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Co-operatives can contribute to improve health status

Dhiraj Kumar Nath*

Public awareness has improved significantly in Bangladesh about health, nutrition and family planning. Mindset to maintain good health is now a practice everywhere round the world and Bangladesh is no exception to the same. Life expectancy at birth has improved tremendously in China, Japan, Korea and many other Scandinavian countries due health consciousness. Bangladesh is not lacking behind. The average longevity of life increased to 67 years that was only 35 at the time of our independence. The rate of maternal mortality reduced to 194 per hundred thousand that was around more than 600 in 1974. Equally the child mortality also reduced to 41 per thousand that was more than 150 during the time of independence. All these achievements took place under challenging environment while level of education and income was not conducive for such a fertility decline.

In spite all these positive indications; there are certain indicators encouraging the early marriage, inequality in different regions in the acceptance of family planning, unaccepted level of malnutrition and other indicators dominating the state of poor health care services that are not conducive for the country to build a healthy nation.

In many areas, combined efforts with multi- dimensional approaches to improve health and hygiene indicators are addressed with the support of NGOs, Private sector and Government combined. Another catalyst is co-operative sector where co-operative initiative, can contribute to improve the overall health condition significantly. The co-operative movement, a 108 years old practice of public welfare concept and also as economic units can generate inter-personal awareness about health and family welfare at a large scale. The co-operative movement if guided properly can dedicate to public welfare along with fundamental vision and mission to alleviate poverty.

Co-operatives societies can contribute to improve health conditions of the public in different areas with combined efforts of health services providers and members of the co-operatives as motivators. Some of the areas where co-operative societies can play significant role are as follows:

a) **Medical waste disposal in hospitals and clinics:** The volunteers of the co-operative societies may take the initiatives to keep the hospitals and clinics neat and clean , hygienic and homely with their dedication to serve the patients and public at large. Members of the co-operatives can also segregate the medical waste according to its nature and make arrangements for disposal after consultation with hospital management. For this purpose, there could be agreement between co-operatives societies and medical colleges and hospital management. As at present, some NGOs like Odipan are operating in collection of primary solid waste in the city. Co-operative societies with their dedicated

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endeavors could render more effective services for the improvement of health and hygiene of the public at large.

b) Supply of Food and Diet to hospitals. As at present, some contractors are in agreement with hospital authorities to supply .food and diet on contract basis to different hospitals for their in house patients. The contractors are earning huge margin supplying low quality diet and in some cases adulterated food. In hospitals, most of the patients bring their food from home due to the low quality of food supplied in the hospital. Co-operative societies are quite capable of rendering effective services in this area keeping in mind of minimum margin and considering this service as humanitarian cause ..

c) Laundry and Canteen: In many countries, canteens and laundries of hospitals are run by co-operative societies. Such canteen managed by co-operatives usually maintain high quality standard of food considering the welfare of the patient and without any motive to make wind fall profit.

In Bangladesh, Rural Development and Co-operative Division might come in a negotiation with Ministry of Health and Family Welfare to provide such services by co-operative societies to some government hospitals and maternity centers. as pilot imitative.

d) Ambulance services and transportation to patent: In this area also, Co-operative societies can play very effective role to provide ambulance services to emergency transportation of patients .The ambulance services being provided now by some commercial houses are not dependable as well as charging so much high rate that are untenable to canon of justice and unbearable to some patients and others compelled to hire on emergency.

e) Rain water harvesting: The co-operative societies can take innovative steps to harvest the rain water in the roof of hospital in cooperation with the management of the hospital or in nearby areas with adequate safeguard against impurity taking adequate precaution of safety. This could be another major dimension to cooperate with hospital and clinics by the co-operative societies.

f) Shops and catering Unit: Co-operative societies can build some fair price shops of grocery and emergency medicines nearby the hospital with minimum margin and better services. These types of services must gain the reputation of societies and at the same time render commendable services to the community nearby.

There are many ways and means through which co-operative societies can involve themselves in health care delivery system. They can also play greater role in motivating hand washing campaign and generating public health awareness throughout the country. There could be effective dissemination of information about the breast-feeding campaign and understanding of the usefulness of nutrition and immunization.

Co-operative societies through their members can make mobile camps and involve themselves about the small family norms and propagates about the necessity of education of girl child and thus make effective media message against child marriage and safe motherhood.

There are examples of such services provided by co-operative societies round the world. In the Central province of India, in a hospital, namely Maharaja Yoshobanta Rao Hospital , a co-operative society namely Rogi Kalyan Samabay Samity (Patient's Welfare Co-operative Society) is engaged to provide almost all services as mentioned above. It was found that patients are very happy with their services and at a minimum cost they are charging for such services. Similar examples are available in Thailand, Sri Lanka and many other countries and many states in India.

In fact, the Department of Co-operatives and the concerned Ministry might take leadership to promote and diversify areas of co-operatives to provide services and justify their presence in the community and the country as well. Very recently, co-operative sector has been blamed widely as corrupt area of economic units deceiving shareholders. This service with hospitals and clinics will help Co-operatives societies to overcome such ill -reputation and make them popular among the public at large .. I am sure, leaders of co-operatives and the deapartment of co-operative will encourage the societies to concentrate in these areas of activities in future.

Letter from Registrar and DG

Md. Mofizul Islam*

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs through a jointly-owned and democratically-controlled enterprise. Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In Bangladesh, co-operative has very important implications in strengthening rural financial system and improving the standard of living of people. Formal co-operative was introduced at the then-British ruled Bangladesh in 1904 as a tool to facilitate agricultural credit system. To meet the demand of changed socio-economic condition now-a-days formal co-operatives can be found in every aspects of the society. It has very important contribution in increasing agricultural and non agricultural production, ensuring food security, development of human resources, creation of employment opportunities and overall improvement of standard of living.

Essentially, co-operative is a philosophy. The ecosystem can be considered as one of the best instances of co-operatives. From the nature we can also see that, honey, what we get from Bees, is a result of collective effort. Animals live together either to hunt or to protect themselves from being hunted. The birds, which travel thousands of mile in the sky uses the aero-dynamic feature of air by forming a "V" shaped pattern while flying. Without such co-operative effort it is impossible for birds to travel such a long distance. Whatever good human have achieved so far is a result of co-operative effort.

In essence, Co-operative is an economic system. Co-operative based production, processing and marketing of agricultural and non agricultural commodities is well established all over the world. Our great father of the nation Bongobondhu Sheikh Mujibur Rahman strived to establish co-operative as the foundation stone of the rural economy. He planned to reconstruct war-damaged Bangladesh as poverty free, equitable and prosperous Bangladesh through co-operatives. To achieve these goals he gave formal recognition of "co-operative based ownership" in the constitution of Bangladesh. It was a monumental effort for the advancement of co-operatives in Bangladesh. However, with the unfortunate death of great father of the nation, his dream of a prosperous Bangladesh was severely shattered. The situation aggravated when the subsequent governments made very little effort for its development. However, it is a matter of great hope that current Prime Minister and daughter of the great father of the nation, Sheikh Hasina, also considers co-operative as a vibrant way of rural development. Now, in addition to co-operative based agricultural production various efforts can be seen in milk production, water resources management, improvement of the condition of homeless and landless and in many other sectors. Comprehensive Village Development Program (CVDP), a co-operative based development project, is widely appreciated all over the country for its contribution in improving socio-economic condition of rural people.

*Md. Mofizul Islam, Registrar & Director General, Department of Co-operatives

In Bangladesh, co-operative societies are operated and regulated by Co-operative Societies Act- 2001 (Amended 2002 & 2013) and Co-operative Societies Rules-2004. As per last available data (30-06-2014) there are 194,662 co-operative societies, of which 193,512 are primary co-operative societies, 1,128 central co-operative societies and 22 national co-operative societies. Up to date the number of members of these co-operative societies is 10,297,081 which are about 6.25% of the total population of Bangladesh. So far 483,969 people has got employment opportunity in various co-operative societies and/or created self employment opportunities for them. At the same time, by accumulating small individual savings, these co-operative societies have already formed a massive capital amounting Tk. 11,844 Crore so far. In 2013-2014, Department of Co-operatives (DoC) has provided various types of income generating, technical and management training to 8,632 people through its training facilities. All these trainings have enormous effect on human resources development of subsistence groups of the society. In addition to these, every district office run mobile training program to introduce and motivate people about co-operatives.

Recently due to ailing activities of some greedy and fake co-operators the co-operative movement has come under some severe criticism. However, in reality these incidents are negligible in consideration to overall movement. Department of Co-operatives is taking appropriate initiatives whenever such incidents come to the knowledge of the office. DoC is also operating a continuous move to take action against the criminals who has fraud people using the name of co-operatives. In addition to this move the office is circulating caution notice in various newspapers and media periodically to aware people about such ailing activities. Authority has already set ceiling of interest rate to prevent any type of fraud by provoking people using trap of higher interest rate. Most importantly, amendment has been made in 2013 to check loop holes of Co-operative Societies Act-2001. Currently DoC is promoting registration of production oriented co-operatives only, which is obviously going to promote co-operative based entrepreneurship. In addition to this DoC has already taken initiative to develop "Co-operative Brand" as a new way to promote co-operative entrepreneurship. To achieve this DoC is preparing a comprehensive marketing plan which will facilitate production, storage, processing, transportation and marketing of products produced by the members of co-operatives. It is expected that such initiative will be supportive to build up an effective and sustainable development framework for the co-operatives.

It is a matter of huge concern that the food security of Bangladesh has recently come under immense threat due to use of formalin and other harmful chemicals in food items by some immoral and voracious businessmen. In addition to this, by taking advantages of weak marketing system middlemen's are making excessive profit by accelerating price level to its peak. As a result there is no certainty of getting quality products despite paying a higher price. To ensure fair price as well as quality products for its clients, DoC has established Somobay Bazar Consortium Ltd. (SBCL). SBCL is aimed to protect the interest of both consumers and co-operative producers in a balanced way. It is a comprehensive effort to develop a market mechanism to ensure fair price for the co-operative producers and ensure availability of products to the consumers. To survive in this competitive market SBCL must focus on establishing warehouses, processing plants and sells

centers at various strategic locations throughout the country, developing own transportation system, establishing a separate cell to test and certify about product quality, taking proper care for environment and digitalizing the whole operation.

Recently, we have observed 43rd National Co-operative Day-2014. Honourable Prime Minister Sheikh Hasina chaired the occasion and gave her valuable speech in favor of co-operative endeavor. She also quoted some invaluable comments of the great father of the nation Bongobondhu Sheikh Mujibur Rahman regarding co-operatives. We must take proper lessons from her speech. I believe all of us will be sincere enough in our official as well as social activities to achieve the aspiration of National Co-operative Day-2014 that is "Co-operative for socio-economic safety". This is the only way how we can ensure a culture of self-help, equity and fraternity in Bangladesh.

The Changing Morphs of Co-operatives

Aftab Hossain*

Co-operatives made the civilization possible. But the modern world came to know about it formally in the fag end of 17th century. It was rather industry related co-operatives. Without co-operation nothing visible to the world at large came into being. The co-operatives was initiated through sustained efforts of mankind to fight against adversities of sorts. It mattered with their sustenance. Their basic needed to be secure, not promise of something instable. They needed shelter, food, habitable conditions, technology, harnessing what the earth have provided them but largely unexplored. So co-operatives are more socializing and capitalism is more individualistic. The individuals ultimately have to have a society, even if, of their own.

So one thing is noticeable, while in democracy is a capitalist states about democracy, follow oligarchy, Greece and Rome is the most democracy while

largest but only around voters caste their vote ruled by the 48% minority majority. So democracy being the soul of co-operatives it has promise but in practice, particularly in our country co-operatives do not actually practice democracy. Most of the mushrooming MCS are suspect though there may be honorable exceptions. MLM MCS are cases in point on the negative side.

It is also interestingly observed the tribal/ethnic/ indigenous people's co-operatives and Christian co-operatives are running successfully. They have somehow managed to have a character that practice co-operatives in real life situation. So traits, tradition, united cause and education make co-operative successful.

The moment the ancient people left their hunting and nomadic characteristics they needed to lead a sedentary living. They felt the need to be together. Sociology



SoiKhoby, June 30, 1911. The Hand That Will Rule the World-One Big Union.

remarkably the co-operatives must, the though talk much they in practice the ancient had followed. US powerful India is the 50% of American actually and India over the 52%

*Aftab Hossain, Senior Journalist

began working, They started to be forming clan, tribes and, into societies. They have their own laws, customs and practices - the constitution that later formed the base of co-operatives.

They were no more nomads as they started agriculture, having pets and raising domesticated cattle heads and other animals. They started settling in some locations favorable to their settled living. they formed communities and societies. They found ways to cooperate to satisfy their material and

emotional needs and desires. It is in our nature as human beings - as inherently social animals - to work together for the common good. Viewed from this perspective, it is clear that the history of cooperation is timeless. However, the development of "co-operatives" as understood today - democratically organized businesses modeled upon commonly accepted co-operative principles - and the growth of a "co-operative movement," are of much more recent origin.

The need for co-operatives arose as the basic needs for the less fortunate and they were basically serfs from the manors of Great Britain. In Russia it was the industrial workers. The European Renaissance accepted made Russia to industrialize the country following the West. But the old values of feudal days continued to have their sway. The industrial base was built upon agricultural income of the landed bureaucracy. The Christian Europe preserved the feudal aristocracy and these were the people who kept Athens School of knowledge and enlightenment closed for 1000 years while they took better of the Andalusian renaissance and then they abandoned it in obscurity. While the Russian had Marxist Revolution of the Industrial workers, the Britain and other Western European countries tried Co-operatives that are less bloody and existed alongside the capitalists' industry. In fact, co-operatives were the evolution not revolution and it is yet evolving taking many shapes, the social business the latest. We will come up with this topic later in this article.

But we were just talking about formal co-operative movement. Informally, it started as early as human beings got organized for mutual benefit, a kind brotherhood we now call it better socializing. As we have hinted earlier tribes were organized as co-operative structures, allocating jobs and resources among each other. Human history is replete with history of tribes the world over owning common agricultural lands, forests and other heritages. They were the common property of the people. These related to agriculture but later at the medieval age we found formation of guilds particularly in Asian sub-continents of the artisans and skilled craftsmen particularly in the north west Africa and China which was a curious form of co-operatives indeed.

The people, the feudal society in medieval times, called serfs could not form joint ventures because virtually they were bonded slaves as we also witness it the Greco-Roman polity. The slaves were majority in numbers absolutely exploited, had no freedom of thinking even. They had no voting rights in the realm of so-called 'democracy.'

But though history repeats itself it does not repeat in the same way, however. Agricultural prosperity in some parts of this earth helped flourish industry particularly in Europe which mastered science and technology. So what came to

transpire in pre-industrial Europe that went industrial became the home to the first co-operatives in its newly formed industrial context. Capital was to the cause of industrialization but it was workers who toiled to produce at geometrical scale over the mathematical rate of industrial production. Both ways the Lords of the manors and turncoat industrialists made the profit while the workers who produced and harnessed resources were left out in abject misery. And the owners of industry went on profiteering!

Capital is ruthless. It is based on Darwinism : the survival of the fittest. And the capitalism has now taken over the whole world, The theme is produce things at the least cost to sale for profit(but not to make proportionately lesser profit) whatever it is dehumanized. The world civilization at its highest had the morale : riches in excess just invites the ultimate peril -- the stagnant point of civilization , ultimate decline and fall. So the modern thinkers has presented us with the word: sustainable. We need things that must be sustainable which has most significant and wider connotations.

When most of the people rose against exploitation of rich, industry, some capitalists came back to their sense. They became humane, benevolent. The same case happened with the American and Great Britain's industrialists, Their thoughts were influenced by philosophers who began to appear in the late 16th Century. They came with powerful message of humanity the sum total of which is fraternity equality and liberty. The renaissance had great impacts.

The capital and labor clashed with more human insights into the way of exploitation. Darwinistic philosophy contained grains of exploitation. You can not take out all the blood the laborer have. But in as much as the serfs under feudalism never could organize themselves, the laborers also failed when the Soviet Block got torn apart. But before the happenings of the apparent failure of Marxist experimentation, the middle line thinking got on the way. It was forming groups of self sustainers called co-operatives. It wanted to avoid war against the capitalism but very much desired to soothe it to a certain tolerable level.

Greed is a taboo word for co-operatives. Profit shall be there, of course, but no profiteering. The co-operatives can be stated as a peaceful and practical compromise between exploitative production and gain coveted by the innate tendency of human beings in general and at individual level. They are provoked by temptation and co-operative spirit holds them in reasonable checks and balance. While capital is exploitative and very much individualistic, the co-operative spirit is always sociable,

Let us come back to the changing character of the co-operatives. The primitive tribes had communal land and assets. They enjoyed these as a belonging of the community of people. Chinese Communism practiced commune system in agriculture, the soviet had Sovkhoz and Kolkhoz. Crude capitalism and hardcore socialism could not hold people's attraction for long. The compromiser had to be transformed into the philosophies of center-left, social democrat and green politics are in the experiment with the notion of social welfare state. The social welfare state also seems to be crumbling as it was based from making wealth from the external sources of exploitation.

The social and humane aspects of co-operatives are never lost though, this could not, however, make much progress. The path is arduous no doubt but certain to be winner in the long run. What we are noticing, co-operative makes the economy stable and tenable for all. The air is thick with talk of co-operation the world over. But the capital is all for comparative and competitive advantages. This is simply not possible. The thinking of necessity has to come round anyway. The Chinese and European products are not the same. The Chinese ones are cheaper but people finding them advantages only in the short term. Co-operative wants to reduce cost of distribution and the market. But we have seen many co-operative failures that illustrate the economic theory : Bad money drives good money out of circulation. Co-operatives lack individual contribution of talents because of its collectivism. So the problem is how to introduce efficiency and quality into the co-operative system. The disease, if any, is systemic.

The renowned economists are after introducing efficiency, innovation and proper leadership in the name of social business that are said to be humane while reckoning individual enterprise.

So what are we are noticing? NGO's are introducing innovations . They want everywhere to organize people in groups and their venture is co-operative in spirit though capitalistic in form. These de-morphed co-operatives we call them value chains -- a product of the Business School of Harvard.

In our country we have taken note of success and failures of Comilla model, then the integrated rural development followed. Next it relegated into interest earning business sucking the blood of the poor as our Prime Minister has aptly said. Doctor Yunus had his Grameen model and his latest the social business that has been attracting attention of the Capitalist West. Indeed what philosophy Professor Yunus has been preaching was introducing professional's expertise to give an edge of efficiency which is endemically lacking in co-operative enterprise friendly to the capitalists. Whatever success we have witnessed in some of our co-operative endeavors mostly in the moves of some dedicated people who have been trained by the external facilitators. In fact, he wanted to introduce a system of Managing Agents in vogue in British Raj and Pakistani days that 'professional body' will perform managing business and other affairs for shareholders of the public limited companies. We have seen such agents acting taking away a fat portion of largess to the chagrin of the real owners of the concern the share holders

People set up co-operatives of all types (e.g., consumer, worker, farmer, housing) so that they, the presumably less powerful members of society, could join together and exercise their power in order to sever inequitable relations with the bosses, the bankers, the landlords and the store owners- the so called hard core capitalists; they wanted to conduct economic activity with dignity and work together to gain control over the food they ate, the homes they lived in and the work they did, the clothes they used to wear. Undoubtedly, some of the people involved in these early co-operatives were simply hoping to gain access to commodities and services beyond their reach as individuals. However, for many early co-operative builders and their supporters (including radical thinkers such as the early anarchist Pierre Joseph Proudhon, the lionized Karl Marx and the early socialist Robert Owen, to name a few) co-operatives offered a way to analyze, understand and promote

visions of change, and to begin to imagine the forms of economic activity that could take place in a classless, post-capitalist society.

Robert Owen (1771-1858) was a social reformer and a pioneer of the co-operative movement. In 1761, before him, the Fenwick Weavers' Society was formed in Fenwick, East Ayrshire, Scotland to sell discounted oatmeal to local workers. Its services expanded to include assistance with savings and loans, emigration and education. In 1810, Welsh social reformer Owen, from Newtown in mid-Wales, and his partners purchased New Lanark mill from Owen's father-in-law David Dale and proceeded to introduce better labor standards including discounted retail shops where profits were passed on to his employees. Owen left New Lanark to pursue other forms of co-operative organization and develop co-op ideas through writing and lecture. Co-operative communities were set up in Glasgow, Indiana and Hampshire, although ultimately unsuccessful. In 1828, William King set up a newspaper, The Co-operator, to promote Owen's thinking, having already set up a co-operative store in Brighton.

The Rochdale Society of Equitable Pioneers, founded in 1844, is usually considered the first successful co-operative enterprise, used as a model for modern co-ops, following the 'Rochdale Principles'. A group of 28 weavers and other artisans in Rochdale, England set up the society to open their own store selling food items they could not otherwise afford. Within ten years there were over 1,000 co-operative societies in the United Kingdom.

Other events such as the founding of a friendly society by the Tolpuddle Martyrs in 1832 were key occasions in the creation of organized labor and consumer movements.

Many of the earliest co-operatives arose in 19th century Europe and North America, when workers and farmers faced the pressures of expansive capitalist development, increased mechanization of work, and unequal competition between themselves and large scale capitalist enterprises.

Co-operatives came to British India at the beginning of 20th century. Under the initiatives of Government of Bengal, co-operatives were formally launched with enactment of Co-operative Credit Societies Act in 1904. In 1912 a new co-operative Act came into force. Under this Act the Provincial Co-operative Federation and later renamed as Principal Co-operative Bank. By 1920's co-operative movement gathered momentum. In 1945 the co-operative was in dire strait. After the partition a central co-operative Bank was established in the former province of East Bengal i.e. in Bangladesh. The movement remained dormant. In the 1960's a new hope flickered with establishment of Bangladesh Academy for Rural Development (BARD). Comilla approach made the history and remained a legend only not growing. Dynamism was gone with inefficiency and corruption taking over.

So what is happening in our co-operatives? The answer is : the memberships in most cases are dummies unless they do belong to the same group of poor and low middle class. They need to undergo a certain independent certification process before they are made eligible for the membership. The dummies have to be done away with. There are reports that from the General to the top officials including member or ex-member of the law enforcing agencies keep deposit with the co-

operative credit societies and they receive interest at unusual rate and fat. They protect such fake and fraudulent organization and the audit functions authorized under the law is either namesake, under-performing and not strong enough to deal with the black sheep in the co-operatives. This is also revealed in a FAO report. So the membership need be regulated to filter out dummy ones giving chance to evil makers to make amends for their crimes. Even the law enforcing agency officials (mostly retired of course) are seen involved and having priorities in getting share money and profit back over the poor shareholders. And it was allegedly being done to protect the vested interest in the co-operatives. These people are not poor and un-provided with other amenities. They don't deserve the tax benefits given under the Co-operative Act. There is even allegation that these 'rich and powerful vested interests' are keeping deposits as investment and well as using the same to use as shields from taxation of the state they deserve to be imposed.

But before going digging deep into the Bangladesh Co-operatives, we need to look at the sub-continental scenario. The Khadi Movement inspired by Mahatma Gandhi flourished in many cases with co-operative organization. It flourished however in the backdrop of anti-British political backdrop and sentiments. Handloom industry mainly failed to meet challenges low priced industrial textiles from Britain. India only recently gave up co-operatives but its modern textiles flourished on the woes of the hand loom products. But in one area India led one the greatest 'white Revolution' - the revolution of milk production through co-operatives - the Model is Amul- Anand Multipurpose Co-operative Union Limited. The model is being vigorously being followed by our Milkvita - Eastern Milk Producers' Co-operatives Union Limited.

In Bangladesh two systems of co-operatives were seen in practice. One was traditional co-operatives under the Department of Co-operatives(DoC) and the other was a new two tier system of co-operatives under the Integrated Rural Development Program , later institutionalized as the Bangladesh Rural Development Board. 18,000 co-operatives out of 170,000 are active. Government regulates the co-operatives but general opinion favors co-operative enterprises by the people itself without external control.

The third edition of the World Co-operative Monitor has revealed that the turnover of the largest 300 co-operatives over the last 3 years has grown by 11.6% to reach 2.2 trillion USD in 2012.

The top 300 co-operative and mutual enterprises in the 2014 Monitor account for 2,205.7 billion USD in turnover, of which 165 billion USD is derived from the banking and financial services sector and 1,156.5 billion USD from the insurance and mutual sector. Covering 26 countries, these top 300 co-ops are mainly involved in the insurance sector (46%), the agricultural and food sector (27%) and wholesale and retail trade (20%). Based on turnover, the top co-operative in 2012 was Japanese-based Zenkyoren, an insurer, with a total output of 77.61 USD billion.

In 2005 the International Co-operative Alliance (ICA) began the Global300, an initiative finalized to develop a list of the 300 biggest co-operatives and mutual

organizations worldwide. In 2011, with the addition of Euricse (European Research Institute on Co-operative and Social Enterprises) as a technical-scientific partner, this Alliance project gains methodological strength. In order to expand and give more scientific basis to the project, Euricse and the Alliance have established a scientific committee consisting of Euricse researchers and other international experts with diverse training and skills.

Before the existence of the Monitor, data on co-operatives was patchy at best, but now we have strong empirical evidence that our movement is a global economic player with an important stake in the world's economy. Co-operatives have been given a precious tool to use to demonstrate how important our enterprise model is. It is great that more co-operatives from Asia and Africa have filled in the survey this year.

The latest form of one kind of co-operatives has been social business. Social business is defined as: Social business is the ability for an **ORGANIZATION** to use its communities to improve its performance, the ability for an organization to use its **COMMUNITIES** to improve its performance and the ability for an organization to use its communities to **IMPROVE ITS PERFORMANCE**. Here one important distinction of social business from co-operatives is while social business tend to be technology based, the soul of the co-operatives the collective and mutually beneficial, humanized existence. We have experienced pure profit motives in social business with social capital though Grameen theory the origin of social business, the both ideas are to devote to turning out better human material for efficient production. Grameen though based itself to organizing rural poor, the poor women in particular. Initially the theme was simpler loan for small business without collateral. But the sensitivity of the women about their own security and security of their children they inherent propensity to save was natural. Save for the futures, for many girls and women were left abandoned by their husband. Professor Yunus made this valuable social capital a virtual collateral for what Grameen was giving to these women as loan. Say, for fattening of cattle heads. The world was by that time undergoing a revolutionary change, men of Bangladesh were seeking jobs abroad and they needed to be contact with their dear ones at home. Mobile phone was the idea that rightly caught up with Nobel laureate. Telephone ladies made their debut in world scenario changing. So with the growth of Grameen the philosophy went into metamorphosis. The focus was now with the social technologies. We are coming to that later. It was moving towards making deep sea port building and bigger bridges and other expensive infrastructure. It tended to move into macro from its micro features. So we see a wild horse galloping to the utter dismay of the poor. But Grameen promised to send the poverty to the museum. The world has got the inner meaning of social business as it happened with the micro-credit. So the human side of the story had gone.

Now it social business is now about very big and mega ideas, leaving out small at yonder, may be neglected. But what remains the hard fact it targets the poor , hard core poor just like exploitation of the squatters by those who live in high rises. This can not be any co-operative idea at all There is no soul in it as some consultant of the FAO has remarked.

The thought was really socially oriented really so far as making rich food for poor growing boys and girls, eye and cancer hospitals for the suffering humanity. An agreement was made with world famous Danone. But we are not hearing about these projects any more.

Now "Social businesses implement social technologies, strategies and processes that span across their entire enterprise, creating and optimizing collaborative ecosystems of employees, customers, partners, suppliers, communities and stakeholders in a safe and consistent way."

The co-operatives is undergoing a real metamorphosis indeed.

Marketing System through Co-operatives in Bangladesh: Issues and Challenges

Samir Kumar Biswas*

What is marketing?

Commodity based economic activities are widely dependent on marketing system. In this connection we should be clear about marketing and its perspectives. There are many definitions of marketing but one of the simplest suggests that "Marketing is getting the right product or service in the right quantity, to the right place, at the right time and making a profit in the process". Marketing is about identifying and understanding your customer and giving them what they want. It's not just about advertising and promoting your business. Effective marketing is a result of examining every aspect of your business and how it affects the consumer's end experience. It covers everything you'll need to do in order to deliver your products and services to the consumer including research, planning, pricing, packaging, promotion, selling and distribution.

What is Co-operative?

In general conception, co-operative is an economic and democratic institution through which self help and initiative is implemented. But the term co-operative indicates something more than this. From very beginning of civilization, men used to live in a society. They used to take common action to achieve a specific target. In the pre-civilized society man used to hunt animal with united efforts. In this sense Co-operative is a pragmatic movement. Co-operative movement is also an endeavor of united people, who try to get rid of poverty or to develop their economic condition. Thus, Co-operative is the effective vehicle to drive the different circle of poverty.

In Indian sub continent Co-operative was a British socialist alternative to prevent ruthless and unethical exploitation inbuilt in the capitalist system of economy. It used to provide opportunity to form the capital for any beneficial venture for its member. British imperial authority initiated co-operatives for the peasants and occupations of grass-root levels like fishermen, artisans etc. with formal legislation of Co-operative Credit Societies Act, 1904.

Nowaday, Co-operatives have generally come to be recognized as an important segment of an agricultural marketing structure. In many countries, they have become quite important as a means of achieving greater efficiency as well as a more equitable distribution of the benefits of development. So, it was totally worth to take those countries as idols for Bangladesh, a country highly dependent on her agronomy for achieving development.

Bangladesh was actually inherited with co-operative practices and continuing it since its independence in 1971. However, the impact of this practice made here so

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far is visibly dissatisfactory. A comprehensive study is a must to unearth the reasons for its failure and point out the solutions. We need to identify the necessity of co-operative marketing, its practicing scenario in our country, challenges to address and lastly the remedial steps to be taken to make the study worthy of everyone's attention. Here is an attempt to contribute to some extent to his end.

Necessity of Co-operative Marketing

A good system of marketing must have two objectives in view: One to assure to the producer a proper return for his labor to enable him to stay in his occupation and the other to assure the consumer that he pays no more than a fair price for the produce he buys. The agriculturist and the producer in most of the underdeveloped countries like Bangladesh is generally a poor man. To fight his poverty two things are necessary. He must either improve his output both quantitatively and qualitatively, or he must be enabled to get a larger share of the final price, paid by the consumer. A proper practice of co-operative marketing can best ensure the poor farmers about these two requirements. It will be clear if we look at the main objectives of co-operative marketing that includes reduction of marketing margins and costs, improving operational efficiency and influencing supply and demand in the market. Efforts to reduce marketing margins originally concentrated on elimination of the middlemen and capturing his profits for the organization's members. This objective stimulated growth of many early co-operatives and provided some balancing of economic power at the marketplace. Improving operating efficiency becomes a companion objective. It was discovered that in order to reduce the marketing margins, efficiencies had to be developed in which the co-operative could do the job more economically than other agencies.

The six "**Ps**" concerning marketing procedure are as follows:

The following six areas provide a comprehensive framework for developing an effective marketing plan. These are often referred to as the "**6Ps**" or the 'marketing mix':

Product - This covers the combination of goods and services that your business offers. It could include the following characteristics of your good or service: quality, variety, design, features, services, warranty, sizes, packaging, brand name and returns.

Place - How does the consumer access your product or service? Things to think about in this area include: distribution channels, coverage, inventory, transportation, logistics and retail outlet location.

Price - What approach will you take to pricing your product? Will you offer discounts or extended payment periods? What credit terms will you set?

Promotion - Refers to how you communicate with your customers. Most businesses use a mix of advertising, personal selling, referrals, sales promotion and public relations.

People - Your staffs are ambassadors for your business. Think the following in relation to your staff: knowledge, experience, skills, communication, teamwork and attitude.

Process - The processes that you use in the day to day operation of your business have a flow-on effect on the customer's experience, even if it's simply ensuring that orders are effectively managed. Think about the following aspects of business operation: systems, quality control, planning, review, continuous improvement, and documentation and feedback channels.

In the context of market imperfection, co-operatives can serve to improve the marketing system. Co-operatives might be organized to purpose one or a combination of the economic objectives, viz (i) provide services at a lower cost, (ii) offer an alternative market outlet to offset monopoly in the local market (iii) provide new or improved marketing services, and (iv) channel technical information, new practices and new inputs to producers and better coordinate production and marketing. There are other advantages also which co-operative marketing confers on the farmer which it is proposed to discuss below:

1. Economy in the cost of Marketing: when agriculturists combine to form a co-operative sale society, with a view to market their produce collectively, they will be able to eliminate the small assembling merchants and deal directly in the wholesale market and thus be able to economize in the cost of assembling of small lots.
2. Better prices may be secured: If a marketing co-operative is able to handle a large volume of business as a result of the loyalty on the part of members and other advantages it offers, it is possible to get marketing functions such as storing, and transport performed at a lower cost. When marketing costs are thus reduced, the producer can easily secure a better return.
3. Improvement in the quality of products: As a marketing co-operative handles a large volume of produces, it will be in a position to grade the products of members and persuade them to grow those varieties of products for which there is a great demand in the market. The marketing society by paying the members according to the quality of products holds a direct inducement to them to grow better varieties of products.
4. Advantage of Collective Bargaining power: A marketing co-operative controls a large volume of a limited supply to a market and so it gets a position to secure advantages which arise from its collective bargaining power also. For instance, it can present the case of the farmers while dealing with outside agencies like the railway, the state and the public to a greater advantage than is otherwise possible for an individual producer.
5. Steady supplies and stabilization of prices: An important service which a marketing society performs when it operates in the whole sale market is in the direction of stabilizing prices over long periods by adjusting the flow of goods to the market according to demand. When it is thus in a position to control the flow, it will be in a position to even out the seasonal fluctuations in prices also.
6. Cheaper finance: As a sale society will be in a position to obtain cheaper finance from central financing agencies against the pledge of goods deposited with it by the members, it will be able to reduce the cost of marketing in so far as marketing finance is concerned. This is not possible for any individual farmer.

7. Business Education: Co-operative marketing teaches farmers business methods and gives them business education. The operation of marketing co-operatives teaches cultivators that agriculture is a form of business and the marketing is closely akin to the problem of production. It thus helps the farmers to earn a better return through running a good business with their farm produces.

These advantages of co-operative marketing are well understood in Bangladesh. But we are yet to get the desired result from it even after so many years of independence. It is a clear manifestation of malpractice with marketing co-operatives. So, at first it is important to know what is going on in the name of co-operative marketing in Bangladesh.

Present Scenario of Co-operative Marketing in Bangladesh

Like ours, in the less developed countries, co-operative have been promoted as a matter of government policy and they have been largely supervised and controlled by the government. Under such circumstances, the members tend to be quiescent, contributing little management talent, local know how or even a guard against corruption. As a result, inefficiency and even corruption in management are common; further reducing local interest in the co-operative.

Bangladesh is no exception to it. Here, the co-operative societies and its movement are regulated by the Co-operative Societies Ordinance 1984, the Co-operative Societies Rules 1987 and the National Co-operative policy 1989. The co-operative laws are basically an articulation of the Government's control in the management and functioning of co-operatives. These laws are restrictive in nature, as a result member's participation and professional of management within the co-operative enterprise remains a far cry. The implementation of restrictive co-operative legislation has resulted into co-operatives which are mercantile in their nature, undertaking only limited activities as directed by the Government without ensuring effective integration of the multifarious needs of members at enterprise level.

Apart from the problems related with legislation, the co-operative organized at the grower's level failed for some other reasons. Among these reasons are the small volume of business lack of finance, lack of understanding objectives and principles of co-operative action, lack of technical knowledge of marketing by the members as well as the management, and an absence of a higher level co-operative organization to support and coordinate their activities in matters of procurement, storage, processing, packaging and distribution.

After the collapse of the USSR and the economies of East European countries, the ruling elite came to accept liberal democracy, free market economy and private profit concept with a definite role for the state in the economy. The full impact of this paradigm is yet to manifest but the current structural adjustment measures which, in Bangladesh like most of the developing countries, are being encouraged. As of today many co-operatives are hardly in a position either to survive in the ensuing competitive environments or to promote and safeguard the interests of people, who are likely to be adversely affected in the new environments.

Co-operatives, the world over, are in a state of continuous change. Reflecting the perilous state of co-operatives globally, the International Co-operative Alliance (ICA) has approved a Statement of Co-operative Identity on September 1995. Actually this is an attempt to reinterpret and explain the core values, essence and tradition of co-operatives including the principles of cooperation so as to relate co-operatives to the changing context. But co-operatives in Bangladesh are miserably failing to match with these interpretation and explanation.

Under these circumstances, it can be said that co-operatives in Bangladesh are facing some severe crises in this challenging environment. These crises can be summarized as the crisis of a stable policy that leads to further crisis of capital. Crisis of member's oriented democratic control and management crisis of ideology, crisis of liberalized legislation and a people oriented policy as well. Now is the best of time to identify all the challenges to smooth operation of co-operative marketing to solve those out and ensure economic success thereby.

Lot of Challenges to Face

In present context, co-operative marketing is facing challenges or problems from different aspects like organizational structure, legal framework, management etc. These problems mainly liable for like production, transportation, packaging storing etc. The elaboration of these problems requires a different and full-fledged discussion. Here, it is summarized to some key points which are enumerated below.

- i) Over-lapping functions of different types of primary co-operative in the same village and union have made it impossible for the co-operative system to have a strong footing or healthy growth from the bottom. Since a considerable number of rural households have multi-occupational needs and interests, it was unavoidably necessary for them to enroll with two or more co-operatives at a time on payment of token shares.
- ii) The complicity of the organizational setup is incommensurate to both the people and their co-operatives. It aggravated member's apathy and divided their loyalty to the co-operative system.
- iii) Functioning of so many primaries in the same village facilitated some clever people to intrude into the co-operatives simultaneously and pervert the same for their selfish ends.
- iv) Absence of interaction and accountability among the co-operative members and managing committees of different tiers is another gloomy fact of the structural problem. Apathy and unawareness of the members, problem of propriety of election and representation in the managing committee. Limitation of autonomy of general body of members and excessive statutory control on the managing committee are responsible for this scenario.
- v) The extent of adherence to the six principles of cooperation in Bangladesh, either in the legal framework or in actual practice, was always poor, for which the co-operatives could not assume conceptually workable character to fulfill their objectives.

- vi) The nature and extent of government control on the co-operatives are more authoritarian and against the spirit of autonomy in the ordinance of 1984 than its predecessors of colonial regime. Hence, the absence of democratic management has become the most problematic issue for the co-operatives of Bangladesh.
- vii) The co-operatives are supposed to serve as a movement for the people and so it should be assisted to develop into a movement of the people and by the people, but, the legal framework for co-operatives in Bangladesh made it something different. In Bangladesh it is paradoxes that the co-operatives had by and large, been administered as a movement of the government and by the government.
- viii) In Bangladesh, the autonomy and VOLuntary leadership a logically by the law for fear of mismanagement and corruption. But, it turned the total movement a futile practice.
- ix) Since the number of applications for registration of co-operatives was reduced to ten it is likely that many primaries have been pocketed by local power groups of two or three families and that very few of such co-operatives have served the interests of the poor.
- x) The people's ignorance of co-operative methods and of their rights and obligations as members has always been a stumbling-block to member participation necessary for healthy growth of co-operative system. Hasty registration of co-operatives without motivation or observation has put the situation to the worse. Now, co-operative are often organized overnight under duress or compulsion of project fulfillment. All of these factors are jeopardizing the entire movement.
- xi) For lack of effective educational programmed, the movement was not properly understood by the people, nor was the popular response to it. As a result good management leaders didn't emerge from amongst the poor and unaware members. This facilitated the managing committee to ignore accountability to the general body of members and eat up lion's share of societies benefits.
- xii) A section of concerned government officials are reportedly found to indulge in corrupt practices with regard to registration of co-operatives, disbursement of loan, supply of irrigation equipment, passing of bills, purchase and sale of goods, audit of societies etc. Such suicidal misconduct has been corroding the movement like a canker.

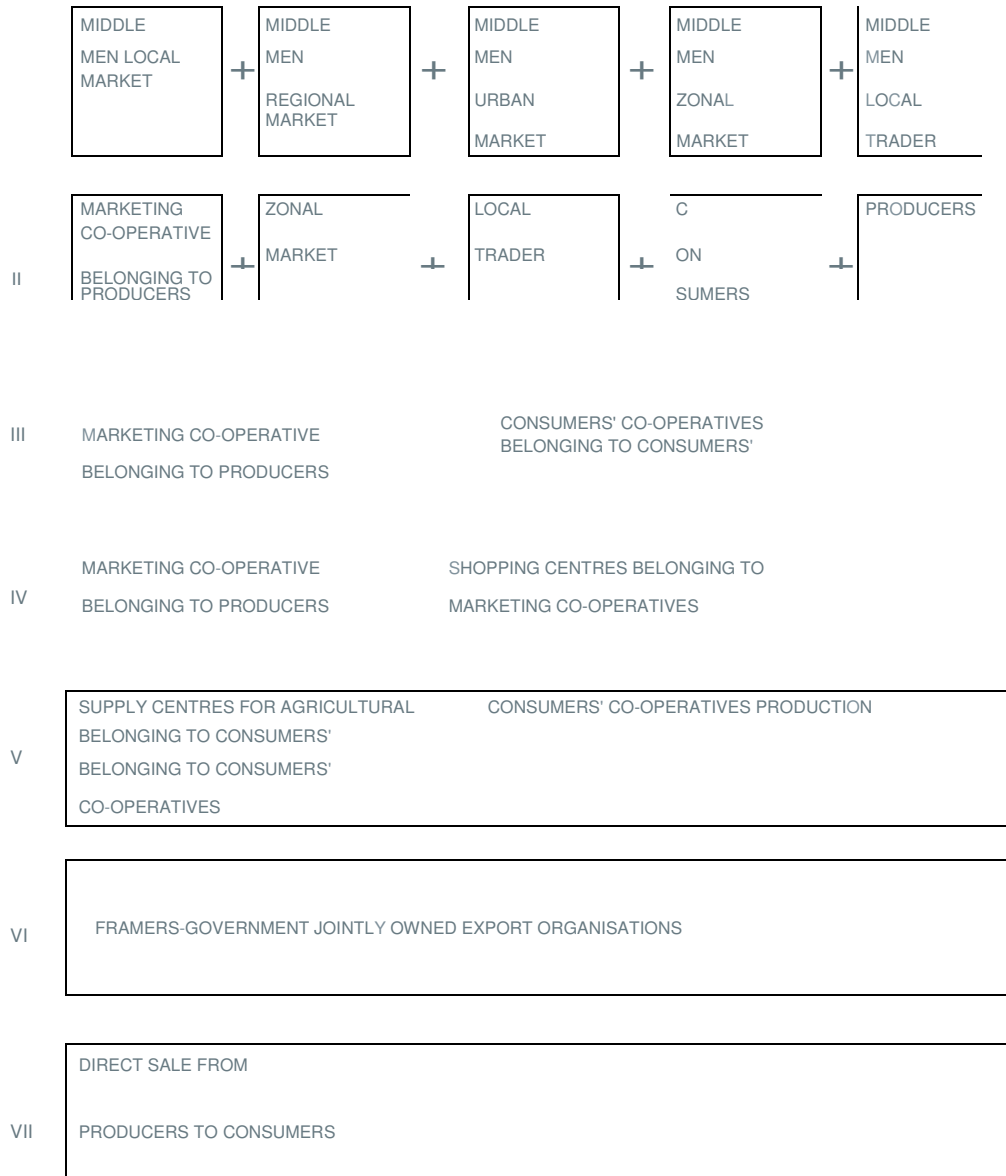
Recommendations to Make Co-operative Marketing a sound practice

The wide range discussion made above gives a clear but gloomy scenario of co-operative marketing in Bangladesh. But a comprehensive action plan with a concerted effort to counter all the challenges may turn the picture upside down and make us optimistic. It should also be mentioned here that a planned review of the concerned organizational, legal and management framework will automatically yield a sound marketing practice for co-operatives. Here is a set of recommendations to fetch out a sound practice of co-operative marketing in

Bangladesh. These recommendations are entirely based on the analysis of challenges or problems the co-operative marketing is facing in our country.

- i) To strengthen the base of the marketing movement through co-operatives, there should be only one Samabay Bazar Samabay Samity (Co-operative Marketing Co-operative Society- CMCS) in each village of the country.
- ii) It is the Bangladesh Samabaya Bank Ltd (BSBL) what should be made as a scheduled bank exclusively for the co-operatives. And some other apex co-operatives should provide such facilitating activities for CMCS also.
- iii) Development projects should be initiated by the Department of Co-operative (DOC) which may be funded by the concerned apex societies. But obviously all sorts of project assistance for the growth of management qualities, expert knowledge and business proficiency should be ensured by the government within a certain period.
- iv) In order to enhance the dynamism and productivity of credit, the eligibility criteria and procedural formalities for different kinds of credit should be relaxed and timely distribution of adequate credit to genuine grower - members and educative supervision thereon should be ensured.
- v) Proper co-operative education, skilled training etc. for the concerned CMCS needs to be practiced very soon to maximize member participation, achieve viability and serve as a nucleus of total village development.
- vi) Advanced policy of co-operative marketing should be adopted in co-operative Acts and Rules to ensure supremacy of the general body of members and thus pave the way for healthy growth of voluntary leadership and democratic management of the co-operatives.
- vii) All CMCS must follow the system of conducting of internal supervision as well as their follow-up be tightened.
- viii) Training and co-operative education of members and organization of business activities up to certain level should be the pre-requisites for registration of co-operative societies.
- ix) Monitoring of the day to day activities of CMCS should be done impartially and reviewed from micro-level by the authority concern with facilitating attitude.
- x) There should be a Cooperating Marketing Policy designed and introduced by the government within in a short time. The attention of the government for this purpose may be directed to assisting the CMCS for their promotional aspects.
- xi) Co-operative Marketing Policy should emphasis to create a neutral and advanced way out to run the marketing system effectively. In this connection, the strong and hones leadership and expertise of CMCS must be ensured.

Model of Co-operative Marketing



cluding approaches

Con

Co-operatives are the basic organization which can play the vital role to shape out the form of chain marketing. Bangladesh is now in a global economy characterized. It may push us to make wide spread reforms in our economy to cope with the changing scenario of the global economy. However, it may deter our priority of developing the people from grass root level too. But we should keep it in mind that our actual and over all development depends totally upon the

development of the marginal people. And co-operative marketing may be termed best fitted tool of the time, for our economic emancipation as it aims at development from the grass root level and match with the core spirit of globalization simultaneously .In fact, co-operatives are something that also may run as private enterprises and go for making profit for its members in an economy led by the philosophy of privatization. In this backdrop, it is a must for us to take a comprehensive action plan for adoption a national policy, removal of structural complexity, reorganization action plan for adoption a national policy, removal of structural complexity, reorganization of the co-operatives, spread of education, revision of legal frame, and work out other measures necessary to transform the co-operatives into an autonomous, self reliant movement of the common people, right now. These steps will certainly enable us to be for all with a view to developing an economic movement by the people for the people and of the people. And, if it comes true the co-operative marketing in Bangladesh is sure to become a success.

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Social protection and Economic Development Through Co-operative

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Social protections as defined by the United Nations research institute for social development, is concerned with preventing, managing & overcoming situations that adversely affect people's wellbeing. Economic development means progress in an economy, or the qualitative measure of this. Economic development usually refers to the adoption of new technologies, transition from agriculture- based to industry -based economy, and general improvement of living standards. Economic development can also be referred to as the quantitative and qualitative changes in the economy. These two issues are interdependent. Economic development can supplement for the improvement of social protection. On the other hand achieving social securities economic development become sustained.

A co-operative is a group-based and member-owned business and can be formed for economic and social development in any sector. The International Co-operative Alliance defines a co-operative as: "an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise." Ownership and control by members, who usually have one vote per person, is a key aspect of co-operatives. This paper makes the case that co-operatives can play the same catalytic role, and make the same contributions to economic growth and social advancement, in the developing world like Bangladesh. Co-operatives can help push forward the conditions that create a positive environment for that investment. The central position of this paper is that co-operatives make an instrumental contribution to transformational international development via three primary pathways:

- 1) Economic Pathway - alleviating poverty; stimulating economic growth;
- 2) Democratic Pathway - providing a framework for democratic participation; and
- 3) Social Pathway - building social capital and trust (including prior to and after conflict); bridging ethnic, religious and political divides; and providing social services.

Throughout the developed world, co-operatives have been, and continue to be, a significant economic force. In many countries co-ops are among the largest major enterprises in diverse fields of agricultural marketing, savings and credit, insurance, information/communications technologies (ICTs) and housing. In developing countries results have been mixed, particularly where co-operatives have operated in extremely challenging environments, been instruments of the state, or unable to rapidly gain scale through interlocking co-op networks.

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I. THE CONTEMPORARY CONTEXT

A. Resurgence of Co-operatives in a Changing Global Economy

Co-operatives in developing countries are in resurgence due to several factors: abandonment of socialist planned economies in favor of economic liberalization; globalization of markets; the emergence of the Fair Trade movement; a rising call for democratization and social inclusion; the failure of the socialist co-op model; and the demise of marketing boards. They are also growing in number because government decentralization and privatization have made space for non-state sectors and group businesses that can serve public and private interests; or, conversely, when privatization fails less profitable areas, communities organize to meet their own needs through co-operative action. Many developing countries have abandoned planned economies with administered pricing and protective import policies in favor of "liberalization," or adoption of market-oriented policies. Market economies presume a "level playing field" - relative equality among participants with respect to assets, information, skill and opportunity. Where that does not exist, however, exploitation by powerful players who control a disproportionate amount of assets can occur. Only by aggregating their resources can the less prosperous producers and consumers achieve some degree of competitiveness in the market. Co-operatives have arisen for this purpose since the 1800s. Operating in a global economy has pushed smallholder farmers to meet quality standards, compete on price, and/or achieve sufficient volumes for export. Co-operatives are an organizing tool that can enable these producers (often of highly perishable and labor-intensive products) to be competitive and reach new and distant markets. The Fair Trade movement is rapidly becoming mainstream around the world. Over 65 producer co-ops in some 25 countries are certified Fair Trade - producers are provided with guaranteed prices, middlemen are eliminated and consumers assured that their money reaches poor farmers. The demise of the socialist, "top-down" collectives in the former Soviet Bloc has resulted in a revival of free-market co-operatives. Socialist co-operatives in Eastern Europe and Russia were either dissolved as repressive organizations, or reformed such as in Poland. The growth of supermarkets in many developing countries is fueling demand. For example, market-oriented, member-owned co-ops are rapidly growing to provide vegetables to fast-growing supermarkets in Ukraine. Electric co-operatives are being re-examined by developing countries and major donors as a model of community self help and decentralization of former publicly owned services. The ideological bloom of utility privatization is wearing off as governments and residents of rural communities realize that commercial firms are unwilling to serve rural areas for little or no profit. The same is true in the information and communications technology (ICT) sector. Even with recent trends of sector privatization, and the explosion of new services and markets, many less profitable and rural communities around the world remain underserved. While ICT co-operatives are playing a crucial role in U.S. rural development, as well as in countries like Canada, Finland and the Netherlands, they are also active in transitioning and developing countries in Eastern Europe, Latin America, Africa and Asia. Marketing boards and government controlled companies across the globe are being privatized, especially in the dairy sectors. Small dairy co-ops are rapidly growing in India, Bangladesh, Eastern Europe, Latin America and Africa to provide

raw milk to privately owned dairies. A major resurgence of private co-ops is occurring in countries such as Ethiopia and Honduras, where agricultural co-ops participate in direct marketing and in formerly closed auctions for exporting. In the housing sector, as government-owned housing has increasingly privatized over the past decade, co-operatives have proven to be a sustainable way for residents to own and maintain their own homes. In Bangladesh more than 100 housing co-operatives provided housing facility for 31,000 members of their society. Governments in South Africa and Philippines, for instance, have partnered with private housing co-operatives and commercial banks to finance the construction of new affordable housing. Meanwhile, in countries such as Slovakia, residents are pooling their capital in private co-operative lending arrangements to finance housing purchases and upgrades.

II. THE CO-OPERATIVE ADVANTAGE

In any discussion of the advantages of the co-operative business model, particularly in an international development context, it is important at the outset to clarify what a co-operative is and what a co-operative is not. Much of the negative legacy carried by Co-operative development is a result of labeling a parasitical, or even a nonprofit charitable organization, as a co-operative. A co-operative is a group-based and member-owned business and can be formed for economic and social development in any sector .

- User-controlled - an elected Board of Directors serves as the link between the membership and the manager; and
- User-benefited - members profit when patronage refunds are returned to members based on the amount of business conducted with the co-operative.

A co-operative is not a typical investor-owned corporation. Although co-operatives are private sector corporations, they differ from typical investor-owned corporations by being user-owned, user-centered and user-controlled. Owner value arises from patronage, not appreciation of equity. In an investor-owned corporation, shareholders own the corporation. The corporation's purpose is to earn financial returns for shareholders and shareholder control is proportionate to equity holdings. Investor-owned corporations return revenues to investors proportionate to their "investment" or ownership share and typically raise money through capital markets. In the case of a co-operative, the user-owned principle signifies that the users finance the co-operative to benefit through their patronage. User-controlled means that boards are elected by the members - usually on the basis of one person, one vote - linking membership and management. User-centered means members profit from the co-operative, as surpluses are returned to members as patronage refunds based on the proportion of business each member conducts with the co-operative. User-ownership reflects the fundamental identity between owner and user, a key element in sustaining loyalty to the co-operative. A co-operative is not a typical nonprofit organization. A nonprofit organization serves others outside of the organization, either directly or often through advocacy work on their behalf. Nonprofits usually raise money through public donations, grants and contracts and may earn some money from services. A co-operative is, however, not-for-profit - unlike the situation in a for-profit corporation, surplus revenue is either divided among the members or invested in the growth of the co-operative.

B. Co-operative Principles and Values

Seven co-operative principles were adopted the 1966 to guide co-operative organizations into the 21 st Century.

Co-operative Principles:

1. Voluntary, Open Membership: Open to all without gender, social, racial, political or religious discrimination.
2. Democratic Member Control: One member, one vote.
3. Member Economic Participation: Members contribute equitably to, and democratically control, the capital of the co-operative. Economic benefits are returned to members, reinvested in the co-op or used to provide member services.
4. Autonomy and Independence: Co-operatives are autonomous, self-help organizations controlled by their members.
5. Education, Training and Information: Co-operatives provide education and training so members can contribute to the development of their co-operatives and inform others about the benefits of co-operation.
6. Cooperation Among Co-operatives: Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, regional, national and international structures.
7. Concern for the Community: Working together for sustainable community development through policies accepted by members.

Co-operative Values:

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

C. The Global Face of Co-operatives: Transforming Economies Worldwide

Estimates of the number of co-operatives and their impacts on the world economy vary widely, but their impact is extensive. It is estimated that approximately 800 million people worldwide are members of co-operatives, and another 100 million are employed by co-operatives. In Bangladesh about 02 Lac co-operative societies including more than 01 core members are working for their better livelihood. Nearly all farmers in Japan and South Korea are members of agricultural co-operatives, and some of the largest insurance companies and banks there are co-operatively owned. Rabobank is the only privately-owned bank in the world with the highest possible credit ratings from both Standard & Poor's (AAA) and Moody's Investor Service (Aaa), and is ranked the world's third safest bank by Global Finance magazine. It is the largest agricultural bank in the world. Owned by Dutch farmer co-operators, Rabobank specializes in agricultural lending. Co-operatives in nearly every developed country have been major contributors to economic growth and poverty alleviation. Co-operatives are sustainable institutions with impressive

survival and growth statistics. For example, in Quebec, co-operatives have a 65 percent survival rate compared to less than 5 percent for traditional businesses within the first five years, and a 46 percent rate of success compared to 20 percent of traditional businesses after ten years. Since World War II, co-operative-based organizations in Europe, the U.S. and Canada have been champions of co-operative development, promoting overseas co-operatives in many countries. Through United Nations resolutions and the work of the International Labor Organization (ILO), there are now worldwide standards and principles for co-operatives that emphasize their autonomy, self-help nature and member ownership and control. These efforts have led to co-operative reforms in many developing countries, including many spurred by World Bank sector loans requiring divestiture of state enterprises and marketing boards. The International Co-operative Alliance, formed in 1895, represents some 230 member organizations in 100 countries

D. Pathways Out of Poverty in the Developing World

The route out of poverty via transformational development has three pathways and co-operatives are unique in addressing all three simultaneously:

- **The Economic Pathway** - Economically, the co-operative business model has helped millions of low-income developing country individuals improve their incomes. Co-ops are institutions of choice to bring economic opportunity to underserved areas. Remote, rural regions, where most poor people live, tend to be less profitable for other forms of enterprises and unattractive to investors because of scattered and low levels of production, high transaction costs and long distances to market. Co-operatives allow entrepreneurs to overcome many of the market barriers that exist in developing countries. Over time, areas can be transformed when members invest in: agricultural co-operatives to lower the costs of farming inputs and improve marketing; credit and saving co-operatives to reach lower-income groups than commercial banks; insurance co-operatives to protect assets of low-income people; and rural electric, health, telecommunications and housing co-operatives to provide community services to the underserved;

- **The Democratic Pathway** - Democratically, co-op members learn firsthand the principles of democratic governance, transparency and member participation. Co-operative membership gives subsistence producers and other impoverished people a voice and a chance to take charge of their destinies. This experience provides a sense of ownership of the local political process; it sets an example of organizational efficiency, transparency and accountability; and it creates a practical vehicle for conflict management through jointly vested interests. Skills and analytical abilities that accrue at the level of the local co-operative subsequently spill over to all areas of the body politic - they are applicable at the second tier co-op level, in the law courts, in national organizations and at the election hasting and

- **The Social Pathway** - Socially, co-ops increase trust and solidarity, leading to social well being and stability, in some cases in the face of adverse conditions and conflict. Through development programs, co-operative members learn the relationship between serving their own needs and the viability of organizations.

They develop as people by receiving training in leadership, organizational and financial management, member services and advocacy. They develop social capital and trust in their communities and learn how to bring critical social services to their communities. The following provides an updated view of the accomplishments and long-term potential of co-operatives in the contemporary development environment where economic democratic and social transformation is the goal.

III. THE ECONOMIC PATHWAY: Alleviating Poverty; Stimulating Economic Growth

"Founded on the principles of private initiative, entrepreneurship and self-employment, underpinned by the values of democracy, equality and solidarity, the co-operative movement can help pave the way to a more just and inclusive economic order."

A. Creating Economic Opportunity

Poverty impedes overall economic growth and, unless the constraints affecting the poor are addressed in developing countries like Bangladesh broad-based economic growth will not occur. In a global economy, these countries need to fight poverty more aggressively than ever, especially if they expect to grow and compete with China or India. In developing and transitional economies, co-operatives help adjust for the market imperfections that normally would impede the vast majority of private sector actors (particularly those from traditionally marginalized areas) from fully competing in the domestic or global economies. Such market failures include: imperfect competition (particularly that caused by the presence of monopolies or oligopolies such as state-owned enterprises), asymmetric information, and high barriers to entry (e.g. establishing utilities or telephone services). In countries experiencing political and economic transformation, government reform efforts have not yet had sufficient time or resources to adjust for these failures. Meanwhile, co-operative enterprises can: stimulate competition by generating economies of scale; open up access to information through better market networks; help reduce barriers to market entry through the pooling of resources; and improve individual bargaining power through collective action. Worldwide, people create economic opportunity and exert control over their destinies through membership in various types of co-operatives. Co-ops allow individuals to achieve mutual economic goals, from the local to the global level, that cannot be met in isolation. Opening up the developing world to this type of economic opportunity is not only the key to alleviating poverty, but to broader global security.

B. Economic Impact of Co-operatives: Examples by Sector

To invest in co-operative development is to invest in creating or strengthening sustainable businesses that have the potential for large scale impact when it comes to lifting households out of poverty, providing services to the underserved and protecting the economic assets of the poor. The following section illustrates how co-ops have had very significant economic impact in developing countries in various sectors. It discusses how they provide:

- 1) Legitimate livelihoods in agricultural economies;
- 2) Communication services for businesses and communities in hard-to-reach areas;
- 3) Rural electrification that brings large-scale economic growth to the underserved;
- 4) Financial services that mobilize savings encourage asset accumulation and make loans to Poor and low-income households;
- 5) Access to affordable housing and community services;
- 6) Insurance protection for the assets of low income households; and
- 7) Economic opportunities for youth.

1. Agricultural Co-operatives

According to the World Bank, food demand will double by 2030 as the world population increases by an additional two billion people. The increase in food demand will come mostly from developing countries. As Kevin Cleaver, former Director of Agriculture and Rural Development at the World Bank, and currently serving as IFAD's Assistant President of Programme Management, has noted: "About 60 percent of the extra food to meet the increasing demand will come from irrigated agriculture. At the same time, we face the challenges of increasing farmer incomes, reducing rural poverty and protecting the environment, all from an increasingly constrained natural resource base." Because three-quarters of the poor in developing nations live in rural areas and derive their livelihoods from agriculture or related activities, lifting people out of poverty is highly dependent on what happens in the agriculture sector. Mellor emphasizes that, when rapid overall growth is accompanied by rapid growth of the agricultural sector, there is a tendency to generalize that economic growth reduces poverty. In fact, it is the direct and indirect effects of agricultural growth that account for virtually all of the poverty decline. Rapid agricultural growth requires substantial public investment specific to the agriculture sector. In Developing country agricultural co-ops: 1) help smallholder farmers achieve better access to inputs, equipment and markets; 2) improve food security in both rural and urban settings; 3) raise incomes; and 4) power overall economic growth. This then enables farmers to improve housing, pay school fees, maintain their health and enhance their overall welfare. This progress, in turn, broadens the options for the next generation of co-op members. Prosperity, knowledge gains and resource expansion associated with co-operative-based agricultural development reinforce the principle of collective action and encourage those who benefit from it to intensify their commitment and accept further challenges and changes. At the most fundamental level, when people move from subsistence to sufficiency they have the security, resources and motivation to contribute to the development of civil society. There are several classes of agricultural co-ops, including production co-operatives, marketing co-operatives and purchasing co-operatives, that provide input, processing and marketing services to members. Production co-ops help smallholder farmers band together to achieve greater profits and add value to their products. Marketing co-ops help producers market their production. They may act as bargaining associations without taking actual control of products, or they may provide a full spectrum of

services including input supplies, grading, processing, packaging and marketing. Purchasing co-ops provide members with dependable supplies at competitive prices through bulk purchasing. Service co-ops provide a wide range of services such as artificial insemination, milk testing, cotton ginning, trucking, crop drying and livestock shipping (e.g., farm machinery equipment co-ops in Jordan).²⁸ co-operatives may also be classified as single purpose or multi-purpose, specializing in a single activity (e.g., input supply) or providing many services such as credit, supplies, consumer goods, insurance and other services.²⁹ It is not possible to summarize the full impact of agricultural co-ops, given their diversity. However, they exist in nearly every country, and in many countries co-ops serve the largest number of producers in crops such as rice, maize and sorghum; fruits and vegetables, and livestock. Bangladesh Milk Producers Co-operative Union known as Milk Vita offers an example of the potential scale of the impact of co-operatives in bringing grassroots farmers out of poverty and connecting them with markets. Milk Vita was established in 1973 to help grassroots Bangladeshi milk producers reach markets and obtain inputs and services. Its creation was rooted in Bangladesh's recognition that its progress lies largely in the development of rural area. Dairy industry of Bangladesh by placing dairy development in the hands of milk producers and the professionals they employ to manage their co-operatives. In addition, the board promotes other commodity-based co-operatives, allied industries and veterinary biological on a nationwide basis. Today, Bangladesh's 1900 dairy co-operatives procure an average of 02 lack liters of milk from more than 01 Lack farmer co-operators every day. The milk is processed and marketed by 33 milk producers' plant.

2. Information and Communications Technology (ICT) Co-operatives

ICT co-ops support business development, attract investment, and contribute to community development in hard to-reach areas. In the United States, telephone co-operatives expanded rapidly after World War II, due to the availability of low-interest capital through the Rural Electrification Administration (now Rural Utility Service) and other universal service support policies that precipitated a sharp growth in small, independent telephone systems in rural areas.

3. Electric Services Co-operatives

"Current forecasts are that, 30 years from now, there will still be 1.4 billion people without electricity and there will still be many businesses which lack sufficient and reliable energy services that could be providing jobs for the poor. A lack of energy also affects basic human needs like education and disease prevention". In Bangladesh by using co-operative approach there are approximately 70 "Palli Biddut Samity" now serve 28 million people. A recent study of the economic impacts in Bangladesh credited the electric co-operatives with creating 3 million new jobs, representing 17 percent of household income. Electric pump irrigation alone increased crop yields by 24 percent. Child mortality rates are 35 percent lower in electrified homes and women are able to engage in a wide range of income earning activities.

4. Financial Services Co-operatives

a) Credit Unions

Credit unions (savings and credit co-ops) are formal, user owned financial institutions that offer savings, credit, insurance and transaction services (including shared branching, ATM services, and remittance transfers) to members. Credit unions are legally authorized to mobilize deposits. Echoing earlier informal savings and credit associations - often formed for a limited period to help members through a difficult time - credit unions offer a mechanism for mobilizing savings from within a defined community in order to encourage asset accumulation and make available loan funds. As financial intermediaries, credit unions must be internally stable and solvent, able to protect member deposits, independent of external credit. Credit unions must balance the needs of net-savers (safe and secure savings, liquidity, return) and net-borrowers (access to loans, non-usurious rates). Credit unions meet both personal and business needs of members, so they do not provide targeted lending that is often diverted to meet family needs (upwards to 40 percent of most credit union loans are for productive enterprise purposes, compared to personal needs).

In Bangladesh, credit unions provide financial services to poor and low-income households on a mass scale focusing on increasing outreach and improving financial performance. Co-operative credit union league of Bangladesh (CULB), is functioning as a central society including 753 primary societies and 4,45,000 individual members. These credit unions increased & mobilized savings up to taka 15 billion.

b) Comprehensive Village Development Co-operatives

Another model that brings loans, financial services & other village development work including human resource development are conducting by the Comprehensive Village Development Co-operatives. Where 4275 Village development co-operatives are based on a model that builds assets and equity through the savings of its members. More than 100 core working capital formation by these co-operatives as a financial institutions that build assets and equity through member contributions.

5. Housing and Community Co-operatives

Co-operative institutions comprise a notable part of the housing sector, particularly in countries where poor regulatory systems and/or underdeveloped financial markets inhibit the majority of residents from accessing affordable housing and housing-related services through conventional means. Housing co-operatives are frequently used as an instrument to increase the affordability of housing for low- and moderate- income families. In Bangladesh more than 100 housing co-operatives has ensured 30,889 members of their housing facilities. Also in village area 1354 "Asrayon" co-operatives provide almost two lack homeless people.

6. Insurance Services Co-operatives

Low-income households with limited or no financial safety nets are especially vulnerable to falling below the poverty line as a result of death, disability or

sickness of a primary breadwinner. Costs associated with health problems are frequently the single largest reason for people falling back into poverty. 55 Insurance co-ops are an effective way to protect the assets of the poor. Yet, those with the greatest need are least able to afford insurance protection and have the least access to insurance services. Of the four billion people in the world today who live on less than two dollars a day, fewer than 10 million (one-quarter of one percent) have access to insurance. In developing countries, the largest potential markets for insurance products are the low-to middle-income markets, but they are underserved by commercial insurers who perceive them to be unprofitable. Conventional insurance products are neither designed to meet their needs nor priced within their means. Even a small amount of insurance coverage can go a long way for low-income families. Insurance co-ops were created to fill this important need by co-operatives, unions and other large groups who had no access to affordable insurance. Many insurance co-ops (including most in Latin America) originated from credit union federations, where members' savings and loans were insured against death of the policy holder. They subsequently expanded to offer other types of insurance (property, funeral, health, etc.) and serve greater numbers of low-income individuals and small businesses. Today, co-operative insurers are among the largest life insurers in developing countries. In Guatemala, for example, Columna Comparila de Seguros insures over 800,000 people, representing more than 90 percent of the total Guatemalan insurance market. In Bangladesh there are 674 primary general insurance co-operative society & 480 life insurance co-operative society including about 1 core share capital.

7. Youth Co-operatives

Youth co-operatives can play an integral role in developing countries' overall economic development plans, especially as developing countries look to provide sustainable economic livelihoods for the unprecedented number of youth about to enter the labor force. According to the World Bank, the 1.1 billion people that are today between the ages of 15 and 24 represent the largest cohort ever to enter the transition to adulthood. What is more, these numbers have not reached their highest level. By 2015, there will be 3 billion young people in the world, with 2.5 billion living in developing countries. In Africa and South Asia, for example, children and youth make up more than 60 percent of the total population. One of every four young people under the age of 25 lives in poverty. Many developing countries with the highest youth unemployment rates are also those with the most crime, violence and political instability. In transitional economies, the absence of a comprehensive youth employment plan is often the missing link in creating a growing economy for the future. Co-operatives present an opportunity for young people to gain legitimate employment. Youth are also drawn to the values and principles of the co-op movement. Within the co-op structure, young people can start their own businesses by working together, even if they only have access to small amounts of capital. In South Africa, a country with youth unemployment at over 60 percent, young people of Bangladesh already formed 3,569 numbers of co-operative society including 1,30,431 members get training & working for self employment.

IV. THE DEMOCRATIC PATHWAY: Providing a Framework for Democratic Participation

In an increasingly globalized world, co-operative organizations are needed more than ever, as a balance to corporate power and as an anchor to the grass roots level of society. Co-operatives hold the potential of being a driving force in our partner countries in the developing world, provided they can operate in a democratic environment. For the poor around the world, co-operatives can provide a much needed opportunity for self-determination and empowerment.

Democratically, co-operatives are vehicles for broad democratization and empowerment in developing countries: they instill basic democratic values and methods; foster self-reliance through collective action; and shape relationships between institutions and civil society that encourage participation and conflict management. The resulting framework is the foundation for a more secure society and for economic growth. Successful co-operatives promote democratic values by instilling:

- Democratic member control (one member, one vote);
- Participatory management practices;
- Transparency in decision-making and financial accountability;
- Devolution of power; and
- Collective action and bargaining power.

C. Women's Democratic Participation

Women play a primary economic role in developing countries but usually do not have the opportunity for democratic participation in institutions which impact their economic potential. In Africa, for example, women account for up to 80 per cent of food production, but have not historically had access to the training, technology, credit and institutional involvement adequate to increase their productivity. The world over, women's participation in institutions (including co-operatives) has traditionally been low and has only recently begun to expand. This is particularly true in agricultural co-operatives. Cultural constraints, household obligations, land ownership requirements and lack of financial resources are commonly cited as reasons. The contribution of women to the economic transformation of poor, remote villages in developing countries is instrumental. If they are left out of co-ops, or excluded from meaningful democratic participation, they cannot influence decisions that may ultimately impact them greatly. Democratic development calls for the informed participation of all economic actors, including women. The International Co-operative Alliance has recognized that, in order for women's rights to be guaranteed, it is essential that: 1) women's needs, skills and resources be acknowledged; 2) constitutions, laws and civic and labor codes be revised to eliminate the legal basis for discrimination; 3) legal protection be provided for women's access to land ownership, credit, basic education, training, health, childcare facilities and other social services necessary for the full integration of women into the development process; and 4) loan programs be provided.⁶⁷ When countries make a concerted effort to acknowledge the contribution of women, and

support their inclusion and democratic participation in co-operatives, the impact can be significant. In the case of Bangladesh there are 27,873 women's co-operative facilitated 1 million women's member for their better livelihood.

V. **THE SOCIAL PATHWAY:** Building Social Capital and Trust

"There are other, more general benefits of co-ops to which it is impossible to attach a monetary value. One is, no doubt, the establishment and strengthening of ties of friendship and partnerships among members. At an even more general level, the formation of a co-operative is one of those human activities that bring their own reward. For many groups, the fact of joining forces, be it even for a modest purpose, such as setting up a co-operative consumer store, has a great deal of symbolic value. It is an act of self-affirmation that fills people with pride and may even be felt as a beginning of liberation, particularly by long-suffering and long-oppressed groups"

a) Building Social Capital

Social capital is a popular topic in contemporary development parlance, particularly in discussions of civil society and the impacts of globalization on local communities. According to the World Bank, the social capital of a society includes "the institutions, relationships, attitudes and values that govern interactions among people and contribute to economic and social development. It includes the shared values and rules for social conduct expressed in personal relationships, trust and a common sense of civic responsibility that makes a society more than a collection of individuals." The term social capital puts the commonly used term "social fabric" on a par with other forms of capital such as financial capital, physical capital and human capital. Social capital shapes the quality and quantity of a society's social interactions. It is the "glue" that holds institutions together. Social capital is a stock of social trust, norms and networks to draw upon for problem solving. While the value of building social capital may be difficult to quantify, increasing evidence shows that social cohesion is critical for societies to prosper economically and for development to be sustainable.⁷¹ Studies have shown that societies with strong social capital tend to do well economically and can reduce their poverty levels. When co-operatives are involved, achieving social goals is highly compatible with achieving economic goals. In Bangladesh, rural electric co-operatives are a significant part of the rural civil society. Co-operatives have become "best actors" of human governance, strengthened local governance, and ensured transparency and accountability in management and operations - a social development described by Dr. Abul Barkat and his colleagues in a study that noted: "Because the poor have weak social networks and they are excluded from mechanisms that allow their voices to be heard co-operatives can play an important role in building trust and norms for coordinated actions to extend people's freedom and to exercise choice by creating institutional structures that in turn create capabilities."⁷⁴ The study observed that a typical community at the village level in Bangladesh has two temples and two mosques, but that the co-operatives bridged ethnic groups through common membership and multi-faith elected boards of directors. A survey of members found that 70 percent of respondents said that the co-operative board plays a useful role for its members, facilitates participation, empowers women by appointing them as bill assistants, helps consensus building

among members with diverse opinions, accelerates accountability, fosters group spirit and helps achieve transparency.

b) Recovering from Conflict

Co-operatives help build "stakes in stability"⁸¹ by providing economic opportunities during and after conflict and by rebuilding the social capital and trust needed to provide a sense of collective identity and shared destiny. Throughout the world, in post-conflict settings such as Guatemala, Lebanon, Azerbaijan, and Serbia and Montenegro, co-operative organizations have brought citizens from different regions and backgrounds together to co-operate in pursuit of a common vision. They have successfully created jobs for returning minorities and ex-combatants to conflict

regions, and have been particularly effective in creating new links to distant and high-value markets.

c) Bridging Ethnic, Religious and Political Divides

Ethnic, religious and political divides can lead to fragility and conflict in developing countries. Co-operatives have served as institutions that can successfully bridge these divides and achieve reconciliation along the fault lines of various social groups.

d) Providing Social Services

Developing countries characterized as "fragile" or "vulnerable" typically cannot assure the provision of basic services to significant portions of their populations. Co-operatives are institutions that can achieve greater outreach and equity in delivery of social services, especially compared to centralized, top-down models of service provision.

1. Public Services through Co-operatives

Community and consumer co-ops take myriad shapes and forms, including artisans, daycare centers, healthcare, water and wastewater treatment, groceries, retail, bookstores, and many other permutations. In most cases, community members band together to foster services for the group that would be otherwise unavailable to the individual, or better tailor services for the few by combining resources of the many. In the Philippines, the Co-operative Daycare Center in Toy has served preschool children whose parents would have been unable to afford caregivers on their own. The Riverside Co-operative in Bacolod has successfully stopped city residents from dumping trash in a river through a solid waste management project, resulting in improved household and community cleanliness, the elimination of odors, and the reduction of littering and improper waste dumping. In South Africa, the Security Association in Amalinda, Buffalo City, has trained members in prevention of theft and in safeguarding construction sites.

2. Healthcare Co-operatives

Health is a key determinant of economic growth in developing countries, and co-operatives can bring health care to those who would not otherwise be served. This has been recognized by the United Nations, which published a global survey of

health and social care co-operatives in 1997. The survey showed the scope of the movement and noted the opportunities for expanded engagement of the co-operative movement to providing high quality health services at reasonable cost. Health co-operatives can take a variety of forms. User- or client-owned health co-operatives are established, owned and controlled by their members in order to secure effective and affordable health insurance and services. Provider-owned health co-operatives are controlled by groups of health professionals, in both developed and developing countries, for shared administrative and technical services, bulk purchasing, and creating a network of specialists who strengthen the range of services offered in a community.

VI. OVERCOMING OBSTACLES TO SUCCESS

Developing country co-operatives operate in difficult environments and, despite stunning achievements and large-scale successes; they have faced problems which are a consequence of operating in extremely challenging contexts. This section discusses several typical obstacles to success: a) creating an enabling legal and regulatory environment; b) accessing markets (local, regional, global); c) moving from government to member control; and d) reaching scale and emerging from dependency. Examples are provided of where and how these obstacles have been overcome.

Success Factors for Co-operatives

- Laws and policies that is favorable
- An economy that permits all types of competitive businesses
- Membership that is open to users*
- Equity from the first day of operations and principally from members
- High equity/debt ratio
- Member-centered services
- Board of directors elected by and from members only (no government representatives)
- Organization around a resource base and service sufficient to sustain the co-operative as a
Viable business
- Professional management
- Access to markets
- Accountability of all employees to the co-operative (no seconded personnel)
- Management training
- Membership education
- Willingness to use modern technology

* Co-operatives often have limitations on membership such as farming as the

principal occupation, or in the case of credit unions, living in the same region (community credit union) or working for a common employer or group of employers (employee credit unions).

a) Creating an Enabling Legal and Regulatory Environment

One of the greatest challenges to successful co-operative development is creating an enabling legal and regulatory environment - adequate laws, regulations and supportive institutions that promote co-operatives as private sector businesses. While many countries have reformed (or are in the process of reforming) their co-operative laws, often they do not treat co-operatives with the same conditions or controls as other forms of enterprise. Likewise, co-operatives treated as nonprofit organizations can become instruments to advance social rather than business purposes, which ultimately threaten their long-term financial viability, increases their dependence on external government or donor funds and, in so doing, jeopardizes their autonomy and independence from governmental or other third party interests. The first colonial law in Bangladesh was in 1904. Prior to that there were co-operatives, but they were registered under the Societies Act. As early as 1908 co-operative law advanced in British colonies. From the 1950s onward, in emerging post-colonial nations, co-operatives were seen as organizations that could build up national economies.

- Protect democratic member control: Law must protect the democratic character of co-operatives, vesting control of the organization in its members;
- Protect autonomy and independence:

Co-operatives are private sector businesses. Law must protect the autonomy and independence of co-operatives from government, persons, or entities other than members of the co-operative;

- Respect voluntary membership: Law must protect the voluntary nature of membership in co-operatives; membership in co-operatives should be determined by the co-operative, not mandated by law or government order;
- Require member economic participation: Law must protect and promote the responsibilities of membership, including the duties to contribute equitably to and democratically control the capital of the co-operative;
- Promote equitable treatment: Law and regulation should be no less advantageous to co-operatives than to other businesses in the same sector, while protecting and being sensitive to the mutuality of co-operatives. Incorporation, law enforcement, dispute resolution, and licensing of co-operatives should be handled in the same manner as they are for other businesses;
- Promote access to markets: Sector-specific regulations should provide reasonable accommodations and incentives where appropriate, that enable co-operative forms of business to operate;
- Provide coherent and efficient regulatory framework: Regulatory framework should be simple, predictable and efficient; should minimize bureaucratic delay and obstructions to business operation; and should avoid conflict and

duplication with other laws. Regulation with respect to the business of co-operatives should be handled by institutions with the most relevant specialized expertise;

- Protect due process: Co-operative organizations and their members should be accorded due process of law, including applicable rights to hearings, representation, and impartial appeals - for decisions of the state that impact co-operatives or their members; and
- Avoid conflicts of interest: The roles of the state in law enforcement, dispute resolution, licensing and promotion should be administered in a manner that avoids duplication, undue influence, and minimizes conflicts of interest.

b) Accessing Markets (Local, Regional and Global)

Co-operatives exist to better their members' circumstances either directly or indirectly. Co-ops have failed without a market-driven approach that allows small business owners and farmers to compete effectively in local, regional and global markets, with the motivation of increased profits. Globalization involves integration of economies around the world from the national to the most local levels, involving trade in goods and services and movement of information, technology, people and investments.¹¹⁰ In a global economy, overcoming marketing and competitiveness obstacles is a challenge that must be urgently addressed by developing country co-operatives. As the advantages offered by protective policies have disappeared, it has been essential for co-operatives to attain competitive advantage through professional management, operational and financial efficiency, high quality products, and competitive pricing. In today's contemporary setting, these efforts have been supported and enhanced by the Fair Trade movement, which represents a new vision and paradigm of international trade that can help developing country co-operatives compete - trade that brings economic and social benefits to poor people and to the economies of developing countries.

Co-operatives and the Fair Trade Movement. In 1988, world coffee prices began a sharp decline that resulted in the initiation of the Fair Trade movement. The movement began in the Netherlands and was branded Max Haavelar after a fictional Dutch character.¹¹¹ The Max Haavelar Foundation joined with Trans Fair International in Germany in 1998 as the Fair-trade Labeling Organizations International (FLO). Fair Trade co-operatives provide an opportunity for small producers to participate in the global economy, especially in coffee, tea, cocoa and increasingly in organic produce. In 1986, Equal Exchange, a workers Fair Trade coffee co-operative was formed in Boston.

c) Moving From Government to Member Control

True co-operatives effectively serve and are directly accountable to their members. Members finance the co-operative through equity and other mechanisms and control the co-operative by participating in its governance. Emerging from domination by a repressive government and converting to member control has been a major challenge for developing country co-operatives. In developing country situations where the legacy of government control carries a powerful negative stigma, group based businesses are sometimes formed using co-

operative principles, but labeled "associations" to counter this stigma. The word "co-operative" has been badly misused, denoting Government-controlled institutions that failed to mobilize their members, who perceived them as being run by government-appointed managers. Such so-called "co-operatives" were not member-owned businesses.

d) Reaching Scale and Emerging From Dependency

Co-operatives have the potential for transformational change, particularly when they can reach the scale necessary for broad-based economic, social, and political impact. The search for scale is the driving force behind the formation of virtually all co-operatives and the *raison d'être* for their continuing existence. Whether they be farmers, households, small businesses, or entire communities without access to modern services; whether their needs are access to commodity markets, insurance, housing, electricity or financing - abandoning solitary status and joining co-operative enterprises is the first step to overcoming the disadvantage of subsisting on the social and economic fringes of national life. In developing country settings, co-operatives have suffered from small economic scale, a characteristic that has also inhibited their capacity to address other obstacles to their evolutionary growth as independent businesses. Small scale can limit access to markets and resources and that, in turn, contributes to continued dependency on government control and/or donor support. Today, in the age of globalization, consolidation and increasingly competitive markets, co-operatives must take steps to achieve scale. Co-operatives may take alternative paths to achieving scale. The most frequently adopted path is the creation of new secondary co-operative ventures, either as associations of co-operatives with equal responsibilities and benefits, or entirely separate co-operative businesses in which participating co-operatives share an individual, but not necessarily equal, stake. Co-operatives are, by nature, loathe to the idea of conglomeration and merger and the empirical experience with scale-driven consolidation in the co-operative world is littered with failures. There can be various reasons why cooperation between co-operatives is easier said than done, the most common reason being that moving toward scale mandates that co-operatives relinquish, to one degree or another, the very essence of their basic nature - member homogeneity and local control.

VII. Conclusions

Since the early 1800s, co-operatives have made pivotal contributions to the development of economies at strategically important times. In the English-speaking world, the Rochdale Society of Weavers, inspired by ideas of Robert Owen and William King, is considered the first co-operative. 142 For more than 160 years, the Rochdale principles have included open and voluntary membership, democratic management, modest expectations concerning return on capital and dividends paid to members. Inevitably, these pioneers experienced familiar growing pains including friction when members had to sell back their shares because of financial difficulties, suppliers who were wary of the small-scale initiative (a co-operative retail store), competition from established businesses that opposed the co-operative as a competitor, as well as on occasion when ill-conceived investments were not profitable. These co-operative networks were economic operations and grew rapidly as part of social movements that deal with rural poverty and economic

depression as part of the industrial revolution. The growth of Western co-operatives was also based on visionary leadership and competent management. Today we stand at another strategically important time in history as the world struggles to find the most effective ways to alleviate extreme poverty and suffering in developing countries across the globe. Co-operative development assistance can help people fulfill their dreams of freedom, economic viability and crisis recovery. Co-ops offer broad grassroots involvement, local control and ownership, and the potential to nurture the capacities of individuals and groups to drive the development of their own economies. Co-operatives can help build the framework for solidarity and just civil societies. In post-crisis situations where the entrepreneurial spirit of rural people is allowed to flourish for the first time in years, co-operatives cultivate good business practices and emphasize markets, financial systems controlled by members, and broader participation in economic activities. Co-operatives help people design programs from the ground up, centered on group businesses that are profitable. Members define their own needs and have a personal stake in the group business. Over time, co-operatives build economic cooperation in fractured societies, with participation open to all including women, ethnic minorities and those practicing different religions. Co-operatives mainstream poor and discriminated groups into conventional economies. The co-operative idea is still dynamic - the fundamentals of aggregating people for marketing power, and placing control in the hands of users, are very powerful ideas if co-operative practitioners are entrepreneurial. Creative leadership is key and research is needed to uncover new ideas, improve the measurement of impacts, and interest the next generation in co-operatives. Major problems confronting co-operative development today are the legacies, misconceptions and mixed history of co-operatives in developing countries. The challenge is to recognize this phenomenon, analyze and understand it more thoroughly, find more effective ways to help fledgling co-operative movements reach scale, and reorient development professionals' thinking to recognize the universality of co-operatives as one means to achieve poverty alleviation and economic opportunity in the developing world.

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People's Participation in Development Interventions through Co-operatives: A View from Grass- root

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Introduction

Co-operative as a third sector of the economy could play a vital role in socio-economic development of the rural areas of Bangladesh. The history of co-operatives in this country is as old as century. In 1904, co-operative started its journey to boost up agricultural production and reduce indebtedness of the farmers of Bangladesh. In the sixties, Bangladesh Academy for Rural Development (BARD), through its two-tier co-operative model organizes land owner-farmers at the village level known as Farmers' Co-operative Societies (KSS: Krishak Samabay Samity) which help producing more food and create employment opportunities for the rural people in the country. Those farmers' organizations provided credit support and helped to develop capacity of the farmers by imparting training and motivating farmers to use improved farm practices, e.g. use seeds of high yielding varieties (HYV), chemical fertilizers and modern irrigation for producing more food (Hye, 1993). On the other hand those farmers' organizations became a receiving unit at the grass root level. Farmers could receive all government supports and services in their villages through co-operative societies. Those organizations were used as a common platform for the farmers and government departments to deliver and receive inputs and information for agricultural development. All those efforts of BARD helped farmers to increase their farm production, create more employment and increase income of the rural households (Karim, 2003).

In the early seventies, the government undertook the two tier co-operative model as a national program and as a vehicle for rural development. Later on, it was replicated all over the country through Integrated Rural Development Program (IRDP), which was later on renamed as Bangladesh Rural Development Board (BRDB). Village co-operative leaders and member farmers were trained up by the nation building departments (NBD) on use of modern agricultural technologies, co-operative management, credit management, accounts keeping and local level planning. These motivational and practical training encouraged the farmers to participate in the activities of co-operative societies more efficiently and effectively (Habibullah, 2002).

In the eighties, BARD have started experimenting Comprehensive Village Development Co-operative Societies (CVDCS) through an action research project known as Comprehensive Village Development Program (CVDP) involving not only farmers but also all functional and professional groups of people who are living in the village. Farmers, landless day laborers, fishermen, small traders, transport workers, service holders, youth, women, etc., were also included as member of the village co-operative society. It also includes agriculture, poultry, livestock, fishery, health, nutrition and sanitation, family planning, education, environment, social welfare programs and other income generating activities as a holistic approach for

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overall development of the rural people. The comprehensiveness of these activities of village co-operative societies helped in increasing people's participation in planning and management of the local resources for their more effective utilization. Asset building, formation of social capital and institutional linkages of the villagers with nation building departments and local government also increased. These initiatives encouraged the farmers to increase their participation in the rural development activities (Rahman, 2004).

It is also observed from different studies that co-operatives play various roles in change of socio economic conditions of the rural people. Farm productivity, employment opportunities and income as well as savings and investment in the rural areas have also increased. Now, it is necessary to know present situation of support, services, and benefits form co-operative societies and also participation of the rural people .Therefore, an attempt was made through this study to know the views of the villagers about co-operatives.

Research Methods

A number of 194 respondents from Comprehensive Village Development Program (CVDP), 43 from Krishak Samabay Samity (KSS) and another 59 from non-CVDP and 13 from non-KSS villages from Burichong Upazila of Comilla district were selected for the study. The survey was conducted in 2009-10.

Views from the Respondents

Several responses from the villagers on supports, services, benefits, participation and management of co-operative societies were compiled in this section.

Linkages of Villagers with GO and NGOs

Both co-operative members and non-co-operative villagers developed their linkages with different organizations for getting support and services. It was observed that due to motivation and awareness building of members of CVDP and KSS, they developed more linkages with NBDs as compared to non-co-operative villagers. CVDP and KSS members are having more linkages with Nation Building Departments(NBD), KTCCA (Kotwali Thana Central Co-operative Association), Upazila Central Co-operative Association (UCCA), BARD, CVDP, BRDB, and Commercial Banks.

Table-1: Linkage of CVDP and KSS Members with GO and NGOs

Name of organizations	CVDP(%)	KSS(%)
BARD/CVDP IKTCCA	38	29
NBD	53	52
BRDBIUCCA	07	07
NGOs	01	08
Commerciafsanjs	01	04
Total	100	100

Source: Field survey, 2010

The linkages with GOs and NGOs helped both the villagers of co-operative and non-co-operative villages to get different facilities and services from those departments for their individual or for overall village development.

Credit Received by Households Members

At the village level, CVDP societies and KSS used to provide credit to their members. CVDP societies and KSS accumulated their own fund through share and saving deposits of the members. Co-operative society also received credit from banks, UCCAs, donations and profits from their own business. But due to the shortage of fund, CVDP societies and KSS could not provide required amount of credit to their members. Non co-operative villagers had to go to NGOs, banks, money lenders and other sources for credit.

Table-2: Credit Received by the Villagers in 2009-2010

Credit Organizations	CVDP(%)	Non-CVDP(%)	KSS(%)	Non-KSS(%)
Co-operative Society	40	-	17	-
Bank	03	09	.02	-
NGO	54	78	47	77
Relatives	03	13	34	-
Money lender	-	-	-	23
Total	100	100	100	100

Source: Field survey, 2010

In the CVDP villages, 54 percent household members received credit from NGOs, 40 percent from CVDP society and in non-CVDP village 78 percent household members received credit from NGOs. In KSS, 47 percent household members received credit from NGOs, 34 percent from relatives, and only 17 percent credits were received from co-operatives. In non-KSS, 77 percent sample villagers received credit from NGOs and 23 percent from money lenders (Table-2). Due to non-availability of own funds, co-operative societies could not to provide credit to their members.

Credit Utilization

In CVDP villages borrowers spent their credit for multi-purpose activities like, purchase of agricultural inputs (54%), and small business (23%), going abroad (18%) and in non-CVDP village most of the credit was utilized for small business (58%) and purchase of agricultural inputs (19%). On the other hand in KSS villages, 49% of credit was utilized for purchase of agricultural inputs, 34% for small business. And in non-KSS village 71 % of credit was utilized for purchase of agricultural inputs and 29% spent for family expenditure (Table-3). Lack of supervision and non-availability of need based credit from the co-operative societies that influenced the borrowers to divert their credit used for other than the actual purposes.

Table-3: Utilization Pattern of Credit

Utilization	CVDP(%)	Non-CVDP(%)	KSS(%)	Non- KSS(%)
Purchase of agricultural input	54	19	49	71
Small business	23	58	34	-
Family expenditure	05	23	07	29
Going abroad	18	-	10	-
Total	100	100	100	100

Source: Field Survey, 2010

Training of Villagers

Training is an important activity for enhancing development of the villagers. Co-operative societies always emphasized on providing training to the members. In the CVDP society almost all the members received 18 different training from different organizations (Table-4). It is observed that 20 percent of the sample members of CVDP societies received training on modern agricultural technologies, 14 percent on cattle fattening, 12 percent on co-operative management, and only 02 percent villagers of non-CVDP village received training on only cattle fattening only. On the other hand 69 percent of KSS members did not receive any training, while 23 percent received training on modern agricultural technologies and 08 percent on co-operative management. But respondents from non-KSS village received no training from anywhere.

Table-4: Training Received by the Co-operative Members

Subjects of training	% of CVDP members	% Non-CVDP respondents	% of KSS members	% Non- KSS respondents
Modern agricultural technologies	20	-	23	-
Health and nutrition	06	-	-	-
Sanitation	03	-	-	-
Tree plantation	06	-	-	-
Co-operative management	12	-	08	-
Birth attendant	04	-	-	-
Driving	03	-	-	-
Sewing	05	-	-	-
Craft making	02	-	-	-
Modern fish culture	05	-	-	-
Cattle fattening	14	02	02	-
Credit management	03	-	-	-
Vegetable growing	03	-	-	-
Accounting	01	-	-	-
Electrical mechanics	01	-	-	-
Poultry rearing	10	-	-	-
Veterinary	01	-	-	-
Apiculture	01	-	-	-
No training	-	98	67	100
Total	100	100	100	100

Source: Field survey, 2010

Poverty Level of the Villagers

Before getting membership in the co-operatives, 37 percent of the CVDP members and 29 percent of KSS members had "always food crisis situation". They were considered as very poor and they could not meet up their family expenditure from their own production and income. On the other hand, before getting membership, 38 percent of CVDP and 49 percent of KSS members had found to "not so food crisis" situation, but they were also considered as poor. After having membership in the co-operative, their food production has positively changed because of their more involvement in modern agricultural practices. Therefore, number of farmers under "good condition" and "surplus" in both CVDP and KSS villages has increased.

It is also found that in the study period none of the co-operative and non-co-operative members having "always food crisis" situation, but comparatively more co-operative members have "good condition" and "surplus production situation" than non-co-operative members. It is due to the contribution of co-operative societies that helped farmers to increase their food production through using modern agricultural inputs.

Table-5: Food and Poverty Situation

Status	Before CVDP membership (%)	Present CVDP (%)	Present Non-CVDP (%)	Before KSS membership (%)	Present KSS(%)	Present Non-KSS(%)
Always crisis	37	-	-	29	-	-
Not so crisis	38	27	27	49	08	85
Good condition	21	23	32	22	58	15
Surplus	04	50	41	-	34	-
Total	100	100	100	100	100	100

Source: Field survey, 2010

In the study areas, it is found that no household was facing serious food crisis and economic problem. Everyone could meet up their family expenditure from their own production and income. Eighty five percent of non-KSS members mentioned that they were "not so crisis" position, 58 percent of KSS members mentioned that they were in good condition. Fifty percent of CVDP members mentioned that they had surplus production and income. Corresponding figures for non-CVDP and KSS were 42 percent and 34 percent respectively (Table-5).

After getting the membership in the co-operative society, the villagers got different facilities like irrigation, credit, training, agricultural inputs and advisory services from the co-operative societies. All those facilities helped the villagers to produce more food and get more opportunities for employment. It is mentioned by most of the KSS members that within 10 years they were able to remove their food crisis and overcome poverty situation. On the other hand, 71 percent of CVDP members overcome their food crisis and poverty situation within 10 years and within 15 years almost all of them could overcome food crisis and improve their poverty situation (Table-6). Now all members of the CVDP and KSS have no food crisis.

Table-6: Managing Food Crisis and Reduction of Poverty after Getting Membership in Co-operatives

Duration(Years)	CVDP(%)	KSS(%)
01 - 05	25	49
06 -10	46	49
11 -15	29	02
Total	100	100

Source: Field survey, 2010

Participation of Members in Co-operatives

Participation of members in different activities of co-operatives is important for development of both members and co-operative societies. It was mentioned by the CVDP members that 35 percent of the members emphasized on participation in decision making, 25 percent in attending weekly meeting and 15 percent in training courses. On the other hand, 38 percent of KSS members emphasized on participation in decision making, 32 percent in credit management and 24 percent in irrigation management (Table-?)

Table- 7: Nature of Participation in Co-operatives

Nature of participation	CVDP(%)	KSS(%)
Decision making	35	38
Credit management	09	32
Attending training	15	03
Attending weekly meeting	25	04
Linkage making	08	03
Irrigation management	09	22
Total	100	100

Source: Field survey, 2010

At the initial stage, co-operative in the village was only the service providing organization, therefore almost all members of the co-operative got services, specially the irrigation, credit and other technologies for their agricultural production. But nowadays, there are a numbers of governments and non-government organizations provide services, even, different services are available in the market, and so interest to the co-operative societies of the members varies according to their demand and also on supply. In the co-operative villages it is found that interests of some members to co-operatives have increased, decreased and also remained same as earlier.

Table-8: Interest to the Co-operative

Interest to the cooperative	CVDP(%)	KSS(%)
Increased	08	28
Decreased	28	60
Constant	74	12
Total	100	100

Source: Field survey, 2010

In CVDP villages, 08 percent of the members mentioned that their interest to co-operatives has increased and corresponding figures for KSS was 28 percent (Table-8). Members of the co-operative society mentioned different causes which influenced them for increasing their interest to the co-operative society. CVDP members mentioned that co-operatives helped them in increase of their capital and credit (49%), getting technical information (22%), getting agricultural technology and training (15%), and also overall development of the villagers (14%). On the other hand, KSS members mentioned that they were accumulating capital and getting credit from co-operative (36%), getting agricultural technology and training (42%) and low irrigation water charge (13%) for which their interest to the co-operatives have increased (Table-9).

Table-9: Causes of Increase of Interest to the Co-operatives

Causes of increase of interest	CVDP(%)	KSS(%)
Capital formation and credit facility	49	36
Over all development of the village	14	02
Agricultural technology and Training	15	42
Getting technical information	22	07
Low irrigation charge	-	13
Total	100	100

Source: Field survey, 2010

It is also found that 60 percent of the KSS members mentioned that their interest to co-operatives have decreased (Table-7). Among the CVDP members whose interest have decreased mentioned that there were no activities of co-operatives except irrigation (82%), lack of available credit (08%) and other members are not interested (10%), so they lost their interest to the co-operatives. Thirty two percent of KSS members whose interest have decreased mentioned that no new activity except irrigation(30%), inactive managing committee and misappropriation of money (52%), no proper record keeping (17%) were the main causes for decreasing their interest to the co-operatives (Table-10).



Table-10: Causes of Decrease of Interest to the Co-operatives

Causes of decreasing Interest	CVDP(%)	KSS(%)
No new activities except irrigation	82	30
Inactive managing committee and misuse of fund	-	52
Lack of available credit and benefit	08	-
Other members are not interested	10	-
No proper record keeping	-	17
Total	100	100

Source: Field survey, 2010

On the other hand 74 percent of CVDP and 12 percent of KSS members mentioned that their interest in the co-operative remained constant as before as they are getting credit, irrigation and other supports from the co-operatives (Table-8).

Financial Solvency of Co-operative Societies

Co-operative societies usually provide credit to the members with minimum rate 01 interest to boost up their agricultural and non-agricultural production and also increase of income and employment. Some co-operatives directly invest their capital to their own business and also resource development of the members. But it depended upon financial solvency of the co-operatives to give credit or to invest in business. It is found that most of the co-operative society was not financially solvent to meet credit need of the members. Co-operatives developed their capital through government supported fund, credit received from bank, profit earned from business and investment, and also share and savings of members. But in most cases co-operative societies failed to get available fund to provide credit to the members or to invest or to maintain their business. Inefficiency of managing committee, mismanagement of co-operatives, lack of proper plan for business and investment, lack of proper participation of members etc. are responsible for insolvency of co-operative societies. However every member likes to see their co-operative society financially solvent.

Table-11: Activities for Financial Solvency of Co-operative Societies

Activities for financial solvencies	CVDP(%)	KSS(%)
Deposit of regular share and savings	35	44
Continuation of credit activities	33	43
Implementing projects through co operatives	20	08
Regular payment of credits	12	05
Total	100	100

Source: Field Survey, 2014



In this regard they have proposed some activities to make their society financially solvent. Members of the CVDP society mentioned that deposit of regular share and savings of members (35%), continuous credit activities (33%), implementation of more projects through co-operatives (20%), regular weekly meetings (12%) can help making their co-operative financially solvent. On the other hand, 44 percent KSS members mentioned that regular share and savings, continuing credit activities (43%), implementation of more projects through co-operatives (08%), regular weekly meetings (05%) can help making their society financially solvent (Table-11).

Conclusion

Co-operative is considered as one of the important vehicle for rural development. It helps changing living standards of the co-operative members. Co-operative societies have also brought a radical change in modernization of agriculture. Members also believed that co-operative society helped increase farmers food production, increase income, create employment and also reduce poverty. At the same time their savings and deposit had increased, their planning capacity, leadership had also developed. On the other hand participatory decision making, learning in the weekly meeting had also increased. Development of linkages, credit and training from co-operative society play an important role for socio economic development of the members. In this regard multi-dimensional, democratic and financially solvent co-operative society is desirable for rural development in Bangladesh.

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Women Development Activities of BARD: Experiences and Future Directions

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1. Introduction

Women constitute almost half of the total population of Bangladesh. Majority of them are either confined to the activities within their family boundary or shaped by increasing poverty that forces them to remain aloof in the income generating activities. Without the participation of women in the development process viable socio-economic changes cannot be perceived as sustainable. Therefore, bringing women in the mainstream of development has now become a major concern for the policy planners of the country. The issue of women's empowerment depends upon having sufficient control over resources, personal capacity, and sense of self-confidence and self-efficacy, as well as on changing traditional ideology. The government has been trying to mainstreaming them by taking many efforts and activities like policy adoption, generating of different projects and programs, technical and financial supports for the women etc. In response to the government commitment and policy for mainstreaming women, Bangladesh Academy for Rural Development (BARD), Comilla, as an autonomous institution under Rural Development and co-operative Division, has been conducting action researches for developing the suitable model. In these action researches, BARD has been trying to involve women in income generating activities (IGAs) and economic activities for betterment of their livelihoods by providing a number of supports and assistance. Though BARD has two other functions like training and research, but the research article has focused only its action research activities on the woman development through review and observation techniques.

2. Objective

The main objective of the study was to analyze and review critically the women development activities of BARD through its action research project and mention the way forward in this regard.

3. Selection of Methods

The study was a review type. Therefore, the action research activities of BARD regarding women development had been reviewed according to the objective. To gain better understanding of the objective of the study, mainly content analysis and observation had been applied. Principally the secondary sources of materials like books, journals, websites, reports, web-portals, documents, annual reports etc. were used. The collected data had been analyzed through descriptive interpretation according to the objective of the article.

4. Policy Response to Women Development

4.1 Country Perspective

Women development activities had started just after the independence of the country. In 1972 the Father of the Nation, Bangabandhu Sheikh Mujibur Rahman to commemorate in respect the sacrifice of mothers and sisters who lost their

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honor at the hand of Pakistan Army during the War of Liberation decorated them with title: Birangana - the brave ladies. The government of Bangabandhu had adopted widespread programs to rehabilitate, provide employment and allowance the mothers who could be rescued from the abuse and molestation of Pakistani occupation forces and for wives and daughters of those who embraced martyrdom in the War of Liberation. At the same time, the government founded the Bangladesh Women Rehabilitation Board in 1972. A program was undertaken for rehabilitation of women who suffered loss during the War of Liberation and the uprooted one in the 1st 5-year plan (1973-78). For the first time, the issue of women development received emphasis for education, health and family planning and attaining economic self reliance of various nature aimed at ultimate social welfare.¹

Bangladesh Women Rehabilitation Board was reorganized in 1974 into Women Rehabilitation and Welfare Foundation. This foundation had myriad programs including building up physical infrastructure for development of women; imparting vocational training for broad based employment of women; establishing showroom and sales centers for productive employment of women; extending day care facilities for Income Generating Activities (IGA) engaged women; rendering treatment facilities to war affected women; and introducing scholarships and stipends for education of the children of women affected by the War of Liberation. Program for increasing employment and skill of the women was taken up under the 2-year plan (1978-1980). Same program was taken in the 3rd 5-year plan (1985-90).²

In the 4th 5-year plan (1990-95), it was notable that this plan included: ensuring increased participation of women in education, health, agriculture, industry and commerce, service and other sectors, elimination of poverty, improvement of skill, self-employment, expansion of credit facilities, increasing gender awareness and expansion of supportive facilities like hostel, child daycare centre and giving legal aid.³ Under the 3-year recurring plan and Annual Development Plan, programs included: self-employment, resistance to women abuse, non-formal and vocational training, establishment of day care centers, assistance to women program, establishment of career women's hostel, food aid program for vulnerable program, food for education program, compulsory primary education, free education of the rural girls at secondary level, health care services and immunization program."

In the 5th year plan (1997-2002) the efforts at mainstreaming of women in development was further strengthened. The gender perspective was given to the micro chapters concerning agriculture, rural development, industry, health and family planning, education, minerals, transport, labor and employment and information and communication. After that, PRSP has also emphasized the women development activities to mainstreaming them into the development process."

¹GoB, National Women Development Policy, Dhaka: Ministry of Women and Children Affairs, 2011, p. 4.

²Ibid., p. 5.

³GoB, The Fourth Five Year Plan 1990-1995, Dhaka: Planning Commission, 1995, pp. VIII-I-VIII-5.

⁴op.cit.

⁵GoB, The Fifth Five Year Plan 1997-2002, Dhaka: Planning Commission, 1998, pp. 167-79.

To realize Vision 2021, the government has specified probable plan of action in the 6th 5-year plan (2011-15) with the medium-term objectives of creation of equal opportunity for women in social and economic activities, social protection and justice for vulnerable women and children, social and political empowerment of women and development of children and adolescents into good citizens."

4.2 International Perspective

In the international arena, Bangladesh actively participated in the first World Women Congress in Mexico in 1975. The 2nd Women Convention was convened in Copenhagen in 1980 in which, the progress made in the first phase of 5-years (1976-1985) was reviewed and three additional objectives - education, health and employment were identified. The 3rd World Women Convention was held in Nairobi, capital of Kenya in 1985 and advanced strategies were adopted for women development based on equality, development and peace. The Commonwealth prepared a gender and development work plan in 1995. The SAARC countries too have made work plan for women development. Beijing Declaration and Work Plan were adopted in 4th World Convention of Women in Beijing on 4-15 September in 1995. Twelve particularly important areas for women development have been identified in Beijing Work Plan. Bangladesh is committed to the implementation of all international declarations and work plans."

The Environment and Development Work Plan adopted in the Earth Convention held in Rio de Janeiro held in 1992, the Vietnam Declaration in 1993, the Population and Development Work Plan adopted in the International Conference held in Cairo in 1994, and the Work Plan adopted in the World Social Summit held in Copenhagen in 1995 - all had given utmost importance to woman and child development and their rights. Bangladesh initiated in all these charters and Work Plans and committed to their implementation."

In 1984, Bangladesh ratified Convention of the Elimination of All Forms of Discrimination Against Women (CEDAW) to eliminate all kinds of discrimination against women in the state, economy, family and in each area of family and social life. Bangladesh submits report to the United Nations every four-year as ratifying state to the Charter. Bangladesh expressed her commitment in the attainment of Millennium Development Goals (MDG) as it participated in the Millennium Summit Session held in 2000. In addition, Bangladesh has expressed her commitment in undertaking multilateral steps in women development area as a ratifying and signatory state to various other important regional charters."

Following all these policies, conventions, work plans of home and abroad all the government ministries, departments, agencies have been working for women development. BARD, Com ilia is such type of government autonomous organization that is committed to work for the rural women and it has been working in this regard since early sixties.

⁶GoB, Sixth Five Year Plan FY 2011- FY 2015, Dhaka: Planning Commission, 2011.

⁷ GoB, National Women Development Policy, Dhaka: Ministry of Women and Children Affairs, 2011, pp. 5-6.

⁸Ibid.

⁹ Ibid.

5. Scope of Women Development by **BARD**

BARD was established in 1959 basically as a training institute. The main function of the Academy is to conduct training, research and action research to bring positive changes in the rural areas and improve the standard of living of the people through participatory planning and implementation of planned activities.

As per its mandate, pilot project experimentation is one of the vital activities of the Academy. Under the purview of pilot project experimentation, the Academy translated various concepts, theories and experiences of rural development into action for testing their applicability to country situation. Thus through trial and error, the Academy developed various models suitable for rural development of the country. In this process, the Academy evolved Comilla Approach to Rural Development, combination of various experimental projects, which acclaimed name and fame at national and international levels. In the age of Comilla Approach, some were directly involved to develop the socio-economic conditions of all the classes of rural people including women and children.

Moreover, BARD has also conducted about 50 action researches since its inception. In action researches there are many components and activities to up-lift the socio-economic conditions of the rural women of the project areas. These were IGAs, credit distributions, organization development, group formation, health and nutrition aided activities, savings strategies, entrepreneurship development, motivational campaign, awareness raising, human resources development, training supports, livelihoods supports distributions etc. The research paper has analyzed critically only those action research projects of BARD (6 of early completed and 3 of on-going) which have been worked for women development directly in the rural areas of the country.

6. Results and Discussions

6.1 Early Completed Action Research Perspective

6.1.1 Women's Education and Home Development Program

The general objective of the program was to bring about a functional emancipation of the rural women in order to make them participate in the process of development without creating a total upheaval of traditions in the society. To achieve this, the program generated organizational, training, economic, functional education and elementary health services activities. In operating the project, training programs were organized at the Thana level (Currently Upazila), inputs were supplied and demonstrations were made. The village level co-operatives were requested to nominate one women representative from each of their societies to carry out the program activities. These women representatives were the main contact persons between the village level co-operatives and the program office in respect of women's development activities. Organization and motivation of women in the villages and promotion of the spirit of cooperation among them was primary function.

Training was considered as the life blood of this program. Training courses were organized in a large number of subjects like principles of cooperation, management of co-operative societies, capital formation, accounts keeping of co-

operative societies, preparation of production plans, credit operation, vegetable gardening, poultry rearing, livestock rearing, goat keeping, pisciculture, bee keeping, weaving, sewing, knitting, craft making, screen printing, adult education, maternity and child health, planning etc.'?

6.1.1.1 Contributions to Women Development

The economic activities helped to the rural women to develop them. It was found that the project made the women to start small business and small agriculture processing activities such as cottage industries, crafts etc. The credit taken from this project had improved the socio-economic conditions of the women of the project areas. The training on capital formation, credit operation, vegetable gardening, poultry rearing, livestock, goat keeping increased their earning capability. All these activities contributed in a large scale to improve the socio-economic conditions of the rural women which was marked as a positive way at that time.

6.1.2 Women's Development Program

In order to bring about an integrated development in rural areas, BARD initiated several action programs in Comilla Kotwali Thana in the early 60s. Women's Development Project was one of such action program to emancipate women from confinement within the four walls of home, improve their social and economic conditions, train them in modern production and management technique so that they may acquire knowledge and skills to become contributory members of the family, engage them in income generating activities and so on. To achieve the program objectives emphasis had been given in organizing the women under co-operatives. The economic activities under the program could be divided into three categories (a) capital formation, (b) credit operation and (c) income generating activities.

Under this program, members of the co-operative societies were provided with loan for productive purpose out of their own capital. Generally the women took loan on the basis of loan plan. They used loan for different purposes such as kitchen gardening, poultry rearing, crop production, goat rearing, purchasing thresher machine, cottage crafts live sewing, knitting and weaving, rickshaw and running small shops."

6.1.2.1 Contributions to Women Development

It was found from the different project documents that women came forward at that time under the strong guardianship of the project. Hundreds of women sold their products in the market and they engaged themselves in knitting, weaving, gardening, poultry rearing, goat keeping etc. So, the role of the action research was found satisfactory in women development.

6.1.3 Rural Children and Distressed Family Development Program

In order to overcome the deficiencies of the traditional services delivery system the

1-ineteenth Annual Report 1977-78, Comilla: BARD, 1980, pp. 111-17

11 Badaruddin Ahmed, ed., Bangladesh Rural Development in Retrospect: Three Decades of Experiences of BARD, Comilla: BARD, 1995, pp. 93-99.

broad objective of the project was set as to develop an effective, acceptable and replicable model of basic services delivery system for the rural poor with active community participation. Under this program need based skill training and credit for productive purposes were given to the beneficiaries to undertake various economic activities. The trade wise trainings were carpentry, cottage crafts, masonry, mechanics, paramedics, midwifery, blacksmith, poultry raising, pump driver-cum-mechanic, fish culture, horticulture gardening, baby taxi driving, sewing etc.

6.1.3.1 Contributions to Women Development

The IGAs and educational activities had role in women development. The activities like small trade, peddlery, goat rearing, cattle fattening, speculative stock business, 'Vanki' Business, puffed rice making, 'Chira' making, keeping agricultural land in mortgage, carpentry, blacksmithy, rickshaw pulling on hire purchase basis, pisciculture etc. had made the women to move forward with small entrepreneurship and economic activities.^F

6.1.4 Poultry Farm Project

The poultry demonstration farm was first started in Abhoy Ashram Campus, Comilla in 1959. The main operation of the farm at that time was to confirm in the procurement of improved varieties of chicks and supplied the same to the villagers for rearing. Loan of improved varieties of chicks was given to the villagers, repayment was revived through the supply of eggs of those birds, chicks were hatched out from those eggs in the farm's own incubator to be loaned out again to some more villagers.

In 1963 the poultry project was taken over by women's program. They wanted to develop a new source of income for village women. With that objective in view they trained a number of women in improved poultry raising practices. A training course was organized for duplication of the new method of poultry rising. After training four village women were allowed to carry out the experiment in the village.¹³

6.1.4.1 Contributions to Women Development

Under this action research project, the most of the beneficiaries were women. The women had been worked with their husband as well.¹⁴ It was found from the project documents that a number of women increased their socio-economic conditions by poultry and cattle rearing at that time. Two-village women under the project proved successful. They took the high-yielding varieties of chicks and cattle. They also shifted their main crop based agriculture activities into cattle and poultry rearing.

6.1.5 Homestead Gardening and Food Processing Project

Within the existing social system, however, kitchen gardening may be considered

¹² A. K. M. Obaidullah, "Village Child and Distressed Family Development Project", in Badaruddin Ahmed, ed., Bangladesh Rural Development in Retrospect: Three Decades of Experiences of BARD, Comilla: BARD, 1995, pp. 111-12.

¹³ Ibid, pp. 108-112.

¹⁴ Ibid.

as a major activity for women. This has both economic and nutritional implications for the well-being of rural women particularly those hard-hit by poverty, hunger and unemployment. With this assumption, a small-scale project was undertaken in two villages of Comilla Kotwali Thana to promote kitchen gardening as a feasible area of women's income, employment and nutritional well-being. The project included organizational activities, training and credit facility etc. Three kinds of production plans, one on production of kitchen garden produce, another on food processing and food trading and the other on cattle rearing were prepared by the relevant group members indicating the amount for credit need from the bank. The extension worker helped them in preparing the plans.

6.1.5.1 Contributions to Women Development

The beneficiaries of the project were mainly village women. The gardening products such as vegetables and fruits fulfilled the demands of the family. But additional productions from homestead gardening had been sold. By this way, many beneficiaries were benefited. They were involved in marketing by themselves and their income level was increased through it. One of the beneficiaries of Haripur Village of Comilla, named Mrs. Anwara Begum can be one of the examples of it.¹⁵ Moreover, organizational capacity, credit facility, relationship with nation building departments etc. helped them to up-lift their economic conditions.

6.1.6 Gender Rights Operation and Violence Elimination Project (GROVE)

BARD has completed this project on June 2011. The main objective of the project was to improve gender relationship and establish gender equity through eliminating violence and promotion gender based rights, practices particularly in poor households of rural areas.

6.1.6.1 Contributions to Women Development

The contribution of this small project was visualized that positive changes in attitude among the villagers to reduce conflict at household level and decrease violence from the society.¹⁶

6.2 Current Action Research Perspective

6.2.1 Comprehensive Village Development Program (CVDP)

To fill up the missing link of the Comilla Model, BARD started the 'Total Village Development Program (TVDP), with a view to examine the idea of "one village one organization" in 1975. BARD carried out the project phase by phase with its own resources till 1988 in a limited scale and it was adopted under third-five year plan of the government of Bangladesh under the name of "Comprehensive Village Development Program (CVDP)". It is now being implemented by four organizations of Rural Development and Co-operative Division (RDCD): namely Bangladesh Academy for Rural Development (BARD), Rural Development Academy (RDA), Bogra, Co-operative Department and Bangladesh Rural Development Board

¹⁵Jilur Rahaman Paul, in, Palli Unnoyan Journal, Vol. 12, BARD, December 2008, pp. 177-199.

¹⁶Annual Report 2010-2011, Comilla: BARD, 2012.

(BRDB).

The general objective of CVDP is to alleviate rural poverty through Comprehensive Village Development Society with the utilization of local resources through creating linkage with higher-level development institutions. The CVDP societies initiates new activities like use of appropriate technology, irrigation management and machinery services, livestock and fisheries development, non-farm income generating activities (business projects and marketing), educational development, women and child development, health, sanitation and nutrition development, population control and family planning, youth development, environmental development and social forestry and social welfare activities. 17

Among all these activities, Income Generating Activities (IGA) has developed and expanded the horizon of non-farm activities such as small trading installment of small enterprise, groceries, vanki (rice husking) business etc. Educational activity intends to send the children to the school and reduce the number of dropout and to send back the dropout students to the school again. The women and child development special activity has the provision for open membership for the women and children, special training for illiterate women, inclusion of woman representative in the executive committee of the society, special attempts to develop the children and to develop the leadership quality of the children community. Family planning activities are to impart training to the selected members of each society in the respective subjects for checking the population growth and adopting family planning methods. Arrangement for training on power tiller and tractor driving and repairing, plumbing, carpentry, radio-TV mechanics, hardware and welding, poultry and livestock rearing, fishing, etc. are being taken for youth development. If

6.2.1.1 Contributions to Women Development

The CVDP contributes more in socio-economic development for all classes of people viz. men, women, children and youth of the coverage areas of the country. If it is analyzed some components like savings and capital accumulation, business management, loan program, agriculture development, use of appropriate technology, livestock development, fisheries development, IGAs, women and child development, youth development, the huge scope for women development is being visualized. Though the concept is one society in one village and the entire male, female and little (below 18 years) population have scope to be included in the society, so women get inspirations to start small enterprise. The project documents indicated that about 20-30 percent of the female beneficiaries who took loans from the society generated small entrepreneurs.

Women and children are also brought into mainstream development efforts through this village-based institution. The continuous training efforts directed towards different target groups of the population in the villages which have been contributing to the development of human resources. As a result, it accelerates the

17 Jillur Rahaman Paul, Ph.D., 'Co-operatives in Bangladesh: A Focus on Comprehensive Village Development Programme', in Co-operation: Journal of Co-operatives Sector, Bangladesh, Dhaka: Department of Co-operatives, January- June 2014, p. 33.

18 Dr. Md. Shafiqul Islam, Sustainable Livelihoods of Rural Community through Comprehensive Village Development Program of Bangladesh Academy for Rural Development. Comilla: BARD, 2007.

self-employment process to a great extent in the rural areas. Provision of credit support for initiating IGAs integrated with social development program like education, health and nutrition, helps accelerated adoption for family planning, improved livestock and poultry rearing, cattle fattening, pisciculture etc. in rural areas. All these things have clearly indicated that CVDP's role in women development is encouraging.

6.2.2 Capacity Building of People's Organization (CBPO)

The objective of the project is to equip the villagers with various skill development training and thus to ensure their self-employment by engaging them in various income generating activities (IGAs) with the assistance of micro-credit; help the villagers to achieve food autarky by motivating them in kitchen gardening to meet up their nutritional demand. To achieve these, the activities of the project are loan disbursement, IGA training, planning meeting, loan recovery monitoring etc.¹⁹

6.2.2.1 Contributions to Women Development

The project has been providing a number of IGA trainings, credit to women, motivational campaigning, technical support etc. After having these trainings, some of women beneficiaries have started to do small business which indicates a strong potentiality of women entrepreneurship development so far. Due to their economic contribution, women are getting more importance and respect in decision making of their family which builds capacity and confidence of loan user women.

6.2.3 Women's Education Income and Nutrition Improvement Project (WEINIP)

BARD undertook a project named WEINIP in 1993 to improve status and empower females and evolve a replicable model for the development of females in Bangladesh. The general objective of the project is to uphold socio-economic and nutritional conditions of women to improve their position in the society through self reliant, skill development, awareness building and supply of necessary inputs and provide package services of education, credit, health and nutrition and family planning. Activities of the project are such as capital formation, weekly meeting, access to credit, education, health, nutrition and family planning which include treatment of common ailment and injuries, maternity and child health care, immunization of children, family planning, micro-nutrient enriched food production, promotion of cultivation of nutritionally rich foods, vegetables and fruits, environment, water supply and sanitation.F"

6.2.3.1 Contributions to Women Development

The WEINIP action research project is fully women based. All the beneficiaries are village women. So, there is much scope to do small and medium business to improve the socio-economic development of their families. It was found that many village women were self reliant to have credit from the project. They did business on sewing, rice husking, poultry and goat rearing, small shop operation etc. Apart

¹⁹ Annual Report 2011-2012, Comilla: BARD, 2012.

²-ewaz Ahmed Chowdhury et. al., Impact of Woman's Education, Income and Nutrition Improvement Project (WEINIP): A Case Study of Haripur Village, Comilla: BARD, 2011.

from these, using own capital as credit was directly beneficial to the members due to low rate of interest and increase of own fund by that interest. Skill training along with credit and technical support promoted women's productive role and develop entrepreneurship. Guidance for market linkage inspired them to be self reliant. A package of training for community health workers, gender and child right activists and midwives improved health, nutritional status, hygiene and environment of the beneficiaries. The role of the project in women development is encouraging.

7. Future Directions

BARD has been conducted a number of action research projects since its inception. In the early stage of its operation, BARD felt need of mainstreaming women into development. Realizing this reality, the Academy developed some action researches mainly on women development. The above analyses indicate that BARD had encouraging role in women development activities in past. In 60s and 70s, when the women scenario of the country was very much miserable and vulnerable and they were confined to four-wall in the name of superstitions and religion, at that time BARD conducted women development projects. These were considered as pioneering milestone for women emancipation in the country. The women had successfully come out from their confinement situation. The social and economic mobility of village women was increased due to it. That was more satisfactory role of the Academy.

On the contrary, the reality has been Changed in the country. The current activities of BARD relating women development has not given the same results as earlier. Now only one women-focused action research has been going on. BARD has scope enough for working with rural women. It has close connection with the village people. The Academy should accelerate the women development activity like earlier. The Academy should think in the following ways:

7.1 BARD needs to develop new action research project particularly for rural women development. A number of gender issues are prevailing in the society. These issues are not equal in the villages. These are inequality, un-empowerment, dowry, discrimination, repression, sexual harassment, rape, eve teasing, malnutrition etc. Apart from these, economic disparity of women is prevailing in the society. BARD can develop a new umbrella women development program in a large scale. The action research program will cover all aspects of women development ranging from family to social and economic as well. Rural Sociology and Demography and Rural Education and Social Development Division of BARD jointly can work with the developing and operating of the project. This project could be donor supported.

7.2 BARD can take small scale action research for motivation, awareness raising, campaigning, dissemination of message and information of women health, nutrition, sanitation, immunization, cleanliness, discrimination, education, family planning, gender rights, legal protections and livelihoods etc. It can be generated with BARD own revenue fund or PPNB. Having experiences, it could be submitted to GoB or donor agency for large scale.

7.3 As an oldest research and training institute of the country, BARD can review the government existing policy on women development on every two or

three years interval. This policy review research findings could be disseminated at the national seminar in Dhaka. In this purpose, a dedicated research team would be formed comprising of committed senior experienced and enthusiastic junior researchers.

7.4 Now-a-days without collaboration and networking with allied filed association an organization cannot be sustained in the present world. Collaboration can reduce cost and repetition and enhance coordination. In the field of women development, a number of organizations in the country such as NGOs, university, ministry, department etc. have been working. BARD could set up linkage with those organizations in national and regional level. Though BARD has earlier experiences on women development, therefore, it would be easier to attract and establish this collaboration and networking with allied organizations.

8. Conclusion

A series of action research conducted by the Academy in its laboratory area during the early sixties led to the development of several viable models which were replicated all over the country. This, in fact, became the foundation of the Academy's national and international reputation. Since its inception, BARD has conducted about 50 action research projects to uplift the socio-economic conditions and develop institutional development for the betterment of the country.

The research article had analyzed with a view to review the previous role of BARD in women development through its action research activities and to hint some future directions. To do this, a total of 09 action research projects that worked for women development were taken purposively to fulfill the objectives of the article. These were into two parts. One was the previous action research projects and another was ongoing action research projects.

The study findings revealed that there were many income generating activities (IGAs) for the rural women in the action research projects. These were small and medium business generation, sewing, poultry and cattle rearing, milching cows rearing, cattle fattening, rice husking, tailoring, small shops generating, seasonal crops production, peddlery, food processing, ice cream making, vegetable and fruits gardening etc. All these activities were found as very much helpful to up-lift socio-economic conditions of the rural women and their family. The action research projects of BARD also provided various institutional, marketing and financial supports to carry out the IGAs. In this way, the project beneficiary women came forward with confidence and took part in economic activities along with their counter parts. The analyses also indicated that the action research projects of BARD of 60s and 70s were more congenial to develop women compare to current ongoing action researches. From this point of view, BARD had an optimistic role in women development in the early 60s to 70s and even 80s. But the question has come about the current action research projects.

The research article also critically analyzed this question on the basis of Academy's three ongoing action research projects. It was found that the WINIP project has been generating exclusively for the women of the village level. The women beneficiaries have been taking loans from the project and generating small business. This action research project has scope enough to develop women

entrepreneurs as well. The project has been doing this not in a large scale but in small scale it was taken place. This could be saying as encouraging so far. And the other two projects like CVDP and CBPO have also doing the same job but not only for the female. But the women beneficiaries are involved in many income generating activities getting loans, logistics and technical assistance from the action research projects. It was found that a number of female beneficiaries have been coming out from the silence and taking part in the economic activities for their family which lead them to contribute the country national economy as well. Therefore, the role of the ongoing action research projects in women development could be term as little encouraging compared to early 60s and 70s. It is clear that BARD needs to accelerate women development activity through its action research. The article has produced some pragmatic ideas on it in the future directions section which could be considered.

But after all the discussions, analyses, findings from the study, it could be mentioned that the role of BARD in women development through its action research projects might be termed as the past role was encouraging than the present.

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Land Reforms and Land Reclamation in Egypt: An Experience through Co-operatives

Haridas Thakur*

[The writer of this article stayed 82 days in Egypt as a trainee in the international training course 'Poultry Production and Health' organized by the Egyptian International Center for Agriculture (EICA) funded by the African-Asian Rural Development Organization (AARDO) from 10th July-25th September, 2014. Taking the opportunity of observing the land management in Egypt, this article is written having the assistance of many friends in Egypt. I am very much indebted to all my friends in Egypt for writing this article.]

1.00: EGYPT: The land of the Ancient Civilization:

Egypt is officially called as the Arab Republic of Egypt (umhriyyat Mir al-Arabiyyah). It is a transcontinental country spanning the northeast corner of Africa and southwest corner of Asia, via a land bridge formed by the Sinai Peninsula. Most of its territory of 1,010,000 square kilometers (390,000 sq mi) lies within the Nile Valley of North Africa and is bordered by the Mediterranean Sea to the north, the Gaza Strip and Israel to the northeast, the Gulf of Aqaba to the east, the Red Sea to the east and south, Sudan to the south and Libya to the west. With over 86 million inhabitants, Egypt is one of the most populous countries in Africa and the Middle East, and the 15th-most populous in the world. The great majority of its people live near the banks of the Nile River, an area of about 40,000 square kilometers (15,000 sq mi), where the only arable land is found. The large regions of the Sahara Desert, which constitute most of Egypt's territory, are sparsely inhabited. About half of Egypt's residents live in urban areas, with most spread across the densely populated centres of greater Cairo, Alexandria and other major cities in the Nile Delta.

Egypt has one of the longest histories of any modern state, tracing its heritage back to the 10th millennium BCE, which saw the emergence of one of the earliest and most sophisticated civilizations in the world. Egypt's iconic monuments, such as the Giza Necropolis and its Great Sphinx, as well the ruins of Memphis, Thebes, Karnak, and the Valley of the Kings outside Luxor, are a significant focus of archaeological study and popular interest from around the world. The country's rich cultural legacy is an integral part of its national identity, enduring and assimilating numerous foreign influences, including Roman, Greek, Persian, Ottoman, and European. The economy of Egypt is one of the largest and most diversified in the Middle East, with sectors such as tourism, agriculture, industry and services at almost equal production levels. Egypt is considered to be a regional and middle power, with significant cultural, political, and military influence in North Africa, the Middle East and the Muslim world. Having the experience of the great land EGYPT, many travelers and Egyptologists describe EGYPT, as follows having consideration of all the magnificent dimensions of the past and the present:

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EGYPT	
E	Essence of the Great Ancient Civilization;
G	Gift of the NILE and the Greatest Wonder of the World;
Y	Yield of the Excellence of the Past and the Present;
P	Pathfinder of the Ancient Civilization and present Afro- Asian Countries;
T	Treasure Island of the Past and the Present.

2.00: The Limitations of Egypt's Agricultural Land Base:

Egypt is counted among the world's poor countries in cropland base. The presently cultivated area constitutes about 3% of the total area of Egypt (245 million feddans). Statistics from the Ministry of Agriculture and Land Reclamation (MOALR) indicate an increase in the agricultural land: from 5.67 million feddans in 1950 to about 6.62 million feddans in 1982. According to an estimation of the Ministry of Public Works and Water Resources (MPWWR), Egypt's cropland area is of about 7.3 million feddans, based on the annual quantities of irrigation water, in addition to an area of 0.2 million feddans outside the Nile basin in the Egyptian territory in 1991. These figures conform, to a great extent, with those of MOALR for the same year. Most of these croplands are classified under the second and third grades (45.5% and 38.5% respectively) representing good and fairly good lands. First grade lands constitute about 9.2% of the total area of cultivated lands while low quality lands (fourth grade) constitute about 9.6% (Arab League, Arab Organization for Agricultural Development 1992). Due to the rapid population growth, the average per capita share in agricultural land decreased from 0.29 feddan in 1950 to 0.23 feddan in 1960, and to 0.14 feddan in 1990 (Suliman 1991). This figure is the world's lowest per capita share in agricultural land. It is annually decreasing as population growth rate greatly exceeds that of the expansion of agricultural land. Therefore, Egypt's land resource is one of the constraints that impede agricultural development efforts, let alone the fact that a large part of the Egyptian population is concentrated over about 5% of Egypt's total area.

3.00: 23rd July Revolution in Egypt:

The Egyptian Revolution of 1952, also known as the 23 July Revolution, began on 23 July 1952, by the Free Officers Movement, a group of army officers led by Muhammad Naguib and Gamal Abdel Nasser. The evolution was initially aimed at overthrowing King Farouk. However, the movement had more political ambitions, and soon moved to abolish the constitutional monarchy and aristocracy of Egypt and Sudan, establish a republic, end the British occupation of the country, and secure the independence of Sudan (hitherto governed as an Anglo-Egyptian condominium). The revolutionary government adopted a staunchly nationalist, anti-imperialist agenda, which came to be expressed chiefly through Arab nationalism, and international non-alignment.

The revolution was faced with immediate threats from Western imperial powers, particularly the United Kingdom, which had occupied Egypt since 1882, and France, both of whom were wary of rising nationalist sentiment in territories under their control throughout the Arab world, and Africa. The ongoing state of war with Israel also posed a serious challenge, as the Free Officers increased Egypt's

already strong support of the Palestinians. These two issues conflated four years after the revolution when Egypt was invaded by Britain, France, and Israel in the Tripartite Aggression of 1956. Despite enormous military losses, the war was seen as a political victory for Egypt, especially as it left the Suez Canal in uncontested Egyptian control for the first time since 1875, erasing what was seen as a mark of national humiliation. This strengthened the appeal of the revolution in other Arab and African countries.

Wholesale agrarian reform, and huge industrialisation programmes were initiated in the first decade and half of the revolution, leading to an unprecedented period of infrastructure building, and urbanisation. By the 1960s, Arab socialism had become a dominant theme, transforming Egypt into a centrally planned economy. Official fear of a Western-sponsored counter-revolution, domestic religious extremism, potential communist infiltration, and the conflict with Israel were all cited as reasons compelling severe and longstanding restrictions on political opposition, and the prohibition of a multi-party system. These restrictions on political activity would remain in place until the presidency of Anwar Sadat from 1970 onwards, during which many of the policies of the revolution were scaled back or reversed.

The early successes of the revolution encouraged numerous other nationalist movements in other Arab, and African countries, such as Algeria, and Kenya, which were engaged in anti-colonial struggles against European empires. It also inspired the toppling of existing pro-Western monarchies and governments in the region and the continent.

4.00: Historical Land Management Scenario in Egypt before Revolution:

On the eve of the 1952 Revolution, ownership of land was heavily concentrated in a few hands, more so than in the twenty preceding years. About 0.1 percent of owners possessed one-fifth of the land and 0.4 percent controlled one-third, in contrast to the 95 percent of small owners with only 35 percent of the land. In addition, 44 percent of all rural inhabitants were landless. Egypt as a whole was experiencing political instability, which was manifested in the countryside in the growing insecurity of property and in peasant resistance and demand for land. Although several land reform bills were presented to the Egyptian parliament, for a variety of reasons none passed.

Approximately 65% of the land was owned by various sects of people in Egypt before Revolution. The total percentage of land was owned by 6% of the Egyptian population. Since the owners were major shareholders of the total agricultural land in Egypt, they exercised their monopoly by charging unreasonable rents from the tenants. The rent amount fetched 75% of the revenue earned from landed property, which were put on rent. High rates of interest, which the banks charged along with high rents, compelled the peasants to delve deep into debts.

The wage received by the agricultural workers was not enough to support their livelihood. This gave rise to the situation often referred to as 'Pre reform Egyptian Peasantry.' This term was coined by the famous historian Anouar Abdel Malek. This situation refers to a condition when a handful of people are subjected to illness, starvation and ultimate death. The condition of these forlorn peasants can be compared to the condition of the peasants prior to the French Revolution.

Table-1: DISTRIBUTION OF LAND OWNERSHIPS IN EGYPT BEFORE THE PROMULGATION OF THE 1952 LAND REFORM LAW

Bracket	Land Owners (000)	Area Owned (000)	Percentage	
			Land Owners (%)	Area Owned (%)
Less than 5 Fedd.	2642	2122	94.3	35.4
5 Fedd.	79	526	2.8	8.8
10 Fedd.	47	638	1.7	10.7
20 Fedd.	22	654	6.8	10.9
50 Fedd.	6	430	0.2	7.2
100 Fedd.	3	437	0.1	7.3
200 Fedd.	2	1177	0.1	19.7
Total	2801	5984	100	100

Source: Statistical Yearbook: Arab Republic! of Egypt 1983.

Table-2: DISTRIBUTION OF LAND OWNERSHIPS IN EGYPT 1980*

Bracket	Land Owners (000)	Area Owned (000)	Percentage	
			Land Owners (%)	Area Owned (%)
Less than 5 Fedd.	3487	2934	95.3	52.9
5 Fedd.	92	595	2.5	10.7
10 Fedd.	44	558	1.2	10.1
20 Fedd.	24	620	0.7	11.2
50 Fedd.	6	398	0.2	7.2
**100 Fedd.	3	440	0.1	7.9
Total	3655	5545	100	100

* State lands, desert prairie and land under distribution are not included,

** Includes Organizations, Companies and Individuals.

Source: Statistical Yearbook: Arabian Republic of Egypt 1983.

5.00: 1952 Revolution and Land Reforms:

On September 11, 1952, Law Number 178 began the process of land reform in Egypt. The law had numerous provisions that attempted to remedy the Egyptian land problems. Some citable provisions were as follows:

(1) Land owners were prohibited to possess more than 200 feddans of land. However, fathers with more than 2 children were allowed to own 300 feddans. (2) A limit on the rental rate for land was set at seven times the land tax value of the plot of land. (3) All land leases were given a minimum duration of three years. (4) The government established co-operatives for farmers holding less than five feddans. The members of these co-operatives worked together to obtain supplies such as fertilizers, pesticides, and seeds as well as cooperating to transport their products to market. (5) A minimum wage for agricultural workers was set at 18 piastres per day.

Additionally, the law provided for the redistribution of any land that owners held over the limits it established:

(1) Each affected owner would receive compensation for his excess land in government bonds worth a total of ten times the rental value of the land. These bonds would pay three percent interest and mature in thirty years. (2) All land bought by the government would be sold to peasants though no person could obtain more than five feddans from the government. Peasants who bought land

would pay the government the cost of the land and a 15% surcharge over a period of thirty years.

Law 178 initially met opposition from Prime Minister Ali Maher Pasha who supported a limit of 500 feddans for land ownership. However, the Revolutionary Command Council demonstrated its power by forcing him to resign, replacing him with Muhammad Naguib and passing the law.

Modifications to Land Reform:

In 1958, three provisions of the land reform law were revised:

(1) The interest on the bonds the government used to repay owners of seized land was lowered to 1.5%. (2) People who purchased land from the government were given forty years (in place of thirty) to complete repayment. (3) The government surcharge to be paid by purchasers was lowered to 10%.

In 1961, the government again revised the land reform program by lowering the land ownership maximum to one hundred feddans.

6.00: The Co-operative Institutions of Agrarian Reform:

The first Agrarian Reform Law was issued on 11 September, 1952. Its main provisions included: (1) Fixing the maximum ceiling of land ownership at 200 feddans, and expropriating land held in excess of this ceiling. (2) Distributing expropriated land in plots of 2-5 feddans. (3) Establishing agricultural reform co-operatives with obligatory membership for beneficiaries. (4) Measures prohibiting the division of land through inheritance or sale. (5) Measures regulating tenancy by fixing rent at 7 times the land tax in written contracts. (6) Measures regulating agricultural labor by fixing a minimum wage and creating trade unions.

Subsequent laws in 1961 and 1969 would lower the ceiling of ownership to 100 and 50 feddans respectively, and decrees in 1957 and 1959 would expand the co-operative structure to all smallholders owning less than 15 feddans of land. Examining these provisions, it is possible to discern three major types of approaches to solve problems in the agrarian structure; distributing expropriated land, creating agricultural co-operatives, and legislation to ensure economic and social standards.

The first two of these approaches involves the creation of new institutions in the countryside, with land expropriation and distribution creating the institution of muntifa'een (Arabic for "beneficiaries")-a new social class in the countryside constituted by those receiving expropriated land-and with agricultural co-operatives constituting a new institutional force in rural socio-economic life. Because a discussion of the third approach can be subsumed in our analysis of these two institutions, we will structure our study by focusing on the twin decisions to create the social class of beneficiaries and the state bureaucracy of agricultural co-operatives.

6.01. ESTABLISHMENT AND PROGRESS OF THE EGYPTIAN AGRICULTURAL CO-OPERATIVE MOVEMENT:

To make Land Reforms through co-operative movement, four main forms of agricultural co-operative organizations are operating in the rural areas of Egypt. They are:

1. Agricultural Reform Co-operatives
2. Old Lands Co-operatives
3. New Lands Co-operatives
4. Specialized Cooperatives .

Table-3: AGRICULTURAL CO-OPERATIVE MOVEMENT IN EGYPT

	Number of primary Co-operatives	Members (000)	Average number of Co-operatives
OLD LAND COOPERATIVES	4120	2527	613
AGRARIAN REFORM	686	395	576
NEW LANDS COOPERATIVES	163	71	436
SPECIALIZED COOPERATIVES	315	134	425
Total:	5284	3127	592

6.02: THE AGRARIAN REFORM CO-OPERATIVES:

The Agrarian Reform Co-operatives are set up as a result of the first Agrarian Reform Act of 1952 which stipulates that the farmers who receive land from the government have to be members of these societies. However as it was mentioned earlier, the size for family holdings reduced from 200 feddans to 50 during 1952-1969 period. At present most of the farmers hold an average of 5 feddens. By the end of 1982, 395 thousand farmers are enlisted in 686 Agrarian Reform Co-operatives which are working each on a average of 15000 feddans of land.

Agrarian Reform Co-operatives are organized in three distinct steps. Firstly, primary co-operatives are responsible for providing necessary input items, agricultural machinery, storing and marketing and ensuring the credit facilities through its apex organizations at go-vernorate and national levels recently.

Agricultural loans are obtained from the General Egyptian Organization for Agricultural Development through the principal Bank for Development and Agricultural Co-operation and diverted to the primary co-operatives through the General Society for Agricultural Reform which is responsible for the operations at national level. The total amount of loans increased more than four times during 1977-1982 period and reached L.E. 612 million.

Table-4: EVOLUTION OF AGRICULTURAL COOPWRATIVES IN EGYPT FROM 1952-1972

Year	1052	1962	1965	1970	1972
Cooperative societies	1727	4624	4839	5049	5008
Members (000)	499	1777	2369	2830	3118
Capital (Egyptian	661	2178	2653	7415	7915

Source: Egyptian Statistical Yearbook, A.R.E: 1952-1977; Page-52).

Table-5: LOANS OFFERED BY THE GENERAL EGYPTIAN ORGANIZATION FOR AGRICULTURAL CREDIT AND CO-OPERATION

Year	Amount of Loans L.E. (000)
1952	15960
1977	150746
1978	172721
1979	211384
1980	179500
19810/1981	372232
1981/1982	611747

Source: Statistical Yearbook 1983, Arab Republic of Egypt.

The co-operatives obtain farm inputs, fertilizers, seeds and insecticides and agriculture help from the Society for Agrarian Reform. They have a particular responsibility in pest control and operations of agricultural machinery (in particular, tractors, harvesters seed drills and drain diggers). In order to achieve economic efficiency, later some co-operatives combined their resources and created joint societies to purchase a large number of tractors and utilize them in the most appropriate ways.

As a result of economic activities, Agrarian Reform Co-operatives and their apex organizations distribute their surpluses according to specified percentages which can be summarized as follow:

- a. Minimum 20% maximum 40% legal reserves
- b. Minimum 5% Co-operative investment projects
- c. Minimum 5% Social Services
- d, Minimum 5% Co-operative Training
- e. Minimum 5% Co-operative Employees.
- f. Maximum 10% Board of Executive Directors
- g. Minimum 3% Bad debts
- h. Rest Dividend to members

Table-6: Services rendered by the agrarian reforms co-operative societies

Item	1977	1978	1979	1980	1981	1982
Seeds	1636	1705	1700	2530	2378	2260
Fertilizers	6207	5716	7380	9747	10890	15125
Insecticides	3211	3265	5675	7963	8202	7831
Total	11054	10899	14755	18240	21470	25216

Primary society has a manager, a book keeper and a storekeeper paid by the Board of Agrarian Reform. Besides providing residences, societies also render

financial support to their appointed employees. In fact, the Board has to choose one of the two candidates proposed by the government as its manager and has to cooperate with him during his term of office. Employment of other staff also must be cleared by the apex organization. The Board of the General Society for the Agrarian Reform Co-operatives as a national body consists of 25 members of whom 5 are appointed by the government and the rest are elected by the member societies.

6.03: OLD LAND CO-OPERATIVES:

Old land co-operatives are established as a result of success obtained from the Agrarian Reform Co-operatives in respect of rotation system and distribution of credit facilities. So that after an experimental period of four years the system is introduced in the whole of the country with compulsory membership for all farmers in 1965. However, due to small size of the average Egyptian farm (95 per cent of the holdings were less than 5 feddans) the block management, distribution of inputs and credit facilities become major problems. So that, by 1977 the Principal Bank for Development and Agricultural Credit took over from the old land co-operatives the functions of directly providing credit, supplying agricultural inputs and marketing crops. Consequently co-operatives are turned into some sort of government

agencies serving the rural population. The managers and key personnel are appointed by the Ministry of Agriculture. Co-operative buildings, depots and residences of the employees were erected by the state at the Agricultural Services Centres which numbered nearly 1000 in different parts of the country. However, with the enactment of a new Co-operative Act in 1980, the government wants to bring a new dimension to 4720 primary old land co-operative organizations which have more than 2.5 million members. The act aims to introduce free membership and autonomy in managerial affairs. But so far no significant steps were taken in this direction.

6.04: NEW LAND CO-OPERATIVES

During the period of 1952-1982, 1072267 feddans of land are reclaimed from wasteland and desert. Nearly half of those lands are distributed to the landless or nearly landless people who are married having a son of working age. In the first run, priority is given to the workers who have been employed in the land reclamation areas. Later on, soldiers, army officers, agricultural graduates are included in the list. With the assistance of international agencies such as World Food Programme, 450 villages were built and in other cases government provides housing and community services to the settlers. Statistics indicate that by 1982 there are 315 New Land Co-operatives each serving on an average, 410 farming families. As in the cases of other types of co-operative organizations, New Land Co-operatives started to combine in joint societies which aim to reduce the cost of production and obtain the benefits of large scale operations. In this respect, with the financial and technical aid of World Food Programme (W.F.P) 52 primary co-operatives have combined into three large scale co-operatives and thus enhanced their effectiveness.

The government provides a manager, a storekeeper and a cashier to each primary and joint societies and erects necessary offices, storages and residential buildings. The co-operatives may also pay extra bonuses to the successful and efficient staff. However, despite some fringe benefits, the graduates are still reluctant to work in the New Land Co-operatives due to its far distance from the main cities as well as low salary scale and less prospective future within these organizations.

New Land Co-operatives provide credit facilities both in cash and kind through its apex organization which also purchases agricultural machinery, tractors and harvesters on behalf of the primary societies. Almost each primary co-operative has a consumer unit which sells all the necessities of a farming community on the whole. Perhaps the most important duty of the co-operative management is in the first run to purchase the major agricultural products, sell them and pay the members according to their production. The New Land Co-operatives on average, produce 96% of groundnuts, 19% of onions, 7% of sugarcane, 3% of rice and 1 % of cotton in Egypt.

The Apex Organization General Society for New Land Co-operatives is not only responsible for purchasing the necessary input items but also undertakes the duty of marketing the goods which are handed over by the primary societies. In return for these operations, the Apex Organisation receives a certain percentage of the profit. Lately, this national organization starts supporting agro-industrial projects and investing considerable amounts in various fields, such as broiler livestock and processing plant. Furthermore, the General Society organizes short and long term training programmes at its premises which make important contribution to the development of management skills at the primary level.

6.05: SPECIALIZED CO-OPERATIVES

The specialized co-operatives have been established on the farmers' own initiatives but receive very little support from the government. So far experiences show that they do serve middle class farmers. However, an individual primary co-operative can also be a member. Generally they tackle the production and marketing problems of agricultural products which are not subject to the government intervention such as livestock, poultry, fruits and vegetable and fishery.

By 1982 there are 268 livestock and 18 Poultry Co-operatives which are affiliated to seven regional governorate and one national organization (General Co-operative for livestock). The top apex organization helps in providing dairy equipments, animal feedings, veterinary services and marketing of the final products. It is administered by a board consisting of seven elected members.

Currently 17 fruit and vegetable co-operatives are operating under the guidance of the National Co-operative Society (NCS) which is established with the technical and financial aids of the Co-operative League of the U.S.A (CLUSA) and the US AID. Besides credit facilities, N.C.S. provides technical services and marketing facilities to its members. By 1982 more than US \$5 million have been channelled to help the members of fruit and vegetable co-operatives in Egypt.).

More than 70 fishery co-operatives are serving almost 45,000 members in providing fishing gears, tools and engines. Lately, the Ministry of Agriculture has

been interested in the activities of fishery co-operatives and has started to help in technical and financial fields.

Table-7: LAND DISTRIBUTED AMONG FARMERS WITHIN LIMITED INCOME

Year	Ahrarian Reform Organizations	Land belonging to	Nile Deposits	Total
1953-1966	696380	151665	29301	877346
1967	58107	32746	454	91307
1968	20531	-	-	20531
1969	22743	-	-	22743
1970	19777	--	-	19777
1971	5385	-	-	5385
1972	5135	-	-	5135
1973	2438	-	-	2438
1974	915	-	-	915
1975	640	-	-	640
1976	-	-	-	-
1977	2336	-	-	2336
1978	3747	-	-	3747
1979	7313	-	-	7313
1980	3450	-	-	3450
1981	3894	-	-	3894
1982	5320	-	-	5320
Total	858101	184411	29755	1072267

- Land distributed by Egyptian Organization for Desert Development is not included.

Source: Statistical Yearbook of the Arab Republic of Egypt 1983

5.00: Land Reclamation Initiatives and Reclaimed Land Management through Co-operatives:

5.01: Development of Land Reclamation in Egypt:

In the 1930s, successful attempts at land reclamation in the northern Delta were made by individuals and companies. The total reclamation area from 1932 to 1952 reached about 200 thousand feddans. Following the 1952 Revolution, greater achievement was realized in this field. Large areas were reclaimed in the Delta, the valley, the oases and Tahrir District. The annual rate of land reclamation varied according to the circumstances to which the country was exposed. The highest rates of land reclamation were achieved during two periods (1960-64 and 1987-92) and the lowest rate was recorded over the period 1970-79 (only 33 thousand feddans were reclaimed during the 1970s). The total area reclaimed from 1982 through 1952 reached about 400 thousand feddans: 75% of which were undertaken by the government. At the same time the private sector did not have a very active participation in land reclamation on account of the heavy investment and expertise required; to this can be added the irregularity of government efforts to provide infrastructure requirements at reclamation areas .. The total reclaimed area reached about 78.8 thousand feddans representing 41 % of the target area

(193 thousand feddans), at an annual average of 11.3 thousand feddans. The task was jointly undertaken by the Egyptian Authority for Rural Reform, Tahrir District Establishment, Authority for Land Reclamation. The Tripartite Aggression on Egypt in 1956 was behind the inability to reach the targeted area of reclaimed land. This period represents the first five-year plan during which almost 536.4 thousand feddans were reclaimed, representing 65% of the target area (825 feddans) at an annual average of 107.2 thousand feddans. The state-run authorities and national firms reclaimed about 500 thousand feddans representing about 93% of the total reclaimed area while the remaining 36 thousand feddans were reclaimed by an Italian company (ITAL CONSULT).

5.02: Co-operative Approach in Reclaimed Land Management:

The reclaimed land management in Egypt was successfully done through a project named 'National Project for the Settlement of Youth Graduate in Newly Reclaimed Land'. It is well known as 'The Mubarak Project'. Formation of Co-operatives was an essential component of this project. All activities of these project were supplied and initiated-implemented through these co-operatives. Agriculture production-Socio-economic activities-financial transactions etc are controlled and managed by the co-operatives.

The majority of the reclaimed land for the Mubarak Project is located on the Western side of the delta and received water through irrigation canals from the Nile. The number of settlers with the Mubarak project is app. 70,000 plus their families, app. 17,000 of these are former tenants. The project is also responsible for distributing land from the Toshka land reclamation scheme to approximately 500,000 new settlers plus their families and to the same number of people in other so-called mega reclamation projects all over the country (K. Sherif, MALR, pers. comm.). This is why the rationale and outcome of the Mubarak Project have bearings beyond the number of graduates and tenants settled so far. The Ministry of Agriculture and Land Reclamation (MALR) states that the rationale underlying the Mubarak Project is that graduate unemployment can be solved by granting the graduates reclaimed land. When a group of graduates with different educational background is brought together, integrated rural communities can be developed. Here the human capital of the youth can be used for developing villages in the reclaimed lands and increase the agricultural productivity by adopting new technology. Subsequently, this will alleviate the population density in the delta region and attract investors, small farmers, and auxiliary workers to the new lands - and this means that increasingly more desert can be reclaimed (MALR, 2000, p. 5). The graduates respond to announcements in the newspapers and if they are found eligible, they are allotted 5 feddan of desert land and a 1-bedroom house in the adjacent village. When they receive it, the land is equipped with an irrigation system. For the first five years there are various means of aid until the land can be expected to provide an output, which can sustain the family. In this way, the Mubarak Project is very similar to Ahmed Hussein's 'Five Feddan Scheme' from 1950.9 According to the ministry, land is granted on the basis of the following criteria (MALR, 2000):

(1) Age (applicant should be under 30 years old); (2) Qualification (agricultural degrees are preferred, but all graduates can apply¹⁰); (3) Graduation year



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(1) Age (applicant should be under 30 years old); (2) Qualification (agricultural degrees are preferred, but all graduates can apply); (3) Graduation year

7.00: Conclusion:

On September 11, 1952, Egypt's ruling "Free Officers" instituted the first of a series of land reforms aimed at redressing what was seen as an imbalance in land ownership (70% of the arable land had been in the hands of 1 % of the population; by 1970, land ownership had increased to 10% of the population.) Landholders after the 1952 reforms were limited to owning 200 feddans (1 feddan = 1.038 acres) and were compensated for lands seized by the government. Further reductions were leveled in 1961 (maximum holdings of 100 feddans) and again in 1969 (limited to 50 feddans). The state redistributed seized lands in small plots to peasants, who in return were compelled to join agricultural co-operatives from which they received credit, seed, fertilizer, and other forms of assistance. The chief effect of the land reforms was to shift political power from the big landowners to rural notables who came to dominate their villages. However, more than half the rural population continued to work as landless laborers. As the population increased, the proportion of land to farmers actually dropped from 1.3 hectares for a family offive (1947) to 0.8 hectares (1971).

The experience of land reforms in Egypt through Co-operatives is mixed with good and bad instances. Started with the vision of revolutionary objectives, finally the land reforms did not achieve the desired goals. The co-operative organizations having the greatest ideology cannot reach the objectives due to the bad practice of the members. It is same all over the world. The Egyptian experience was not the exceptions, Even though the it is notable that the land reforms in Egypt was initially saw the light of success through the spirit of Co-operatives.

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Productivity or Microcredit in Co-operatives: A Changing Dimension

Md. Ziaul Hoque*

Co-operative is one of the key pillars of social economy. Co-operatives have played an integral role in the social and economic development. Co-operative involve in wide range of activities: Agriculture and resources, Community development, Recreation, Child care and Education, wholesale and retail, financial, Community service. Co-operative activities are seen from the beginning of the history of mankind. Adam feel loneliness then Allah creates Hawa to co-operate each others. Through the changes of the history of co-operation and co-operatives nowadays Co-operatives indicates unity, Co-operation, Microcredit or microfinance, micro savings, productivity or micro investment etc.

The goal of co-operative is economical development of the members, develop the unity and promote social integration, co-operation among the members of the society, Small enterpreneual development and increasing investment and productivity, leadership building, increasing social awareness and social standard of the members of the society.

So the primary objectives of every co-operative society are-

- 1) To provide goods and services to its members and increased income and savings, investments, productivity and purchasing power and promote among them equitable distribution of net surplus through maximum utilization of economics of scale.
- 2) Promoting productive capacity for sustainable livelihood.
- 3) Eradicate poverty in the contest of inclusive sustainable and economic growth.
- 4) To promote employment skills by cultivating entrepreneurial capacity and by offering opportunities for training and development.

In Bangladesh the trend of co-operative society is microcredit activities among the members of the society. Although microcredit is part of microfinance which provides a wider range of financial services to the poor. It indicate give loan on the basis of interest to the members of the society. But savings and forming capital then invest to the production based project is more profitable for the co-operative society. Microcredit doesn't cover the development in every corner.

Professor Deankarlan from Yale University says that whilst microcredit generates it isn't the panacea that it has been purported to be. He advocates also giving the poor access to savings accounts. Another analyst says that microcredit has not had a positive impact on gender relationship, does not alleviate poverty, and lead many borrowers into debt trap.

The Randomize evaluation of microcredit conducted by Esther Dufl and others

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showed mixed result. There was no effect on household expenditure, gender equality, education or health.

Ethnographic study in 1999 that micro credits have a detrimental effect on women, similarly after conducting a study of small women entrepreneurs in Bangladesh at 2008 by Jahir uddin shows that microcredit can even worsen poverty of borrowers in certain conditions.

So microcredit has both merits and demerits in co-operative society on aspect of social and economical development. The demerits of microcredit's are:

1. Collection of installment from the borrower is not easy in every time. Some cases the borrower do not pay installment in proper time.
2. Microcredit creates dissatisfaction due to not getting loan according to the demand. So it may cause of cracking the society.
3. In aspect of business trend microcredit gain less profit on the other hand production based business project may earn more profit for the society.
4. Microcredit has a strong religious obligation. No religion give legality the interest based economic system. In Islam interest is totally prohibited but profit gaining by business is legal.
5. Microcredit may cause of breaking social unity due to dissatisfaction getting loan or leadership question.

So not microcredit, but micro savings and invest to the production based project is necessary for the development of entrepreneurship. German Economist professor Narks mention in his theory of vicious cycle of poverty that the cause of poverty is due to fewer saving and capital. To brake the vicious cycle of poverty forming capital is important. Co-operative system helps to create capital through the savings of the members of the society.

Co-operative based economy makes a balance between rich and poor. It tries to lessen the gap between rich and poor. In capitalism freedom of income and market economy make the rich more rich. In socialism economy is controlled by government. Private property is not recognized. Equality is the key concept of socialism. Co-operative ensures the equal rights of voting, participation in financial and social activities. Co-operative co-ordinates between socialism and capitalism because of based on values like self help, democracy, equality, equity and solidarity. Production based project of co-operative society ensure employment, more economic profit, skill development, and increase the social standard of the members of the society.

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- Understanding the real needs of consumers: Through their democratic governance structures consumers' co-operatives are in a privileged position to understand and address the real concerns and expectations of consumers.
- Sense of achievement and equality: The ethical stance of consumers' co-operatives can provide consumers not only with safe, high quality and high social standards products but also with equitable conditions for each partner of the supply chain.

The long-term economic and social benefits generate by co-operative activity are a fundamental contribution to sustainable development which cannot be neglected.

Scope of Consumers' Co-operatives in Bangladesh

In Bangladesh consumers' co-operatives have vast opportunities because they provide valuable services and save consumers money. Since the primary goal of consumers' co-operatives is to meet needs, not to generate profits, they can serve their members at low cost. Consumers' co-operatives often provide services to their communities that are not readily available from for-profit businesses. In other cases, consumers' co-operatives enhance the level of competition in the marketplace by providing consumers with an alternative source of products and services. The areas where Consumers' co-operatives can play vital role in Bangladesh are mentioned below:

- Retail co-operatives: With over 160 million people Bangladesh is a large market of retail commodities. People are mostly concentrated in cities. As a result there is a big gap between demand side and supply side of the economy. Greedy middlemen's often take advantage of this weakness. Consumers' co-operative can play an important role to mitigate the gap and ensure quality products at an affordable price. A new brand under a chain shop system can be promoted in this regard. In Japan, retail co-operatives provide home delivery services too.
- Housing co-operatives: Housing co-operatives are owned and controlled by residents. Co-operative housing often provides significant savings over physically comparable rental or single-family housing. As more and more people are coming to cities for job, ensuring quality accommodation facility for them through private endeavor is near to impossible in Bangladesh. Housing co-operatives can be an effective way to provide home ownership for low-income Bangladeshis.
- Credit co-operatives (Credit Unions): In USA, more than 9,000 credit unions supply financial services for over 86 million consumers nationwide. Using up-to-date technology, they offer a wide range of services at prices that are usually lower than those of for-profit institutions. For example, credit unions usually charge fewer and lower fees, and lower loan rates, than do competitors. In Bangladesh, middle class comprises the largest share of the economy, as credit unions serve the broad middle class, they can meet the needs of an increasing number of underserved communities, including youth, seniors and minorities. As many banks abandon low-

income communities, credit unions can play vital to ensure financial services to low and moderate income households.

- **Food Co-operatives:** Concern over quality of food items and availability is a common phenomenon in Bangladesh. Food co-operatives can play important role in ensuring quality and fair price for consumers which intern will ensure significant savings for consumers.
- **Nursery School and Child Care Co-operatives:** Nursery school and child care co-operatives can provide quality care for millions of families. The co-operative structure gives parents a real voice in their child's education. In co-operative nursery schools and child care centers, parents can determine policy, participate as aides in the classroom and serve on committees for such things as raising funds, purchasing supplies and maintaining equipment. This parental involvement cuts expenses so that the savings can be passed on to members.
- **Health Care Co-operatives:** Community based health care system can be promoted as government services are yet to reach the corners of the country and are not sufficient. High quality care at the lowest cost can be ensured since such co-operatives are run for mutual aid and not for pecuniary profit.
- **Education Support Co-operatives:** Education support items like books, accessories and education loans can be arranged through such co-operatives within college and/or university campus areas. It will save members money and can function as a source of affordable financing for member students.
- **Insurance:** Locality based insurance services can be provided to its members. The basic idea of insurance is basically the idea of co-operatives. In Bangladesh, insurance industry is yet to flourish. Co-operative based insurance service can play an important role to provide sense of safety to its members.
- **Institutional Co-operatives:** Serve employees at their work places through operating stores and canteens.

Consumers' Co-operatives throughout the World:

Europe:

"Euro Coop" is European Community of Consumer Co-operatives, whose members are the national organizations of consumer co-operatives in 19 European countries and 1 non-European member. Created in 1957, Euro Coop today represents over 4,500 local and regional consumer co-operatives, the members of which amount to more than 30 million consumers across Europe. Primarily active in food retail, consumer co-operatives are enterprises owned by consumers. Their overall turnover amounts to more than 74 billion, with 36,000 points of sale and 450,000 employees.

The biggest group of this kind in the UK is the Co-operative Group which operates over 400 branches of self branded business like, The Co-operative Food (The UK's fifth largest supermarket chain), The Co-operative Travel, Co-operative Legal Services, Co-operative Electrical, The Co-operative Bank and The Co-operative Pharmacy (The biggest pharmacy chain in the UK).

Asia:

Japan has a very large and well-developed consumers' co-operative movement. In addition to retail co-operatives there are medical, housing and insurance co-operatives alongside school and university based co-operatives. A particular strength of Japanese consumers' co-operatives in recent years has been the growth of community supported agriculture where fresh produce is sent direct to consumers from producers without going through the market. As per data of March, 2014 there are 577 consumers' co-operative which have 27,339 thousand members. These co-operatives have total share capital of USD 7,443 million and total business turnover USD 32,754 million. Of the retail sales fresh food, grocery and non food items comprises 54.8%, 25.4% and 15.8% respectively.

In India there are 22,241 primary consumers' co-operative societies and 612 wholesale societies with 8,405,000 members. In 2010-11 The National Co-operative Consumers Federation of India Ltd (NCCF) had gross sales of 14,645 million rupees and net profit of 116 million rupees.

Australia:

"University Co-operative Bookshop Ltd," Australia's largest consumers' co-operative, established by students in 1958, has grown to become the largest provider of educational, professional and lifelong learning resources in Australia. With over 40 branches and over 1.3 million lifetime members across Australia "University Co-operative Bookshop Ltd" is more than just a bookshop.

North America:

In the United States, the PCC (Puget Consumers Co-operative) Natural Markets in Seattle is the largest consumer-owned food co-operative. The National Co-operative Grocers Association maintains a food co-operative directory. Seattle-based R.E.I., which specializes in outdoor sporting equipment, is the largest consumer co-operative in the United States. Similarly, outdoor retailer Mountain Equipment Co-opt in Canada is one of the country's major consumer co-operatives.

Financial Management of Consumers' Co-operative:

The customers or consumers of the goods and services the co-operative provides are also the individuals who have provided the capital required to launch that enterprise.

The major difference between consumers' co-operatives and other forms of business is that the purpose of a consumers' co-operative association is to provide quality goods and services at the lowest cost to the consumer whereas a for-profit enterprise will treat the difference between cost and selling price as financial gain for investors. In practice, consumers' co-operatives charge competitive price and may retain a portion of profit to accumulate capital in common ownership, distribute it to meet the consumer's social objectives or refund this sum to the consumer as an over-payment.

Conclusion:

As Bangladesh is one of the least developed countries most of the people are of middle to low income group. Capital formation is a major problem here. Thus it is often hard to start any new venture at individual level. By forming consumers' co-operative members can ensure quality products at affordable price for them. At the same time it will promote entrepreneurship and limit the influences of middlemen in the marketing system. As illustrated, consumers' co-operative is a successful idea all over the world. The best part is the economic and social benefits generated by their activity stay in those local communities. Thus undoubtedly consumers' co-operative has immense potentiality in Bangladesh. It is high time stakeholders start working to realize this potentiality into reality.

Co-operative movement in Bangladesh: Past and present

Kazi Mesbah Uddin Ahmed*

Co-operative is such an economic as well as social institution where people of the certain groups come forward to think together and work together voluntarily for the promotion of their socio-economic development on a democratic way. Everybody renders their services to achieve their goal of common interest on mutual cooperation and understanding.

Co-operatives also play a vital role for the promotion of all types of development of the human beings. Brotherhood, honesty, sincerity, dedication, hard labor, mutual co-operation, sympathy for others are the basic tolls of the co-operators.

It is the fundamental strategy of co-operative movement to increase Shares, Savings, Investment, Employment, Production and income through agriculture and other income generating activities.

Throughout the whole world co-operative is an accepted sustainable development concept. There is no other alternatives of sustainable development, poverty reduction and ensure the food security of the common people of the country

Background of the movement:

In 1904 the co-operative movement was formally introduced in our country by the British during their reign of Indian subcontinent under the

Co-operative Credit Society Act-1904. The farmers were suffering a lot due to multifarious problems. To solve the problems of farmers created by lack of loan facilities, exploitation of moneylenders and distressed condition of farmers caused by backdated farming system. But this Credit Act did not provide any provision for formation of non-agricultural co-operative societies or Central Co-operative Bank or federation as a coordinator of co-operative activities. In place of Act-1904, The Co-operative Societies Act-1912 was enacted by the then British Govt. The Primary, Central and Provincial Co-operative societies were formed and started functioning in the area of Weavers, Fishermen, Milk producers, Sugarcane growers,

Consumers' co-operative and small industries side by side with the Agricultural credit societies as well.

In the year 1919 co-operative was transformed as a provincial affair. As a result different provincial governments constituted co-operative act and rule according to their demand differently. In Bengal, Bengal Co-operative Societies Act 1940 and Co-operative Rules 1942 were proclaimed. Afterward, during the Second World War (1939-43) and famine (1943) of Bengal most of the co-operative activities become inactive due to the vulnerability of whole of the nation's population. In 1947, during the partition, in Bangladesh (the then East Pakistan) there were 32,418 numbers of co-operative societies. But most of them were inactive.

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From 1947 to 1970 of 24 years, in Bangladesh (the then East Pakistan) village - based co-operatives with unlimited responsibilities were rashly liquidated over night. As a result of liquidation process, the total number of co-operative societies was reduced from 32,418 to 5,589 in 1960. During the period some large co-operative enterprises such as provincial Co-operative Bank, Co-operative jute mill, National Industrial Society, National Fishermen Society, Sugarcane Growers Federation, Transport co-operatives and National Co-operative Union etc were established

Movement after Independence:

Soon after the independence co-operative was declared in the Constitution of Bangladesh (1972) as a separate and second sector economy on the basis of ownership of property. The framers of the constitution of the country gave utmost importance in the co-operative movement for which co-operative ownership has been recognized in article 13(b) of the constitution of Bangladesh.

The Co-operative Societies Ordinance 1984 and the co-operative Societies Rules 1987 were passed in Bangladesh after the amendment of the Bengal Co-operative Act- 1940 and the Bengal Co-operative Rule-1942 in order to enable to the Co-operative Societies to hasten the over-all socio-economic development of the poor people with discipline and capabilities. In fact, government has directly, indirectly encouraged the ownership since independence. In 1984, the co-operative ordinance promulgated was to make production oriented units to enable them to function properly. In 2001 there were also basic changes in the co-operative society act, amended in 2002 and further modifications have done in 2013

Some other good initiatives taken by the Government for the betterment of Co-operative Movement in Bangladesh such as;

- A. Co-operative Society Registration Policy-2008
- B. National Co-operative Award Policy-2011
- C. National Co-operative Policy-2012

Current State of movement

According to the present Co-operative Rules 29 types of Co-operative Societies are working in Bangladesh. There are near about 1, 86,199 co-operative societies are working in Bangladesh under the supervision of Department of Co-operatives. Among them 22 are National society, 1113 are central society and 185064 primary societies. Unfortunately many of the Co-operatives are dormant, inactive and suffering form weak and improper management practice. Therefore, the main task is to make the societies self sustaining instead of increasing their number. Number of dormant societies is a burden for DoC. In this regard to take a necessary action is a demand of time.

Co-operative societies as economic units could not emerge in Bangladesh lack of managerial skill, political interference, lack of democratic practice & leadership, lack of respect to the principles of ICA & co-operative values.

Beside this sometimes some support from the Government for the Co-op movement were not rightly used. For example in 1996, the Government allocated 100(one hundred) core taka for Fishermen Co-op societies to compensate their loss during devastating cyclone in 1992 who lost their fishing boats. There were allegations about the transparency and proper use of the allocation.

Women participation in co-operative sector is not up to the mark, at present, 27,520 women co-operatives with 8, 74,512 individual members. (15%co-operatives are women co-operatives) and Total women members are about 17, 12,117 (18% of the total members). It is not gender-responsive situation. It is also a failure of the movement in Bangladesh, because ignoring about half of the total population success is about to impossible. It should be brought under consideration of the authority for positive change in this arena

Field of some Success:

In spite of many failures there are some successes in the field of Dairy, Poultry, Fishery and Agriculture.

Bangladesh Milk Producers' Co-operative Union Ltd (BMPCUL). Popularly known by its trade name "Milk Vita" is a success story of co-operative sector in Bangladesh. There are 2068 Primary Milk Producers' co-operative Societies working in village level. The number of individual member is about 160000 farmers, who supply raw material (milk) to the BMPCUL. BMPCUL has made a significant role on the national economy, especially in the milk production sector

Co-operatives played a vital rule in Green-Revolution by adopting Camilla model. Co-operative movement also plays an important role for the expected growth of poultry and fishery sector.

Self-initiated Co-operatives have played an important role both in rural and urban areas in the field of socio-economic activities like small trading, marketing, transportation, savings and credit, housing and many other service delivery.

Co-operative Credit Union League of Bangladesh (CCULB) is a successful micro-credit model in extending credit to the poor members at a reasonable rate of interest and management sharing. In most cases these are their own fund created from their own savings.

Ash rayon a priority project of our honorable prime minister also smoothly run by the co-operative system.

Water Management Co-operative societies (WMCS) for rural irrigation and water management. Main objectives of this class of society are to ensure surface water management in sustainable way for increasing agriculture production. This is also a success of co-operative movement in Bangladesh

In Bangladesh co-operatives societies made working capital -BOT. 7798 corer and asset of BDT- 6948 corer. Co-operatives societies created 4,50,000 (Persons) employment for the un employed people. In Bangladesh

co-operative societies GDP contribution is 1.8% (BIDS - 2008)

Future Plan:

- Co-operative as priority sector in all five years plan;
 - Co-operative movement friendly law and rule;
 - Establishment of a financial institution for effective support to Co-operative credit;
 - Need for strengthening Producers', Consumers' and Marketing Co-operatives;
 - Capacity building for improving the service quality of co-operatives and increase role in social sector development;
 - Rationalization of Registration and reducing the number of Co-operatives, mainly inactive societies;
- Good Governance in the Department of Co-operatives;

Conclusion:

Having some sort of unsuccessful in Bangladesh, co-operatives can make expected improvement of the socio-economic condition of the country. Because the whole world recognize that "Co-operative is a sustainable development concept" .There is no alternative. Hundred years of survival undoubtedly proves its acceptability and applicability in Bangladesh. Continued government support is vital. Government should have clear and visible commitment to promote the co-operative movement. A co-operatives Friendly law plays an important role to create a congenial environment for co-operative movement. It also needs strong, dedicated and visionary leadership, professionalism in management. Concern of the Co-operatives should practice co-operatives values and follow the principles of ICA.

DoC officials should have a commitment to play a role of catalyst with dedication and patriotism. A collective effort of these actors can hopefully help us to reach our expected goals ..

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Co-operative Societies: Our Expectations

Khondker Humayun Kobir*

Co-operative is a group of people acting together to meet the common needs and aspirations of its members, sharing ownership and making decisions democratically. In this definition we can find some phrases like: a group of people, acting together, to meet the common needs and aspirations of its members, sharing ownership and making decisions democratically etc. Here, I want to elaborate shortly the phrases. A group of people: When there is a Co-operative, a group of people is a must. This group may be of a small or large scale. Acting together: In Co-operatives, any kind of action will be done combinedly. There is no scope to the single initiative here. To meet the common needs and aspirations of its members: When needs and aspirations of the members are same, they can meet together otherwise it is impossible to meet commonly. Making decisions democratically: A Co-operative is a democratic institution. Every decision of this institution will be decided democratically. Any other theory must be inactive here. Basically a Co-operative society is an association of persons, formed on team basis of equality for the promotion of members interest and managed by the members themselves.

Co-operatives in Bangladesh:

After the Independence, Government of Bangladesh adopted Principles of ownership under the Article 13 of the Constitution where Co-operative ownership had been prioritized. In fact, government has directly or indirectly encouraged the ownership since independence. In 1984, the co-operative ordinance was promulgated to make production oriented units to enable them to function properly. In 2001 there were also basic changes in the co-operative societies act, amended in 2002 and further modifications were done in 2013.

The Role of DoC and Present Situation of Co-operatives:

The department of Co-operatives (DoC) working as the regulatory body of the government, is mainly responsible for turning the Co-operative Movement into success. Though the success story of this sector is very little, there is a great significant of this sector. The development of the livelihood of Garo people, milk production through co-operatives, Comprehensive Village Development Program, Milk vita are the mentionable success of this sector.

The department built 1,94,662 societies including 22 national and 1,128 central societies across the country. With all these societies 9.3 million individual members covering almost 38 million people, who are more than one fifth of the total population of the country has come under the coverage network of the co-operatives.

Actually most of the Co-operatives in Bangladesh are dormant, ineffective and suffering from weak and improper management practice. In our country Co-

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operative sector lags far behind. The main task is, therefore, to make the societies self-sustaining instead of increasing their members participation.

Threats in promotion of Co-operatives:

I believe, every deed goods bad may be any under threats. No good work can be done without threats. Threats may come from inside or outside. In co-operatives in Bangladesh the main threats are:

1. The intrusion of non-co-operators and political touts in the co-operative societies that are encouraged by the party in power to use them as vote Bank.
2. Government has no visible commitment to support the co-operatives.
3. Co-operative banking, Co-operative insurance and other co-operative interventions are not encouraged due to absence of transparency and accountability.
4. Lack of leadership problems.
5. Lack of democratic practice.
6. Lack of equal participation.
7. Lack of respect to the principles of ICA & co-operative values.
8. Lack of patronization of the Govt servants.
9. Disputes & conflict management.

If we are able to face these kinds of threats, we will be succeeded in co-operative sector undoubting.

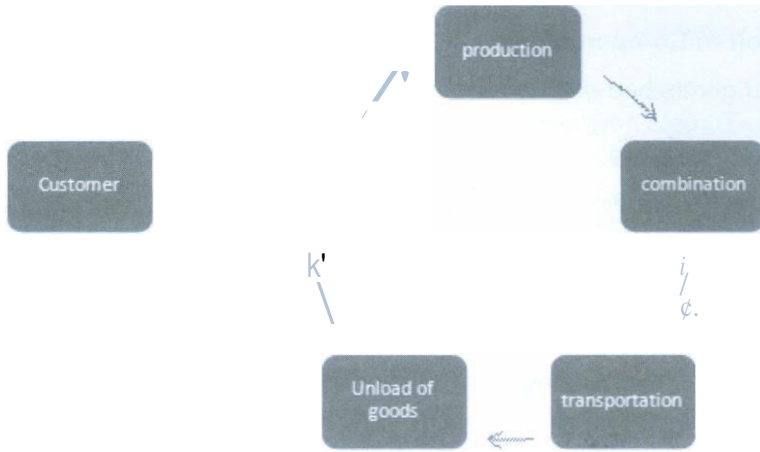
Our vision or Co-operatives that we expect:

Co-operatives in Bangladesh may improve the socio economic condition by developing the "coop brand" shops on any Co-operative for retailing. Co-op is the short form of co-operative (globally recognized). I strongly believe, if we can create co-op brand stores and business enterprises, we can enhance our Co-operative movement with novelty.

Time has been changed. In this hour, traditional society that is engaged only in loan functioning is antiquated. This time we need demand based Co-operative policy, new dimensional Co-operative society, generative Co-operators and dynamic Co-operative officers.

Public private entrepreneurship can be added with this sector. In this aspect, Co-operative society should be production and marketing oriented.

Every society must produce some goods. They will sale it directly to the customer. No middleman can interfere in this process.



In the free market economy, if a society want to survive, it will be production oriented with a brand. The society that owns a special brand can survive the competition. This type of society will be called the new dimensional society.

Recommendations:

I would like to state that the co-operative movement will be a success when we can establish production oriented society and can be confirmed their market. We will establish a good relation and understanding between the official of DoC and the co-operators.

DoC officials should act as advisors instead of being supervisor in order to develop the co-operative societies. It is necessary to train professional promoters for co-operative development, to have co-operative advisors and co-operative auditors in all particular areas.

Finally I strongly believe if DoC officials and Co-operators work hand in hand, we will succeed with our co-operative movement and will be able to reach our goal.

Co-operative Movement In Bangladesh: 10 "NOs" Can Make a Change

Mohammad Harun Ar Rashid*

Co-operative Movement in Bangladesh has crossed 100 years. It is a mile stone in one consideration- no doubt. But in respect to the achievement of both developed as well as developing countries in this field, we lag far behind. Let us have some examples.

Job creation

- In France, 21,000 co-operatives provide over 1 million jobs representing 3.5% of the active working population.
- In Kenya, 63% of the population derive their livelihoods from co-operatives. Approximately 250,000 Kenyans are employed or gain most of their income from co-operatives
- In Colombia, the co-operative movement provides 137,888 jobs through direct employment and an additional 559,118 jobs as worker-owners in workers co-operatives - providing 3.65% of all jobs in the country.
- In the United States, 30,000 co-operatives provide more than 2 million jobs.
- In Bangladesh, 1,86,000 co-operatives provide 4,33,085 jobs.

Economic factors in national economies

- In Denmark, consumer co-operatives in 2007 held 36.4% of consumer retail market.
- In Japan, the agricultural co-operatives report outputs of USD 90 billion with 91 % of all Japanese farmers in membership. In 2007 consumer co-operatives reported a total turnover of USD 34.048 billion with 5.9% of the food market share.
- In Mauritius, in the agricultural sector, co-operators play an important role in the production of sugar, vegetable, fruit and flower, milk, meat and fish. Nearly 50% of sugar-cane planters are grouped in co-operatives.
- In Cote d'ivoire, co-operatives invested USD 26 million into setting up schools, building rural roads and establishing maternal clinics in 2002.
- In New Zealand, 3% of the gross domestic product (GDP) is generated by co-operative enterprise. Co-operatives are responsible for 95% of the dairy market and 95% of the export dairy market.
- In Uruguay, co-operatives are responsible for 3% of the GDP. They produce 90% of the total milk production, 340% of honey and 30% of wheat. 60% of co-operative production is exported to over 40 countries around the world.
- In Bangladesh, total investment of co-operatives is USD 0.23 billion.

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Members of co-operatives

- In Canada, four of every ten Canadians are members of at least one co-operative. In Quebec, approximately 70% of the population are co-op members, while in Saskatchewan 56% are members.
- In Malaysia, 6.78 million people or 27% of the total population are members of co-operatives.
- In Norway out of a population of 4.8 million people, 2 million are members of co-operatives.
- In Paraguay, 783,000 people or 18% of the population are members of 1,047 co-operatives. These have a direct impact on the livelihoods of over 6 million people. In Spain, in 2008 15% of the population or 6.7 million people are members of a co-operative.
- In Bangladesh total individual members of co-operatives are 9,349,557 that are 5.84% of the total population.

So, the difference is clear. We are very far from the success line of the world scenario of co-operative movement. But why have we not reached our goal? One major cause undoubtedly would be the poor, unethical and unskilled management of the co-operative societies. It is quite clear that without an apt boatman no boat can reach the shore. The management of co-operative societies in Bangladesh, in most cases, run the co-operatives for their own gain ignoring the interest of the common members. In many cases, it becomes the family business of certain members of the managing committee of co-operative societies. They tend to run the co-operatives as a tool to amass huge money tempting the commoners of savings schemes of stunning benefit. When they got their target money, they vanish in the air leaving behind the saga of sufferings to the common savings holders. So to solve the problem, an ethically and intelligently sound management is essential which would run the co-operatives for its over all interest; not for the interest of the Chairman or Secretary or any certain office bearer. To do this, some restrictions and limitations need to be introduced in the co-operative system. In simple words, there should be some "NOs".

1. NO Second Member From One Household

Recent facts and figures show that co-operatives those are run by family management i.e. most of the members of the managing committee are members of the same family like father, mother, sister, brother and so, soon become pocket co-operatives of that certain family and when their target is fulfilled they run away with the money of general members of the society. So there should be restriction such as :only one member from each family can be member of the managing committee.

2. NO Managing Committee Member Without More Shares

A managing committee member is a leader. So she must have some role quality to be followed by others. Present Co-operative law permits up to *1/5th* of the total share for a single member. But practically there is very few cases where a single member owns that highest limit of shares. The present co-operative societies in our country nurture the practice of having deposits per member many times than

shares. As a result, whenever, for any kind of mistrust or getting any news of misappropriation, general members rush to withdraw their savings, the management of co-operative societies failing to meet up the huge withdrawal demand, ran away keeping their co-operative offices shut. To avoid this catastrophe, provision should be there that a managing committee member must have at least ten times of the amount of the lowest share holder of a particular co-operative society (up to 1/5th of the total approved share capital of the co-operative society). By this provision the capital base of co-operative societies would be stronger and general members would tend to have focus on buying more shares than having deposits.

3. No Co-operative Without A Renewal.

In present system, a one time registration is enough for a co-operative society. As a result, when a co-operative society gets sick for many reasons, in course of time, it becomes a burden for the department of co-operatives as well as it reflects a bad impact on the co-operative movement. So if it becomes mandatory for every co-operative to get a renewal of its registration every two years; automatically weak and unsustainable co-operatives would drop out.

4. No Unlimited Members

Nowadays it is widely noticed, a co-operative gets registration with 20 to 50 members, but within a short span of time of 2 to 3 months, the number of members rise to 600 to 1000. This happens actually for the greediness of the unscrupulous management of that co-operative society. They lure the simple and guileless people with unusually high benefit on their deposits (say TK.1500/- per month for a deposit of TK.10000/-). These general members do not get the access to the original business of that society nor they have any voting or decision making right. They are only used as the money making tools of some members of the managing committee. So, when the money making target is met, they go hiding, keeping the society shut. Therefore, to make an end to this practice, total approved members also should be fixed during registration in the bye-law of the co-operative society like total paid-up share capital. If a co-operative society wants to increase its members it must amend the bye-law and get it registered.

5. No Registration Without "Deposit Security Fund"

According to Section 26 Kha of The co-operative societies Act 2001 (amended in 2002 and 2013) there would be an "Aamanat Surakhya Tohobil (Deposit Security Fund)". This provision should immediately be applied so that no co-operative could get registration without a Deposit Security Fund. Every co-operative society must deposit a certain percentage of their paid up share capital and deposit to the "Aamanat Surakhya Tahobil" maintained by Registrar and Director General of the Co-operative Department and this fund would increase with the increase of working capital of the society.

6. No Purchase Or Sale Of Permanent Assets Without Permission Of The Registrar

Some corrupt managing committee members used to buy permanent assets like land or farm with the deposit of the general members showing price much higher

than original market price only to embezzle the money. To stop this practice, there must be provision that they get the registrar's permission before making any such purchase or sale.

7. No Fixed Deposit For More Than One Year

Management of many co-operatives take fixed deposit for long period of time (even for 5 years) alluring the general members of unusual high benefit. When, in need, the depositors, want to withdraw money, they do dilly-dally and pass time without giving the money back. Another problem is the tenure of the managing committee. A managing committee works for three years time, once the managing committee changes, the next managing committee do not want to take any responsibility of the previous deposits. So there should be no fixed deposit for more than one year time.

8. No Managing Committee Member Without A Training

Knowledge of Co-operative Act and Rules as well as Co-operative Management is necessary for proper management of a co-operative society. During registration, the first managing committee is nominated by the Registrar. Its tenure is two years. After that period, the election of managing committee is held. There should be a provision that a candidate for the managing committee election must have co-operative management training; so that *s/he* can run the management of the society properly.

9. No Audit Without Performance Evaluation Of The Managing Committee

The responsibility of the managing committee is to fulfill the yearly achievement target set by the AGM of a co-operative society. So the performance of the managing committee should be properly evaluated and written in the audit report.

10. No Election Without Serving Guaranteed Election Notice To Every Voter

Every share-holder of a co-operative society has voting right. But many a time it is complained that election to the managing committee is held under conspiracy leaving behind the most of the general members in dark. Though Co-operative Societies Rules 2004 has a provision in rule 30(1) that before managing committee election the draft voter list must reach every member of the society, it is not observed properly. So to ensure this, provision must be added that every member of the society must get draft voter list through guaranteed mail.

To conclude it is to be said that a co-operative is such an organization or enterprise which is of the members, for the members and by the members. The management of a co-operative society must be democratically elected and they would run the co-operative on democratic norms and values. The Co-operative Societies Act and Rules are also enacted with this end in view. Even then, some unethical and unscrupulous managing committee members try to violate the law and rules in many ways to materialize their personal gains. So it is high time the law and rules had applied strongly to check the wrong doers appropriately. In this article some additional measures are proposed which may tighten the grip of law in the field.

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