

Principles and objectives of co-operation, co-operative movement in fisheries in India

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Objectives of cooperatives

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- To generate economic objectives among members through provision of credit , farm supplies, marketing etc.,
- To mobilize funds and savings among members.
- To provide consumer goods to members at reasonable rates.
- To provide services to members according to their needs, such as housing, transport, insurance etc.
- To promote self-help, self-reliance among people.
- To educate and train members and the public in democracy, economic and social development.

Principles of cooperatives

- International Co-operative Alliance (ICA) Reformulated Principles in 1995:
- ICA as its centennial congress held in September 1995 reformulated the principles seven which is followed by ICA today, the **first four set out the working methods of the Co-operatives**, next two state what is essential for continued progress of the movement and **last one legitimizes its existence in broader social context**.
- • 1st principle: Voluntary and Open Membership,
- • 2nd principle: Democratic Member Control,
- • 3rd principle: Member Economic Participation,
- • 4th principle: Autonomy and Independence,
- • 5th principle: Education, Training and Information,
- • 6th principle: Cooperation among Cooperatives,
- • 7th principle: Concern for the Community.

Democratic Member Control

- The principle stresses that members ultimately control their cooperatives. It also emphasizes that they do so in a democratic manner. It also affirms the right of members to be actively involved in setting policies and making key decisions.
- This principle also reminds that elected representatives belong to members and all elected officials are accountable throughout their mandate, for their actions to the membership.
- The primary cooperatives are governed on the basis of **one-member one-vote**, irrespective of number of shares held by the members. This feature of cooperatives distinguishes itself from other forms of business organizations.

Members' Economic Participation

- Members contribute equitably to and democratically control the capital of their co-operative.
- At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership.
- Members allocate surpluses for any or all of the following purposes; developing their co-operative, possibly by setting up reserves part of which at least would be invisible; benefiting members in preparation to that transactions with the co-operatives; and supporting other activities approved by the membership.

Autonomy and Independence

- This is a new principle and in a way underscores a part of the definition of cooperatives explained earlier.
- The principle has been included to clearly emphasize the distinctive character of cooperatives vis-à-vis the government. In referring to other organizations the principle acknowledges the fact that cooperatives are entering in to joint projects with private sector firms.
- The principle stresses, however, how important it is that cooperatives retain their freedom ultimately to control their own destiny whenever they enter such agreements.

Cooperative Education, Training and Information

- This is an old principle; it underscores cooperative movement's long-standing and distinguished commitment to educating the members as well as general public about cooperative movement.
- It means engaging the minds of the members, elected leaders, managers and employees to comprehend fully the complexity and richness of cooperative thought and action.
- Training means making sure that all those who are associated with the cooperatives have the skills they require in order to carry out their responsibilities effectively.
- The principle also stresses that cooperatives have the responsibility to inform young people and opinion leaders about the nature and benefits of cooperation.

Co-operation among Co-operatives

- This is also an old principle. If cooperatives are to achieve their full potential, they can do so only through practical and rigorous collaboration among cooperatives at various levels.
- Cooperatives around the world must recognize more frequently the possibilities of more joint ventures. They must enter in to them in a practical manner, carefully protecting the interest of members.
- Cooperatives must also recognize, even more than the past, the necessity of strengthening their support organizations and activities.
- One good example of cooperation among cooperatives is the doing business with cooperatives of higher level. That is, cooperative societies can have accounts with higher cooperative banks for their transactions.

Concern for Community

- This is also a new principle. The principle emphasizes that cooperatives have a special responsibility to ensure the development of their communities-economically, socially and culturally.
- They have a responsibility to work steadily for the environmental protection of those communities.

Need for co-operation

- The need for cooperation arise for more than one reason, these may be economic, social or educational. The benefits one derives from cooperation explain why people like to work together.
- The general benefits have been told by David Morse, the former Director General of International Labour Organization (I.L.O.) thus:
- *“Cooperatives have helped rationalize distribution patterns, increase purchasing power, promote consumer protections, and narrow the housing gap. They have contributed to the modernization of small scale production in agriculture, fisheries, handicrafts and industry. They have made improved quality and greater volume of production and have led to more efficient marketing of increased output. They have stimulated productive capital formulation among large number of individuals. In a wider sense, cooperative growth has thus become an effective stimulant to economic growth.”*

Benefits

- **Economic benefits:**

The cooperatives try to secure for their members various types of services at low costs. According to Casselman these benefits may be enumerated thus:

- The substitution of profit incentive in business by that of services to humanity or production for consumption;
- A more equitable distribution of wealth
- The break up of monopolistic tendencies and trusts which operate at the expense of the consumer
- The increase in the purchasing power and real wages of an individual by giving him more and better goods for his money.

- Reduction in cost of distribution system by elimination of unnecessary middlemen, elimination of fraudulent practices, eradication of such practices as misleading advertisement and high pressure salesmanship, removal of useless duplication of services.
- The rejection of accounting inaccuracies by encouraging frankness in business
- The more accurate correlation of demand and supply as a result of the greater certainty and regularity of the consumer market.
- Stabilization of employment which will result from the regularity of demand and the absence of speculation
- The fair treatment of all labour and general improvement in employer-employee relationship .

Weakness of the cooperative movement

- It has been observed that cooperation in India has not been a living, dynamic force contributing to the moral, intellectual and economic improvement of the rural masses. It has not become with the cultivators a “way of life”, but has remained a Government agency from which they can obtain cheap credit.
- The very slow progress of cooperative societies for purpose other than credit(e.g., societies for consolidation of holdings, joint cultivation of land, for purchase and sale of products) proves that the real message of cooperation(i.e, “ self help and mutual association of common economic good”) has not been grasped by the cultivators.

Evolution of co-operative movement in India

- The cooperative movement saw the light of the day in **1844 in England**.
- In India, the idea of cooperative movement was first conceived by the then **Madras Government in 1892**.
- **Sir Frederick** was appointed to find ways and means for the constitution of **agricultural banks in the state**.
- In 1945, the **Saroya Committee** and in 1954 **Gorawala Committee** suggested changes for improvement in the cooperative system for the welfare of the farmers.