

CO-OPERATIVE MOVEMENT STATEMENT

Indian Co-operative Movement is celebrating the 44th All India Co-operative Week Celebrations from 14th Nov., to 20th Nov., 1997. On this auspicious celebrations, Co-operative Movement reviews its programmes and policies in promotion of its aims and goals.

'Co-operative Movement Statements' issued by the Sahakara Samkshema Samithi for the discussions of the Policies and goals of the co-operatives in this week celebrations.

WHAT CO-OPERATIVES ENVISAGE

Co-operation means " the system of people, voluntarily associated, working together on terms of equality to eliminate their economic exploitation by middlemen in respect of any economic need common to them; simultaneously themselves, eschewing the economic exploitation of others."

International Co-operative Alliance ( I.C.A., ) stated that Co-operative system is "Organised in the interest of the whole community and is based upon mutual self-help" and the co-operative movement seeks to substitute this system for the profit making regime.

Its principal action is that it eliminates exploitation and its essence is that it is democratically controlled by its members only.

The most important aim of the co-operative movement is the promotion of the social and economic rights of the people. Its Economic purpose is the elimination of exploitation. Its social purpose is to make people self-reliant and initiators of policy. Its political purpose is the training of men and women in the processes of democracy. Its essence is democracy whilst its spirit is "each for all and all for each".

The Co-operative Movement seeks to establish economic democracy "Without which political democracy will not be meaningful."

WHAT IS CO-OPERATIVE?

The International Co-operative Alliance has defined in 1995 as "A Co-operative is 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".

INDIAN CONSTITUTION

Directive principles of our Indian Constitution emphasises on securing social order based on equity and equalities through decentralisation of economic and political authority. Co-operative Movement is the only effective system in forming such society as enshrined in our Constitution.

Accordingly, co-operatives got a due role in the Five Year Plans along with Public and Private Sectors for the Socio-economic development of the Nation. It is continued upto 7th Five Year Plans, but 8th Five Year Plan has not incorporated the co-operative chapter, which was implemented in the wake of New Economic Policies.

#### RURAL INDIAN ECONOMY:

40% of Indian population is below the poverty line. 75% of population lives in the rural areas. They consists small and marginal farmers, rural artisans and landless labourers. 99.5% of villages and 67% of rural house-holds are covered by the co-operative services. Thus, the co-operative activities became the activity of the rural India.

Only 60% of agriculture credit is being met by the co-operatives, this constitute 38.2% of borrower to a total members in Agricultural Societies. Still, 61.80% of members are left unserved by the Co-operatives. In the agricultural credit system primary agricultural co-operative societies plays a key-role, but only 20% of the total PACS are potentially viable. There is no proper linkage of credit with marketing.

#### NEW ECONOMIC POLICIES:

The New Economic Policies is inducing the centralisation of capital and economic authority in a few hands of the Industry and Trade. Since, India became the part of the Global Economy, multi-national Companies are over-powering the Indian Industrialists, due to which some of the Industries and small traders are closing down their businesses.

The Multi-National Companies and Big Financial Groups are trying to enter in rural Indian Economic field, by establishing Private Local Area Banks and Agri-based processing Companies. This will badly effects the Dist. Co-operative Central Bank and Regional Rural Banks. The centralisation of Economic authority in agrarian sector leads to inequalities that will rise to a social contradictions.

Co-operative sector can play a key role in over-coming the present stagnation in Industry and trade if the Co-operative Banks are provided with credit out-flow liberally. This will raise the purchasing power of the small and marginal farmers in turn raise in Demand, in this liberalised economy.

The co-operatives has to be assisted financially as was done to commercial banks. The Co-operatives have to be entered in new fields such as Joint farming to protect the Small and Marginal farmers and get the benefits of large scale investment and production. And also organising self-employed co-operatives at Mandal and Taluk level, which will enter in the Construction and the services field.

#### PROTECT THE CO-OPERATIVE MOVEMENT:

Protection and development of the Co-operative Movement cannot be done by changing laws. Co-operative Movement is peoples Movement. By organising Movements which will enlighten the co-operative spirit, through which only we can get desired enactments.

MISLEADING CONCEPT:

Some are expressing a limited role to the co-operatives by defining them as a special kind of business enterprises represents to members only and not the vehicles of Government Welfare Schemes and Policies. This is a conceptual departure from co-operative ideals. This concept split the Movement and give rise to the Chit Fund nature Institutions to come in. The split in other words, distortion of the vast co-operative rural network, which leads to the loss of economical freedom of the rural masses. Popular Governments aims and co-operative aims are identical, they have to move hand-in-hand in providing economic democracy to the people. Government has to believe the people. It cannot interfere in the affairs of the co-operatives. Government bound to assist the co-operatives because this is the only system of the people for securing social order based on equity and equality through decentralisation of economic and political authority as enshrined in our Constitution.

The Co-operative leaders, Co-operative employees and members have to change their attitudes to the changed circumstances, co-operative professionalism, and human resources, have to be developed.

A P P E A L:

Impress upon the all Political leaders with the ideals of co-operatives, which are identical with our enshrined Constitution and persue them, to pronounce their support to the co-operative sectors. Organise meetings, processions, to enlighten the co-operative spirit among members and the people.

DEMANDS OF THE CO-OPERATIVE MOVEMENT:

1. Co-operative chapter must be incorporated in the 9th Five Year Plan document.
2. Multi-state Co-operative Act must be enacted in line with the Brahman Prakash Committee Report.
3. Co-operative Sector must be recognised as the protective measure for the people from the exploitative nature of the market-economy.
4. District Co-operative Banks must be financially helped by the State and Central Government to strengthen their share base.

IN THE SERVICE OF THE  
CO-OPERATIVE MOVEMENT,

*S. Bharanidharan*

(SAMBARAPU BHOOMAIHAH)  
Secretary.  
Sahakara Samkshema Samithi.