

Co-operatives and Trade UnionsSOME ASPECTS AND ISSUES\*

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In analysing the various aspects and issues of trade union/Co-operative relations it seems, indeed, necessary first to recall that the origin of both may be traced to common people's effort to relieve the pressure which the "industrial revolution" was making increasingly unbearable. Early forms of trade unions originated in Western Europe and in the United States in the beginning of the 19th century as associations of workers using the same skill. Progressing from trade to trade within the same city or area, the associations followed industrial development beyond the local areas and developed into national unions of the same trade. These, in turn, formed national union federations.

About the same time the Co-operative Movement took form mainly in three basic types of Co-operative associations - the consumers' Co-operative, the artisans' and small farmers' credit Co-operative and the workers' production Co-operative - in Great Britain, Germany and France. The mixture of associative ideology, organised action and spontaneous trade unionism is clearly seen in the story of the Equitable Pioneers of Rochdale, a large number of whom were Owenists or influenced by Owen's ideas. Some of the more prominent Rochdale pioneers had even taken part in strikes and in the Chartist Movement. To them the concept of Co-operative service

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stems from the realisation that the strength of organisation brings the greatest possible benefits to members. This approach coincides entirely with the basic strategy of the trade union Movement.

Both Movements were thus engendered by the same necessity and a similar effort of defence and emancipation. They fundamentally sought to further and protect the underprivileged masses and offered the only form of protection open to the lower income groups. Both have progressed far in the past hundred years in the industrialised countries and have long since demonstrated their ability to influence society in its economic, social and cultural life, even though the formation phase of the trade unions was considerably more difficult and often marked with bitter and bloody struggles. In a number of industrialised countries they have closely associated in efforts to improve the lot of what was often the same membership.

#### Drifting Apart of the Movements

Over the years, however, important changes have taken place. The value of the "Co-operative approach" was increasingly recognised by sectors of the population which have had little to do with trade unions, in particular agricultural producers. These large groups of similar interest found increased security and practical opportunities through the Co-operative form of organisation. Gradually, this sector of Co-operative activity became divorced from the other workers' groups which inspired its origin. Trade unions, while generally retaining some forms of social servicing for their members, have also gradually disassociated themselves from the national and indeed the international Co-operative Movements. The close links which once existed between the two Movements have weakened to a great extent. However, exceptions

to this overall trend are seen in certain countries, as for example, the Federal Republic of Germany, the Scandinavian countries and Israel, where joint action developed, sometimes taking the form of massive investment in Co-operative activities. In Denmark, for example, trade unions/Co-operative links developed into the establishment in 1936 of the Economic Council of the Labour Movement for the purpose of representing both Movements in national socio-economic matters before the Government, the Parliament, the central Administration and other national institutions. From the very beginning the Danish trade unions promoted many of the workers' Co-operatives as shareholders or in other capacities. However, some failures which occurred resulted in losses for the trade unions. In 1953 the Workers' Co-operative Financing Fund was created as a means to secure sound investments from the trade unions in Co-operatives.

#### Evolution in Developing Countries

The situation evolved differently in the developing countries. Indeed, it varied greatly from region to region and country to country. But on the whole, the concentration of trade union activities has been largely limited to industrial workers and employees in the urban sector, and to a lesser extent to plantations' workers in the countryside. Accordingly, their impact was reduced to a very small minority within the total working force. Side by side with this development, problems of indebtedness, usury, economic exploitation and other factors which impeded the improvement of the workers' condition and income distribution among the rural population - and which had to be faced prior to industrialisation - called for urgent corrective action in the rural areas. It generally took the form of Co-operative organisation often promoted and supported by governments.

Thus, in developing countries, the trade union and Co-operative Movements developed in entirely different directions with practically no links between them, the unions predominantly catering for the needs of wage earners in key sectors of the "modern" areas of national economy whereas the Co-operative concentrated in rural areas and combined the general functions of administrative supervised development structures designed to channel various services to the large masses of the self-employed peasants and non-wage rural workers. In some countries close co-operation developed in due course between the unions and the national liberation Movements, the unions using action at the industrial relations level as a weapon against the colonial power. Political leaders were often union leaders or closely associated with them. The unions, however, were rarely given the opportunity to develop new forms of organisation and action. Being more aggressive, they were often suppressed by governments in the name of social peace while the Co-operative Movement was fostered by legislation and outright subsidies.

#### Common Aspects and Features

Though both Movements pursue broad identical aims, that is the improvement of the material, cultural and social status of their members, what distinguishes one Movement from the other is the particular aspect of the broad objective it endeavours to achieve and the particular method it employs. A chart is attached summarising similarities and differences.

To put it in a rather schematic way, the primary purpose of the trade union is the improvement of the wages and working conditions of its members, including obtaining social benefits from employers and from the State. Trade-unionism very clearly implies the notion of professional relations, protection of wage-earners against employers, security of employment, and by so

doing putting an end to wrongs which were generated by the market economy. Its activity rests on the premises of a latent permanent conflict between the employers and the workers, hence the militant nature of a trade union organisation. The trade union is also often politically-oriented and draws mainly on urban and industrial concentrations of wage or salary-earners. To achieve its purpose, the trade union has recourse to collective bargaining, representation, political and social pressure and, in the last resort, to strikes.

For the Co-operative institution, the primary objective is not to set right the situation created by the market economy, but rather to obviate the negative effects of this situation for its members or to get them out of it when it arises, and to protect and free them from the social domination or economic exploitation of those who hold the keys to the toll-gates. The Co-operative is more of an economic rather than a politically-oriented Movement and in developing countries it has, in the course of time, become more closely associated with the rural areas. To achieve its end, the Co-operative association combines the functions of owner, entrepreneur, producer, consumer, employer and worker and sets up and runs an economic undertaking. Both components of the Co-operative organisation - the association and the undertaking - are governed by a set of rules based on principles of equality and equity.

There are, however, features common to both organisations, particularly in the voluntary character and in the emphasis given by both Movements to membership education. In both cases, members have the basic right to form, join or withdraw from their organisation, hence the importance attached to membership

education and persuasion as against coercion and intimidation. The trade union as well as the Co-operative have also adopted the concept of the permanence of the training and education effort on behalf of their members and both serve as the training ground for the development of initiative, responsibility and democratic operation. This is probably an oversimplification of complex issues but it does put in broad terms the respective approach to the common end of both organisations and the essential features which distinguish the two Movements.

### Widening the Scope of Trade Union Action

It is certainly true that the historical circumstances of the development of trade unions are such that they were largely limited to a defensive and protective role of workers in society. However, as they grew in strength, particularly in certain industrialised countries, trade unions adopted a service-oriented approach to many other problems which workers encounter in their daily lives, and began to express social and economic attitudes that were beyond their original function and political role. They became increasingly concerned with the situation of their members not merely as producers but as consumers as well. Their interest in various aspects of life of their members, their families and the working community as a whole was not only expressed by pressure on employers for higher wages and better working conditions, or on the State for better social security measures, but also by direct economic means, some of which were long since practised by Co-operatives. Somehow, the traditional image of unions as wage-claiming organisations changed. In Germany, for instance, "union Co-operatives" for servicing members began in 1920 in the form of housing Co-operatives, construction workers' Co-operatives and deep sea fishing Co-operatives. But they did not survive the totalitarian regime and the

war. A trial was made again by the German trade unions in 1945. The German union-Co-operatives are interesting for two main reasons: first, because they were created in response to very special needs such as the housing shortage of the post war period and, at least partly, the food shortage. Secondly, because they illustrate different types of union-Co-operative activity, housing Co-operatives owned by trade union affiliated enterprises which construct and rent buildings to the public authorities, and deep sea fishing enterprises run by the unions in conjunction with the Federation of Co-operatives and the public authorities of the port cities. In Israel, as a result of factors conditioned by time, economic, political and geographical circumstances, by far the largest number of Co-operatives are creations of organised labour. The great majority of the Co-operatives are affiliated with the General Federation of Labour (Histadrut) and subject to the statutes of Hevrat Ovdim (General Co-operative Association). This latter started as a confederation of Co-operatives and gradually evolved into the national Apex organisation embracing all the Histadrut-sponsored economic enterprises, both Co-operative and non-Co-operative. Co-operatives and trade unions constitute in fact organic parts of the Histadrut. Over the years they have provided a most powerful concentration of financial, ideological and human resources which enrich the social influence and economic and political capacity of the labour Movement in the country.

### Situation in Developing Countries

Union Co-operatives do not exist on a large scale in developing countries. Compared to the long established Movements in industrialised economies, the trade union and Co-operative Movements in these countries are still very much in their youth. However, there is an increasing trend for trade unions to start

Co-operatives for their members predominantly in urban areas. Because of the precarious economic situation, excess of cheap labour and the migratory character of workers in many areas, unions are not always able to further and defend the interests of their members by the traditional methods of negotiation and representation. The low social and economic status of their members puts these organisations in a particularly weak bargaining position. Often government intervention severely curtails their bargaining functions. In their initial and difficult economic development phase, many developing countries deem it necessary to guide politically, or control closely the organised economic and social forces, including trade unions; Co-operatives, incidentally, are also subject to such guidance and control.

Thus, to be effective the role of the trade union in developing countries has to be a flexible one, based on rapidly changing circumstances. In the majority of countries trade unions have little choice but to devote their efforts to a variety of development activities, especially those designed to improve the economic and social well being of the rural workers, without necessarily abandoning their traditional functions.

This policy was strongly advocated by the International Confederation of Free Trade Unions/Asian Regional Organization Round Table on "Trade Unions in Asia Today" which was held in 1971 in Seoul. The meeting recommended that major emphasis be given "to co-operative development within and as part of trade union service over a wide range including credit union formation and the promotion of producer and consumer co-operatives on behalf of membership". The meeting further stated that rural workers' organisations, in attempting to embrace both employed and self-employed workers, should combine the functions of

"industrial unions, rural co-operatives and service organisations". This tendency is also reflected in national policies, as for instance in Kenya where a government White Paper states: "The Government will assist trade unions to become involved in economic activities such as co-operatives, housing schemes, training schemes, etc."

### Importance of Joint Action

The importance of developing working relationships and joint action between trade unions and Co-operatives is being increasingly recognised. The purely monetary gain obtained by trade unions through their bargaining powers will not necessarily improve the workers' economic and social conditions unless it increases their effective purchasing power and they can be taught the wise use of their additional financial gains. In the larger context of the trade union Movement it has been pointed out that combining trade unions with the Co-operative Movement may go a long way towards reinforcing both Movements and remedying deficiencies. Conversely Co-operative development could profit from the discipline and cohesiveness of the trade union structures.

There is widespread recognition by the Co-operative Movements of the world that joint action with the trade unions is important and necessary. This is even more essential in developing countries where trade union and Co-operative organisations together may bring about a greater synthesis of action for the benefit of both urban and rural workers. In view of the magnitude of the economic and social problems prevailing in these countries, both Movements need the added strength of mutual support provided by complementary relationships and similarity of purpose. In 1966, ILO Recommendation No. 127 on the Role of Co-operatives in the

economic and social development of developing countries advocated that "workers' organisations and craftsmen's associations should be encouraged and helped in the implementation of plans for the promotion of co-operatives". The 31 participants representing 12 Asian countries to the Asian Regional Seminar on Trade Unions and Co-operatives organised by the ILO in collaboration with the Danish International Development Agency (DANIDA) in Singapore (1970) unanimously agreed that the common objectives of the two Movements could be better met through common effort supported by the collective strength of the two Movements.

Mention should also be made of the resolution passed by the 25th Congress of International Co-operative Alliance in October 1972 recommending: "all co-operative organisations and leading authorities of the ICA to manifest the spirit of collaboration and mutual help with trade union organisations and their central authorities; to widen and consolidate friendly and business relations with them on national, regional and international levels; and to use all ways and means to create an atmosphere of mutual trust between co-operative and trade union movements".

#### Possible Fields of Collaboration

Various forms of collaboration are possible between the two Movements, and concrete measures are needed to bring about co-ordination of efforts in achieving their common goal. Both organisations have a special role to play in promoting savings among the workers. Examples of successful savings and insurance campaigns conducted in some developed countries demonstrate the scope existing for trade union programmes to educate members to put their savings in special deposits and Co-operative insurance schemes of various types. There have been many successful instances where urban

thrift and credit Co-operative societies were organised by trade unions. Collaboration between trade unions and Co-operatives can have a relatively modest beginning with a programme of consumers' Co-operative development in both urban and rural areas where workers are concentrated. Trade unions can also share in the financing of popular Co-operative housing schemes, or provide the necessary guarantees for the loans given to their members by Co-operatives. The adoption of check-off systems in respect of trade unions and consumer Co-operatives by the deduction at source (i.e., at the level of the employers) represents another frequently used possibility of collaboration.

On their part, Co-operatives can effectively support trade unions in various cases, e.g., in time of recession, private enterprises have been converted into producers' Co-operatives to safeguard employment, or through consumers' Co-operatives which actually promote the interests of workers as consumers. Co-operatives may also represent an effective way of extending the horizon of trade unions to include new types of members. This has particular relevance to non-wage or part-time wage earners in the rural areas of developing countries characterised by the unemployment or under-employment of the large majority of the population. The organisation of farmers and labourers into rural workers' organisations including Co-operatives could be an effective way of reaching these workers, while constituting a first step towards their finding a place in the national labour Movement.

The trade unions and Co-operatives can also act as strong pressure groups to influence governments to enact progressive legislation which will protect the interests of workers in both urban and rural areas. Social security legislation, industrial relations codes, land reform and the removal of restrictive provisions of existing legislation offer themselves as some major

areas where combined efforts will prove fruitful. In developing countries there is considerable scope for joint action. The ILO/DANIDA Asian seminar referred to above put forward a number of specific suggestions on the possible fields of trade union/Co-operative collaboration, including education, welfare, credit, consumer, housing, insurance and others that may prove relevant to the particular countries.

### Union-sponsored Co-operatives in Developing Countries

Indeed, examples of trade union activities extended to the rural workers within the framework of Co-operative organisations are found in developing countries. In Venezuela, for instance, where the Federacion Campesino de Venezuela (FVC) which is an important affiliate to the Confederacion de Trabajadores de Venezuela has set up a number of producer and consumer Co-operatives throughout the countryside and supplies various agricultural machinery and equipment to its members at very favourable terms. Similarly, the National Agrarian Federation in Colombia engages in a wide range of Co-operative activities, including the establishment of producer and consumer Co-operatives and credit unions. In Malaysia, the National Union of Plantation Workers has established a National Multi-purpose Co-operative Society to purchase and manage rubber estates in the interest of the workers, the earnings of which provide the basis for the establishment of service Co-operatives throughout the countryside. In Singapore, the National Trade Union Congress (NTUC) has embarked upon a number of Co-operative ventures with the ultimate aim of creating a workers' Co-operative Commonwealth in the Republic. The NTUC Co-operative Insurance Commonwealth Enterprise (INCOME), the NTUC Workers' Transport Co-operative (COMFORT), DENTICARE which provides dental treatment at an economical cost and the Consumers' Association of Singapore (CASE) which is endeavouring to provide customers with

good quality products while at the same time keeping down the prices of consumers' goods and services, are the fundamental pillars of trade union/Co-operative collaboration. A further example of successful combined trade union/Co-operative action in Asia is the setting up by the Free Farmers' Federation in the Philippines of the Free Farmers' Co-operative which has established a fertiliser Co-operative and deals with the supply of irrigation pumps and small hand cultivators to members.

In Africa, although activities of this nature have been slower in developing, there are some examples of consumer Co-operatives established by rural workers' organisations, such as the one set up by the Kenya Plantation and Agricultural Workers' Union, and the one managed by the Cameroon Development Corporation Workers' Union for the supply of basic foodstuff to members.

#### Obstacles and Constraints

There are, however, a number of difficulties of a practical and sometimes of a legal nature in establishing joint action between trade unions and Co-operatives. The main issues and problems can be listed as follows:-

- (a) the interests of the workers and general consumers may sometimes be divergent, which may affect the economic functioning of Co-operatives. This is more relevant to producers' Co-operatives which, as enterprises managed by the workers themselves, appear on the market as "sellers" of their produce. In this process the workers' interests may conflict with those of the consumers;
- (b) the problem of industrial relations may assume special significance in Co-operative industrial

undertakings with a large body of wage earners. As a rule, workers and employees of such Co-operatives are organised in trade unions and through them conduct negotiations on matters of wages and working conditions. Conflicts of opinion during such discussions are not unnatural;

- (c) legislation and/or government regulations and practices may prevent the utilisation of trade union funds in Co-operative undertakings, including the placing of union funds in the form of shares or deposits in Co-operative banks, and vice-versa. Similarly, trade union affiliation to a Co-operative may be practically excluded by national Co-operative legislation restricting membership of primary societies to individuals only. Another example occurs when a trade union intends to organise a consumer Co-operative for its members but the national law requires that the Co-operative be open to everyone;
- (d) the rather frequently observed close connections between trade unions and political parties, it will be recalled, has been the subject of difficult debates in a number of ICA congresses and committee meetings. While generally agreeing on developing close relations with the trade union Movement which could facilitate united action on purely economic matters of common interest, the Co-operative Movement has been reluctant to place joint action on a permanent footing in its Constitution, in keeping with the principle of independence vis-à-vis State and political parties, and private organisations.

Additional constraints are found in developing countries, which make practical collaboration difficult. For example, the fact that each Movement is often supervised by a different government authority; the fragmentation of each Movement into sectoral units

without a central national organisation; the absence of trained leadership and lack of managerial skills. Special mention should also be made of the attitude of mistrust each Movement often seems to adopt towards the other; on the part of the trade unions because of the government support to and control over Co-operatives, and on the part of the Co-operatives because of the prevailing feeling among Co-operative leaders that trade unions are mainly militant vehicles of a self-centred sectionalism, somehow divorced from the vital economic, social and political issues confronting the large majority of the labour force in the rural areas.

### Possible Solutions

A number of practical measures designed to overcome the problems of trade union/Co-operative joint action have been taken in various industrialised countries; their nature and extent vary depending on the political, social and economic conditions of each country. Various regional seminars and meetings organised in developing countries have examined the areas where clash of interests may come in the way of collaboration between the two Movements and recommended possible solutions for the tackling of these problems in developing countries. Here also the solutions proposed have to be considered in the light of the particular context of each country. It seems, however, possible to summarize the various measures and suggestions under the three following headings:-

#### (a) Measures at the Level of the Organisations:

- The smooth working of both trade unions and Co-operatives and collaboration between them primarily depend on enlightened leadership and well informed membership. It is therefore of first importance to develop joint action in the field of training and education of the

members of both organisations. Special lectures and discussion meetings should be provided for, reflecting the viewpoints, aims and characteristics of each organisation and the benefits which may derive from close collaboration. There is also an urgent need for a better utilisation of existing educational facilities, whether those associated with either Movement or those belonging to government. There can also be joint action, where possible, in the preparation and dissemination of publications, literature and audio-visual aids of special interest to the workers, or providing information on each other's activities. In developing countries, education activities should extend to literacy campaigns and broadly based social education. Joint committees may be constituted for manning and co-ordinating such activities.

- The periodical congresses and annual meetings held by the trade unions or the Co-operatives can profitably discuss their mutual problems and formulate joint action programmes. Joint seminars will also be useful.
- Special committees or departments should be organised at various levels to review constantly the implementation of common programmes. Such forums could also be utilised to resolve conflicts, if any, between the two organisations. In 1968 an agreement on industrial democracy was signed between the Danish T.U.C. and the Central Union of Urban Co-operatives by which joint committees were formed in the greater Co-operatives for consultation and, in certain matters even with decisive authority. The ILO/DANIDA seminar in Singapore on trade unions and Co-operatives, mentioned above, came out with strong recommendations to set up joint trade union/Co-operative

councils for the purpose of formulating policy and priorities in respect of trade union/Co-operative collaboration, the conduct of feasibility studies, consultation and joint programmes, and the promotion of educational programmes. It also recommended the establishment of central funds financed by shares, deposits and loans from Co-operatives and unions, and joint action to achieve legislative change - where desirable - to allow effective collaboration. In order to ensure closer ties between existing Co-operatives and trade unions, the Constitution of the Singapore NTUC was amended to allow Co-operatives to join the Movement as associate members.

- The problem of industrial relations in Co-operative industrial enterprises has been tackled in Denmark, Sweden and some other developed countries by having special rules and establishing a machinery for conciliation and arbitration of disputes. The "rules for the arrangement of the working conditions in Co-operatives" set up in Denmark in 1942 include: (i) a declaration of principle in which it is stated, on the one hand, that the trade unions fully recognise and support the Co-operatives as a means to the improvement of the workers' standard of living, and on the other hand, that the Co-operative Movement promises to offer wages and working conditions at the same level as in the best private firms in the same trade; (ii) rules for the negotiation on collective agreements with a view to preventing any legal strike or lockout to take place in a workers' Co-operative; and (iii) rules for the settling of conflicts of rights, that is, conflicts on the basis of existing agreements. In Norway liaison committees for similar purposes have been set up in the large consumers' Co-operatives affiliated to the N.K.L.

In Sweden the K.F. and the Swedish Confederation of Trade Unions (L.O.) have reached, already since 1926, a general agreement on joint issues. Similar arrangements could be worked out in the developing countries.

- National trade union centres and Co-operatives might consider the creation of a central fund for promoting Co-operatives, of a nature to be determined by the central bodies concerned.
- Steps should be taken to promote the understanding of the general public of the contribution which can be made by trade union/Co-operative collaboration to the increase and better distribution of national income; the increase of productive and remunerative employment opportunities, and the improvement of the general conditions of work and life, particularly in the rural areas of developing countries. These may include mass information and education campaigns, radio, television and cinema programmes; periodical articles in the local and national Press; the organisation of meetings, seminars, etc.

(b) Measures at Government Level:

- All restrictive features of legislation and statutory rules affecting the self-regulatory character of the two Movements should be carefully reviewed. Co-operatives and trade unions should function as autonomous bodies and government, while extending support to these organisations, should not interfere in their day-to-day working in an undue manner.
- Particularly in the developing countries, it would be useful if some form of consultative

machinery could be set up by the ministries and the departments dealing with matters relating to trade unions and Co-operatives with a view to co-ordinate, at governmental level, programmes relating to the promotion of Co-operatives among the workers and joint action with trade unions.

- Steps should be taken to promote programmes designed to impart to the leaders and members of trade unions and Co-operative organisations, knowledge of national laws and regulations and international standards on questions of direct concern to the activity of these organisations, including the right of association, the country's economic and social development programmes, role of women and young workers, etc.

(c) Measures at the International Level

- Co-ordination of efforts and activities should be strengthened within and between all international organisations interested in furthering the development of Co-operatives and trade unions. Organisations such as the ICA, Trade Unions Internationals and other non-governmental international organisations, as well as United Nations' agencies such as ILO, UNIDO, FAO, etc. should develop ways and means for providing larger support for projects in the field of Co-operative and trade union collaboration, including research and technical co-operation programmes.
- More particularly, with regard to developing countries action should be taken to obtain the removal of all constraints in the way of establishing organisations of rural and urban workers, to encourage trade unions to broaden their base by enrolling rural workers within the trade union

Movement, to obtain the full implementation of international instruments directed to promote the establishment of institutional means for the organisation of both rural and urban workers.

### Conclusions with Particular Reference to Developing Countries

The references in the preceding pages to trade union/Co-operative joint action in certain developing countries should not give the false impression that union Co-operatives are widely established in these countries. The opposite is true. In most of the developing countries rural workers are unorganised and for the last decade discussions have been going on at national and international levels on how to organise them. In the particular context of the rural regions where landless workers and marginal farmers are unemployed or underemployed such workers have little or no bargaining power. The wage-earners must accept the wages paid by their employers and the poorest self-employed have little contact with the money economy. Indeed, very few rural workers and their families enjoy any social security protection beyond that which they derive from their immediate family or their local community, except perhaps for workers on some larger plantations. So far, labour legislation when covering rural areas is often unenforced or unenforceable because of the absence of proper and effective enforcement machinery. In fact, no such enforcement is possible without having an organisation representing these workers.

On the other hand, Co-operatives in the emerging countries have so far concentrated in the agricultural sector and on producer groups owning land whilst the majority of landless and marginal farmers seems to have been neglected. While recognising that Co-operatives cannot solve by themselves national social problems of

the "rural poor", this situation has given rise to much criticism on the Co-operative Movement. Consideration has been given to the possibility of creating some institutional pattern for organising the landless workers and marginal farmers. It has been suggested that such an institution might take the form of a Co-operative which would also perform the functions of a trade union. It should be recalled, however, that Co-operatives are institutions working within an existing system and have only the resources of their own membership. But once governments have taken the genuine political decision to change the economic and social conditions of the rural poor and made resources available for this purpose, then Co-operatives can be a useful means for effectively reaching these groups. In countries with a strong commitment to social reforms there are national projects implemented which help to develop a Co-operative (or similar institutional) structure as agent of social change amongst the rural workers. In the other countries, however, whilst the idea of an association becoming sufficiently self-reliant to look after itself is generally welcomed, the idea of its becoming sufficiently independent to exert pressure for change on the authorities and public agencies is generally treated with utmost reserve. Not surprisingly, there is still a long way to go from international and national policy statements on basic needs of the rural poor to the acceptance of such ideas by governments and effective implementation at the national level.

A number of ILO international instruments have been adopted since 1921 to protect and further the interests of workers in general and rural workers in particular, such as the Right of Association (Agriculture) Convention No. 11 of 1921, the Freedom of Association and Protection of the Right to Organise Convention of 1948 (No. 87), the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), the Recommendation concerning the Role of Co-operatives in the

Economic and Social Development of Developing Countries, No. 127 of 1966, and most recently the Rural Workers' Organisations Convention No. 141 and Recommendation No. 149 of 1975. On the other hand, various attempts have been - and are being - made with varying degree of success to achieve greater social justice in rural areas, within the framework of rural development programmes technically and financially assisted by international as well as bilateral and other organisations and agencies. However, really to improve the economic and social status of the workers, particularly those of the large sections of society which are unable, of their own, to make any significant economic progress, there must be a national policy concretely expressed in national Plans and Programmes of economic and social development together with the transfer of adequate resources and investments. Even then, however, the process has not come to an end because neither formal government policy nor the financial measures for its implementation may prove sufficient by themselves. What is still needed is the translation into action of the decided measures so as to effectively reach the grass root level and involve and benefit the large workers' groups. In this extremely huge and complex venture, trade unions and Co-operatives have a very difficult task in generating group action and self help among the large masses of workers at all levels of development. By co-ordinating their means and efforts, and through the linking of their activities to government action programmes for development, they can effectively contribute to improve the economic and social status of their members, and of the rural community at large.

Some Major Similarities and Differences  
between  
TRADE UNIONS and CO-OPERATIVES  
(Appendix to "Some Aspects and Issues")

1. SIMILARITIES

Protection and promotion of members' economic and social interests  
Voluntary adherence and resignation  
Democratic management and control  
Membership education and training

2. DIFFERENCES

Trade Unions	Co-operatives
<u>Mutual Aid and Education Funds</u>	<u>Special voluntary funds including Education Funds</u>
<u>Contingency Thrift Funds</u>	Various possibilities of savings and <u>capital formation</u>
Members' fees generally on a <u>periodical</u> basis	Members' <u>shares</u> and <u>eventual</u> admission fees
Success depending on: <ul style="list-style-type: none"> <li>. membership training and education</li> <li>. <u>numerical strength</u></li> <li>. <u>militancy</u></li> <li>. membership discipline and <u>loyalty</u></li> </ul>	Success depending on: <ul style="list-style-type: none"> <li>. membership training and education</li> <li>. quality and continuity of the <u>economic action</u></li> <li>. <u>management ability</u></li> <li>. membership <u>participation</u></li> </ul>
Action based on the <u>antagonism</u> of employers-workers	Action based on the <u>suppression of social antagonism</u> and the <u>setting up of self-owned economic enterprises</u>
<u>Defensive and Protective approach</u>	<u>Direct economic management and responsibility</u>
Usually <u>large dimension</u> of membership	Usually <u>limited dimension</u> of membership