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ICA News, ISSUE Number three, 1995

Editor: Mary Treacy

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ICA Centennial Congress

ICA Centennial Congress

ICA Board Prepares for Centennial Congress

At its meeting in Sao Paulo on 18-20 April, the ICA Board spent considerable time reviewing and amending the final draft of the Co-operative Identity Statement and Declaration, whose preparation has been coordinated by Dr. Ian MacPherson of Canada.

The final documentation-consisting of a Resolution from the Board, the Identity Statement, an accompanying Background Paper, and a Co-operative Declaration Towards the 21st Century-will be presented to the ICA Centennial Congress and General Assembly in Manchester in September.

As part of its regular review of ICA's finances, the Board expressed concern over those members who have failed to pay their subscription by the end of March, as stipulated in the Rules. It was decided, therefore, that member organisations which have still not paid their fees by the end of May will not be allowed to attend the Manchester Congress and General Assembly, unless special leniency has been granted.

The Board also noted that, due to possible space limitations at the Congress, it may be necessary to enforce the Rule which stipulates that the number of observers sent by member organisations should not exceed the number of representatives to which they are entitled.

Deadlines for the ICA Centennial Congress

During the General Assembly, elections will be held to fill vacancies on the Board and Audit/Control Committee. To date the following persons have either resigned or announced their intention to resign in Manchester:

- Lars Marcus - Sweden - President
- Mitsugu Horiuchi - Japan - Vice-President
- Momodou Dibba - Gambia - Vice-President
- Leroy Larsen - Canada - Board Member
- Frank Dahrendorf - Germany - Audit/Control Committee

In accordance with the ICA Rules, nominations for Vice-President are made by the respective Regional Assemblies. Other vacancies are to be filled by nominations from member organisations, which should reach the ICA Director-General by 22 June.

Member organisations wishing to submit Resolutions to the General Assembly should do so before 22 August.

Documentation for the Congress and General Assembly will be sent by 22 July to all participants who have registered before the deadline of 31 May.

What's on in Manchester?

10 - 23 September 1995
Co-operative Journalists and Communications Managers Workshop

The ICACC will organise a second workshop for young journalists immediately prior to and during the ICA meetings. The first part of the workshop will

be held in Loughborough and the second part in Manchester, during which participants will assist the ICACC to produce a Congress News Bulletin. Participants will exchange experiences and learn to apply new technology and methodology, while brushing up their basic journalistic skills. Workshops on Desk Top Publishing and the use of E-mail and the Internet will be included in the Curriculum.

Contact: Laura Wilcox

Tel: (41 22) 929 88 28 Fax: *

16 September 1995

Symposium on the International Joint Project on Co-operative Democracy

Delegates to this Symposium will discuss the Report from the International Joint Project which will be presented to the General Assembly on 20 September. Participants can choose two workshops from five on Expanding Members Participation, the Relationship between Members and Management, Innovation of Organisational Structure, Expanding the Relationship with Employee Participation and Economic and Social Responsibility. Transportation and Symposium Costs will be borne by the Project organisation.

Contact: Iain Macdonald, Membership Development Office, Scottish Co-op, 95 Morrison Street, Glasgow G5 8LP, United Kingdom.

17 September 1995

Communications Seminar and Open Forum

The Seminar entitled " Media the Message and the New Millennium" will discuss the Communications Superhighway and how it can be used to spread the Co-operative Message.

Contact: Mary Treacy, ICA

Tel: (41 22) 929 88 23 Fax: *

18 September 1995

International Co-operative Health and Social Care Forum

This Forum aims to facilitate the exchange of experience and promote international co-operation. It will present different co-operative social care models and define the best forms of national, regional and international co-operation and analyse the feasibility of a new specialised body.

Contact: Arsenio Invernizzi

Tel: (41 22) 929 88 33 Fax: *

18 - 22 September 1995

Third International Co-operative Youth Seminar

Young People, Co-operation and the Media will encourage the sharing and exchange of experiences on co-operative involvement through a programme of workshops, study sessions, discussion and visits.

Contact: Melvyn Wilson, UK Co-op College

Tel: (44 1509) 852 333

Fax: (44 1509) 856 500

19 September 1995 - 10:00 - 12:30

INCOTEC Plenary Session

Participants will discuss a paper proposing a new global HRD framework.

19 September 1995 - 14:00 - 17:30

INCOTEC Workshop

Networking as a Tool for Strengthening HRD in Co-ops

Participants will learn about experiences of HRD networks in Africa, Asia and Latin America, and will discuss the promise and problems of networking. The discussion will seek to relate to the proposed new global HRD

structure.

Contacts: Jan-Eirik Imbsen

Tel: (41 22) 929 88 17 Fax: *

Yehudah Paz, Fax: (972 9) 421 868

* (4122) 798 41 22

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News from the Regions

*****NEWS FROM THE REGIONS*****

EUROPE

Progress Report on ICA European Region

ICA's recently elected European Council met for the first time in Strasbourg, France on 31 March. There was full participation which enabled a thorough discussion of the following issues:

The work programme of ICA Europe, the implementation of the project approved by DG XXIII of the European Commission for funding selected activities, the preparation of the Memorandum of Understanding to be signed between ICA Europe and CCACC (the Coordinating Committee of the sectoral associations in Brussels), the revision of the Rules for ICA Europe, the application to the Council of Europe for Consultative Status, the agreement with Co-op Network as well as the European contribution to the Centennial Congress.

At the invitation of Centrosoyuz of Russia the next meeting will be held on 11 July in St. Petersburg. It will be followed by a three-day Seminar, one on Corporate Governance and Management Control Systems and the other, on 12-13 July - in co-operation with Plunkett Foundation - on Co-operative Finance and Co-operative Legislation.

Beijing to Host Network Seminar

The far-reaching changes in the Chinese economy in recent years have had an impact on the co-operatives which are now free from State control and competing on the open market.

The situation in China is of interest for co-operative organisations worldwide. The Co-op Network for Development in East and Central Europe and the All China Federation of Supply and Marketing Co-operatives are, therefore, organising a seminar and study tour in Beijing from 6-10 November, 1995 to which all members of ICA are welcome to attend for a minimal fee which covers the organisational costs only.

For further details please contact Mats Anhlund in Geneva. Telephone (41 22) 929 88 29 or Fax: (41 22) 798 41 22.

Informal Women's Network

ICA Women's Committee has decided to establish an informal network in Europe to "address problems of discrimination through an exchange of information, prevent feelings of isolation by giving mutual support, and influence decision making to enable the progress of women."

Due to lack of resources it was not possible to create a formal European Regional Women's Committee, however the Committee believes that an informal 'network' will prove to be an inexpensive and effective solution in the exchange of ideas for the advancement of women.

Among the suggestions for raising the status of women were the circulation of a mailing list, the publication of a newsletter, electronic communications via the Internet, and more coverage of Women's issues in ICA publications and members' magazines.

It was also suggested that a representative from each organisation could

communicate information to 'networkers' in their own region to keep mailing costs down.

Some recent efforts include a Gender Issues Report in the current ICA Review, the formation of a small task force consisting of Moira Lees, Mary Treacy, and Raija Itkonen (ICA Board member) to prepare reports for the Centennial Congress 1995, and the future ICA Women's Committee seminar which promises to include subjects such as: "training and re-training in management skills relevant to a changing economic scenario, practices which discriminate against women, childcare provision and maternity leave, environmental protection, consumer rights, and laws and their effect on women's rights."

THE AMERICAS

New Regional Structure Under Way

Following the November 1994 decision of the ICA's Regional Assembly for the Americas to establish a Consultative Committee to maintain more regular contact with co-operatives in the continent, the Committee held its first meeting in San Jose, Costa Rica, on 20-21 March.

The Committee, chaired by ICA Vice-President Roberto Rodrigues, decided that the Regional Office for Central America and the Caribbean (ROCAC) should henceforth be known as the Regional Office for the Americas (ROAM) in light of its new continental mandate, and that it should continue to be based in San Jose.

It was agreed that the Regional Council, which had supported the work of ROCAC since its establishment in 1990, should be thanked for its valuable work, and disbanded. If specific sub-regional activities are required in the future, they should be carried out through ICA Project Offices, such as the current Project Office in Buenos Aires for the countries of the Southern Cone.

The Committee reviewed, revised, and approved the Regional Office's workplan for 1995, which is based on the three priorities of promoting business opportunities for co-operatives, developing human resources, and promoting the co-operative principles.

The major regional event for 1995 will be the ICA Regional Conference on Strategic Alliances and Joint Ventures, scheduled for 6-8 December in Miami. More than 600 co-operative leaders are expected to participate in the sessions designed to generate co-operative business and trade opportunities. Conference sponsors include the World Bank, Multilateral Investment Guarantee Agency, Inter-American Development Bank, Development International Desjardins, and Swedish Co-operative Centre.

Further information is available from Juan Diego Pacheco, ICA Regional Director for the Americas, fax (506-231 5842).

Asia and the Pacific

Supporting Tanzania's Business Women

by IPS Correspondent in Dar-es-Salaam
Paul Chintowa

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

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

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

Women, who make up more than half of the country's population of 28 million

people, find the first hurdle to setting up a business is access to credit.

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

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

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

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

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

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

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

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

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

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

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

The regional work of ICA includes research and planning and the regional offices and project offices act as consultants in co-operative development in the different regions.

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

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

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

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

On-going donor-backed economic reforms have resulted in 50,000 public service workers being laid off in the past few years as the government attempts to cut its spending. In addition, the army of unemployed is increasing with 600,000 school drop-outs annually who join the jobless queue.

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

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

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

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

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73rd International Co-operative Day

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

Message from the International Co-operative Alliance

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

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

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

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

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

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

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

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

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

In this Centennial Year, the International Co-operative Alliance

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

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

A Message from the European Council of the ICA
to the next generations

On the occasion of the International Co-operative Day

Organised by the United Nations to celebrate
The 100th Anniversary of the International Co-operative Alliance

In a solemn resolution, the General Assembly of the United Nations has declared 1st July 1995 the 'International Day of Co-operation' thereby acknowledging that co-operatives, in their various forms, are becoming more and more indispensable as a factor of economic and social development, in every country. They encourage a very wide involvement in the process of development by all groups of people, including women, young people, the disabled, senior citizens, etc., with the avowed aim of:

"making all citizens aware of the opportunities offered by co-operatives and advising and making governments aware of the benefits drawn by society from co-operatives activities... "

The European co-operative organisations, which are members of the International Co-operative Alliance, have decided to take this opportunity to send a message to the young people of Europe.

* 150 years ago, in England, the first co-operative stores made their appearance. Their aim was to lift a whole class of people out of poverty. Their first objective was to sell pure and unadulterated food at fair prices and with honest weights and measures.

* A few years later, in Germany, the first co-operative credit banks were established. Their aim was to prevent usury and to defend the interests of ordinary working people, farmers, craftsmen and small retailers.

* At the same time, in France, the first workers' co-operatives were created, which aimed to prevent unemployment and to show that co-operative businesses, owned and democratically controlled by their employees, could be successful.

* Some decades later, agricultural producers in Europe, following the example of Danish farmers, confronted the recession which was affecting them, by combining into co-operatives, to run dairies, wineries or mills.

These experiments and ideas flourished throughout Europe and today are a significant part of the economies of many countries.

The co-operative ethos, which reflected the spirit of self sacrifice and a wish to take part in a democratic process and to provide mutual help, embodied so great an energy, that the groups which had created the first co-operatives also founded national movements and then, in 1895, in London, the International Co-operative Alliance.

The ICA now has 235 member organisations, nine of which are international, in 101 countries, representing around 765 million

co-operators.

Over the years co-operatives have enabled people to face new circumstances, millions of families have found homes, small retailers have taken part in the reform of the distribution system, consumers have benefited from owning their own stores, craftsmen and professionals have been able to provide their services whilst retaining their independence.

Solutions to the problems of providing for the integration of underprivileged individuals into the working world and of providing social assistance and health care to the weakest strata of society have been found by social co-operatives.

Mutual societies have contributed towards the integration and development of the social security system, particularly in the health care sector.

However, the co-operative movement cannot and will not be satisfied with the results it has already achieved. It will not restrict itself to controlling and assisting existing co-operatives. Today's co-operators, just like the Rochdale Pioneers, are determined to confront all the challenges of a changing society.

Even where there is economic growth, the problem of finding employment for young people is likely to worsen. We must make use of every country's resources and everyone needs reminding that they have a responsibility to create new employment opportunities.

It is up to co-operative organisations to lead and support active groups which are creative and capable of the self-management of economic projects, to share in the risks and to benefit from the advantages arising from them.

But it follows that our values and principles must be in tune with the ambitions and perceptions of the younger generation. Working towards these objectives is something which we can and must do together.

Working together is the essence of co-operation.

News From ICA Specialised Bodies

NEWS FROM ICA SPECIALISED BODIES

ICA Agricultural Committee meets in Brazil

The Executive of the ICA Agriculture Committee continued work on a number of on-going issues at its 19 April meeting in Sao Paulo, Brazil:

- * The Committee finalised its contribution to the "Co-operative Agenda 21", which will be presented to the ICA Congress in Manchester;
- * It approved a new programme for the exchange of export managers in order to promote business development between member organisations;
- * It agreed to finalise its new continental structure, including the election of continental Vice-Presidents, at its plenary meeting in Manchester in September; and
- * It approved an agreement for collaborative activities with COGECA, which will avoid the need for the Agriculture Committee to establish its own European committee.

Committee Chairman Roberto Rodrigues also reported on the development of an agreement between the Agriculture Committee and FAO, following his recent meeting with the FAO Director-General. The Committee's participation at the 50th anniversary meetings of FAO in October, as well as at the IFAP Standing Committee on Agricultural Co-operatives, will be decided upon at its next meeting, in Manchester.

World Overview

World Overview

Canada

Federal Government Cuts Development Budget

CCA's international development funding has been reduced in the wake of a tough federal budget. The February 28 budget cut government spending on international development assistance by 21 per cent over a three-year period.

In turn, the Canadian International Development Agency (CIDA), the federal government's development arm, has reduced CCA's block fund allotment for 1995/6 by 14%. Block fund money is used for smaller overseas projects, and for development education and communications in Canada.

CCA's budget reduction was about average among the cuts affecting Canada's largest NGOs. Some took heavier hits, while a few actually received budget increases.

Desjardins Movement Continues to Grow

The 1994 Annual Report of the Mouvement des Caisses Desjardins notes that:

- * As the largest financial institution in Quebec, the Desjardins system has 29.9 percent of the personal credit market, 41.2 percent of housing loans, 38.3 percent of term deposit savings, 21.4 percent of commercial lending, and 47.6 percent of the agricultural market.
- * The movement recorded combined surplus earnings of \$314 million (Can.) in 1994, an increase of 16.7 percent.
- * A new structure was introduced, including a Board of Directors composed of elected members, responsible for guidelines and overall control; and a Committee of General Managers responsible for operations.
- * A capital security compatible with the movement's co-operative character will be issued on the financial markets in 1995.

Desjardins Publishes Economic, Social & Co-operative Balance Sheet

In its 1994 Annual Report the Mouvement des Caisses Desjardins has published a separate "Socio-Economic and Co-operative Balance Sheet" outlining its contributions to co-operation between co-operatives, the environment, community development, education, arts and culture, families, young people, and humanitarian work. It estimates that the components of the Desjardins movement returned some 40 million Canadian dollars to their communities in 1994.

France

Co-operatives Join Election Campaign

The 14 members of the Groupement National de la Cooperation have sent a Declaration to the country's Presidential candidates and national press in

which they emphasise that government policies should not discriminate against co-operatives, which have specific organisational characteristics. "The consideration of these specific characteristics is especially necessary in the fiscal and legal fields, as well as in the area of elected-member training and that of competition policy", according to the Declaration. The French co-operatives also emphasised their determination to participate actively in all public consultations, "not only to raise subjects of direct concern to them, but especially in order to contribute their own experiences and capacities for innovation".

Norway

The Co-operative Future

The Norwegian Prime Minister, Gro Harlem Brundland, told the Board of the Royal Norwegian Society for Rural Development that, in her view, co-operative solutions would experience a new revival.

Ms. Brundland was attending a celebratory event held on 17 January this year to honour the 150th anniversary of the founding of the Rochdale Co-operative Society in the North of England. The event, which was entitled the Co-operative Future, was also attended by the Norwegian Minister of Finance, Mr. Sigbjorn Johnsen, who told delegates that he believed that Co-operation was not an outdated idea, but one which could be spread and developed through new roles in communities, transport and health care.

Spain

Mondragon Goes to Stock Markets

According to press reports, the worker-owned Mondragon co-operative federation intends to raise 12 billion pesetas (\$96 million) on the Spanish stock exchange this year. Mondragon is purchasing Ascorp, a unit of Spain's national association for the blind, which is already listed on the stock exchange, for this purpose. Mondragon is Spain's 12th largest company by sales, and the country's leading exporter of machine tools and car parts.

(The European, 19-25 May 1995)

Switzerland

Migros Pulls out of Konsum Austria

The Migros Federation of Co-operatives has reached an agreement with Konsum Austria, which is currently in receivership, whereby their joint venture will end on 15 May 1995. The losses incurred to date by Migros are estimated at 300 million Swiss francs.

The Migros Regional Federation of St.Gall will nevertheless maintain its 100 percent ownership of the 32 stores belonging to the Familia chain in Austria.

(Journal de Geneve, 12 May 1995)

Co-op People

Co-op People

Americo Utimi, currently serving as Secretary to the ICA Agricultural Committee, has been appointed Executive Secretary of the Organisation of Co-operatives of Brazil.

Harvey Sigelbaum, Chair of the National Co-operative Business Association (USA) and President and CEO of Amalgamated Life Insurance Company, a co-operatively oriented US insurer, has been appointed to fill the 'Co-operative Seat' on the board of OPIC, the overseas Private Investment Corporation, a foreign assistance and business development agency of the federal government. The appointment was confirmed by the US Senate in March.

Robert Wildgust has been appointed Chief Executive of the Co-operative College at Stanford Hall, near Loughborough. The appointment has been made by the College's new Board of Management and is initially for a two-year period.

Mr. Wildgust has been Acting Chief Education Officer and College Principal since January 1995, following the early retirement of the previous College Principal, Dr. Robert Houlton.

ICA Calendar

ICA CALENDAR

1 July 1995

International Co-operative Day
Worldwide Celebration

11 - 19 September 1995

Meetings of the Specialised Organisations and Committees
Manchester, UK

17 September 1995

COPAC Meeting
Manchester, UK

17 September 1995

ICA Communications Seminar
Manchester, UK

18 September 1995

ICA Board Meeting
Manchester, UK

19 September 1995

European Council Meeting
Manchester, UK

19 September 1995

Regional Assembly for Europe
Manchester, UK

20 - 23 September 1995

ICA Centennial Congress
Manchester, UK

21 - 22 September 1995

Co-operative Network for Development in ECEC
Manchester, UK

23 September 1995

ICA General Assembly
Manchester, UK

25 September 1995

Meeting of Chairmen & Secretaries of ICA Specialised
Bodies
Manchester, UK