863-2013* show how varied this involvement could be. Some societies chose not to become members, some joined and bought as much as they could through the CWS and others became members but only purchased a limited number of items from the CWS, preferring to buy other goods somewhere else. In the same way, some co-operative societies decided to become members of the Cooperative Union and some did not. When the Co-operative Union was compiling directories of co-operative societies and co-operative statistics, it included non-members as well as members, recognising the importance of co-operative societies having that choice. There were sometimes tensions between the different sectors in the UK. At the same time as the consumer co-operatives were developing, productive societies were being formed.

The Rochdale Society of Equitable Pioneers and the Share certification. Page 6, ICA During War and Peace 1910-1950 by Rita Rhodes. Published in 1995 for the ICA



It was expensive to set up factories and the workers were often lacking the necessary capital. Consumer co-operative members put savings into their co-operatives as they did not have access to banks, leading to the societies having funds to invest in productive co-operatives. This support for productive societies helped to provide good employment and high quality products to sell.

There were many discussions over the years about what was known as Bonus to Labour – a share of the profits going to the workers. This was (of course) normal in productive societies but there were debates about whether it should also apply to workers in consumer cooperatives, mainly to those who worked in the factories owned by the Co-operative Wholesale Society and the Scottish Co-operative Wholesale Society but also to workers in the shops. Some co-operatives paid a Bonus to Labour, but the majority of the consumer movement decided that the distribution of profits should remain with the consumer members, the subject was debated many times over the years.

While the co-operative sectors are different and did not always understand each other, the need for co-operation between co-operatives and the fact that they can learn a great deal from each other have been recognised for a very long time.

Co-operators have always been interested in what is going on in other countries as well as different parts of their own countries. In 1862, the Rochdale Pioneers bought a visitors book to record these visits, many from outside the UK. The volume is now in the Rochdale Pioneers Museum and reading it shows that during 1862 and 1863 visitors came from Bavaria, Spain, Ireland, Germany, Russia, France and USA. The Rochdale Pioneers encouraged these visits, knowing that they would be learning as well as giving out information to the visitors.

Co-operators came together at congresses which were held in different countries. For example, in the UK, a Co-operative Congress was held in 1869 which led to the formation of the Co-operative Union, the national federation of co-operatives. When the 1869 Congress was being organised, invitations went to co-operatives in France, Germany and other countries to send delegates who would participate in the discussions and also give a report on co-operation in their own country to the Congress. Similarly, UK representatives were invited to congresses in other countries.

An early international conference was held in 1889, when the French co-operative movement held a congress in Paris that was attended by representatives from ten other countries – England, Denmark, Switzerland, Norway, Italy, Belgium, United States, Mexico, Brazil and the Republics of South America.

The idea of extending the idea of 'fraternal delegates' to having a truly international congress was taking root. In 1890, a paper by Mr Nash was published in the UK suggesting the formation of an International Co-operative Union and an international co-operative journal. It was translated into French, German and Italian and distributed widely. The work took another five years, with several preliminary international meetings before the first International Cooperative Congress was held. One delay was sadly caused by the death of Edward Vansittart Neale, the long standing head of the Co-operative Union and one of the major promoters of the international congress. In August 1895, everything was finally in place and the delegates spent five days at

the Congress at the Society of Arts in London, the venue of the 1869 Congress of the UK co-operative movement.

The 1895 Congress was attended by delegates from America, Austro-Hungary, Belgium, Denmark, Flanders, France, Germany, Holland, India, Ireland, Italy, Romania, Serbia, Scotland and Switzerland. The number of languages used was a bit of a difficulty, with delegates translating for each other. One of the decisions of the Congress was that there should be discussions about establishing on a core group of languages for future congresses.

Reading the Co-operative News reports of the Congress gives a real feel for how exciting it was for those who attended. The first time the delegates could get together was at the home of Edward Owen Greening, one of the major promoters of the Congress. Nobody ever knew how many delegates were at the meeting because they were too busy talking for anyone to take notes.

By the 1930s, of course, the business world had changed and the ICA carried out a review of the Rochdale Principles, looking at which parts of the original guidance for new societies were still relevant and which were relevant to a wide range of co-operative sectors and how they were used in practice across the world. Following that review, the principles started to be called Co-operative Principles. The review was repeated in the 1960s and 1990s and the materials produced from each review give a fascinating view of the international co-operative movement and how it has developed.

Co-operators today are just as interested in what is happening in other countries as they were 125 years ago at the first International Co-operative Alliance Congress and I am sure they will still be as interested in another 125 years.



Records of the Rural Electrification Administration, Record Group 221;
National Archives at College Park, MD.



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UNITED STATES COOPERATIVES AND THE ICA

Ann Hoyt, Ombuds and Emeritus Professor University
of Wisconsin-Madison



It should be no surprise that United States cooperatives have supported ICA from its very beginning. They were represented by three delegates and five visitors at the August 1895 International Cooperative Congress in London and an American served on the ICA's first Central Committee. Since then distinguished Americans cooperators have been "at the ICA table" as delegates and members of the ICA Central Committee and its Board of Directors. Today as ICA celebrates 125 years of dedicated support of cooperatives throughout the world, we may ask what led to this strong US-ICA connection.

By the end of the 19th century many American cooperators had traveled to Europe to learn about its cooperatives in agriculture, banking, and consumer goods and services. They established international trade connections and were deeply committed to the establishment of commercial enterprises based on mutual self-help, democratic control and economic and social justice. They saw the value of developing a strong international voice and custodian for these values.

ICA is the organization that provides the platform for the world's cooperatives to discuss the common and fundamental core of our identity, our current value and how our principles can and should be adapted over time. Today there are literally tens of thousands of American cooperatives whose businesses are based on the Cooperative Principles and Values as protected and supported throughout the world by the ICA.

The vast and measurable accomplishments of ICA in supporting cooperative international trade economic development, education and women's and workers' rights in an ever increasing variety of industries have been crucial to the US support of ICA. At the same time, it is important to recognize an enduring belief that has motivated that support.

In 1913 the Glasgow ICA Congress, delegates feared a coming war in Europe and passed a resolution recognizing the role cooperatives and cooperators had in preventing it. Shortly before the end of World War 1 in 1918, American cooperatives held their first national congress. Dr. James Warbasse, founder of the Cooperative League of the USA (later the National Cooperative Business Association), encouraged delegates to read the 1913 Glasgow Resolution and realize, "how sincere and how practical a force for world harmony is Cooperation. It embraces two absolutely essential elements: control of trade as an economic force and the ideal of human brotherhood as a moral force."

Year after year since then American cooperatives, their leaders and their members have believed as stated in the 2006 ICA Declaration that cooperatives "...promote the cause of Peace and sustainable human development and promote social and economic progress of people through the model of cooperative enterprise that will contribute to peace...." On behalf of their millions of members the US Delegation to the ICA General Assembly in Kigali last year, the United States delegates enthusiastically supported the Declaration on Positive Peace Through Cooperatives. Beyond all the other advantages of the 125 year partnership between American cooperatives and the ICA, the opportunity to collaborate through ICA with the worlds' cooperatives to pursue activities that foster positive peace has been its most enduring value and is its most positive future.

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03

MILESTONES

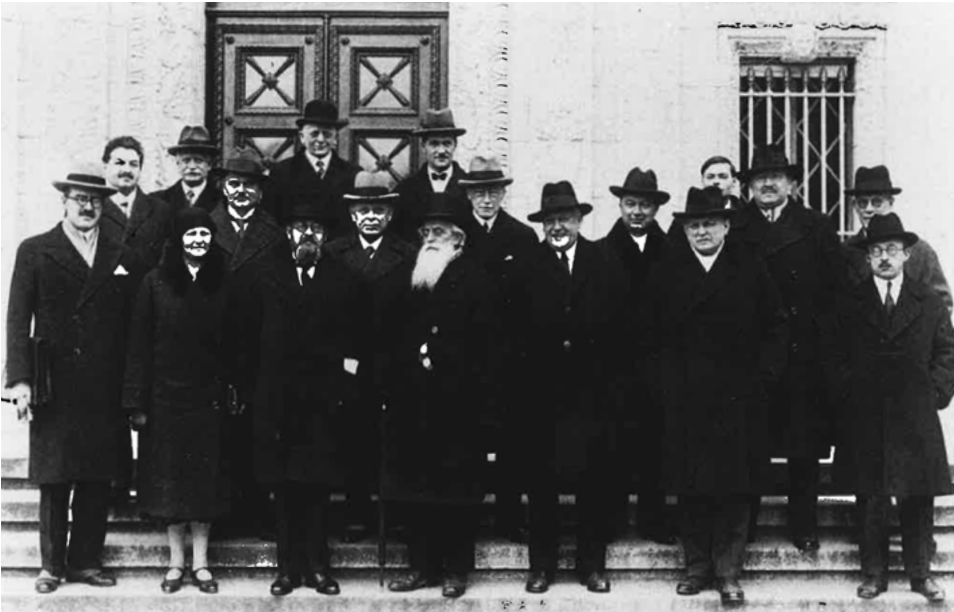
IN REFORMULATING OUR IDENTITY

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The table below shows an important constancy in the evolution of the cooperative principles since 1844, and the fact that, in their four successive phases, they have moved towards more completeness.

Indeed, except for the concept of “cash trading” which was deleted from the list of principles in 1966 in keeping with the world’s monetary evolution, the suspension of any consideration of neutrality or autonomy between 1966 and 1995, and the hesitations regarding openness and voluntarism in membership, we observe a constant and steady improvement in the formulation and in the scope of the principles.

International Committee of inter-cooperative relations presided by Albert Thomas first DG of the ILO. Courtesy: ICA Domus Trust Library, New Delhi (India)



“I am distressed to see you so restrained, so modest and so prudent. With your 70 million co-operators to the ICA you represent a force and influence which justify you in speaking with no uncertain voice - whether it concerns the economic crisis or the struggle for peace and disarmament.”

Albert Thomas, the long standing member of the ICA Central Committee and the First Director of the International Labour Organization said this to the ICA in 1931.

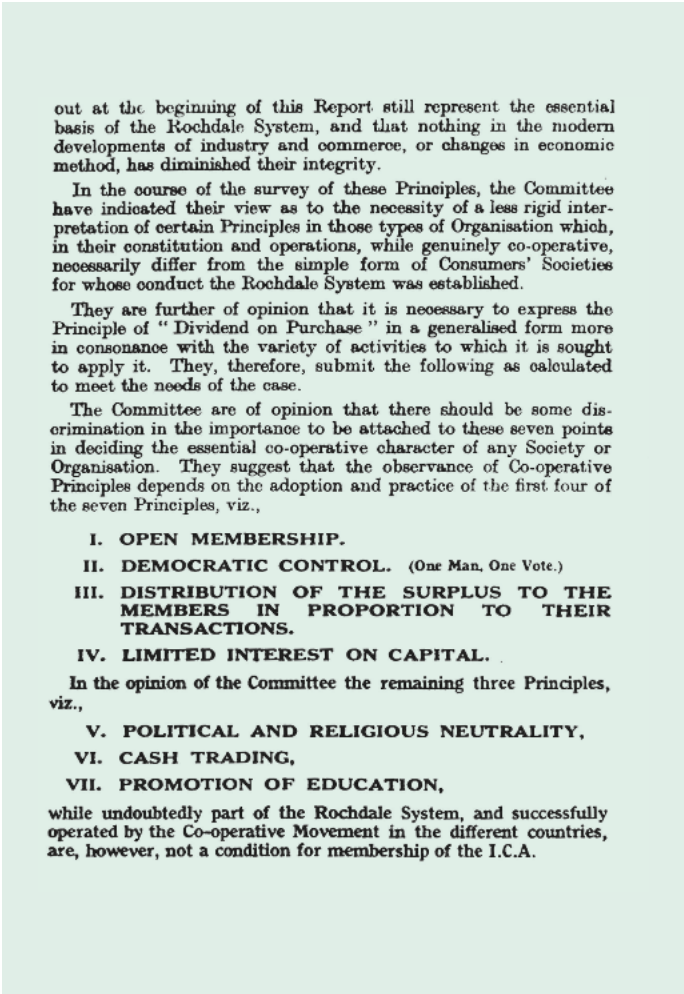
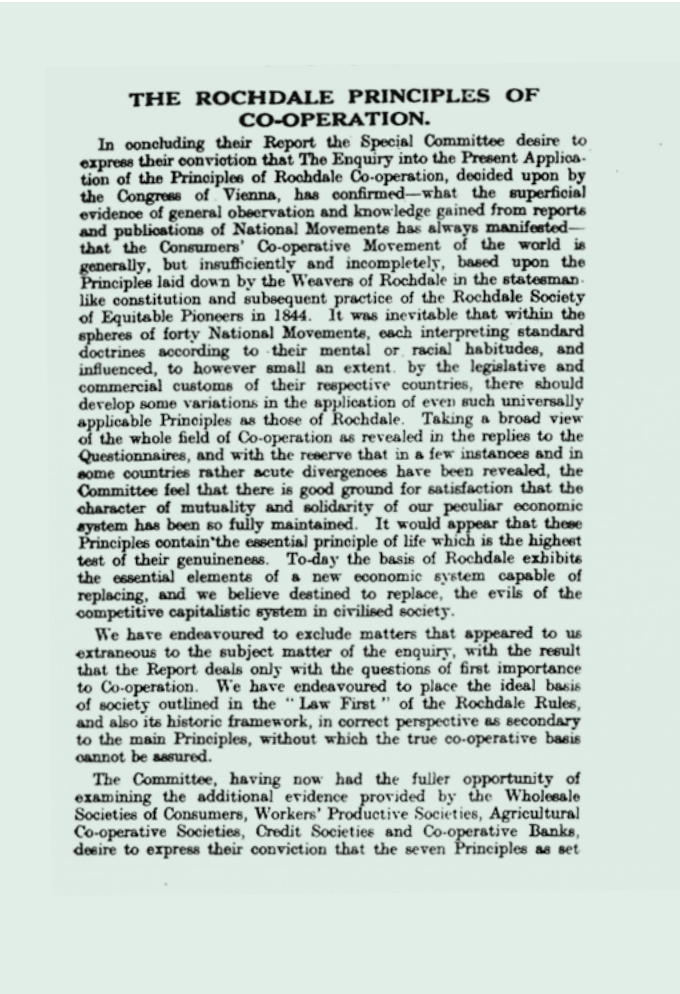
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The Evolution of the cooperative principles

	PRACTICES [1844, 1845 AND 1854]	4 MANDATORY PRINCIPLES AND 3 NON MANDATORY ONES IN 1937	6 PRINCIPLES IN 1966	7 PRINCIPLES IN 1995
1	Open Membership	Open Membership	Voluntary membership	Voluntary & open membership
2	Open Membership	Open Membership	Democracy	Democratic member control
3	Distribution of Surplus in proportion to trade	Dividend paid according to business done	Limited interest on share capital	Member economic participation (limited interest on capital, distribution of surplus, contribution to capital, common property of capital)
4	Payment of limited interest on capital	Limited interest on capital	Distribution of surplus [included in voluntary membership]	Autonomy and Independence
5	Political and religious neutrality	Political and religious neutrality	Provision for education	Education, training and information
6	Cash trading	Cash trading	Cooperation among cooperatives	Cooperation among cooperatives
7	Promotion of education	Promotion of education		Concern for Community

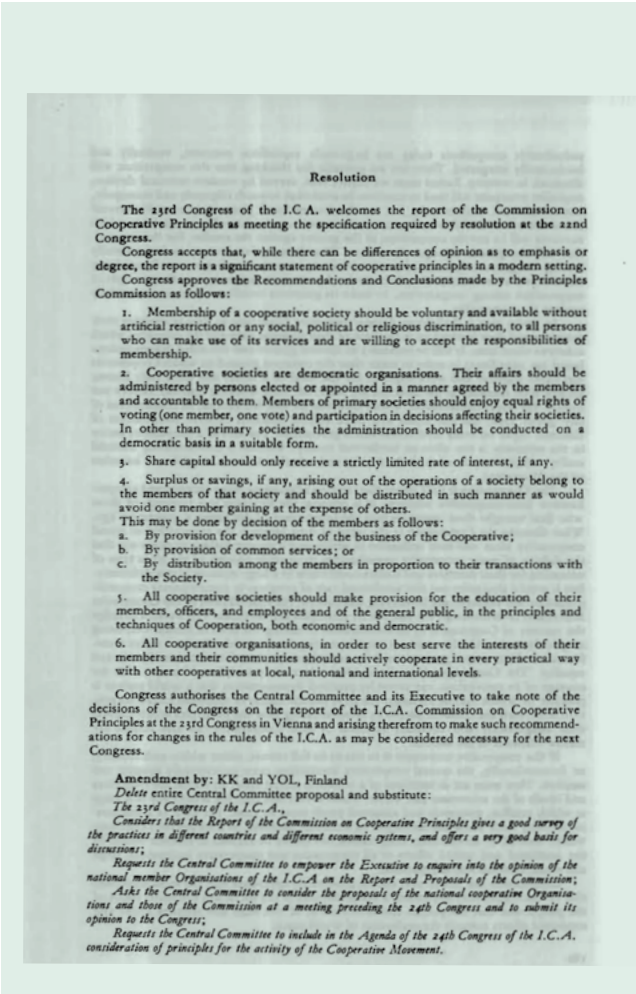
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1937 Congress

The 15th Congress in Paris in 1937 discussed a detailed report on the application of the Rochdale Principles as well as the principle of neutrality of cooperatives in politics and religion. It also reflected on the ‘works of solidarity and of education’ where the ICA, noted the importance of indivisible collective reserves which according to the view of Philippe Buchez and Friedrich Wilhelm Raiffeisen constituted a collective heritage and guarantees the continuity of cooperatives from one generation to another (Report of the 15th World Cooperative Congress).



1966 Congress

The 23rd Congress in Vienna in 1966 witnessed the participation of 528 delegates and approved the recommendations and conclusions of the Principles Commission comprised of members from the UK, USSR, India, USA, and Germany, which elaborated on the following key aspects of the cooperative business model – Voluntary membership; democratic management by members, limited returns on capital; surplus and savings; education; promotion of best interests of members at local, national and international levels. The Congress discussed the strengthening relationship of the ICA with the United Nations.





“Co-operative News coverage of the ICA World Cooperative Congress in 1995 in Manchester. Courtesy of Co-operative Press”.

1995 Congress

The Tokyo Congress, 1992 and the Manchester “Centennial” Congress, 1995 marked decisive moments in the history of cooperatives because of the resolutions adopted on integrating sustainable development within the nature of cooperatives represented by the ICA.

The 1992 Congress discussed the subject of the Environment and Sustainable Development while taking serious note for concrete actions to safeguard the planet against environmental problems such as extinction of species, industrial pollution, slash and burn techniques, droughts, deforestation, among others. Following the theme of the 1988 Hamburg Congress, the 1992 Tokyo Congress received a report titled “Co-operative Values in a Changing World” which was presented by Sven Åke Böök of Sweden.

The Congress, based on its experiences of recent decades and with respect to the possibility of more ambitious revision, recommended two types of principles – The basic cooperative principles which are based on basic values to capture explicitly the universal essence of cooperation and are eternally placed, and second, the basic cooperative practices (or Rules) which should be related to different sectors and should concretely express the essential practice and rules for cooperative activity.

It also discussed the possibility of an International Year of Cooperatives to mark the centenary of the ICA in 1995. The 1995 Congress in Manchester received a clear statement of Cooperative Identity which was presented by Prof. Ian Macpherson of the University of Victoria (Canada). While the statement reflected the traditions, activities and ideology of the first hundred years of the ICA, it was intended to assist the ICA as the second century of international cooperation began.

05

Martin Lowery

THOUGHTS ON THE COOPERATIVE IDENTITY AND THE FUTURE

Martin Lowery, Chair of the ICA Cooperative Identity Committee; Honorary Vice President of the National Rural Electrification Cooperative Association (NRECA) of the United States.

It is remarkable that any organization can survive and thrive for a century or more. Most do not. The ICA has reached its 125th anniversary and remains vital and robust thanks to the dedication of innumerable cooperative leaders around the globe.

To recall the history of the ICA from 1895 forward is to think, first and foremost, of survival through two World Wars and the peace processes that followed. It is also to think about the enormous progress on human rights and equality of opportunity for all human beings that has, with great immediacy, continuously driven toward social justice. The ICA has represented an important voice and call to action throughout, and the Statement on the Cooperative Identity,

as adopted by the ICA General Assembly in Manchester, UK twenty-five years ago, is the bridge between our proud cooperative past and the great hopes we have for our cooperative future.

Each of us as a person has a unique identity. This is also true of cooperative enterprise as a whole. Our cooperative identity does two things — it differentiates cooperatives from every other type of institution and simultaneously shows our global commonality. The Statement on the Cooperative Identity presents a comprehensive view of what it means to be a cooperative enterprise — the definition of a cooperative, the cooperative values and the cooperative principles.



OUR COOPERATIVE VALUES

The cooperative values — self-help, self-responsibility, democracy, equality, equity and solidarity — inspire the principles. The cooperative values are unique to cooperatives and should be celebrated as such. No other institution is likely to emulate these values. We can and must use these values as the basis of our promotion, defense and advocacy for cooperative enterprise.

It is also important to note that the cooperative values are accompanied by four ethical values — honesty, openness, social responsibility and caring for others. It can be argued that all organizations and institutions should conduct themselves in accordance with these ethical values. Yet we know from countless examples over the years that this is not the case. For cooperatives, this is a non-negotiable point — if you violate those ethical values, the membership will demand change.

OUR COOPERATIVE PRINCIPLES

The cooperative principles, derived from the values, are the “operating system” for all cooperatives. The late Professor Ian MacPherson referred to the principles as “the way in which co-operators and cooperatives try to put their values into action.”

Principles 1-4 — Voluntary and Open Membership, Democratic Member Control, Member Economic Participation and Autonomy and Independence — are the unique institutional principles that other types of organizations cannot claim and would not necessarily wish to claim. They represent the non-negotiable components of a cooperative structure.

The remaining principles are unique to our collective vision for how all cooperatives should see their broader outreach responsibilities.

Cooperatives have been brilliant in their individual and collective commitment to the 5th Principle — Education, Training and Information. Constant examples come forward, sometimes daily, of educational curricula, specific training programs for trustees, managers and employees and informational videos and print materials for cooperative members. This is happening all over the globe and bodes well for our collective future.

The 6th Principle- Cooperation Among Cooperatives - is perhaps the single most important focus for our future. Our global relationships remain fundamental to our success as cooperatives. This has always been the case, but it is so critically important today. From global supply chain management to shared ideas among cultural cooperatives, global cooperation is essential.

The addition of a 7th cooperative principle has been of major importance to the cooperative movement. The idea of concern for community was accepted as implicit in the 6th principle. The additional principle brings a higher level of visibility to cooperatives as local agents for improving the quality of life in the communities they serve and adds a great deal to the full story of coop-

erative impact. To quote an oft-used phrase, we must think globally and act locally. This is especially true in the commitment of cooperatives around the world to achieving the Sustainable Development Goals (SDGs) by 2030.

Professor MacPherson, a major contributor to the Statement on the Cooperative Identity, felt strongly that the definition of a cooperative and the articulation of the cooperative values are relatively unchangeable, but the principles should always reflect changes in society and the environment. In other words, the principles are not, nor were they meant to be, sacrosanct.

The challenges that we face today are in so many ways in need of new, innovative thinking. It is appropriate to ask, 25 years after the adoption of the Statement on the Cooperative Identity by the General Assembly in Manchester on the occasion of the 100th anniversary of the ICA, whether the principles are sufficient to address the state of the globe in 2020. Some would say they are not.

Among the concerns expressed are that the principles do not fully address the environmental issues associated with climate change, the growing income and wealth inequalities worldwide and the absence of access to services and quality of life for so many people. As these and other concerns are voiced, we should not only consider additional principles but also modifications to the language of the existing principles.



SUSTAINABILITY AND OUR COOPERATIVE FUTURE

The global COVID-19 pandemic has tested every institution around the world, and cooperatives are no exception. Cooperative responses to the pandemic have been exceptional — the establishment of new supply chains for personal protective equipment, the provision of emergency food and medicines and even special insurance coverage for caregivers. In so many sectors of the economy — food, housing, health care, utilities and financial services, for example — cooperatives are responding with innovative ideas and imagination.

Having the sole mission and purpose of serving their members facilitates such cooperative innovation and entrepreneurship in the unique circumstance of the pandemic. The same cooperative purpose ensures a strong commitment to a sustainable future for all.

Former Norwegian Prime Minister Gro Harlem Brundtland defined “sustainability” as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” In her keynote address to the ICA 2017 Global Conference in Kuala Lumpur, Malaysia, she brought attention to the role of cooperatives in the elimination of poverty, environmental protection, equal access to goods and services and food security. “Working with and for society,” she noted, “cooperatives can help fulfill the vision of sustainable development we launched three decades ago.” Our responsibility to future generations is without question the inspiration for cooperative growth and development in the coming decade, and cooperatives have an important role to play in achieving the SDGs by 2030.

The UN Development Programme makes the point that the SDGs are interrelated to one another, that “action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.” This is exactly the “triple bottom line” of cooperatives — balancing social, economic and environmental outcomes. Among the interrelated SDGs are the goals of gender equality, reduced inequalities and decent work, and there is am-

ple evidence that cooperatives as contributors to local economies enhance the likelihood that equity, inclusion and respect for the diversity of human beings is fully achieved in the workplace and society as a whole.

The goals of clean energy and climate change are uniquely interrelated, and both traditional and new energy cooperatives around the world are developing innovative approaches to an affordable and environmentally friendly energy future.

The goal of responsible consumption and production fits precisely with the values that cooperatives practice around the world everyday.

The elusive goal of peace, justice and strong institutions is perhaps the subject area in which cooperatives can make the greatest overall contribution. Throughout its history, the ICA has focused specific attention on peace and justice. As recently as October 2019, the ICA General Assembly approved a Declaration on Positive Peace through Cooperatives that includes the following statement:

The cooperative movement cooperates to find equitable and just ways to solve problems in a sustainable and democratic manner, thus contributing to prevent violence and hatred. Education of all members to participate fully, voluntarily and respectfully in their cooperatives and communities is an essential part of a culture of peace. Cooperatives are an active part of a culture of and for peace.

The ICA has a clear and essential role in promoting, defending and advocating for cooperative enterprise. With its global reach, the reputation and performance of the ICA is absolutely critical to the expansion of the cooperative idea to meet the enormous challenges the world faces today.



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Acknowledgements



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UNDERSTANDING OUR HISTORY **TO BUILD A STRONGER FUTURE**

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